

## साधारण सभामा मतदान गर्न आफ्नो प्रतिनिधि (प्रोक्सी) नियुक्त गर्ने निवेदन

श्री संचालक समिति  
कर्णाली डेभलपमेन्ट बैंक लि.  
केन्द्रीय कार्यालय  
नेपालगंज, बाँके ।

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

जिल्ला ..... न.पा./गा.वि.स. वडा नं. .... टोल बस्ने म/हामी  
ले त्यस बैंकका शेयर वालाको हैसियतले मिति २०७७ फागुन  
२९ गते शुक्रबारका दिन हुने बैंकको वार्षिक साधारणसभामा स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा  
भाग लिन तथा मतदान गर्नको लागि ..... जिल्ला ..... न.पा./गा.वि.स.  
वडा नं. .... टोल बस्ने त्यस बैंकका शेयरवाला  
श्री ..... शेयरधनी परिचय नं. .... प्रमाण-  
पत्र नं. .... लाई मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौ ।

निवेदक,

दस्तखत: .....  
नाम: .....  
ठेगाना: .....  
शेयरधनी परिचय नं. .... प्रमाण-पत्र नं.: .....  
कित्ता नं. .... देखि ..... सम्म  
मिति: .....

द्रष्टव्य: यो निवेदन साधारणसभा हुनु भन्दा कमिमा ४८ घण्टा ।

## कर्णाली डेभलपमेन्ट बैंक लि.

**१५ औं र १६ औं वार्षिक साधारण सभामा उपस्थितिका लागि जारी गरिएको**

### प्रवेश-पत्र

शेयरधनीको नाम: ..... शेयर प्रमाण-पत्र नं.: ..... परिचय नं.: ..... शेयर  
धनीको सही: ..... शेयर संख्या: ..... मिति २०७७ फागुन २९ शुक्रबारका दिन कर्णाली  
डेभलपमेन्ट बैंक लि.को हुने पन्ध्र औं र सोह्र औं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र ।

द्रष्टव्य : शेयरधनी आफैले खाली ठाउँहरु भर्नुहोला । सभाकक्षमा प्रवेश गर्न यो पत्र प्रस्तुत गर्नु अनिवार्य छ ।

कम्पनी सचिव



कर्णाली डेभलपमेन्ट बैंक लि.  
Karnali Development Bank Ltd.  
समृद्धिको आधार

## CONTAINS

1. AGM Notice	5
2. Information about AGM	6
3. Chairman's Statement	7
4. Auditor's Report	14
5. Balance Sheet	17
6. Statement of Profit or Loss	19
7. Statement of Comprehensive Income	20
8. Statement of Cash Flows	21
9. Statement of Changes In Equity	23
10. Statement of Distributable Profit or Loss	25
11. Notes Forming Part of Financial Statements	27-90
12. Letter of Nepal Rastra Bank	91



**कर्णाली डेभलपमेन्ट बैंक लि.**  
**Karnali Development Bank Ltd.**  
समृद्धिको आधार

## १५औं तथा १६औं वार्षिक साधारण सभा सम्बन्धी सूचना

### शेयरधनी महानुभावहरु,

यस बैंकको मिति २०७७ साल माघ २६ गते सोमबारका दिन बसेको संचालक समितिको बैठकको निर्णय अनुसार यस बैंकको १५औं तथा १६औं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा निम्न विषयहरुमा छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरु उपस्थित भई दिन हुन जानकारीका लागि यो सूचना प्रकाशित गरिएको छ ।

### सभा हुने मिति, समय र स्थान :

मिति : २०७७ फाल्गुण २१ गते शुक्रबार ।

समय : बिहान १०:०० बजे ।

स्थान : मेरो प्लानेट, नेपालगंज ।

### छलफल तथा निर्णयका विषयहरु :

#### (क) सामान्य प्रस्ताव :

१. संचालक समितिको तर्फबाट अध्यक्षज्यूद्वारा प्रस्तुत आ.व. २०७४/०७५ र आ.व. २०७५/०७६ को वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
२. आ.व. २०७५/०७६ को लागि लेखापरिक्षण गर्न संचालक समितिको निर्णयानुसार कम्पनी रजिष्ट्रार कार्यालयको सहमतिमा नियुक्त हुनु भएको बाह्य लेखापरिक्षकको नियुक्ती र पारिश्रमिकलाई अनुमोदन गर्ने ।
३. आ.व. २०७४/०७५ र २०७५/०७६ को नाफा-नोक्सान, वासलात तथा नगद प्रवाह विवरण सम्बन्धी अनुसुचि उपर छलफल गरी पारित गर्ने ।
४. आ.व. २०७६/०७७ को लागि लेखापरिक्षण कार्यको लागि संचालक समितिको निर्णयानुसार नियुक्ती हुनु भएको बाह्य लेखापरिक्षकको नियुक्ती र पारिश्रमिक अनुमोदन गर्ने ।
५. बैंकको नियमावलीको नियम ११ बमोजिम यस बैंकको ख सर्वसाधारण समूहबाट २ जना संचालकहरुको चयन गर्ने ।
६. विविध ।

#### (ख) विशेष प्रस्ताव :

१. बैंकको प्रबन्धपत्र नियम २ को उपनियम २ बमोजिम यस बैंकको कार्यक्षेत्र विस्तार गर्नका लागि प्रबन्धपत्र तथा नियम/वलीमा आवश्यक संशोधन गर्ने ।
२. बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा २८ मा भएको व्यवस्था बमोजिम संचालकले बैठकमा उपस्थित भए वापत पाउने बैठक भत्ता, दैनिक भ्रमण भत्ता वृद्धि तथा परिवहन खर्चको व्यवस्था गर्न ने.रा. बैंकको पुर्व स्विकृति लिई नियमावलीको नियम ३१ उपनियम १ ख र नियम ३१ उपनियम १ ग मा आवश्यक संशोधन गर्ने ।
३. संशोधित प्रबन्धपत्र तथा नियमावलीमा नेपाल राष्ट्र बैंक लगायतका नियमनकारी निकायबाट आवश्यक हेरफेर गर्नुपर्ने निर्देशन भएमा सो बमोजिम गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने ।
४. विविध ।

संचालक समितिको आज्ञाले,  
कम्पनी सचिव

## साधारणसभा सम्बन्धी सामान्य जानकारी:

- साधारण सभा प्रयोजनको लागि मिति २०७७ साल फागुन ५ गते देखि २०७७ साल फागुन २९ गतेसम्म शेयर दाखिल खारेजको काम बन्द रहनेछ। नेपाल स्टक एक्सचेन्ज लिमिटेडमा मिति २०७७ फागुन ४ गतेसम्म कारोबार भै ७ कार्य दिन भित्र यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड, दरबारमार्ग, काठमाडौंमा प्राप्त शेयर नामसारी भएको लिखतको आधारमा शेयरधनी दर्ता किताबमा नाम कायम रहेको शेयरधनीले सो सभामा भाग लिन पाउनेछन्।
- साधारणसभामा भाग लिनका लागि प्रवेशपत्र वा शेयर प्रमाणपत्रको सक्कलप्रति साथमा लिई आउनुहुन सबै शेयरधनी महानुभावहरूलाई सूचित गरिन्छ। कुनै कारणवस शेयरधनी महानुभावहरूले प्रवेशपत्र प्राप्त गर्न नसकेमा यस बैंकको रजिष्टर्ड (प्रधान) कार्यालय नेपालगंजमा साधारणसभा हुने मिति अगावै सम्पर्क राख्नु भई प्रवेश-पत्र प्राप्त गर्न सक्नुहुनेछ।
- साधारणसभामा भाग लिन प्रतिनिधि नियुक्त गर्न चाहनु हुने शेयरधनी महानुभावहरूले यस डेभलपमेन्ट बैंकको साविकका शेयरधनीलाई मात्र प्रतिनिधि नियुक्त गर्न सक्नुहुनेछ। प्रतिनिधिपत्र (प्रोक्सी) साधारणसभा शुरु हुनुभन्दा ४८ घण्टा अगावै बैंकको रजिष्टर्ड (प्रधान) कार्यालयमा दर्ता हुनुपर्नेछ।
- एकजना शेयरधनीले एकभन्दा बढी प्रतिनिधि नियुक्त गर्न सकिने छैन। एकजना भन्दा बढी प्रतिनिधि नियुक्त भएको देखिएमा सम्पूर्ण प्रोक्सी स्वतः बदर हुनेछ।
- शेयरधनीले प्रतिनिधि नियुक्त गरिसकेपछि प्रतिनिधि नियुक्तिपत्र (प्रोक्सी) बदर नगरी आफै साधारणसभामा उपस्थित भई हाजिर पुस्तिकामा दस्तखत गर्नु भएमा प्रतिनिधि नियुक्तिपत्र (प्रोक्सी) स्वतः बदर भएको मानिनेछ।
- बैंकको शेयर लगत किताबमा संरक्षकको रुपमा नाम उल्लेख भएको व्यक्ति मात्र नावालक वा विक्षिप्त शेयरधनीको तर्फबाट संरक्षकको हैसियतले सभामा भाग लिन सक्नेछन्।
- संयुक्त रुपमा शेयर लिने शेयरधनीहरूको हकमा शेयरधनीहरूको लगत किताबमा पहिलो नाम उल्लेख भएको व्यक्ति अथवा सर्वसम्मतीले प्रतिनिधि नियुक्त गरिएको एकजना व्यक्तिले मात्र सभामा भाग लिन गर्न पाउने छन्।
- शेयरधनी महानुभावहरू सभा स्थलमा आउँदा छाता, भोला वा अन्य कुनै बस्तु नलिई आउनु हुन र माक्सको अनिवार्य प्रयोगको लागि अनुरोध गरिन्छ। सभा अवधिभर सभा स्थलमा रहेको सुरक्षाकर्मीले आवश्यक देखेमा सुरक्षा जाँच गर्न सक्ने भएको हुँदा निजहरूलाई सहयोग गरिदिनुहुन अनुरोध गरिन्छ।
- शेयरधनी महानुभावहरूको सुविधाको लागि हाजिरी पुस्तिका सभास्थलमा साधारणसभा हुने दिन बिहान १०:०० बजेदेखि साधारणसभा समापन नहुन्जेलसम्म खुल्ला राखिनेछ।
- वासलात नाफा-नोक्सान हिसाब र नगद प्रवाह विवरण (अनुसूचि सहित) बैंकको प्रधान कार्यालय तथा काठमाडौं उपत्यकाका शेयरधनीहरूले बैंकको वित्तीय विवरण सहितको पुस्तिका यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड, दरबारमार्ग, काठमाडौंबाट प्राप्त गर्न सक्नु हुनेछ।
- अन्य विस्तृत जानकारीका लागि यस बैंकको रजिष्टर्ड (प्रधान) कार्यालयको फोन नं. ०८१-४१५०४०, ०८१-४१५०७४ मा सम्पर्क गर्न हुन अनुरोध गरिन्छ।
- साधारणसभाको दिन सभा शुरु हुनु भन्दा अगावै उपस्थित भई दिनु हुन शेयरधनी महानुभावहरूलाई हार्दिक अनुरोध गरिन्छ।

## संचालक समितिको तर्फबाट अध्यक्षज्यू द्वारा प्रस्तुत प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरु,

कर्णाली डेभलपमेन्ट लिमिटेडको अध्यक्ष म तथा मेरा सहकर्मी संचालक समितिका साथीहरुको तर्फबाट समेत शेयरधनीहरु लगायत अन्य आमन्त्रित महानुभावहरुलाई संस्थाको १५ औं र १६ औं वार्षिक साधारण सभामा हार्दिक स्वागत गर्दछु ।

यहाँहरुले यस संस्थालाई महत्वपूर्ण एवं रचनात्मक सुझाव दिई रहनु भएको विदितै छ र यसै अनुरूप यहाँहरुको रचनात्मक सुझावलाई मार्गदर्शनको रूपमा लिई यस संस्थालाई प्रगति पथ तर्फ लाने जिम्मा हामी संचालक समितिका सदस्यहरुलाई दिनु भएकोमा यहाँहरुको अपेक्षा अनुरूप काम गर्न हामीले भरमग्दुर प्रयास गरेका छौं । हामीले यहाँहरुको सद्भाव सुझाव र मार्ग निर्देशन अनुरूप आर्थिक वर्ष ०७५/०७६ मा सम्पन्न गरेका कारोबारहरुको समिक्षा गरी भावी कार्यक्रम तर्जुमा गर्न यहाँहरुले मार्गदर्शन गराउनुहुनेछ भन्ने कुरामा विश्वस्त हुँदै १५ औं र १६ औं वार्षिक प्रतिवेदनका साथ २०७७ पौष मसान्त सम्मको बासलात तथा नाफा नोक्सान हिसाब, नगद प्रवाह विवरण प्रस्तुत गर्ने अनुमति चाहन्छु ।

### (१) आर्थिक वर्ष २०७५/०७६ को कारोबार समिक्षा

शेयरधनी महानुभावहरु,

बैंकको प्रमुख वित्तिय विवरणहरु सभामा पेश गर्नु अघि म आर्थिक वर्ष ०७५/०७६ को समिक्षा अवधिको समिष्टगत अवस्थाको बारेमा संक्षिप्त विश्लेषण गर्ने अनुमति चाहन्छु ।

हाल देशको विकासको लागि बजेट निकासो र समयमै सो सदुपयोग खर्च हुन नसकेको ले बैंकमा र बजारमा तरलताको अभावले प्रत्यक्ष प्रभाव परेको साथै विभिन्न मुलुकमा परेको आर्थिक मन्दीका कारणले हाम्रो मुलुकमा समेत आर्थिक क्षेत्रमा प्रतिकूल प्रभाव परेको विदितै छ । विगत केही वर्ष देखी कायम रहेको अस्थिर राजनैतिक वातावरण र वैकिङ क्षेत्रमा देखा परेको प्रतिस्पर्धात्मक प्रतिकूलताहरुको बावजुद अधिल्लो आ.व.को तुलनामा समिक्षा अवधिमा निक्षेप ३५।९०% र कर्जा ७२।६४% ले वृद्धि भएको छ र बैंकले समिक्षा वर्षमा व्यवसाय विस्तार तथा लगानीका नयाँ क्षेत्र खोज्न अपरिहार्य भएकोले साधारण खर्च सकेसम्म कम गर्नेगरी यस आर्थिक वर्षमा व्यापार विस्तार तथा कारोबार वृद्धिका गर्न लागी परेका छौं ।

यस समिक्षा अवधिमा यस बैंकले हासिल गरेको देहाय बमोजिमको प्रगती विवरणलाई आदरणीय शेयरधनी सदस्यहरुले अवश्य पनि सकारात्मक रुपमा स्विकार गर्नुहुनेछ भन्ने हामीले अपेक्षा गरेका छौं ।

**तुलनात्मक रुपमा बैंकको कारोबारको विवरण :**

**NFRS प्रतिवेदनको आधारमा बैंकको कारोबार**

विवरण	आ.व.०७५/०७६	आ.व.०७४/०७५	वृद्धि रकम	वृद्धि %
चुक्ता पूँजी	५०२,८३०,०००	५०२,८३०,०००	०	०
साधारण जगेडा कोष	२७,३७७,५७१	२५,९३४,४६२	१,४४३,१०९	५।५६
निक्षेप तथा सापटी	३,३७२,७११,२७५	२,४८१,७६८,८१८	८९०,९४२,४५७	३५।९०
कर्जा तथा सापटी	२,११८,९९१,२७९	१,२२७,३९७,५१२	८९१,५९३,७६७	७२।६४
नगद तथा बैंक मौज्दात	१,६५९,५४३,८०३	१,६८३,०६४,३१६	(२३,५२०,५१३)	(१।४०)
कुल संचालन आम्दानी	११३,८०९,८५८	७२,९४०,३०६	४०,८६९,५५२	५६।०३
कुल संचालन खर्च	१०३,८५०,७९३	७८,७२४,४७३	२५,१२६,३२०	३१।९२
व्याज आम्दानी	३१५,३१६,४४२	२२०,१५२,२४०	९५,१६४,२०२	४३।२३
व्याज खर्च	२३२,१४५,४८४	१६३,९६९,९५८	६८,१७५,५२६	४१।५८
संचालन मुनाफा	९,९५९,०६५	(५,७८४,१६७)	१५,७४३,२३२	१५८।०८
खुद नाफा/नोक्सान	१२,१३३,४४४	(६,४४६,००७)	१८,५७९,४५१	१५३।१३

### (२) राष्ट्रीय तथा अन्तर्राष्ट्रीय परिस्थितिबाट कम्पनीको कारोबारमा परेको असर :

विश्वका कतिपय मुलुकमा आर्थिक कारोबारमा परेको प्रतिकूल असरका कारणले श्रृजित मन्दी तथा रोजगारीका अवसरहरुमा कटौतीका कारणले रेमिटान्स लगायत अन्य कारोबारमा परेको प्रभावले हाम्रो देशमा पनि वैकिङ तथा वित्तिय कारोबार असहज भएको यहाँहरु लाई अवगत नै छ । देशमा आएको महाभुकम्पले जनमानसमा भएको क्षति र राजनीतिक क्षेत्रले अर्थतन्त्र विकास र सुदृढीकरणमा ध्यान नदिदाँ समय अर्थतन्त्रका परिसूचकहरु कमजोर बन्दै गए । विद्यमान विविध असमञ्जस्यताका कारणले समग्र आर्थिक क्षेत्र आशानुरूप गति लिन

सकेको छैन, उद्योग व्यवसाय नियमित संचालन नहुनु, नयाँ व्यवसाय स्थापना नहुदाँ संचालनमा रहेका लाई पनि बाँच्न अष्टेरो परेको बेलामा मुलुकको अर्थतन्त्र मन्दीको चपेटामा परेको छ। मुलुकले बाह्य र आन्तरिक लगानीलाई विस्तारित रूपमा अगाडी बढाउन सकेको छैन। मुलुकमा सकारात्मक लगानीको बातावरण सिर्जना भई अर्थ व्यवस्था प्रगति र उन्नतिको दिशातर्फ अग्रसर हुने कुरामा भने हामी आशावादी छौं।

### (३) औद्योगिक तथा ब्यवसायिक सम्बन्ध :

यस बैंकले आफ्नो स्थापनाकाल देखि नै औद्योगिक तथा व्यवसायिक कारोबारको सिलसिलामा विभिन्न, व्यक्ति, वित्तीय संस्था, औद्योगिक एवं गैरसरकारी संघ संस्थाहरूसँग सम्बन्ध कायम राख्दै आइरहेको र आगामी दिनहरूमा पनि कायम राख्दै आफ्नो कारोबार वृद्धि एवं विस्तार गर्दै लैजाने नीति लिएको छ। आफ्ना ग्राहक एवं शुभ चिन्तक प्रति सदैव सुमधुर सम्बन्ध कायम राख्ने तर्फ व्यवस्थापन सधै प्रयत्नशील रहदै आएको छ।

### (४) संचालक समितिमा भएको हेरफेर :

मिति २०७५।११।०६ गते भएको बैंकको चौधौँ वार्षिक साधारण सभाबाट समूह क संस्थापक समूहबाट शेरधनीहरूको प्रतिनिधित्व गर्ने गरि श्री राजेन्द्र वीर राय, श्री युवराज अधिकारी तथा श्री डा. ओम प्रकाश मिश्र संचालक पदमा निर्वाचित हुनुभएको छ।

### (५) लेखा परिक्षण प्रतिवेदन सम्बन्धमा संचालक समितिको धारणा :

संचालक समितिबाट नियुक्त हुनु भएका बाह्य लेखा परिक्षक श्री केशव न्यौपाने ज्यूले समिक्षा अवधिमा लेखा परिक्षण कार्य सम्पन्न गर्नु भएको छ। लेखा परिक्षण पश्चात प्राप्त बैंकको प्रारम्भिक लेखा परिक्षण प्रतिवेदन माथि संचालक समितिको बैठकमा गहन छलफल भई सर्वसम्मतिबाट जवाफ पठाइयो। तत् पश्चात वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह विवरण र लेखा परिक्षकको प्रतिवेदन माथि छलफल भई सर्वसम्मत पारित गरियो।

बैंकको नियमित कार्य सम्पादनका क्रममा भएका सामान्य कमी कमजोरी बाहेक नेपाल राष्ट्र बैंकको नीति निर्देशन, कम्पनी रजिष्ट्रारको कार्यालय तथा नेपालको प्रचलित कानून विपरीत हुने गरी अन्य कुनै नकारात्मक कैफियत लेखा परीक्षण प्रतिवेदनमा देखिएको छैन। लेखा परीक्षकले दिएको सुझावहरूको कार्यान्वयनको लागि व्यवस्थापनलाई निर्देशन दिई सकिएको र सोही अनुरूप अधिकांश सुझावहरू कार्यान्वयनमा ल्याई सकेको व्यहोरा जानकारी गराउन चाहान्छु।

### (६) मानव संसाधन :

आफ्ना कर्मचारीहरूको योगदानको उच्च कदर गर्दै समय सुहाउदो प्रतिस्पर्धी वैकिङ्ग सेवा प्रदान गर्न कर्मचारीहरूको दक्षता एवं क्षमता अभिवृद्धिको लागि बैंकको आन्तरिक एवं विभिन्न निकायहरूबाट बेला बेलामा प्रदान गरिने तालिम, कार्यशाला, गोष्ठी आदिमा कर्मचारीहरूलाई सहभागी गराउँदै आएको छ। कर्मचारीहरूलाई उत्प्रेरणा दिने एवं मनोबल उच्च राख्न समय सापेक्ष पारिश्रमिक तथा सुविधा पुनरावलोकन गर्ने, कार्य सम्पादन मूल्यांकन एवं कार्य सम्पादनको आधारमा कर्मचारीहरूको बढुवा गर्ने परिपाटीको विकास गरिएको छ।

बैंकको उच्च व्यवस्थापन पक्ष र कर्मचारीहरू बीच सदा सुमधुर सम्बन्ध कायम राख्दै आएको छ। बैंकको सम्पूर्ण कर्मचारीहरू उच्च मनोबलका साथ बैंकको हित अभिवृद्धिमा दत्तचित्त, कर्तव्यनिष्ठ र अनुशासित भएर लागी परेका छन्। व्यवस्थापन पक्षले सम्पूर्ण कर्मचारीहरूबाट आवश्यक सहयोग प्राप्त गरिरहेको छ र भविष्यमा पनि निरन्तरता प्राप्त भै रहने छ भन्ने पूर्ण विश्वास गरेको छ।

### (७) पूँजी संरचना :

बैंकको पूँजी संरचना तपसिल बमोजिम रहेको छ।

पूँजी संरचनाको प्रकार	प्रतिशत (%)	वृत्ता पूँजी रकम	कैफियत
संस्थापक	५१ %	रु.२६९४३३०००।००	
सर्वसाधारण (कर्मचारी समेत)	४९ %	रु.२५८८६७०००।००	
जम्मा		रु. ५०,२८,३०,०००/-	

### (९) संचालक समिति सम्बन्धमा :

आर्थिक वर्ष ०७५/०७६ मा यस बैंकका २४ वटा संचालक समितिको बैठकहरू सम्पन्न भएका छन्। सो बैठकहरूबाट बैंकको समग्र संगठनात्मक नेतृत्वदायी भूमिका निर्वाह गरिनुका साथै बैंकको कार्यक्रम तथा बजेट स्वीकृति, व्याजदर परिवर्तन, शेर पूँजी, साधारण सभा, बैंकको दैनिक आइ पर्ने गम्भिर समस्याहरूको निदान, आर्थिक तथा कर्जा सम्बन्धी समस्या विषयमा अध्ययन र निर्णय पारित गर्ने लगायतका नीतिगत सवालहरूमा संचालक समितिले आफ्नो भूमिका सक्षमतापूर्वक निर्वाह गर्न सफल रहेको छ।

(१०) बैंकको आ.व. ०७७/७८ को पौष महिना सम्मको उपलब्धी तथा प्रगति :

(क) बैंकको संगठनात्मक अवस्था :

क्र.सं.	विवरण	०७७ पौष मसान्त सम्मको
१	चुक्ता पुँजी	५०२,८३०,०००।००
२	जगेडा कोष तथा कोषहरु	४७,७५७,८४९।००
३	निक्षेप तथा सापटी	४,२६६,६१४,३१२।००
४	कर्जा तथा सापटी	२,९७३,२०२,०५२।००
५	जमानत प्रदान	०
६	कुल संचालन आम्दानी	४५,९९०,९२९।००
७	कुल संचालन खर्च	२४,४७९,८९४।००
८	कुल नाफा/नोक्सान	१४,९०३,२०७।००

स्थापनाकाल देखि नै बैंकले यस क्षेत्रमा प्रदान गरेको वित्तिय कारोबार प्रति यस क्षेत्रका जन-समुदायबाट प्राप्त समर्थन विश्वासलाई मध्यनजर गरी सर्वसाधारण समेतलाई छिटो छरितो तथा विश्वासिलो सेवा प्रदान गर्न केन्द्रिय कार्यालय नेपालगंज लगायत दाँड, बाँके र बर्दिया जिल्लाका विभिन्न ठाउँहरूमा शाखा विस्तार गरिसकेको जानकारी यस सभामा गराउन चाहन्छु ।

(ख) कम्प्युटर सफ्टवेयर :

नेपाल राष्ट्र बैंकको निर्देशनमा उल्लेख भएका विवरणहरु निर्दिष्ट ढाँचामा पेश गर्न तथा प्रतिस्पर्धी बजारमा आफ्नो कारोबारलाई चुस्त राख्न अपरिहार्य भएकोले PUMORI IV नामको सफ्टवेयर केन्द्रिय कार्यालयमा लगायत अन्य शाखा कार्यालयहरु समेत संचालनमा सफ्टवेयर प्रणाली संचालन गरि यस आर्थिक वर्ष भित्र ५ वटा शाखा कार्यालयमा ATM जडान गरी जनसमुदायमा अत्याधुनिक बैंकिङ सेवा प्रदान गर्ने गरिएको छ ।

(ग) कर्मचारी तथा बैंक व्यवस्थापन :

समीक्षा अवधिमा केन्द्रीय कार्यालय लगायत सम्पूर्ण शाखा कार्यालयहरुमा प्रमुख कार्यकारी अधिकृत सहित १२८ जना कर्मचारी कार्यरत रहेको व्यहोरा जानकारी गराउन चाहन्छु । प्रतिस्पर्धी बजारमा ग्राहकलाई छिटो छरितो सेवा प्रदान गर्न कर्मचारीहरुलाई आवश्यकता अनुसार तालिमको पनि व्यवस्था गरी रहेको व्यहोरा अवगत गराउन चाहन्छु ।

(१२) बैंक तथा वित्तिय संस्थाको सेवा :

विदेशमा बसेका नेपालीहरुले आर्जन गरेको रकम यस बैंकबाट भुक्तानी गर्ने गरिएको छ । उक्त प्रयोजनका लागि Western Union Money Transfer, IME, Prabhu Remit, BOK, Himel, Everest, SDBL, Kumari, NIC Remit र City Remit जस्ता संस्थाहरुसँग सम्झौता गरी विप्रेषण (Remittance) सेवा प्रदान गरिरहेका छौं । साथै यस बैंकको सबै शाखा कार्यालयहरुबाट Fax Transfer को माध्यमबाट देश भित्र रकमान्तरको व्यवस्था गरी सेवा प्रदान गरिरहेका छौं ।

प्रतिस्पर्धी बजारमा ग्राहकलाई छिटो छरितो सेवा प्रदान गर्न Mobile Banking, fonepay तथा QR Merchant लगायतका आधुनिक बैंकिङ सेवाहरु संचालनमा ल्याइएको छ । यसले वचत तथा निक्षेपको अंश तथा व्यक्तिगत ग्राहकहरुको संख्या बढाउन सहयोग पुऱ्याएको छ । सबै शाखा कार्यालयहरुबाट निःशुल्क ABBS तथा ECC सुविधा उपलब्ध भईरहेको छ । साथै आगामी दिनमा IPS तथा Connect IPS सेवा समेत उपलब्ध गराउने व्यहोरा जानकारी गर्दछु ।

(१३) नेपाल राष्ट्र बैंकको निर्देशन र सुधार :

यस आर्थिक वर्षमा नेपाल राष्ट्र बैंक सुपरिवेक्षण तथा निरीक्षण विभागबाट प्राप्त भएका निर्देशन तथा सुझावहरुलाई बैंकको कार्य सुधार तथा भावी कार्यक्रम संचालनमा उपलब्धी मुलक मार्गदर्शनका रुपमा अंगिकार गरिनेछ ।

(१४) आन्तरिक नियन्त्रण व्यवस्था :

नेपाल राष्ट्र बैंकको निर्देशन बमोजिम बैंकको आन्तरिक नियन्त्रण प्रणालीको प्रभावकारी व्यवस्थापनका लागि बैंकले बैंकिङ कारोबारसँग सम्बन्धित आवश्यक विनियम, निति, निर्देशिका, योजना, कार्यविधि, Product Paper हरु तर्जुमा गरी कार्य गर्दै आएको छ । नेपाल राष्ट्र बैंकको स्थलगत एवम् गैर स्थलगत निरीक्षणका क्रममा दिएका निर्देशन एवम् सुझावहरु तथा आन्तरिक एवम् बाह्य लेखा परीक्षण प्रतिवेदनमा औल्याएका कैफियतहरुलाई आन्तरिक लेखापरीक्षण समितिको सिफारिस बमोजिम संचालक समितिले उच्च महत्वका साथ सूधार तथा कार्यान्वयन गर्न व्यवस्थापनलाई निर्देशन दिने र उक्त सुझावहरुको प्रभावकारी कार्यान्वयन गर्ने गरिएको छ ।

## (१५) लेखा परिक्षकको नियुक्ती :

यस बैंकको आ.व. २०७४/०७५ को वार्षिक साधारण सभा हुन नसकको हुदाँ संचालक समितिको निर्णय बमोजिम कम्पनी रजिष्टारको कार्यालयबाट स्विकृती लिई आ.व. २०७५/०७६ को लेखा परिक्षण सम्पन्न गरिएकोमा सो लेखा परिक्षकको नियुक्तीको अनुमोदन तथा आ.व. २०७६/०७७ बाह्य लेखा परिक्षक नियुक्ती गर्न तथा पारिश्रमिक निर्धारण यसै सभाबाट हुनेछ, भन्ने विश्वास व्यक्त गर्दछु।

## (१६) लाभान्श सम्बन्धमा :

समीक्षा वर्षमा लाभान्श बाँडफाँड गर्न सिफारिस गरिएको छैन।

## (१७) बैंकका समस्याहरु :

बैंक तथा वित्तीय संस्थाहरूले आफ्ना संजालहरु बिस्तार गर्ने क्रममा ग्रामिण क्षेत्रहरूमा समेत बैंकिङ पहुँच पुऱ्याएका छन् जसबाट प्राथमिकता प्राप्त क्षेत्र र बिपन्न वर्गको उत्थानमा आवश्यक सहयोग पुगिरहेको छ भने आधुनिक बैंकिङ सेवाबाट कार्य प्रणालीमा थप सहजता प्रदान गरेको छ। वित्तीय संस्थाहरूको वृद्धि, शाखा संजालहरूमा वृद्धि, कारोबारमा वृद्धि जस्ता कारणले वित्तीय बजारको अवस्था बलियो भएता पनि बैंकिङ कारोबारलाई प्रत्यक्ष र अप्रत्यक्ष रूपमा असर पार्ने विभिन्न तत्वहरु हुने भएकोले निम्नानुसारका जोखिम एवं चुनौतीहरु रहने देखिन्छ।

## (१८) संस्थागत सुशासन :

बैंकले संस्थागत सुशासन सम्बन्धी समय समयमा नेपाल राष्ट्र बैंक लगायत अन्य सम्बन्धित नियमनकारी निकायहरुबाट प्राप्त मार्गदर्शनहरुलाई उच्च प्राथमिकताका साथ पालना गर्दै आएको छ। बैंकको सुशासन अभिवृद्धि एवं संस्थाले गर्ने कार्यहरु पारदर्शी एवं नियम संगत गर्नका लागि संचालक समिति, लेखा परीक्षण समिति, जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति, सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समिति, कर्जा समिति, बैंक व्यवस्थापन तथा अन्य विभिन्न समिति क्रियाशिल रहेका छन्।

बैंकले सम्पत्ति शुद्धीकरण तथा आतङ्ककारी क्रियाकलापमा वित्तीय लगानी निवारण सम्बन्धमा प्रचलित ऐन, नियम तथा नेपाल राष्ट्र बैंकबाट जारी निर्देशनहरुको कार्यान्वयन तथा पालना गरि आएको छ। सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समितिले सम्पत्ति शुद्धीकरण निवारण सम्बन्धमा भए गरेका काम कारवाहीको नियमित अनुगमन गर्ने गरेको छ। आवश्यक बैंकले संचालन गरेका कार्यक्रमहरु पारदर्शी एवम् नियम संगत छन्। बैंकले तयार गरेका वित्तीय विवरणहरु नेपाल वित्तीय प्रतिवेदनमान (NFRSS), लेखा सम्बन्धी सर्वमान्य सिद्धान्त र नेपाल राष्ट्र बैंकको निर्देशन अनुसार छन्।

## (१९) अन्य विवरण :

कम्पनी ऐन २०६३ को दफा १०९ को उपदफा ४ सँग सम्बन्धित आ.व. ०७५/०७६ को अन्य थप विवरणहरु अनुसूचि १ मा तथा धितोपत्र दर्ता तथा निष्काशन नियमावली २०६५ को नियम २२ को उपनियम १ सँग सम्बन्धित थप विवरणहरु अनुसूचि २ मा उल्लेख गरिएको छ।

## (२०) बैंकको भावी कार्यदिशा :

व्यवसाय/सेवा वृद्धिका लागी संगठित संस्थाको भावी योजना र त्यस्तो योजनाको प्राप्तिका लागी चालिने समयबद्ध रणनीति अनुरूप बैंकले आगामी दिनमा कार्यक्रम बिस्तारसगै निम्न लिखित योजनाहरु तर्जुमा गरको अवगत गराउन चाहन्छु :-

- (क) बैंकले ने.रा.बैंकको निर्देशन बमोजिम हाल चुक्ता पूँजी ५० करोड पुऱ्याई सकेको हुँदा प्रदेश भित्र ५ जिल्ला सम्म थप बैंकिङ सेवालाई सरल विस्तृत रूपमा परिमार्जन गरी नयाँ शाखा खोली लैजाने योजना रहेको छ।
- (ख) निक्षेपको लागत कम गर्न संस्थागत निक्षेप तर्फको निर्भरतालाई न्यून गर्दै लैजाने र सर्वसाधारणहरुलाई बचत परिचालन गर्न बचत तर्फ नयाँ योजनाहरु तर्जुमा गर्ने।
- (ग) बैंकको अनुगमन क्षमतालाई प्रभावकारी बनाउन सवारी साधन तथा आधुनिक उपकरणहरु द्वारा बैंकलाई सम्पन्न गर्दै लैजाने।
- (घ) कर्जा तथा सापटीमा प्राप्त हुने प्रतिफललाई वृद्धि गर्न साना तथा मझौला उद्योगमा जाने कर्जा तथा खुद्रा कर्जामा समेत प्राथमिकता दिने।
- (ङ) कर्मचारीको मनोबल उच्च राख्न साधन श्रोतले भ्याए सम्म सेवा सुविधामा ध्यान दिने।
- (च) व्यापारिक दृष्टिकोणबाट आर्थिक उपलब्धी मुलक नयाँ सम्भाव्यताको खोजी गर्ने।

यी बाहेक नयाँ बैंक तथा वित्तीय संस्थाहरुको प्रवेशबाट उत्पन्न हुन सक्ने जोखिमहरु, डेभलपमेन्ट बैंकले प्रदान गरेको तथा भविष्यमा प्रदान गरिने कर्जा तथा सापटी खराब कर्जामा परिणत हुन गएमा हुने जोखिम, देशको राजनीतिक, आर्थिक तथा सामाजिक परिस्थिती तथा नेपाल राष्ट्र बैंकको आर्थिक एवं वित्तीय नीति नियममा हुने परिवर्तनबाट हुन सक्ने जोखिमहरु, निक्षेप तथा कर्जाको व्याज दर मा आउने परिवर्तनबाट हुन सक्ने जोखिमहरु, पूँजी बजारको अवस्थामा आउने उतार चढावबाट पर्न सक्ने जोखिमहरु, देशको मौद्रिक नीति लगायत राष्ट्र बैंकले जारी गर्ने नीति नियम र निर्देशनको अप्रत्याशित परिवर्तनबाट सिर्जना हुन सक्ने सम्भावित जोखिमहरु, देशको वैदेशिक नीतिमा हुन सक्ने परिवर्तन तथा विदेशी मुद्राको विनिमय दरमा घटबढ भई उत्पन्न हुने सक्ने सम्भावित जोखिमहरु तथा कम्पनीले सरकारी र गैर सरकारी धितोहरुमा लगानी गर्दा धितोपत्र मूल्यमा परिवर्तनका कारण उत्पन्न हुन सक्ने जोखिमहरु लगायत सम्पूर्ण जोखिमहरुको गहन अध्ययन र विश्लेषण गरी उक्त जोखिमहरुको न्यूनिकरण गर्दै जाने रणनीति रहेको छ।

**(२१) हार्दिक कृतज्ञता ज्ञापन :**

यस पूनित अवसरमा बैंकका निक्षेपकर्ताहरु, ग्राहक वर्ग, शुभेच्छुक, सहयोगी शेयरधनीहरु तथा बैंक व्यवस्थापन तहमा रही अमूल्य सहयोग गर्दै आउनु भएका संचालक ज्यूहरु तथा संस्थामा संलग्न लगनशील कर्मचारी वर्गहरुबाट प्राप्त सहयोग प्रति हार्दिक धन्यवाद व्यक्त गर्दै भविष्यमा समेत यस प्रकारको सहयोग एवं शुभेच्छाको आशा लिएको छु। बैंकको घोषित लक्ष्य प्राप्तिका लागि सम्बद्ध सबै शेयरधनी महानुभावहरुबाट समेत आगामी दिनमा सहयोग, सद्भाव र शुभेच्छाको अपेक्षा राखेको छु।

बैंकले गर्ने दैनिक काम कारोबारका शिलशिलामा प्राप्त निर्देशन, सुझाव तथा सहयोगको लागि बैंकसंग सम्बन्धित निकाय नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय तथा सम्बन्धित अन्य निकायहरुमा कार्यरत पदाधिकारीहरुलाई समेत हार्दिक कृतज्ञता ज्ञाहेर गर्दछु।

धन्यवाद

राजेन्द्र वीर राय  
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## धितोपत्र दर्ता तथा निष्काशन नियमावली, २०६५ को अनुसूची १४

(नियम २२ को उपनियम (१) संग सम्बन्धीत )

### १. कानूनी कारवाही सम्बन्धी विवरण :

समिक्षा अवधिमा बैंक तथा बैंकका संचालक तथा संस्थापक शेयरधनी एवं बैंकका पदाधिकारी तथा कर्मचारीहरु उपर कानूनी कारवाही सम्बन्धी कुनै मुद्दा दायर भएको छैन ।

### २. संगठित संस्थाको शेयर कारोबार सम्बन्धी विश्लेषण

धितोपत्र बजारमा शेयर करोबारमा हुने उतार चढावमा खुल्ला बजारले तय गरेको मूल्यको आधारमा हुने भएकोले यसलाई बैंक व्यवस्थापन एवं यसका संचालकहरुको धारणा तटस्त रहेको छ । शेयर मूल्यलाई असर पार्न सक्ने कुनै निर्णय आदि केही भएमा सो को जानकारी तोकिएको समयमा उपलब्ध गराउने गरिएको छ । यस विकास बैंकको समिक्षा अवधिको शेयरको अधिकतम, न्यूनतम, अन्तिम मूल्य, कारोबार भएको कूल दिन तथा कारोबार संख्या निम्नानुसार उल्लेख गरिएको छ ।

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विवरण	२०७५ आश्विन मसान्त	२०७५ पौष मसान्त	२०७५ चैत्र मसान्त	२०७६ आषाढ मसान्त
शेयरको अधिकतम मूल्य	११२	१०६	१०३	१३५
शेयरको न्यूनतम मूल्य	१००	९७	९०	९७
शेयरको अन्तिम मूल्य	१०६	१००	१००	११४
कारोबार भएको कूल संख्या	१५६१९८	१३९६९५	५६९४९	२६९२४९
कारोबार भएको कूल दिन	५८	५७	५६	६३

### ३. समस्या र चुनौतीहरु :

देशको आर्थिक तथा राजनैतिक अवस्था, बैंकिंग क्षेत्रमा बढ्दो प्रतिस्पर्धा, व्याज दरमा भएको उच्च वृद्धि, वित्तिय बजारमा रहेको तरलता र लगानी मैत्री वातावरणको संकुचन, बढ्दो उर्जा संकट, श्रम समस्याका साथै आन्तरिक समस्या तर्फ दक्ष जनशक्तिको अभाव र उच्च मूल्य वृद्धिले संचालन खर्चमा ल्याएको असर आदि वित्तिय क्षेत्रका समस्या र चुनौतीका रुपमा यथावत रहेका छन् ।

समिक्षा अवधिमा बैंकिंग क्षेत्रले व्यहोर्नु परेको उपरोक्त आन्तरिक समस्याहरुको निराकरणको लागि व्यवस्थापनले लिएको सजगता, अधिकतम संसाधनको प्रयोग, आचारणमा मितव्यीता, कर्जा लगानीमा विविधिकरण र मानव संसाधनको उचित प्रयोग एवं दक्षता अभिवृद्धि गर्ने नीति बैंक व्यवस्थापनले लिएको छ । यस्तै बाह्य समस्याको निराकरणको लागि वित्तिय बजारको अवस्था अनुरूप उपयुक्त रणनीतिको तर्जुमा गरिदै आईएकोछ ।

अनुसूची १

## कम्पनी ऐन २०६३ को दफा १०८ उपदफा ४ अनुसारको विवरण

१) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो बैंकले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर विक्री गरी बैंकले प्राप्त गरेको रकम तथा जफत भएको शेयर वापत रकम फिर्ता गरेको भए सोको विवरण:

समीक्षा वर्षमा बैंकको कुनै पनि शेयरहरु जफत गरिएको छैन ।

२) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति, सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन :

विकास बैंकको हाल सम्म कुनै सहायक कम्पनी नभएको र बैंकले गरेको प्रगतिको बारेमा यसै प्रतिवेदनको विभिन्न बुँदाहरुमा प्रस्तुत गरिएको छ ।

३) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेका प्रमुख कारोबारहरु र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन:

हालसम्म यस बैंकको कुनै सहायक कम्पनी नरहेको ।

४) विगत आर्थिक वर्षमा बैंकका आधारभुत शेयरधनीहरुले उपलब्ध गराएका जानकारीहरु::

विगत आ.व.मा बैंकका आधारभुत शेयरधनीहरुले कुनै पनि जानकारी उपलब्ध गराएका छैनन् ।

५) विगत आर्थिक वर्षमा बैंकका संचालक तथा पदाधिकारीहरूले लिएको शेयर स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न भएको भए त्यस सम्बन्धमा निजहरूबाट प्राप्त गरेको जानकारी :

यस्तो कुनै जानकारी बैंकलाई प्राप्त भएको छैन ।

६) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी खरिद गरे वापत बैंकले भुक्तानी गरेको रकम :

समीक्षा वर्षमा विकास बैंकले आफ्नो शेयर आफै खरिद नगरेको ।

७) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको भए सोको विवरण:

बैंकको व्यवसायमा द्रुतगतिमा भएको विस्तार सँगसँगै बैकिङ व्यवसायमा भएको जोखिमलाई संगठित रूपमा व्यवस्थापन गर्न आन्तरिक लेखापरीक्षणलाई बढी प्रभावकारी बनाउनुका साथै अन्य जोखिम व्यवस्थापन सँग सम्बन्धित विभिन्न समितिहरूको भुमिकालाई समेत प्रभावकारी बनाउँदै लगिएको छ । बैंकको संचालक समितिका सदस्यको संयोजकत्वमा अन्य उच्च पदाधिकारीहरूलाई सम्मिलित गराई गठन गरिएको जोखिम व्यवस्थापन समितिले नियमित रूपमा बैठक गरी कर्जा जोखिम, संचालन जोखिमका साथ साथै अन्य विभिन्न बैकिङ जोखिमहरूको समयानुकूल उचित व्यवस्थापनका लागि विभिन्न उपायहरू तर्जुमा गर्ने गरेको छ ।

८) समीक्षा आर्थिक वर्षको कुल व्यवस्थापन खर्च विवरण:

(क) कर्मचारी खर्च	रु. ५३९८८३६५
(ख) कार्यालय संचालन खर्च	रु. ४४९१३८५४
(ग) ह्रास तथा परिपोषण खर्च	रु. ४९४८५९४
जम्मा	रु. १०३८५०७९३

९) लेखापरीक्षण समितिका पदाधिकारीहरूको नाम, उनीहरूको काम, कर्तव्य र सुविधाहरू:

बैंकले संचालक श्री टंक बहादुर बस्नेतको संयोजकत्वमा गठन गरेको लेखा परिक्षण समितिमा लेखा विभागका श्री निरज विक्रम शाह र श्री नर्जित बस्नेत समेत ३ सदस्य समिति रहने व्यवस्था गरेको छ । उक्त समितिले बैंकको वित्तिय स्थिति, आन्तरिक लेखा नियन्त्रण, जोखिम व्यवस्थापन जस्ता विषयहरूमा अध्ययन गर्ने तथा आन्तरिक र बाह्य लेखा परिक्षकले दिएका प्रतिवेदनहरू उपर छलफल गरी संचालक समितिलाई नियमित रूपमा आवश्यक राय सुझाव दिने गरेको व्यहोरा यहाँहरूलाई अवगत गराउन चाहन्छु

१०) संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख, कम्पनीका आधारभुत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई बुझाउन बाँकी रकम:

कुनै प्रकारको रकम बुझाउन बाँकी छैन ।

११) संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक भत्ता तथा सुविधाको रकम:

बैंकको आर्थिक नियमावलीमा व्यवस्था भए अनुसार संचालकहरूलाई बैठक भत्ता एवं अन्यलाई पारिश्रमिक प्रदान गर्ने गरिएको छ ।

१२) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांश रकम:

शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांश रकम बाँकी छैन ।

१३) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण:

हाल सम्म यस दफा अनुसारको सम्पत्ति खरिद बिक्री गरिएको छैन ।

१४) दफा १७५ बमोजिम सम्बन्ध कम्पनी बिच भएको कारोबारको विवरण:

हाल सम्म यस दफा बमोजिमको सम्बन्ध कम्पनी बिच कारोबार भएको छैन ।

१५) यस ऐन तथा प्रचलित कानून बमोजिम संचालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुराहरू:

नभएको ।



# K. P. N. & ASSOCIATES

## CHARTERED ACCOUNTANTS

| GPO Box: 3738  
| House No. 65, Kumari Marga-6  
| Dillibazar, Kathmandu, Nepal

### INDEPENDENT AUDITOR'S REPORT

To the Shareholders of *Karnali Development Bank Ltd.*

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of **Karnali Development Bank Ltd.**, which comprise the statement of financial position as at 31 Ashad 2076 (16 July 2019), and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Karnali Development Bank Ltd.** as at 31 Ashad 2076 (16 July 2019), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

##### Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Development Bank in accordance with ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

On the basis of our audit and our professional judgement we have not noted reportable Key Audit Matters.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with NFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Development Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Development Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Development Bank's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our



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opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Development Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Development Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, further events or conclusions may cause the Development Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that they may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

We further report that:

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit,
- The accounts and records of the Development Bank has been maintained as required by law,



- Financial statements are in agreement with the books of account maintained by the Development Bank,
- The Capital Fund, Risk Bearing Fund and the provision for possible impairment of assets of the Development Bank are adequate as per the directives issued by the Nepal Rastra Bank,
- In our opinion and to the best of our information and according to explanation given to us, the Board of Directors, the representative or any employee of the Development Bank has not acted contrary to the legal provisions relating to accounts nor caused direct loss or damage to the Development Bank deliberately or acted in a manner that would jeopardize the interest and security of the Development Bank,
- The operations of the Development Bank were within its jurisdiction,
- The Development Bank has not acted in a manner to jeopardize the interest and security of the depositors and investors,
- The Development Bank has a centralized core accounting system and details received from branches though the statements are not independently audited, were adequate for the purpose of our audit, and

We have not come across any fraudulence in accounts, so far as it appeared from our examination of books of account.

Date: 2077/09/06  
Place: Dillibazar, Kathmandu  
UDIN:



CA. Keshab Prasad Neupane  
Principal  
K.P.N. & Associates  
Chartered Accountants



**KARNALI DEVELOPMENT BANK LTD.**  
**STATEMENT OF FINANCIAL POSITION**  
As on Ashad end 2076

IN NPR

			RESTATED	RESTATED
ASSETS	NOTE	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Cash and cash equivalent	4.1	1,522,744,120.00	1,532,305,862.00	917,259,371.00
Due from Nepal Rastra Bank	4.2	136,799,683.00	150,758,454.00	111,982,614.00
Placement with Bank and Financial Institutions	4.3	-	-	-
Derivative financial instruments	4.4	-	-	-
Other trading assets	4.5	-	-	-
Loans and advances to B/Fis	4.6	-	-	-
Loans and advances to customers	4.7	2,118,991,279.00	1,227,397,512.00	1,092,985,985.00
Investment securities	4.8	-	-	-
Current tax assets	4.9	8,190,971.00	1,334,104.00	313,602.00
Investment in subsidiaries	4.10	-	-	-
Investment in associates	4.11	-	-	-
Investment property	4.12	-	-	-
Property Plant and Equipment	4.13	101,316,039.00	90,649,703.00	76,818,185.00
Goodwill and Intangible assets	4.14	632,325.00	525,224.00	452,000.00
Deferred tax assets	4.15	9,649,167.00	6,433,561.00	6,113,966.00
Other assets	4.16	61,842,262.00	69,498,540.00	70,437,774.00
<b>TOTAL ASSETS</b>		<b>3,960,165,846</b>	<b>3,078,902,960</b>	<b>2,276,363,497</b>
			RESTATED	RESTATED
LIABILITIES	NOTE	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Due to Bank and Financial Institutions	4.17	-	-	-
Due to Nepal Rastra Bank	4.18	-	-	-
Derivative financial instruments	4.19	-	-	-
Deposits from customers	4.20	3,372,711,275.00	2,481,768,818.00	2,001,813,784.00
Borrowing	4.21	-	-	-
Current Tax Liabilities	4.9	-	-	-
Provisions	4.22	-	-	-
Deferred tax liabilities	4.15	-	-	-
Other liabilities	4.23	57,247,000.00	68,369,680.00	39,701,040.00
Debt securities issued	4.24	-	-	-
Subordinated Liabilities	4.25	-	-	-
<b>TOTAL LIABILITIES</b>		<b>3,429,958,275</b>	<b>2,550,138,498</b>	<b>2,041,514,824</b>



<b>EQUITY</b>				
Share Capital	4.26	502,830,000.00	502,830,000.00	191,051,000.00
Share premium		458,926.00	2,889,674.00	2,582,232.00
Retained Earnings		(14,232,645.00)	7,764,801.00	26,477,389.00
Reserves	4.27	41,151,290.00	15,279,987.00	14,738,052.00
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>		<b>530,207,571.00</b>	<b>528,764,462.00</b>	<b>234,848,673.00</b>
NON-CONTROLLING INTEREST		-	-	-
<b>TOTAL EQUITY</b>		<b>530,207,571.00</b>	<b>528,764,462.00</b>	<b>234,848,673.00</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>3,960,165,846</b>	<b>3,078,902,960</b>	<b>2,276,363,497</b>
Contingent liabilities and commitment	4.28	43,809,486	79,488,455	34,360,092
Net assets value per share		105.44	105.16	122.92

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Account Officer

**Dinesh Kumar Rawat**  
Chief Executive Officer

**Rajendra Bir Raya**  
Chairman

**CA. Keshab Prasad Neupane**  
For; K.P.N & Associates  
Chartered Accountants

**Dr. Om Prakash Misra**  
Director

**Yubraj Adhikari**  
Director

**Usha Kumari Bhandari**  
Director

**Tank Bahadur Basnet**  
Director



**KARNALI DEVELOPMENT BANK LTD.**  
**STATEMENT OF PROFIT OR LOSS**  
For the year ended Ashad 2076

IN NPR

			RESTATED	RESTATED
	NOTE	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Interest income	4.29	315,316,442	220,152,240	167,288,950
Interest expense	4.30	232,145,484	163,969,958	99,850,212
Net interest income		83,170,958	56,182,282	67,438,738
Fee and commission income	4.31	32,574,178	20,141,024	21,475,449
Fee and commission expense	4.32	-	-	-
Net fee and commission income		32,574,178	20,141,024	21,475,449
Net interest, fee and commission income		115,745,136	76,323,306	88,914,187
Net trading income	4.33	-	-	-
Other operating income	4.34	-	3,868,082	(639,595)
Total operating income		115,745,136	80,191,388	88,274,592
Impairment charge/(reversal) for loans and other losses	4.35	1,935,278	7,251,082	3,177,127
Net operating income		113,809,858	72,940,306	85,097,465
Operating expense				
Personnel expenses	4.36	53,988,365	40,746,828	30,628,793
Other operating expenses	4.37	44,913,854	33,501,512	35,366,128
Depreciation & Amortization	4.38	4,948,574	4,476,133	5,095,482
Operating Profit		9,959,065	(5,784,167)	14,007,062
Non operating income	4.39	3,162,226	-	-
Non operating expense	4.40	663,631	818,494	740,419
Profit before income tax		12,457,660	(6,602,661)	13,266,643
Income tax expense	4.41			
Current Tax expenses		-	257,157	4,518,247
Deferred Tax (Expenses)/Income		324,216	(413,811)	(414,972)
Profit for the period		12,133,444	(6,446,007)	9,163,368
Profit attributable to:				
Equity holders of the Bank		12,133,444	(6,446,007)	9,163,368
Non-controlling interest		-	-	-
Profit for the period		12,133,444	(6,446,007)	9,163,368
Earnings per share				
Basic earnings per share		2.41	(1.28)	4.80
Diluted earnings per share		2.41	(1.28)	4.80

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**KARNALI DEVELOPMENT BANK LTD.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended Ashad 2076

IN NPR

			RESTATED
	NOTE	ASHAD END 2076	ASHAD END 2075
Profit for the year		12,133,444	(6,446,007)
Other comprehensive income, net of income tax			
a) Items that will not be reclassified to profit or loss			
"Gains/(Losses) from investments in equity instruments measured at fair value"			
Gains/(Losses) on revaluation		-	-
Actuarial gain/(loss) on defined benefit plans		(11,799,407)	314,053
Income tax relating to above terms		3,539,822	(94,216)
Net other comprehensive income that will not be reclassified to profit or loss		(8,259,585)	219,837
b) Items that are or may be reclassified to profit or loss			
Gains/(Losses) on cash flow hedge		-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation		-	-
Income tax relating to above terms		-	-
Reclassify to profit or loss		-	-
Net other comprehensive income that are or may be reclassified to profit or loss		-	-
c) Share of other comprehensive income of associate accounted as per equited method		-	-
Other comprehensive income for the year, net of income tax		(8,259,585)	219,837
Total comprehensive income for the period		3,873,859	(6,226,170)
Total comprehensive income attributable to:			
Equity holders of the bank		3,873,859	(6,226,170)
Non-controlling interest		-	-
Total comprehensive income for the period		3,873,859	(6,226,170)

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**KARNALI DEVELOPMENT BANK LTD.**  
**STATEMENT OF CASH FLOWS**  
For the year ended Ashad 2076

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
CASH FLOW FROM OPERATING ACTIVITIES		
Interest received	302,442,229	216,298,689
Fees and other income received	32,574,178	20,141,024
Dividend received	-	-
Receipts from other operating activities	3,162,226	1,005,000
Interest paid	(249,275,833)	(147,289,747)
Commission and fees paid	-	-
Cash payment to employees	(48,062,936)	(38,153,820)
Other expenses paid	(47,344,603)	(34,673,219)
Operating cash flows before changes in operating assets and liabilities	(6,504,739)	17,327,927
(Increase)/ Decrease in operating assets		
Due from Nepal Rastra Bank	13,958,771	(38,775,840)
Placement with bank and financial institutions	-	-
Other trading assets	-	-
Loan and advances to bank and financial institutions	-	-
Loan and advances to customers	(868,937,911)	(135,735,030)
Other assets	(4,060,643)	(1,134,794)
(Increase)/ Decrease in operating liabilities		
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposits from Customers	890,942,457	479,955,034
Borrowings	-	-
Other Liabilities	(11,717,171)	10,480,779
Net Cash flow from operating activities before tax paid	13,680,764	332,118,076
Income taxes paid	(6,856,867)	(1,277,659)
Net Cash flow from operating activities	6,823,897	330,840,417
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investment securities	-	-
Receipt from the sale of investment securities	-	-
Purchase of property and equipment	(27,974,118)	(18,472,569)
Receipt from the sale of property and equipment	11,900,001	33,000
Purchase of intangible assets	(311,523)	(232,780)
Receipt from the sale of intangible assets	-	-
Purchase of investment properties	-	-



Receipt from the sale of investment properties	-	2,995,000
Interest received	-	-
Dividend received	-	-
Net cash used in investing activities	(16,385,640)	(15,677,349)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of subordinated liabilities	-	-
Receipt from issue of shares	-	300,519,212
Dividends paid	-	(635,789)
Interest paid	-	-
Other receipt/ payment	-	-
Net cash from financing activities	-	299,883,423
Net increase/ (decrease) in cash and cash equivalents	(9,561,743)	615,046,491
Cash and cash equivalents at Shrawan 1, 2075	1,532,305,862	917,259,371
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
Cash and cash equivalents at Ashad end, 2076	1,522,744,120	1,532,305,862

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**KARNALI DEVELOPMENT BANK LTD.**  
**STATEMENT OF CHANGES IN EQUITY**  
For the year ended Ashad 2076

Particulars	Share Capital	General Reserve	Share Premium	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Investment Adjustment Reserve	Other Reserve	Total
Balance as at Shrawan 1, 2074	203,131,000	14,820,910	3,320,118	-	-	-	6,608,928	-	577,553	228,458,509
Adjustment/ Restatement	(12,080,000)	-	(737,886)	-	-	-	19,868,460	-	(660,411)	6,390,163
Adjusted/ Restated Balance as at Shrawan 1, 2074	191,051,000	14,820,910	2,582,232	-	-	-	26,477,388	-	(82,858)	234,848,672
Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	(6,446,007)	-	-	(6,446,007)
Other Comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investments in equity instruments measured at fair value	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	219,837	219,837
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Transfer to reserve during the year	-	-	-	-	-	-	(399,710)	-	399,710	-
Transfer from reserve during the year	-	-	-	-	-	-	213,130	-	(77,612)	135,518
Transactions with owners, directly recognised in equity	-	-	-	-	-	-	-	-	-	-
Right shares issued	339,750,000	-	820,211	-	-	-	-	-	-	340,570,211
Share issue expenses	-	-	(512,769)	-	-	-	-	-	-	(512,769)
Bonus shares issued	12,080,000	-	-	-	-	-	(12,080,000)	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-
Others	(40,051,000)	-	-	-	-	-	-	-	-	(40,051,000)
Total contributions by and distributions	311,779,000	-	307,442	-	-	-	(12,080,000)	-	-	300,006,442

Balance as at Ashad end, 2075	502,830,000	14,820,910	2,889,674	-	-	-	7,764,801	-	459,077	528,764,462
Balance as at Shrawan 1, 2075	502,830,000	14,820,910	2,889,674	-	-	-	7,764,801	-	459,077	528,764,462
Comprehensive income for the year										-
Profit for the year							12,133,444			12,133,444
Other Comprehensive income, net of tax										-
Gains/(losses) from investments in equity instruments measured at fair value										-
Gains/(losses) on revaluation										-
Actuarial gains/(losses) on defined benefit plans									(8,259,585)	(8,259,585)
Total comprehensive income for the year	-	-	-	-	-	-	12,133,444	-	(8,259,585)	3,873,859
Transfer to reserve during the year		2,426,689		32,004,056			(34,630,829)		200,084	-
Transfer from reserve during the year							499,941		(499,941)	-
Transactions with owners, directly recognised in equity										(2430748)
Right shares issued										-
Share issue expenses			(2,430,748)							-
Bonus shares issued										-
Cash dividend paid										-
Others										-
Total contributions by and distributions	-	-	(2,430,748)	-	-	-	-	-	-	(2430748)
Balance as at Ashad end, 2076	502,830,000	17,247,599	458,926	32,004,056	-	-	(14,232,643)	-	8,100,365	530,207,571

**Bed Prakash Singh Thakuri**

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**KARNALI DEVELOPMENT BANK LTD.**  
**STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS**  
**For the year ended Ashad 2076**  
**(As per NRB Regulation)**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Opening restated retained earning	7,764,801	26,477,388
Less: Dividend distributed		
Less: Bonus Share issued		(12,080,000)
Less: Share issue expenses		
Add: Gain from sale of investment securities measured at fair value through OCI		
Remaining balance of Retained Earnings	7,764,801	14,397,388
Net profit or (loss) as per statement of profit or loss	12,133,444	(6,446,007)
Appropriations:		
<b>a. General reserve</b>	(2,426,689)	
b. Foreign exchange fluctuation fund	-	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(121,334)	-
e. Employees' training fund	(78,750)	(399,710)
f. Other		
Transfer from Staff Training Fund		135,516
Transfer from CSR Fund	6,643	77,614
Transfer from Deferred Tax Reserve	493,298	
Profit or (loss) before regulatory adjustment	10,006,612	(6,632,587)
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(13,654,730)	
b. Short loan loss provision in accounts (-)/reversal (+)	-	
c. Short provision for possible losses on investment (-)/reversal (+)	-	
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	-	
e. Deferred tax assets recognised (-)/ reversal (+)	(9,649,167)	
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	
g. Bargain purchase gain recognised (-)/resersal (+)	-	
h. Acturial loss recognised (-)/reversal (+)	(8,700,159)	
i. Other (+/-)		
Distributable profit or (loss)	(14,232,643)	7,764,801
Workings for Regulatory Reserve		
a. Interest receivable (-)/previous accrued interest received (+)		Amount
Accrued Interest receivable as per Trial Balance		36,232,820
Interest received till Srawan 30, 2076 out of Interest Receivable		(14,558,645)
Interest not received but already booked income ( As per NFRS)		21,674,174
Notional Bonus Amount (@ 10%)		(2,167,417)



Interest Income after Notional Bonus		19,506,757
Notional Tax Amount (@ 30%)		(5,852,027)
Interest not received transferred to Regulatory Reserve (As per Circular no. 6, 2066-67, Point no. (Aa))		13,654,730
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)		Amount
Short loan loss provision on Non Banking Assets		-
Notional Bonus Amount (@ 10%)		-
Short loan loss provision on NBA after Notional Bonus		-
Notional Tax Amount (@ 30%)		-
Short loan loss provision on NBA transferred to Regulatory Reserve (As per Circular no. 6, 2066-67, Point no. (Ee))		-
c. Short provision for possible losses on investment (-)/reversal (+)		Amount
Provision for investment to be made as per GAAP		
Notional Tax Amount (@ 30%)		-
Difference i.e. short provision for investment		-
Investment Adjustment Reserve		Amount
To be created for unquoted investment		-
Previous year recognised		
This year to be recognised as inflow to retained earnings		-



**KARNALI DEVELOPMENT BANK LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the Year ended Ashad 31, 2076 (July 16, 2019)**

## 1. Reporting entity

Karnali Development Bank Limited (*hereinafter referred to as the "the Bank"*) is a public limited company registered under Companies Act of Nepal. The Bank is licensed as per the Nepal Rastra Bank (NRB) as "B" class financial institution to perform/financial services as per the Bank and Financial Institutions Act (BAFIA) and its Memorandum and Articles of Association.

The head office of the bank is located at Nepalgunj, Banke, Nepal and carries out its financial services through its branches.

The bank accepts deposits, issues loans, issues and processes debit cards, is engaged in investing and trading securities, as well as performs other activities set forth in the BAFIA and the Memorandum and Articles of Association of the bank. The company offers range of financial products and services to wide range of clients encompassing individuals, mid markets and corporates.

The bank's shares are listed with Nepal Stock Exchange Ltd and its symbol is KRBL.

## 2. Basis of preparation of financial statements

These financial statements, which comprise the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity, statement of cash flows and notes thereto have been prepared in all material aspects in accordance with requirements of applicable Nepal Financial Reporting Standards (NFRS) issued by the Institute of Chartered Accountants of Nepal and in the format issued by Nepal Rastra Bank. These are prepared under accrual basis of accounting in accordance with the historical cost convention, except for certain items as follows:

- a. Liability for defined benefit obligations is recognised at present value of the defined benefit obligation as determined by actuary.

The bank presents its statement of financial position broadly in the order of liquidity.

The significant accounting policies applied in the preparation of financial statements are set out below in Note 3. These policies are consistently applied to all the years presented, except for the changes in accounting policies disclosed specifically.

### 2.1 Statement of compliance

Up to the year ended Ashad 31, 2076 (July 16, 2019), the bank prepared its financial statements in accordance with applicable accounting standards and generally accepted accounting principles (GAAPs) of Nepal. These are the bank's first NFRS financial statements prepared as per the principles laid down in NFRS-1 "First Time Adoption of Nepal Financial Reporting Standards". The date of transition to NFRS is Srawan 1, 2074 (July 17, 2017). Reconciliations and descriptions of the effect of the transition from Nepal Accounting Standards (previous GAAP) to NFRS on the bank's equity and its net income are given in notes to the financial statements.

### 2.2 Reporting Period and approval of financial statements

#### a. Reporting Dates

The bank follows the Nepalese financial year based on the Nepalese calendar starting from first

day of Shrawan (Mid July) of each year to the last day of Ashad (Mid July) of the next year. This is the first year of adoption of NFRS by the bank and accordingly NFRS complied financial statements has been prepared as per the requirements of NFRS 1 "First time adoption of Nepal Financial Reporting Standards". The corresponding dates for the English calendar are as follows:

Relevant financial statements date/ period	Nepalese calendar date period	English calendar
Reporting date	Ashad 31, 2076	July 16, 2019
Comparative reporting date	Ashad 32, 2075	July 16, 2018
Reporting period	Shrawan 01, 2075 to Ashad 31, 2076	July 17, 2018 to July 16, 2019
Comparative reporting period	Shrawan 01, 2074 to Ashad 32, 2075	July 17, 2017 to July 16, 2018
Date of transition to NFRS	Shrawan 01, 2074	July 17, 2017

#### *b. Approval of financial statements*

The accompanied financial statements have been approved and authorized for issue by the Board of Directors in its meeting held on 2077-09-06.

## 2.3 Functional and presentation Currency

The financial statements are presented in Nepalese Rupees (Rs.), which is the functional and presentation currency of the company. Amounts in the financial statements are rounded off to the nearest rupee.

## 2.4 Use of Estimates, assumptions and judgements

The preparation of the financial statements in accordance with NFRS requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ from these estimates. Estimates, judgements and assumptions are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized prospectively.

Further information about key assumptions concerning the future, and other key sources of estimation uncertainty and judgement, are set out in the relevant disclosure notes for the following areas:

- Impairment of loans and advances
- Provisions, commitments and contingencies
- Retirement benefit obligations

Disclosures of the accounting estimates have been included in the relevant sections of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

## 2.5 New standards in issue but not yet effective

Standards as pronounced by the Institute of Chartered Accountants of Nepal (ICAN) has been used in the preparation of financial statements. Any departure from the requirements of NFRS, if any, has been separately disclosed in the explanatory notes.

A number of new standards and amendments to the existing standards and interpretations have been issued by International Accounting Standards Board (IASB) after the pronouncements of NFRS with varying effective dates. Those become applicable when ICAN incorporates them within NFRS.

## 2.6 New standards and interpretations not adapted

There have been amendments to the standards issued by IASB and applicability of the new standards have been notified for International Financial Reporting Standards (IFRS). These amendments and new standards become applicable only when ICAN pronounces them.

*IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement.*

IFRS 9 also replaces the existing 'incurred loss' impairment approach with an expected credit loss approach, resulting in earlier recognition of credit losses. The IFRS 9 impairment model has three stages. Entities are required to recognize a 12-month expected loss allowance on initial recognition (stage 1) and a lifetime expected loss allowance when there has been a significant increase in credit risk (stage 2). The assessment of whether a significant increase in credit risk has occurred is a key aspect of the IFRS 9 methodology and involves quantitative measures, such as forward-looking probabilities of default, and qualitative factors and therefore requires considerable management judgment. Stage 3 requires objective evidence of impairment, which is similar to the guidance on incurred losses in IAS 39. IFRS 9 requires the use of more forward-looking information including reasonable and supportable forecasts of future economic conditions. The need to consider multiple economic scenarios and how they could impact the loss allowance is a very subjective feature of the IFRS 9 impairment model. Loan commitments and financial guarantees not measured at fair value through profit or loss are also in scope.

These changes may result in a material increase in the bank's impairment allowances for credit losses although the extent of any increase will depend upon, amongst other things, the composition of the bank's lending portfolios and forecast economic conditions at the date of implementation. The requirement to transfer assets between stages and to incorporate forward looking data into the expected credit loss calculation, including multiple economic scenarios, is likely to result in impairment charges being more volatile when compared to the current IAS 39 impairment model.

The IFRS 9 expected credit loss model principally differs from the regulatory model of incurred loss model.

### *a. IFRS 15 Revenue from Contracts with Customers*

IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts. The new standard introduces the core principle that revenue must be recognized when the goods are transferred or services are rendered to the customer, at the transaction price. Any bundled goods or services that are distinct must be separately recognized, and any discounts or rebates on the contract price must generally be allocated to the separate elements. When the consideration varies for any reason, minimum amounts must be recognized if they are not at significant risk of reversal. Costs incurred to secure contracts with customers have to be capitalized and amortized over the period when the benefits of the contract are consumed.

Financial instruments, leases and insurance contracts are out of scope of IFRS 15, and so this standard is not expected to have a significant impact on the bank. IFRS 15 is effective for annual periods beginning on or after 1 January 2018.

### *b. IFRS 16 Leases*

On 13 January 2016 the IASB issued IFRS 16 to replace IAS 17 Leases. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. All leases result in the lessee obtaining the right to use an asset at the start of the lease and, lease payments are made over time, also obtaining financing. Accordingly, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and instead, introduces a single lessee accounting model.

## 2.7 Provisions of carve-out adapted by the bank

The Institute of Chartered Accountants of Nepal (ICAN) issued "Notice regarding Decision on Carve-outs in NFRS with Alternative Treatments" on September 20, 2018 and alternative treatments as per carve-outs has been adapted while preparing the financial statements. The detail of carve-out provisions adapted by the bank is given hereunder:

*a. Operating lease in the financial statements of Lessees (NAS 17 Leases, Para 33)*

As per carve out prescribed by ICAN for fiscal year 2017-18, "Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the lease term unless either:

- Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other general inflation, then this condition is not met."

*b. Incurred loss model to measure the impairment loss on loan and advances (NAS 39: Financial Instruments, Para 58: Recognition and Measurement)*

As per carve out prescribed for fiscal year 2017-18, 2018-19 and 2019-20, "An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, the entity shall apply paragraph 63 of to determine the amount of any impairment loss unless the entity is bank or bank registered as per Bank and Financial Institutions Act, 2073. Such entities shall measure impairment loss on loan and advances at the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 and shall apply paragraph 63 to measure the impairment loss on financial assets other than loan and advances. The entity shall disclose the impairment loss as per this carve-out and the amount of impairment loss determined as per paragraph 63.

*c. Impracticability to determine transactions cost of all previous years which is the part of effective interest rate (NAS 39, Para 9: Financial Instruments: Recognition and Measurement)*

As per carve out prescribed for fiscal year 2017-18 and 2018-19, "The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instruments (for example, prepayment call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received, unless it is immaterial or impracticable to determine reliably, between parties to the contract that are an integral part of the effective interest rate (see NAS 18 Revenue), transaction costs and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to estimate reliably the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments)."

*d. Impracticability to determine interest income on amortized cost (NAS 39, Para AG93: Financial Instruments: Recognition and Measurement)*

As per carveout prescribed for fiscal year 2017-18, 2018-19 and 2019-20, "Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Interest income shall be calculated by applying the

effective interest rate to the gross carrying amount of a financial asset unless the financial asset is written off either partially or fully."

## 2.8 Discounting

When the realisation of assets and settlement of obligations is for more than one year, the bank considers discounting of such assets and liabilities where its impact is material.

## 3. Significant accounting policies

### 3.1 Cash and cash equivalent

Cash and cash equivalent comprise the total amount of cash-in-hand, balances with other bank and financial institutions, money at call and short notice, and highly liquid financial assets with original maturities period of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the bank in the management of its short-term commitments.

Cash and cash equivalents are measured at amortized cost in the statement of financial position.

### 3.2 Financial assets and financial liabilities

#### a. Recognition

The bank initially recognizes a financial asset or a financial liability in its statement of financial position when, and only when, it becomes party to the contractual provisions of an instrument. The bank initially recognizes loans and advances, deposits and debt securities/subordinated liabilities issued on the date that they are originated which is the date that the institution becomes party to the contractual provisions of the instruments. Investments in equity instruments, units of mutual funds, bonds, debenture, government securities and NRB bond are recognized on trade date at which the bank commits to purchase/acquire the financial assets. Regular purchase and sale of financial assets are recognized on trade date.

#### b. Classification

The bank classifies its financial assets and financial liabilities as per NFRS 9 into the following measurement categories:

##### *Financial assets*

- Financial assets held at fair value through profit or loss;
- Financial assets held at fair value through other comprehensive income, and
- Financial assets held at amortized cost.

##### *Financial liabilities*

- Held at fair value through profit or loss, or
- Held at amortized cost.

#### **Financial assets**

The bank classifies the financial assets as subsequently measured at amortized cost or fair value on the basis of the bank's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Interest income from these financial assets is included in Interest Income using the effective interest rate method. The two classes of financial assets are as follows:

*i. Financial assets recognized at amortized cost*

The bank classifies a financial asset measured at amortized cost if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*ii. Financial assets recognized at fair value*

Financial assets other than those measured at amortized cost are measured at fair value. Financial assets measured at fair value are further classified into two categories as below:

- Financial assets at fair value through profit or loss
- Financial assets are classified as fair value through profit or loss (FVTPL) if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction costs that are directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are subsequently measured at fair value and changes in fair value are recognized in statement of profit or loss.
- Financial assets at fair value through other comprehensive income
- Investment in an equity instrument that is not held for trading and at the initial recognition, the bank makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value through other comprehensive income. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

## **Financial Liabilities**

The bank classifies financial liabilities as follows:

*i. Financial liabilities recognized at fair value through profit or loss*

Financial liabilities are classified as fair value through profit or loss (FVTPL) if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in statement of profit or loss as incurred. Subsequent changes in fair value is recognized at statement of profit or loss.

*ii. Financial Liabilities recognized at amortized cost*

All financial liabilities other than measured at fair value through statement of profit or loss are classified as subsequently measured at amortized cost using effective interest method.

## **c. Measurement**

### *Initial Measurement*

Financial assets and financial liabilities are recognised when the bank becomes party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities unless the same is measured at fair value through profit or loss. The transaction cost of financial assets and financial liabilities measured at fair value through profit or loss are expensed in profit or loss.

## **Subsequent Measurement**

A financial asset or financial liability is subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability.

Financial asset or liability classified as measured at amortized cost is subsequently measured at amortized cost using effective interest rate method. The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or non-collectability.

In case of loans and advances measured at amortized cost, the processing charge and documentation charges received from customers which are directly attributable to the acquisition or issue of such financial assets are booked as income in the statement of profit or loss in the reporting period in which they are received. The effective interest rate method is not applied as it is impracticable to determine the amount.

Further, once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter calculated by applying effective interest rate to the gross carrying amount of a financial asset. Interest income on financial assets (loans and advances) which has been individually impaired are not recognised.

Financial assets classified at fair value are subsequently measured at fair value. The subsequent changes in fair value of financial assets at fair value through profit or loss are recognized in statement of profit or loss whereas of financial assets at fair value through other comprehensive income are recognized in other comprehensive income.

## **d. Derecognition**

### **• Derecognition of Financial Assets**

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the bank has transferred substantially all of the risks and rewards of ownership. Financial assets are also derecognised upon write off. Any gain or loss arising on the disposal or retirement of an item of financial asset is determined as the difference between the sales proceeds and its carrying amount and is recognised in the statement of profit or loss. The cumulative gain or loss that was recognised in other comprehensive income, is recognised to statement of profit or loss except for investment in equity instruments measured at fair value through other comprehensive income.

### **• Derecognition of Financial Liabilities**

A financial liability is derecognized when, and only when it is extinguished (i.e. when the obligation specified in contract is discharged, cancelled or expired). If the liability is renegotiated with the original lender on substantially different contractual terms, the original liability is derecognized and new liability is recognized.

The difference between the carrying amount of a liability (or portion) extinguished or transferred to another party (including related unamortized cost) and the amount paid for it (including any non-cash assets transferred or liability assumed), are included in statement of profit or loss.

## **e. Determination of Fair Value**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the bank has access at that date.

The fair value of a liability reflects its non-performance risk. When available, the bank measures the

fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the bank uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

*The fair value measurement hierarchy is as follows:*

**Level 1:** These are quoted prices in active markets for identical assets or liabilities that the bank can access at the measurement date.

**Level 2:** These are the inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly. These would include prices for the similar, but not identical, assets or liabilities that were then adjusted to reflect the factors specific to the measured asset or liability.

**Level 3:** These are unobservable inputs for the assets or liability.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. Where available, the bank measures the fair value of an instrument using quoted prices in an active market for that instrument. If a market for a financial instrument is not active, the bank establishes fair value using an appropriate fair valuation technique.

For all unquoted investment in equity instruments, their cost has been considered as their fair value and accordingly these are recognised at cost, net of impairment if any.

## ***f. Impairment***

At each reporting date, the bank assesses whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through the Statement of Profit or Loss are impaired.

A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or advance by the bank on terms that the bank would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. In case of financial difficulty of the borrower, the bank considers to restructure loans rather than take possession of collateral. This may involve extending the payment arrangements and agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms and the loan is no longer considered past due.

Management continually reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loan's original EIR.

However, in case of loans and advances, impairment loss is measured as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39 – Financial Instruments: Recognition and Measurement.

*i. Impairment of financial assets measured at amortized cost*

Impairment of loans and advances portfolios is based on the judgements of past experience of portfolio behavior. In assessing collective impairment, the bank uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. Further, management has taken additional external risk (inflation, market risk and risk of data incompleteness) for the impairment of loans and advances.

Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate. Impairment losses on assets measured at amortized cost are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the bank.

If in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a write off is later recovered, the recovery is recognized in the 'recovery of loan written off' under Note no. 4.39.

However, in case of loans and advances, impairment loss is measured as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per para 63 of NAS 39 – Financial Instruments: Recognition and Measurement.

*ii. Impairment of investment in equity instrument classified as fair value through other comprehensive income*

Objective evidence of impairment of investment in an equity instrument is a significant or prolonged decline in its fair value below its cost. Impairment losses are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and the current fair value, less any impairment loss recognized previously in profit or loss.

### 3.3 Trading assets

The bank classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short term profit making through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking. Held for trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Changes in fair value are recognized in net trading income. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, short positions and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

### 3.4 Property, Plant and Equipment

All Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably. At each balance sheet date, the assets' residual values and useful lives are reviewed, and adjusted if appropriate, including assessing for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down to the recoverable amount. Gains and losses on

disposals are included in the statement of profit or loss.

Repairs and maintenance are charged to the statement of profit or loss in the year in which it is incurred.

Depreciation is calculated using the diminishing value method at the rate determined as follows:

Class of Assets	Depreciation Rate
Building	5%
Leasehold properties	5%
Computer and accessories	25%
Vehicles	20%
Furniture and fixtures	25%
Equipment and others- office equipment	25%
Equipment and others- other assets	15%

Land is not depreciated. Assets costing less than Rs. 5,000 are recognised in statement of profit or loss in the year of purchase.

#### *Capital Work in Progress*

The cost of property, plant and equipment which are not ready for their intended use till the date of statement of financial position, are disclosed under capital work-in-progress.

### **3.5 Intangible Assets**

The intangible assets include software purchased by the bank. All computer software costs incurred or licensed for use which are not integrally related to associated hardware, which can be clearly identified, reliably measured, and it's probable that they will lead to future economic benefits, are included in the statement of financial position under the category 'Intangible Assets'. Software is measured at cost less accumulated amortization and accumulated impairment loss if any. Software is amortized on a straight-line basis in profit or loss over its useful life, from the date that is available for use. The estimated useful life of software for the current and comparative periods is five years. Amortization method, useful lives and residual value are reviewed at each reporting date and adjusted, if any.

### **3.6 Investment property**

Investment property is the land or building or both held either for rental income or for capital appreciation or for both, but not sold in ordinary course of business and owner-occupied property.

Investment property is initially measured at cost and subsequently at cost model. Accordingly, such properties are subsequently measured at cost less accumulated depreciation and impairment loss if any.

Any gain or loss on disposal of an investment property is recognized in statement of profit or loss. When the use of a property changes such that it is reclassified as property plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent reporting.

### **3.7 Income tax**

#### **a. Current tax**

Current tax in the statement of profit or loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws applicable during the period, together with any adjustment to tax payable in respect of previous years.

Current tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under the statement of other comprehensive income or equity, as applicable.

Current tax assets and liabilities are offset only when there is both a legal right of offset and the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

### **b. Deferred tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that the future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Deferred tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under the statement of other comprehensive income or equity, as applicable.

## **3.8 Deposit, debt securities issued and subordinated liabilities**

The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings without quoted market prices is based on discounting cash flows using the prevailing market rates for debts with a similar credit risk and remaining maturity period.

Debentures are recognized at amortized cost using effective interest rates. The coupon rates of these instruments represent the effective interest rates. Effective interest rate is expected to cover for the credit risk and time value of money on these instruments as these are solely for the purpose of principal and interest.

## **3.9 Provisions**

Provisions are recognized when the bank has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the bank determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in statement of profit or loss net of any reimbursement in other operating expenses

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

A provision for onerous contract is recognized when the expected benefits to be derived by the bank from a contract are lower than the unavoidable cost of meeting its obligation under the contract.

Due to sudden closer of Manakamana Money Transfer, provision for the amount receivable of NRs. 4,930,175.35 from Manakamana Money Transfer had been done in FY 2069-70. Out of the due, NRs. 3,162,225.93 has been recovered in current year and rest NRs. 1,767,949 has been shown as a receivable in other assets along with the provision of NRs. 1,767,949. Bank is in the process to recover remaining Amount through Court procedure.

### 3.10 Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the entity. In some cases, this may not be probable until the consideration is received or until an uncertainty is removed.

Revenue comprises of interest income, fees and commission, disposal income, etc. Revenue is recognized to the extent it is probable that the economic benefits will flow to the bank and the revenue can be reliably measured. Revenue is not recognized during the period in which its recoverability of income is not probable. The bases of income recognition are as below:

#### **a. Interest income**

Interest income is recognized in profit or loss using effective interest method. Effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of financial asset or liability to the carrying amount of the asset or liability. The calculation of effective interest rate includes all transactions cost and fee and points paid or received that are integral part of the effective interest. The transaction costs include incremental costs that are directly attributable to the acquisition or issue of financial assets.

Interest income presented in statement of profit or loss includes:

- Interest income on financial assets measured at amortized cost is calculated on an effective interest rate to the gross carrying amount of financial assets unless the financial asset is written off either partially or fully. These financial assets include loans and advances including staff loans, investment in government securities, investment in corporate bonds, investment in NRB Bond and deposit instruments, etc.
- Interest income on loans and advances to customers which are individually impaired are not recognised as per the Guidelines on Recognition of Interest Income, 2019 issued by Nepal Rastra Bank.

#### **b. Fees and Commission**

Fees and commission income that are integral to the effective interest rate on a financial asset are included in measurement of effective interest rate. Other fees and commission income including management fee and service charges are recognized as the related services are performed.

#### **c. Dividend Income**

Dividend on investment in equity instruments and on units of mutual fund is recognized when the right to receive payment is established. Dividend income are presented in net trading income or other operating income based on the underlying classification of the equity instruments and units of mutual fund.

#### **d. Net trading income**

Net trading income comprises of gains less losses related to trading assets and liabilities and includes all realised and unrealized fair value changes, interest and dividends.

#### **e. Net income from other financial instrument at fair value through profit or loss**

Gains and losses arising from changes in the fair value of other financial instruments held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

### 3.11 Interest expenses

Interest expense on all financial liabilities including deposits are recognized in profit or loss using effective interest rate method. Interest expense on all trading liabilities are considered to be incidental to the bank's trading operations and are presented together with all other changes in fair value of trading assets and liabilities in net trading income.

### 3.12 Employees benefits

#### **a. Short-term employee benefits**

Expenses in respect of short-term benefits are recognised on the basis of amount paid or payable during which services are rendered by the employees. Liabilities for salary and allowances that are expected to be settled wholly within 12 months after the end of the financial year in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

#### **b. Post-employment benefits**

The bank operates post-retirement benefit schemes for its employees including both defined benefit and defined contribution plans. A defined benefit scheme is a plan that defines an amount of gratuity benefit that an employee will receive on retirement, dependent on one or more factors such as age, years of service and salary. A defined contribution plan is a plan into which the bank pays fixed contributions; there is no legal or constructive obligation to pay further contributions.

##### *i. Defined contribution plan*

These are plans in which the bank pays pre-defined amounts to publicly administered funds as per local regulations and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the social security fund with the government on account of provident fund. The Company's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

##### *ii. Defined benefit plan*

The bank's defined benefit plans comprise of gratuity. The liability or asset recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Service costs and net interest expense or income is reflected in the statement of profit or loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in actuarial gain/(loss) reserve in the statement of changes in equity and in the statement of financial position. Gratuity is non funded hence no any fund is deposited during the year.

#### **c. Other long-term employee benefits obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. This benefit is unfunded.

### 3.13 Leases

Minimum lease payments made under finance lease are apportioned between the finance expense and reduction of outstanding liabilities. The finance expense is allocated to each period during the lease term so as to produce the constant periodic rate of interest on the remaining balance of liabilities.

The leases entered into by the bank are primarily operating leases. When an operating lease is terminated before the end of the lease period, any payment made to the lessor by way of penalty is recognized as an expense in the period of termination.

Actual lease payments as per the contract with lessor for the reporting period under operating lease are recognized as an expense in statement of profit or loss since the payment to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### 3.14 Foreign currency translation

Foreign currency transactions are translated into the appropriate functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss, except when recognized in other comprehensive income.

Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Translation differences on equities and similar non-monetary items held at fair value through profit and loss are recognized in statement of profit or loss as part of the fair value gain or loss.

### 3.15 Financial guarantee and loan commitment

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or those present obligations where the outflow of resources are uncertain or cannot be measured reliably. Contingent liabilities are not recognized in financial statements but are disclosed unless they are remote. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs. Detail of financial guarantee and commitments provided by the Bank on the reporting date is given as Note 4.28.

### 3.16 Share capital and reserve

The Bank applies NAS 32 – Financial Instruments: Presentation, to determine whether funding is either a financial liability (debt) or equity. Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the bank having a present obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument.

Expenses incurred of issue of share capital are deducted from equity. Dividends and other returns to equity holders are recognized in the period when they are declared by the members at the annual general meeting and are treated as a deduction from equity.

Share issue expenses of NRs. 2,430,748.60 has been written off from the share premium account as per the decision of Board Meeting.

### 3.17 Earnings per share including diluted

Basic earnings per share are calculated by dividing the net profit attributable to equity shareholders

by the weighted average number of ordinary shares in issue during the year. Diluted earnings per shares is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential ordinary shares that arise in respect of convertible preference shares. The bank does not have any convertible instruments and the diluted earning per share is same as the basic earnings per share.

### 3.18 Segment reporting

An operating segment is a component of the bank that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relating to transactions with any of the bank's other components, whose operating results are reviewed by the management to make decision about resource allocation to each segment and assess its performance.

The bank manages its branch networks under regional demarcation for supervision, monitoring and control. Inter unit charges and revenues are applied to assess the performance of the business units. These charges are nullified at the overall bank's level. The bank has identified segments on the basis of each geographical presence in seven provinces of the country.

Segment results that are reported by the bank include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the bank's corporate building), head office expenses, and tax assets and liabilities that are categorized as banking assets/liabilities.



**KARNALI DEVELOPMENT BANK LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad 2076**

**Cash & Cash Equivalent**

**NOTE 4.1**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Cash in hand	130,025,463	146,663,289	156,072,897
Balances with B/FIs	1,392,718,657	1,385,642,573	761,186,474
Money at call and short notice	-	-	-
Other	-	-	-
<b>TOTAL</b>	<b>1,522,744,120</b>	<b>1,532,305,862</b>	<b>917,259,371</b>

**Due from Nepal Rastra Bank**

**NOTE 4.2**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Statutory balances with NRB	136,799,683	150,758,454	111,982,614
Securities purchased under resale agreement	-	-	-
Other deposit and receivable from NRB	-	-	-
<b>TOTAL</b>	<b>136,799,683</b>	<b>150,758,454</b>	<b>111,982,614</b>

**Placements with Bank and Financial Institutions**

**NOTE 4.3**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Placement with domestic B/FIs	-	-	-
Placement with foreign B/FIs	-	-	-
Less: Allowances for impairment	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Derivative Financial Instruments**

**NOTE 4.4**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Held for Trading			
Interest rate swap	-	-	-
Currency swap	-	-	-
Forward exchange contract	-	-	-
Others	-	-	-
Held for risk management			
Interest rate swap	-	-	-
Currency swap	-	-	-
Forward exchange contract	-	-	-
Others	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Other Trading Assets

### NOTE 4.5

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Treasury bills	-	-	-
Government bonds	-	-	-
NRB Bonds	-	-	-
Domestic Corporate bonds	-	-	-
Investment in equity instruments	-	-	-
Other - Investment in units of mutual funds	-	-	-
<b>TOTAL</b>	-	-	-
<b>Pledged</b>	-	-	-
<b>Non-pledged</b>	-	-	-

## Loan and Advances to B/FIs

### NOTE 4.6

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Loans to microfinance institutions	-	-	-
Other	-	-	-
Less: Allowances for impairment	-	-	-
<b>TOTAL</b>	-	-	-

## Allowances for Impairment

### NOTE 4.6.1

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Balance at Shrawan 1	-	-	-
Impairment loss for the year	-	-	-
Charge for the year	-	-	-
Recoveries/reversal	-	-	-
Amount written off	-	-	-
Balance at Asadh end	-	-	-

## Loans and Advances to Customers

### NOTE 4.7

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Loans and advances measured at amortized cost	2,154,028,186.00	1,260,499,141.00	1,118,836,532.00
Less: Impairment allowances			
Collective impairment	(21,011,549.00)	(14,005,460.00)	(12,116,765.00)
Individual Impairment	(14,025,358.00)	(19,096,169.00)	(13,733,782.00)
Net amount	2,118,991,279.00	1,227,397,512.00	1,092,985,985.00
Loan and advances measured at FVTPL	-	-	-
<b>TOTAL</b>	<b>2,118,991,279.00</b>	<b>1,227,397,512.00</b>	<b>1,092,985,985.00</b>



## Analysis of Loan and Advances - by Product

### NOTE 4.7.1

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Product			
Term Loans	831,112,823.00	403,087,370.00	328,352,621.00
Overdraft	824,935,514.00	461,897,545.00	362,550,908.00
Trust Receipt/Import loans			
Demand and other working capital loans			
Personal residential loans	73,893,999.00	53,523,795.00	69,354,437.00
Real estate loans			
Margin lending loans			
Hire purchase loans	228,510,056.00	229,318,875.00	252,574,653.00
Deprived sector loans	74,442,115.00	25,596,359.00	26,604,658.00
Bills purchased			
Staff loans	28,679,283.00	26,877,386.00	34,258,436.00
Other	56,221,576.00	36,839,204.00	25,635,763.00
Subtotal	2,117,795,366.00	1,237,140,534.00	1,099,331,476.00
Interest receivable	36,232,820.00	23,358,607.00	19,505,056.00
<b>GRAND TOTAL</b>	<b>2,154,028,186.00</b>	<b>1,260,499,141.00</b>	<b>1,118,836,532.00</b>

## Analysis of Loan and Advances - by Currency

### NOTE 4.7.2

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Nepalese rupee	2,154,028,186.00	1,260,499,141.00	1,118,836,532.00
Indian rupee	-	-	-
United State dollar	-	-	-
Great Britain pound	-	-	-
Euro	-	-	-
Japanese yen	-	-	-
Chinese Yuan	-	-	-
Other	-	-	-
<b>TOTAL</b>	<b>2,154,028,186.00</b>	<b>1,260,499,141.00</b>	<b>1,118,836,532.00</b>

### Analysis of Loan and Advances - by Collateral

### NOTE 4.7.3

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Secured			
Movable/immovable assets	2,097,816,369.00	1,223,669,696.00	1,093,210,529.00
Gold and silver			
Guarantee of domestic B/FIs			
Government guarantee			
Guarantee of international rated bank			
Collateral of export document			
Collateral of fixed deposit receipt	56,211,817.00	36,829,445.00	25,626,003.00
Collateral of Government securities			
Counter guarantee			
Personal guarantee			
Other collateral			
Subtotal	2,154,028,186.00	1,260,499,141.00	1,118,836,532.00
Unsecured	-	-	-
<b>GRAND TOTAL</b>	<b>2,154,028,186.00</b>	<b>1,260,499,141.00</b>	<b>1,118,836,532.00</b>

### Analysis of Loan and Advances - by Collateral

### NOTE 4.7.4

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Specific allowances for impairment			
Balance at Shrawan 1	19,096,169.00	13,733,782.00	-
Impairment loss for the year:			
Charge for the year		-	-
Recoveries/reversal during the year	(5,070,811.00)	5,362,387.00	13,733,782.00
Write-offs	-	-	-
Exchange rate variance on foreign currency	-	-	-
Other movement	-	-	-
Balance at Asar end	14,025,358.00	19,096,169.00	13,733,782.00
Collective allowances for impairment			
Balance at Shrawan 1	14,005,460.00	12,116,765.00	
Impairment loss for the year:			
Charge/(reversal) for the year	7,006,089.00	1,888,695.00	12,116,765.00
Exchange rate variance on foreign currency	-	-	-
Other movement	-	-	-
Balance at Asar end	21,011,549.00	14,005,460.00	12,116,765.00
<b>Total allowances for impairment</b>	<b>35,036,907.00</b>	<b>33,101,629.00</b>	<b>25,850,547.00</b>

## Investment Securities

## NOTE 4.8

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Investment securities measured at amortized cost			
Investment in equity measured at FVTOCI			
<b>TOTAL</b>	-	-	-

## Investment securities measured at amortized cost

## NOTE 4.8.1

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Debt securities	-	-	-
Government bonds	-	-	-
Government treasury bills	-	-	-
Nepal Rastra Bank bonds	-	-	-
Nepal Rastra Bank deposits instruments	-	-	-
Other	-	-	-
<b>Total</b>	-	-	-
Less: specific allowances for impairment	-	-	-
<b>TOTAL</b>	-	-	-

## Investment in equity measured at fair value through other comprehensive income NOTE 4.8.2

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Equity instruments			
Quoted equity securities	-	-	-
Unquoted equity securities	-	-	-
<b>TOTAL</b>	-	-	-

Information relating to investment in equities

NOTE 4.8.3

IN NPR

	ASHAD END 2076		ASHAD END 2075		ASHAD END 2074	
	COST	FAIR VALUE	COST	FAIR VALUE	COST	FAIR VALUE
INVESTMENT IN EQUITY MEASURED AT FVOCI						
Investment in quoted equity						
Total Of Quoted Share	-	-	-	-	-	-
Investment in unquoted equity						
Total Of Unquoted Share	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-

## Current tax assets

## NOTE 4.9

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Current tax assets			
Current Year income tax assets	8,190,971	1,334,104	4,744,999
Tax assets of prior periods	-	-	-
Current tax liabilities			
Current year income tax liabilities	-	-	4,431,397
Tax liabilities of prior periods	-	-	-
<b>TOTAL</b>	<b>8,190,971</b>	<b>1,334,104</b>	<b>313,602</b>

## Investment in subsidiaries

## NOTE 4.10

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Investment in quoted subsidiaries	-	-	-
Investment in unquoted subsidiaries	-	-	-
Total investment	-	-	-
Less: Impairment allowances	-	-	-
Net Carrying Amount	-	-	-

## Investment in associates

## NOTE 4.11

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Investment in quoted associates	-	-	-
Investment in unquoted associates	-	-	-
Total investment	-	-	-
Less: Impairment allowances	-	-	-
Net Carrying Amount	-	-	-

## Investment properties

## NOTE 4.12

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Investment properties measured at fair value			
Balance as on Shrawan 1	-	-	-
Addition/disposal during the year	-	-	-
Net changes in fair value during the year	-	-	-
Adjustment/transfer	-	-	-
Net Amount	-	-	-
Investment properties measured at cost			
Balance as on Shrawan 1		-	-
Addition/disposal during the year	-		
Adjustment/transfer	-	-	-
Accumulated depreciation	-	-	-
Accumulated impairment loss	-	-	-
Net amount	-	-	-
<b>TOTAL</b>	-	-	

**NOTE 4.13**

IN NPR

**Property and Equipment**

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixture	Machinery	Equipment & Others	ASHAD END 2076	ASHAD END 2075
Cost										
As on Shrawan 1, 2074	45,785,929	-	-	5,598,476	9,908,140	6,146,244	-	16,289,792	83,728,581	-
Addition during the Year										
Acquisition	-	-	151,271	59,325	13,435,546	1,458,074	-	3,368,353	18,472,569	-
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	(488,534)	-	-	-	(488,534)	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
Balance as on Asar end 2075	45,785,929	-	151,271	5,657,801	22,855,152	7,604,318	-	19,658,145	101,712,616	-
Addition during the Year										
Acquisition	-	-	6,961,077	3,656,250	10,491,800	3,993,418	-	2,871,574	27,974,119	-
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	(11,900,000)	-	-	-	(11,900,000)	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
Balance as on Asar end 2076	45,785,929	-	7,112,348	9,314,051	21,446,952	11,597,736	-	22,529,719	117,786,735	-
Depreciation and Impairment										
As on Shrawan 1, 2074	-	-	-	949,122	3,947,514	555,981	-	1,457,779	6,910,396	-
Depreciation charge for the Year	-	-	-	934,813	1,308,838	657,468	-	1,575,014	4,476,133	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(323,616)	-	-	-	(323,616)	-
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2075	-	-	-	1,883,935	4,932,736	1,213,449	-	3,032,793	11,062,913	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-

Depreciation charge for the Year	-	-	459,209	930,105	1,470,401	726,315	-	1,821,753	5,407,783	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2076	-	-	459,209	2,814,040	6,403,137	1,939,764	-	4,854,546	16,470,696	-
Capital Work in Progress Net Book Value as on Asar end 2075	-	-	-	-	-	-	-	-	-	-
Capital Work in Progress Net Book Value as on Asar end 2076	-	-	-	-	-	-	-	-	-	-
As on Asar end 2074	45,785,929	-	-	4,649,354	5,960,626	5,590,263	-	14,832,013	76,818,185	-
As on Asar end 2075	45,785,929	-	151,271	3,773,866	17,922,416	6,390,869	-	16,625,352	90,649,703	-
As on Asar end 2076	45,785,929	-	6,653,139	6,500,011	15,043,815	9,657,972	-	17,675,173	101,316,039	-

## Goodwill and Intangible Assets

## NOTE 4.14

IN NPR

Particulars	Goodwill	Software			ASHAD END 2076	ASHAD END 2075
		Purchased	Developed	Other		
<b>Cost</b>						
As on Shrawan 1, 2074	-	565,000.00	-	-	565,000.00	
Addition during the Year						
Acquisition	-	232,780.00	-	-	232,780.00	
Capitalization	-	-	-	-	-	
Disposal during the year	-	-	-	-	-	
Adjustment/Revaluation	-	-	-	-	-	
Balance as on Asar end 2075	-	797,780.00	-	-	797,780.00	-
Addition during the Year						
Acquisition	-	311,523.00	-	-	311,523.00	
Capitalization	-	-	-	-	-	
Disposal during the year	-	-	-	-	-	
Adjustment/Revaluation	-	-	-	-	-	
Balance as on Asar end 2076	-	1,109,303.00	-	-	1,109,303.00	-
Amortization and Impairment						
As on Shrawan 1, 2074	-	113,000.00	-	-	113,000.00	
Amortization charge for the Year	-	159,556.00	-	-	159,556.00	
Impairment for the year	-	-	-	-	-	
Disposals	-	-	-	-	-	
Adjustment	-	-	-	-	-	
As on Asar end 2075	-	272,556.00	-	-	272,556.00	-
Amortization charge for the Year	-	204,422.00	-	-	204,422.00	
Impairment for the year	-	-	-	-	-	
Disposals	-	-	-	-	-	
Adjustment	-	-	-	-	-	
As on Asar end 2076	-	476,978.00	-	-	476,978.00	-
Capital Work in Progress	-	-	-	-	-	-
Net Book Value						
<b>As on Asar end 2074</b>	-	<b>452,000.00</b>	-	-	<b>452,000.00</b>	-
<b>As on Asar end 2075</b>	-	<b>525,224.00</b>	-	-	<b>525,224.00</b>	-
<b>As on Asar end 2076</b>	-	<b>632,325.00</b>	-	-	<b>632,325.00</b>	-

## Deferred Tax

## NOTE 4.15

IN NPR

Particulars	CURRENT YEAR		
	" Deferred Tax Assets "	" Deferred Tax Liabilities "	Deferred Tax Assets/(Liabilities)
Deferred tax on temporary differences on following items			
Loan and Advance to B/FIs	-	-	-
Loans and advances to customers	-	-	-
Interest Receivable on Loans and advances	-	-	-
Investment properties	-	-	-
Investment securities	-	-	-
Property & equipment		3,628,883	(3,628,883)
Employees' defined benefit plan	12,747,665	-	12,747,665
Lease liabilities	-	-	-
Provisions			-
Other temporary differences	530,385	-	530,385
Deferred tax on temporary differences	13,278,050	3,628,883	9,649,167
Deferred tax on carry forward of unused tax losses	-	-	-
Deferred tax due to changes in tax rate	-	-	-
Net Deferred tax asset/(liabilities) as on year end of 2076			9,649,167
Deferred tax (asset)/liabilities as on Shrawan 1, 2075			6,433,561
Origination/(Reversal) during the year			(3,215,606)
Deferred tax expense/(income) recognised in profit or loss			324,216
Deferred tax expense/(income) recognised in other comprehensive income			(3,539,822)
Deferred tax expense/(income) recognised in directly in equity			-

IN NPR

Particulars	PREVIOUS YEAR		
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets/(Liabilities)
Deferred tax on temporary differences on following items			
Loan and Advance to B/Fis	-	-	-
Loans and advances to customers	-	-	-
Interest Receivable on Loans and advances	-	-	-
Investment properties	-	-	-
Investment securities	-	-	-
Property & equipment		2,890,963	(2,890,963)
Employees' defined benefit plan	7,845,471	-	7,845,471
Lease liabilities			-
Provisions			-

Other temporary differences	1,479,053	-	1,479,053
Deferred tax on temporary differences	9,324,524	2,890,963	6,433,561
Deferred tax on carry forward of unused tax losses			-
Deferred tax due to changes in tax rate			-
Net Deferred tax asset/(liabilities) as on year end of 2075			6,433,561
Deferred tax (asset)/liabilities as on Shrawan 1, 2074			6,113,966
Origination/(Reversal) during the year			319,595
Deferred tax expense/(income) recognised in profit or loss			(413,811)
Deferred tax expense/(income) recognised in other comprehensive income			(94,216)
Deferred tax expense/(income) recognised in directly in equity			-

#### Other assets

#### NOTE 4.16

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Assets held for sale	-	-	-
Other non banking assets	-	-	-
Bills receivable	-	-	-
Accounts receivable	26,190,576	22,235,114	20,980,945
Accrued income	-	-	-
Prepayments and deposit	885,631	991,217	851,250
Income tax deposit	-	-	-
Deferred employee expenditure	29,267,572	40,984,493	43,058,521
Other	5,498,483	5,287,716	5,547,058
<b>TOTAL</b>	<b>61,842,262</b>	<b>69,498,540</b>	<b>70,437,774</b>

#### Due to Bank and Financial Institutions

#### NOTE 4.17

IN NPR

	RESTATED	RESTATED	
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Money market deposits	-	-	-
Interbank borrowing	-	-	-
Other deposits from BFIs	-	-	-
Settlement and clearing accounts	-	-	-
Other deposits from BFIs	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Due to Nepal Rastra Bank

**NOTE 4.18**

IN NPR

	RESTATED	RESTATED	
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Refinance from Nepal Rastra Bank	-	-	-
Standing Liquidity Facility	-	-	-
Lender of last resort facility from NRB	-	-	-
Securities sold under repurchase agreements	-	-	-
Other payable to NRB	-	-	-
<b>TOTAL</b>	-	-	-

## Derivative financial instruments

**NOTE 4.19**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Held for trading			
Interest rate swap	-	-	-
Currency swap	-	-	-
Forward exchange contract	-	-	-
Others	-	-	-
Held for risk management			
Interest rate swap	-	-	-
Currency swap	-	-	-
Forward exchange contract	-	-	-
Other	-	-	-
<b>TOTAL</b>	-	-	-

## Deposits from customers

**NOTE 4.20**

IN NPR

	RESTATED	RESTATED	
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Institutions customers:			
Term deposits	112,500,000	112,500,000	32,450,000
Call deposits	505,233,348	381,251,509	347,712,669
Current deposits	58,560,079	24,758,279	12,541,901
Other			-
Individual customers:			
Term deposits	1,346,072,660	762,657,254	519,144,720
Call deposits	1,350,345,188	1,200,601,776	1,089,964,494
Current deposits		-	-
Other			
<b>TOTAL</b>	<b>3,372,711,275</b>	<b>2,481,768,818</b>	<b>2,001,813,784</b>

## Currency wise analysis of deposit from customers

**NOTE 4.20.1**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Nepalese rupee	3,372,711,275	2,481,768,818	2,001,813,784
Indian rupee	-	-	-
United State dollar	-	-	-
Great Britain pound	-	-	-
Euro	-	-	-
Japanese yen	-	-	-
Chinese yuan	-	-	-
Other	-	-	-
<b>TOTAL</b>	<b>3,372,711,275</b>	<b>2,481,768,818</b>	<b>2,001,813,784</b>

## Borrowing

**NOTE 4.21**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Domestic Borrowing			
Nepal Government	-	-	-
Other Institutions	-	-	-
Other	-	-	-
Sub total	-	-	-
Foreign Borrowing			
Foreign Bank and Financial Institutions	-	-	-
Multilateral Development Banks	-	-	-
Other Institutions	-	-	-
Sub total	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Provisions

**NOTE 4.22**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Provisions for redundancy	-	-	-
Provision for restructuring	-	-	-
Pending legal issues and tax litigation	-	-	-
Onerous contracts	-	-	-
Other	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Provisions

### NOTE 4.22.1

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Balance at Shrawan 1	-	-	-
Provisions made during the year	-	-	-
Provisions used during the year	-	-	-
Provisions reversed during the year	-	-	-
Unwind of discount	-	-	-
<b>TOTAL</b>	-	-	-

## Other liabilities

### NOTE 4.23

IN NPR

RESTATED	RESTATED		
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Liability for employees defined benefit obligations	39,099,771	22,120,997	17,864,546
Liability for long-service leave	3,392,446	4,030,573	4,755,193
Short-term employee benefits	-	-	-
Bills payable	-	-	-
Creditors and accruals	10,362,791	19,066,032	11,924,515
Interest payable on deposit	1,216,590	18,346,939	1,666,728
Interest payable on borrowing	-	-	-
Liabilities on deferred grant income	-	-	-
Unpaid Dividend	-	-	635,789
Liabilities under Finance Lease	-	-	-
Employee bonus payable	1,384,189	-	1,252,876
Other	1,791,213	4,805,139	1,601,393
<b>TOTAL</b>	<b>57,247,000</b>	<b>68,369,680</b>	<b>39,701,040</b>

## Defined benefit obligations

### NOTE 4.23.1

The amounts recognised in the statement of financial position are as follows:

IN NPR

	RESTATED	RESTATED	
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Present value of unfunded obligations	-	-	-
Present value of funded obligations	39,099,771	22,120,997	17,864,546
Total present value of obligations	39,099,771	22,120,997	17,864,546
Fair value of plan assets	-	-	-
Present value of net obligations	39,099,771	22,120,997	17,864,546
Recognised liability for defined benefit obligations	39,099,771	22,120,997	17,864,546

## Plan Assets

**NOTE 4.23.2**

Plan assets comprise

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Equity securities	-	-	-
Government bonds	-	-	-
Bank deposit	-	-	-
Other	-	-	-
<b>TOTAL</b>	-	-	-

## Movement in The Present Value of Defined Benefit Obligations

**NOTE 4.23.3**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Defined benefit obligations at Shrawan 1	16,237,728	12,905,702	8,669,638
Actuarial losses	3,300,634	1,468,846	3,237,771
Benefits paid by the plan	(2,064,964)	(357,600)	(454,480)
Current service costs and interest	391,148	8,104,049	27,646,842
Defined benefit obligations at Asar end	17,864,546	22,120,997	39,099,771

## Movement in The Fair Value of Plan Assets

**NOTE 4.23.4**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Fair value of plan assets at Shrawan 1	-	-	-
Contributions paid into the plan	-	-	-
Benefits paid during the year	-	-	-
Actuarial (losses) gains	-	-	-
Expected return on plan assets	-	-	-
Fair value of plan assets at Asar end	-	-	-

## Amount Recognised in Profit or Loss

**NOTE 4.23.5**

IN NPR

	RESTATED	RESTATED	
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Current service costs	3,572,450	3,238,047	2,658,449
Interest on obligation	1,869,140	1,510,902	1,060,493
Expected return on plan assets			
<b>TOTAL</b>	<b>5,441,590</b>	<b>4,748,949</b>	<b>3,718,942</b>

## Amount Recognised in Other Comprehensive Income

**NOTE 4.23.6**

IN NPR

	RESTATED	RESTATED	
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Actuarial (gain)/loss	11,799,407	(314,053)	943,444
<b>TOTAL</b>	<b>11,799,407</b>	<b>(314,053)</b>	<b>943,444</b>

## Actuarial Assumptions

**NOTE 4.23.7**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Discount rate	7%	9%	9%
Expected return on plan asset			
Future salary increase	12%	12%	12%
Withdrawal rate	6%	6%	6%

## Debt Securities Issued

**NOTE 4.24**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Debt securities issued designated as at fair value through profit or loss	-	-	-
Debt securities issued at amortised cost	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Subordinated Liabilities

**NOTE 4.25**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Redeemable preference shares	-	-	-
Irredeemable cumulative preference shares	-	-	-
Other	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Share Capital

**NOTE 4.26**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Ordinary shares	502,830,000	502,830,000	191,051,000
Convertible preference shares (equity component)	-	-	-
Irredeemable preference shares (equity component)	-	-	-
Perpetual debt (equity component only)	-	-	-
<b>TOTAL</b>	<b>502,830,000</b>	<b>502,830,000</b>	<b>191,051,000</b>

## Ordinary Shares

### NOTE 4.26.1

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Authorized capital			
6,000,000 Ordinary share of Rs. 100 each	600,000,000	600,000,000	600,000,000
(2074-75: 6,000,000 Ordinary share of Rs. 100 each)			
(2073-74: 6000,000 Ordinary share of Rs. 100 each)			
Issued capital			
5,028,300 Ordinary share of Rs. 100 each	502,830,000	502,830,000	502,830,000
(2074-75: 5,028,300 Ordinary share of Rs. 100 each)			
(2073-74: 5,028,300 Ordinary share of Rs. 100 each)			
Subscribed and paid up capital			
5,028,300 Ordinary share of Rs. 100 each	502,830,000	502,830,000	151,000,000
(2074-75: 5,028,300 Ordinary share of Rs. 100 each)			
(2073-74: 1,510,000 Ordinary share of Rs. 100 each)			
TOTAL			

## Ordinary share ownership

### NOTE 4.26.2

IN NPR

			RESTATED		RESTATED	
	ASHAD END 2076		ASHAD END 2075		ASHAD END 2074	
	Percent	Amount	Percent	Amount	Percent	Amount
Domestic ownership	100.00%	823,397,859	100.00%	735,363,350	100.00%	520,662,815
Nepal Government	-	-	-	-	-	-
"A" class licensed institutions	-	-	-	-	-	-
Other licensed intitutions	-	-	-	-	-	-
Other Institutions	-	-	-	-	-	-
Public	48.76%	401,488,796	50.19%	369,097,870	47.26%	246,049,335
Other	51.24%	421,909,063	49.81%	366,265,480	52.74%	274,613,480
Foreign ownership	-	-	-	-	-	-
TOTAL	100.00%	823,397,859	100.00%	735,363,350	100.00%	520,662,815

## Reconciliation of number of shares outstanding

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
At the beginning of the year	502,830,000	203,131,000	151,000,000
Add: ordinary shares issued as bonus shares during the year	-	-	12,080,000
Add: ordinary shares issued as right shares during the year	-	299,699,000	40,051,000
At the end of the year	502,830,000	502,830,000	203,131,000

### Detail of Shareholding Under Public and Promoters Group as on Asadh End, 2076

Shareholder's Group	Holding Percentage
Promoter Group	51%
Public Group	49%

### List of Shareholder Holding 0.5% or More Shares as on Asadh End, 2076

Ordinary share ownership	Percentage	Share capital
RAJENDRA BIR RAYA	14.98%	75,340,400.00
SUNAULO INVESTMENT pvt ltd	14.98%	75,321,100.00
TARA GURUNG	8.86%	44,560,500.00
PASHUPATI DAYAL MISHRA	1.63%	8,196,400.00
MOHD. IRFAN	1.41%	7,080,000.00
IMARAN RAI	0.50%	2,492,700.00
KAMALA BK	0.50%	2,492,700.00
MOHAMMAD KAMRAN RAI	0.50%	2,492,700.00

### Reserves

### NOTE 4.27

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Statutory general reserve	17,247,599	14,820,910	14,820,910
Exchange equalisation reserve			
Corporate social responsibility reserve	121,334	6,643	84,255
Capital redemption reserve			
Regulatory reserve	32,004,056		
Investment adjustment reserve			
Capital reserve			
Assets revaluation reserve			
Fair value reserve	-	-	-
Dividend equalisation reserve			
Actuarial gain	(8,700,159)	(440,574)	(660,411)
Special reserve			
Other reserve	478,460	893,008	493,298
<b>TOTAL</b>	<b>41,151,290</b>	<b>15,279,987</b>	<b>14,738,052</b>

### Statutory General Reserve

There is a statutory requirement of Bank and Financial Institution Act, 2073 which required to set aside 20% of the net profit after tax to general reserve to build up capital until the balance of the reserve is twice of the paid-up share capital. This is the restricted reserve and cannot be utilised for distribution of profit.

During the year, the company has appropriated Rs. 17,247,599 (Previous year Rs. 14,820,910) to this reserve being 20% of net profit for the year.

## Corporate Social Responsibility Reserve

Corporate social responsibility reserve has been created as per the circular issued by Nepal Rastra Bank, which required to apportion 1% of the net profit for the year to this reserve. During the year, CSR reserve of Rs. 151,473 has been appropriated as per the circular. The expense incurred by the Finance Company for corporate social responsibility as per its policy is charged to statement of profit or loss with corresponding additions to retained earnings.

## Regulatory Reserve

Regulatory reserve has been created as per the directive issued by Nepal Rastra Bank and is not available for distribution of dividend (cash as well as bonus shares). The amount that is allocated from profit or retained earnings for the purpose of implementation of NFRS and include interest receivable, short provision for possible losses on investment, short loan loss provision on Non-Banking Assets, deferred tax assets recognized and actuarial loss recognized.

During the year Rs. 12,705,722.2 has been transferred to regulatory reserve as follows:

IN NPR

Particulars	ASHAD END 2075
Regulatory adjustment :	
a. Interest receivable (-)/previous accrued interest received (+)	13,654,730
b. Short loan loss provision in accounts (-)/reversal (+)	-
c. Short provision for possible losses on investment (-)/reversal (+)	
d. Short loan loss provision on Non-Banking Assets (-)/reversal (+)	
e. Deferred tax assets recognised (-)/ reversal (+)	(9,649,167)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-
g. Bargain purchase gain recognised (-)/reversal (+)	-
h. Actuarial loss recognised (-)/reversal (+)	8,700,159
i. Other (+/-)	
<b>TOTAL</b>	<b>12,705,722</b>

## Investment Adjustment Reserve

Investment adjustment reserve is a reserve created as per the directive issued by Nepal Rastra Bank. It is a reserve created as a cushion for adverse price movement in Finance Company's investments portfolio. As per NFRS 9, the Finance Company has opted to measure some of the investment in equity instruments as financial assets measured at fair value through other comprehensive income. During the year, no such reserve has been made as no investment was made by the Finance Company.

## Fair value Reserve

Fair value reserve comprises the cumulative net change in the fair value of financial assets that are measured at fair value through other comprehensive income and the changes in fair value is recognized in other comprehensive income, until the assets are derecognized. The cumulative amount of changes in fair value of those financial assets is presented under fair value reserve. During the year, no such reserve has been made as no investment was made by the Finance Company.

## Actuarial Gain / (Loss)

Actuarial gain or loss that represents change in actuarial assumptions used to determine the value employee obligations under defined benefit obligations.

During the year, the finance company has transferred Rs. 8,259,585 to this reserve.

## Other Reserve

As per Clause 6 of directive issued by Nepal Rastra Bank (Directive no. 6/075/), 3% of employee cost of previous year, i.e. 1,222,404.86 is required to be incurred towards employee training and development in the current financial year. The Finance Company has incurred Rs. 1,143,655.47 during the year and accordingly, the balance amount to be incurred of Rs. 78,749.39 is added to this reserve.

Circular no. 11/073/74 dated January 25, 2017 (2073/10/12) issued by Nepal Rastra Bank,, 1% of Profit after tax, i.e. Rs. 121,334/- is required to be transferred towards Corporate Social Responsibility reserve in the current financial year. The Finance Company has transferred Rs.121,334/- during the year and accordingly, Corporate Social Responsibility Reserve of PY amount to Rs.6,643/- which has increased to Rs.121,334/- as on 31.03.2076.

Corporate Social Responsibility	ASHAD END 2076	ASHAD END 2075
Opening	6,643	84,255
Add: Transferred During the year	114,691	(77,612)
<b>Total</b>	<b>121,334</b>	<b>6,643</b>

## Retained Earnings

Retained earnings is accumulated profit which has not been distributed to shareholders and has been ploughed back in the Finance Company's operations and is free for distribution of dividend to the shareholders.

## Contingent Liabilities and Commitments

### NOTE 4.28

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Contingent liabilities	-	-	-
Undrawn and undisbursed facilities	43,809,486.26	79,488,454.89	34,360,091.51
Capital commitment	-	-	-
Lease Commitment	-	-	-
Litigation	-	-	-
<b>TOTAL</b>	<b>43,809,486</b>	<b>79,488,455</b>	<b>34,360,092</b>

## Contingent Liabilities

**NOTE 4.28.1**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Acceptance and documentary credit	-	-	-
Bills for collection	-	-	-
Forward exchange contracts	-	-	-
Guarantees	-	-	-
Underwriting commitment	-	-	-
Other commitments	-	-	-
<b>TOTAL</b>	-	-	-

## Undrawn and Undisbursed Facilities

**NOTE 4.28.2**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Undisbursed amount of loans	-	-	-
Undrawn limits of overdrafts	43,809,486	79,488,455	34,360,092
Undrawn limits of credit cards	-	-	-
Undrawn limits of letter of credit	-	-	-
Undrawn limits of guarantee	-	-	-
<b>TOTAL</b>	<b>43,809,486</b>	<b>79,488,455</b>	<b>34,360,092</b>

## Capital Commitments

**NOTE 4.28.3**

Capital expenditure approved by relevant authority of the finance but provision has not been made in financial statements.

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Capital commitments in relation to Property and Equipment			
Approved and contracted for	-	-	-
Approved but not contracted for	-	-	-
Sub total	-	-	-
Capital commitments in relation to Intangible assets			
Approved and contracted for	-	-	-
Approved but not contracted for	-	-	-
Sub total	-	-	-
<b>TOTAL</b>	-	-	-

## Lease Commitments

**NOTE 4.28.4**

IN NPR

		RESTATED	RESTATED
	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Operating lease commitments			
Future minimum lease payments under non cancellable operating lease, where the finance company is lessee	-	-	-
Not later than 1 year	-	-	-
Later than 1 year but not later than 5 years	-	-	-
Later than 5 years	-	-	-
Sub total	-	-	-
Finance lease commitments			
Future minimum lease payments under non cancellable operating lease, where the finance company is lessee	-	-	-
Not later than 1 year	-	-	-
Later than 1 year but not later than 5 years	-	-	-
Later than 5 years	-	-	-
Sub total	-	-	-
<b>GRAND TOTAL</b>	-	-	-

## Litigation

**NOTE 4.28.5**

The finance company's litigations are generally related to its ordinary course of business pending on various jurisdictions.

There are no litigations related to Income Tax or VAT.

## Interest Income

**NOTE 4.29**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Cash and cash equivalent	12,845,928	7,431,568
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	-	-
Loans and advances to customers	296,096,293	205,228,911
Investment securities	-	-
Loan and advances to staff	6,374,221	7,491,761
Other	-	-
<b>Total interest income</b>	<b>315,316,442</b>	<b>220,152,240</b>

## Interest Expense

## NOTE 4.30

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposits from customers	232,145,484	163,969,958
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other	-	-
<b>Total interest expense</b>	<b>232,145,484</b>	<b>163,969,958</b>

## Fees and Commission Income

## NOTE 4.31

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Loan administration fees	23,857,030	11,760,279
Service fees	86,086	40,334
Consortium fees	-	-
Commitment fees	-	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	1,049,111	396,540
Prepayment and swap fees	602,598	615,467
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	3,052,336	2,107,771
Commission on letter of credit	-	-
Commission on guarantee contracts issued	-	-
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	3,927,017	5,220,633
<b>Total fees and commission income</b>	<b>32,574,178</b>	<b>20,141,024</b>

## Fees and Commission Expense

## NOTE 4.32

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
Total fees and commission expense	-	-

## Net Trading Income

## NOTE 4.33

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
Net trading income	-	-

## Other Operating Income

## NOTE 4.34

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	-	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	-	-
Gain/loss on sale of property and equipment	-	(131,918)
Gain/loss on sale of investment property	-	2,995,000
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Locker rent	-	-
Other	-	1,005,000
<b>TOTAL</b>	<b>-</b>	<b>3,868,082</b>

### Impairment Charge/(Reversal) for Loan and Other Losses

**NOTE 4.35**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Impairment charge/(reversal) on loan and advances to B/FIs	-	-
Impairment charge/(reversal) on loan and advances to customer	1,935,278	7,251,082
Impairment charge/(reversal) on financial Investment	-	-
Impairment charge/(reversal) on placement with banks and financial institutions	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
<b>TOTAL</b>	<b>1,935,278</b>	<b>7,251,082</b>

### Personnel Expense

**NOTE 4.36**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Salary	33,782,840	27,207,334
Allowances	3,294,800	2,478,215
Gratuity expense	7,088,215	4,570,504
Provident fund	1,249,976	1,110,977
Uniform	755,245	637,600
Training & development expense	1,143,655	617,084
Leave encashment	3,361,577	1,132,666
Medical	1,062,179	781,100
Insurance	-	143,206
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	865,689	1,949,284
Other expenses related to staff	-	118,858
Sub total	52,604,176	40,746,828
Employees bonus	1,384,189	-
<b>GRAND TOTAL</b>	<b>53,988,365</b>	<b>40,746,828</b>

## Other Operating Expense

## NOTE 4.37

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Directors' fee	393,900	296,000
Directors' expense	28,599	4,760
Auditors' remuneration	485,502	387,260
Other audit related expense	431,404	295,128
Professional and legal expense	979,700	20,000
Office administration expense	37,024,524	27,637,287
Operating lease expense	5,554,225	4,783,465
Operating expense of investment properties	-	-
Corporate social responsibility expense	16,000	77,612
Onerous lease provisions	-	-
Other	-	-
<b>TOTAL</b>	<b>44,913,854</b>	<b>33,501,512</b>

## Office Administrative Expenses

## NOTE 4.37.1

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Water & Electricity	1,604,858	1,329,601
Repair & Maintenance	2,868,563	2,021,596
a) Building	171,294	147,793
b) Vehicle	729,701	617,609
c) Computer & Accessories	791,971	346,547
d) Office Equipment & Furniture	1,175,598	909,647
e) Other	-	-
Insurance	2,769,096	930,869
Postage, telex, telephone, fax	1,695,695	811,263
Printing & Stationary	3,091,688	2,567,269
Newspaper, books and Journals	79,543	73,095
Advertisement	1,825,486	565,739
Donation	45,000	20,000
Security expenses	8,672,000	6,187,268
Deposite & loan guarantee premium		
Travel Allowance and Expenses	4,456,397	3,345,933
Entertainment	784,828	766,901
Annual/Special general meeting Expenses	742,537	140,645
Others	8,388,831	8,877,108
<b>TOTAL</b>	<b>37,024,524</b>	<b>27,637,287</b>

## Depreciation & Amortization

**NOTE 4.38**

IN NPR

	RESTATED	
	ASHAD END 2076	ASHAD END 2075
Depreciation on property and equipment	4,948,574	4,476,133
Depreciation on investment property	-	-
Amortization of intangible assets	-	-
<b>TOTAL</b>	<b>4,948,574</b>	<b>4,476,133</b>

## Non Operating Income

**NOTE 4.39**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Recovery of loan written off	-	-
Other income	3,162,226	-
<b>TOTAL</b>	<b>3,162,226</b>	<b>-</b>

## Non Operating Expense

**NOTE 4.40**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	663,631	818,494
<b>TOTAL</b>	<b>663,631</b>	<b>818,494</b>

## Income Tax Expense

**NOTE 4.41**

IN NPR

		RESTATED
	ASHAD END 2076	ASHAD END 2075
Current tax expense		
Current year	-	-
Adjustment for previous years	-	257,157
Deferred tax expense		
Origination and reversal of temporary differences	324,216	(413,811)
Changes in tax rate		
Recognition of previously unrecognised tax losses		
<b>Total income tax expense</b>	<b>324,216</b>	<b>(156,654)</b>



## Reconciliation of Tax Expense and Accounting Profit

## NOTE 4.41.1

IN NPR

	RESTATED	
	ASHAD END 2076	ASHAD END 2075
Profit before tax	12,457,660	(6,602,661)
Tax amount at tax rate of 30%	3,737,298	(1,980,798)
Add: Tax effect of expense that are not deductible for tax purpose	13,500	1,824,144
Less: Tax effect on exempt income	-	-
Add/Less: Tax effect on other items	-	-
Less: Loss of Previous Year Carried Forward	(3,426,582)	
Total income tax expense	324,216	(156,654)
Effective tax rate		

## **Note 5 – Disclosure and additional information**

### **Note 5.1 – Risk Management**

#### ***Board Level Risk Committee***

The Board is the one who set policy, strategy and objectives, and oversee the executive function. It sets risk appetite and ensures that it is reflected in business strategy and cascaded throughout the organization.

The Company has a Risk Management Committee (RMC) comprising of 2 members of the board and 3 members from the management. RMC assists the board in setting risk strategy policies, including risk tolerance and appetite levels, as stipulated by Nepal Rastra Bank for effective risk management. It frames risk management policies for credit risk, market risk and operational risk including risk integration, implementation of best risk management practices and setting up various risk limits. The Committee receives reports from management and after discussion and deliberations reaches in a conclusion that existing action taken by the management are appropriate or elevate the situations to the Board where further action is required with its recommendation.

#### ***Risk Governance***

The risk management framework consists of board set of risk appetite, clear organization setup, well defined roles, well developed tools and processes and well defined policy on each risk areas.

Risk management framework is supervised by Risk Management Committee (RMC), and supported by functional committee, namely, Asset and Liability Management Committee (ALCO). The finance company has separate risk management department for managing, mitigating and controlling different risks which acts as second line of defense whereas all business functions lies as first line of defense and internal audit function and audit committee as third line of defense. Further, the financial institution has different policies which directs/supplements the risk management framework. The finance company has Board approved operational instructions, book of instructions and clear role definition for each unit which makes the process simple and robust. The finance company has also set tolerance limits on different parameters above the regulatory requirement maintaining extra caution level in managing these risks.

#### ***Credit Risk***

Credit risk is defined as the potential that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. For measurement of credit risk, the company has adopted Simplified Standardized Approach (SSA) and for management of credit risk, has formulated various policies, procedure and internal guideline that is approved by the Board. The financial institution has a clear guiding document related to loaning power approved by the Board.

The credit risk department reviews all types of loan. Assessment ground for sanctioning of new loan, renewal of loan or enhancement of existing loan is defined in Credit Policy Guidelines and individual loan product paper. A separate vertical credit administration department in head office and branches are administrating loan related documents, examining loan repayment, record keeping of loan files and related security documents.

All revolving loans are reviewed/renewed annually. For overdraft loan facilities, stock verification is done quarterly. Credit administration department performs the recovery of loan.

#### ***Operational Risk***

Operational risk is a risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including legal risks. For management of operational risk, the company has policies in place, three line of defense in practice, risk identification, defined assessment and monitoring tools, risk control and mitigation tools. Formal channel is defined whereby various

policies, procedure and internal guidelines are approved by Board in recommendation of Risk Management Committee (RMC).

The company has effective internal control system and information system for managing operational risk.

Risk events of the financial institution are compiled, and related function is instructed to take corrective measures wherever necessary. Such risk events are presented in RMC.

### **Market Risk**

Market risk refers to the risk resulting from movements in market prices, in particular, changes in liquidity, interest rates, and equity prices. For measurement of market risk, the company has adopted net open position approach and for management of the market risk guidance, policies such as assets and liabilities management policy, investment policy and procedure are in place.

The company assesses interest rate risk, and equity price risk at a regular interval as per NRB guidelines and the internal policy in managing market risk and reporting to RMC and the Board.

### **Liquidity Risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial instruments as they fall due.

The company has been maintaining cash reserve ratio, statutory liquidity ratio, net liquidity ratio and credit to core capital and deposit ratios within the limit as prescribed by NRB and are being monitored on continuous basis. Further, maturity wise structural liquidity table are being prepared as per the regulatory guidelines on monthly basis and reported to the Board on quarterly basis.

### **Internal Control**

Internal control system i.e. internal audit and compliance department has been reinforcing on the effective implementation of laid down policies and procedure. Regular financial activities are being closely monitored through internal control mechanism. The company has an appropriate control structure with well-defined control activities at every business level. Duties of officials and staff members are well defined at all level to avoid conflicting responsibilities. Members of the Board of Directors and management employees are required to pledge an oath for the Code of Ethics as per Staff Service Regulations. These laid down system are being monitored and reviewed periodically to identify the areas of potential conflicts of interest to minimize operational risk. Information system of the financial institution is upgraded continuously to cover activities of the company. Internal audit independently evaluates the adequacy and compliance of established guidelines for internal control system.

## **Note 5.2 – Capital Management**

### **1. Qualitative Disclosures**

The company manages its capital with the following management objectives and approaches:

- To maintain the minimum paid up capital as required by its regulator, Nepal Rastra Bank.
- To maintain required level of stability for providing a degree of security to the deposit holders.
- To allocate capital efficiently that supports the development of the company's business so that it can continue to provide returns to the shareholders.
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders.

Capital management of the company is also subject to regulatory requirements of the Nepal Rastra Bank which has prescribed the maintenance of capital adequacy norms which are based on Internal

Capital Adequacy Assessment Process (ICAAP). This acts as a guideline for reporting the ongoing assessment of the company's risks as to how it intends to mitigate those risks and how much current and future capital is necessary having considered other mitigating factors.

## 2. Quantitative Disclosures

### i. Capital Structure and Capital Adequacy

#### a. Tier 1 capital and a breakdown of its components

Particulars	Amount (NPR)
Paid up Capital (ordinary shares)	502,830,000
Share premium	458,925
Irredeemable preferential share	-
Statutory general reserve	17,247,599
Retained earnings	(14,232,643)
Capital redemption reserve	-
Calls in advance	-
Other free reserves	-
Deductions:	-
Goodwill	-
Deferred tax assets	-
Investment on shares and securities in excess of prescribed limits	-
Investment in company having financial interests	-
Fictitious asset	-
Investment in land and building for self-use not complying the directives of NRB	-
Investment on land development and housing construction in excess of prescribed limits	-
Underwriting share not sold within the stipulated time	-
Credit and other facilities restricted by the prevailing laws	-
<b>Tier 1 Capital</b>	<b>506,303,881</b>

#### b. Tier 2 Capital and a Breakdown of its Components

Particulars	Amount (NPR)
Provisions of loan loss made for pass loan	21,011,549
Additional loan loss provision	-
Hybrid capital instruments	-
Unsecured subordinated term debt	-
Exchange equalization reserve	-
Assets revaluation Fund (max 2% of supplementary capital)	-
Investment adjustment reserve	-
<b>Tier 2 Capital</b>	<b>21,011,549</b>

### C. Total Qualifying Capital

Particulars	Amount (NPR)
Tier 1 capital	506,303,881
Tier 2 capital	21,011,549
Total capital Fund (Tier 1 and Tier 2)	527,315,430
Risk weighted exposures	2,806,996,255

### d. Capital Adequacy Ratio

Particulars	Ratio
Tier 1 capital to total risk weighted exposures	18.03%
Tier 1 and Tier 2 capital to total risk weighted exposure ratio	18.78%

### e. Summary of the company's internal approach to assess the adequacy of its capital to support current and future activities, if applicable

The company assesses the adequacy of its capital on a regular basis taking into consideration the present total risk exposure and expected future increase in this respect. The paid-up share capital as at the end of the year is Rs.502,830,000.

### f. Summary of the terms and conditions and main features of all capital instruments specially in case of subordinated term debts including hybrid capital instruments

There are no subordinated term debts and hybrid capital instruments of the financial institution.

### ii. Risk exposures

#### a. Total risk weighted exposure of the finance company is detailed as below:

#### Balance Sheet Items

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
Cash balance	0%	130,025,463	-
Gold (tradable)	0%	-	-
Balance with Nepal Rastra Bank	0%	136,799,683	-
Investment in Government Bond	0%	-	-
Investment in NRB Bond	0%	-	-
Loan against own fixed deposit receipts	0%	56,214,000	-
Loan against government securities	0%	-	-
Accrued interests on government bond	0%	-	-
Investment to youth self-employment fund	0%	-	-

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
Balance with domestic BFIs	20%	1,392,718,657	278,543,731
Loan against fixed deposit receipts of other BFIs	20%	-	-
Balance with foreign banks	20%	-	-
Money at call	20%	-	-
Loan against internationally rated bank guarantee	20%	-	-
Investment in internationally rated Banks	20%	-	-
Inter-bank lending	20%	-	-
Investment on shares/debentures/bonds	100%	-	-
Other investments	100%	-	-
Loans and advances, bills purchase and discount	100%	2,118,991,279	2,118,991,279
Property, plant and equipment including intangibles	100%	101,948,364	101,948,364
Net interest receivables ( <i>total interest receivables less accrued interest on government bonds</i> )	100%	-	-
Investment properties (non-banking asset)	100%	-	-
Other assets ( <i>other than advance income tax</i> )	100%	63,684,307	63,684,307
Real estate/residential loans exceeding the limits	150%	-	-
<b>Total balance sheet Items (A)</b>		<b>4,000,381,753</b>	<b>2,563,167,681</b>

### Off-balance Sheet Items

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
Bills collection	0%	-	-
Forward foreign exchange contract	10%	-	-
L/C with maturity less than six months	20%	-	-
Guarantee against International rated bank's counter guarantee	20%	-	-
L/C with maturity more than six months	50%	-	-
Bid bond, performance bond and underwriting	50%	-	-
Loan sale with repurchase agreement	50%	-	-
Advance payment guarantee	100%	-	-
Financial and other guarantee	100%	-	-
Irrevocable loan commitment	100%	43,809,486	43,809,486
Possible liabilities for income tax	100%	-	-
All types of possible liabilities including acceptance	100%	-	-
Rediscounted bills	100%	-	-
Unpaid portion of partly paid share investment	100%	-	-
Unpaid guarantee claims	200%	-	-
Claim not acknowledged as debts	200%	-	-
Amount to be maintained for operational risk (5% of Total Assets)	100%	200,019,088	200,019,088
<b>Total off balancesheet Items (B)</b>		<b>243,828,574</b>	<b>243,828,574</b>
<b>Total Risk weighted assets (A) + (B)</b>		<b>4,244,210,327</b>	<b>2,806,996,255</b>

### b. Amount of NPAs (both gross and net)

Amount in NPR

Particulars	ASHAD 2076		ASHAD 2075	
	Gross NPA	Net NPA	Gross NPA	Net NPA
Restructure/Rescheduled loan	-	-	-	-
Sub-standard loan	10,434,209	7,825,657	21,637,633	16,228,225
Doubtful loan	6,977,227	3,488,614	10,771,689	5,385,844
Loss Loan	7,928,193	-	8,300,916	-
<b>Total</b>	<b>25,339,629</b>	<b>11,314,271</b>	<b>40,710,238</b>	<b>21,614,069</b>

### Ratio of Non-performing Assets as Per Regulatory Classification

Particulars	%	%
Gross NPA to gross loans and advance	1.18%	3.23%
Net NPA to Net Loan and Advance	0.53%	1.76%

### Details of Loan Loss Provision

Amount in NPR

Particulars	ASHAD END 2076	ASHAD END 2075
Pass Loan	20,544,318	11,118,047
Watchlist	467,231	2,887,413
Rescheduled / Restructured	-	-
Sub-Standard	2,608,552	5,409,408
Doubtful	3,488,613	5,385,845
Loss	7,928,193	8,300,916
Additional	-	-
<b>Total</b>	<b>35,036,907</b>	<b>33,101,629</b>

### 3. Compliance with External Requirement

The company is required to maintain a paid up capital of Rs. 800,000,000 as per Monetary Policy 2015/16. The paid-up share capital is Rs. 502,830,000 as on Ashad 31, 2076 which is not as per the NRB requirement.

## Note 5.3 – Classification of financial assets and financial liabilities

### 1. The following presents the classification of financial assets and liabilities.

Amount in NPR '000

Particulars	Note	ASHAD END 2076		ASAHD END 2075		ASAHD END 2074	
		Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets							
Measured at amortised cost							
Cash and cash equivalent	4.1	1,522,744	1,522,744	1,532,306	1,532,306	917,259	917,259
Due from Nepal Rastra Bank	4.2	136,800	136,800	150,758	150,758	111,983	111,983
Other Trading Assets - Government Bonds	4.5	-	-	-	-	-	-
Loans and advances to BFIs	4.6	-	-	-	-	-	-
Loans and advances to customers	4.7	2,118,991	2,118,991	1,227,398	1,227,398	1,092,986	1,092,986
Government bonds	4.8	-	-	-	-	-	-
Account receivable	4.16	28,033	28,033	22,235	22,235	20,981	20,981
Sub-total		<b>3,806,568</b>	<b>3,806,568</b>	<b>2,932,697</b>	<b>2,932,697</b>	<b>2,143,209</b>	<b>2,143,209</b>
Measured at fair value through profit and loss (FVTPL)							
Investment in equity instruments	4.5	-	-	-	-	-	-
Investment in units of mutual fund	4.5	-	-	-	-	-	-
Sub-total		-	-	-	-	-	-
Measured at fair value through other comprehensive income (FVTOCI)							
Investment in equity instruments	4.8	-	-	-	-	-	-
Sub-total		-	-	-	-	-	-
Total financial assets		<b>3,806,568</b>	<b>3,806,568</b>	<b>2,932,697</b>	<b>2,932,697</b>	<b>2,143,209</b>	<b>2,143,209</b>
Financial liabilities							
Measured at amortised cost							
Due to BFIs	4.17	-	-	-	-	-	-
Due to Nepal Rastra Bank	4.18	-	-	-	-	-	-
Deposits from customers	4.20	3,372,711	3,372,711	2,481,769	2,481,769	2,001,814	2,001,814
Bills payable	4.23	-	-	-	-	-	-
Creditors and accruals	4.23	10,361	10,361	19,066	19,066	11,925	11,925
Interest payable on deposits	4.23	1,217	1,217	18,347	18,347	1,667	1,667
Interest payable on borrowings	4.23	-	-	-	-	-	-
Unpaid dividend	4.23	-	-	-	-	636	636
Total financial liabilities		<b>3,384,289</b>	<b>3,384,289</b>	<b>2,519,182</b>	<b>2,519,182</b>	<b>2,016,042</b>	<b>2,016,042</b>

2. *The following presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis*

Amount in NPR

Particulars	Fair value hierarchy (level)	ASHAD END 2076	ASHAD END 2075	ASHAD END 2074
Financial assets				
Measured at fair value through profit or loss				
Equity securities – quoted	1	-	-	-
Units of mutual fund – quoted	1	-	-	-
Sub-total		-	-	-
Measured at fair value through other comprehensive income				
Equity securities – quoted	1	-	-	-
Equity securities – unquoted	3	-	-	-
Sub-total		-	-	-
Measured at amortised cost				
Due from Nepal Rastra Bank	3	136,799,683	150,758,454	111,982,614
Government bonds	3	-	-	-
Loan and advances to BFIs	3	-	-	-
Loans and advances to customers	3	2,118,991,279	1,227,397,512	1,092,985,985
Sub-total		2,255,790,962	1,378,155,966	1,204,968,599
Total financial assets		2,255,790,962	1,378,155,966	1,204,968,599
Financial liabilities				
Measured at amortised cost				
Due to Nepal Rastra Bank	3	-	-	-
Deposits from customers	3	3,372,711,275	2,481,768,818	2,001,813,784
Total financial liabilities		3,372,711,275	2,481,768,818	2,001,813,784

The carrying amounts of cash and cash equivalents, account receivable, due to bank and financial institutions, bills payables, creditors and accruals, interest payable on deposits and borrowings and unpaid dividend are same as their fair values, due to their short-term nature.

## Note 5.4 – Operating segment information

### 1. General Information

The finance company has identified segments on the basis of each geographical presence in seven provinces. The finance company has presence in Province 5 only.

## 2. Information About Profit or Loss, Assets and Liabilities

### i. For the Financial Year 2075-76

Amount in NPR

	Province 5	TOTAL
a. Revenues from external customers	347,890,620	347,890,620
b. Intersegment revenue/(expenses)	-	-
c. Gross Revenue	347,890,620	347,890,620
d. Interest Revenue	315,316,442	315,316,442
e. Interest Expenses	232,145,484	232,145,484
f. Net interest Revenue	83,170,958	83,170,958
g. Other Income	3,162,226	3,162,226
h. Other Expenses	99,565,850	99,565,850
i. Depreciation & Amortization	4,948,574	4,948,574
j. Segment Profit /(Loss)	9,959,065	9,959,065
k. Entity's interest in the profit or loss of associates accounted for using equity method	-	-
l. Other material non-cash items	-	-
m. Impairment of assets	1,935,278	1,935,278
n. Segment assets	3,962,007,891	3,962,007,891
o. Segment liabilities	3,429,958,275	3,429,958,275

### ii. For the Financial Year 2074-75

Amount in NPR

Particulars	Province 5	Total
a. Revenues from external customers	244,161,346	244,161,346
b. Intersegment revenue/ (expenses)	-	-
c. Gross Revenue	244,161,346	244,161,346
d. Interest Revenue	220,152,240	220,152,240
e. Interest Expenses	163,969,958	163,969,958
f. Net interest Revenue	56,182,282	56,182,282
g. Other Income	3,868,082	3,868,082
h. Other Expenses	75,066,834	75,066,834
i. Depreciation & Amortization	4,476,133	4,476,133
j. Segment Profit /(Loss)	(5,784,167)	(5,784,167)
k. Entity's interest in the profit or loss of associates accounted for using equity method	-	-
l. Other material non-cash items	-	-
m. Impairment of assets	7,251,082	7,251,082
n. Segment assets	3,078,902,960	3,078,902,960
o. Segment liabilities	2,550,138,498	2,550,138,498

### 3. Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

#### i. Revenue

Amount in NPR

Particulars	Current year	Previous year
Total revenues for reportable segments	347,890,620	244,161,346
Other revenues	-	-
Elimination of intersegment revenues	-	-
Entity's revenues	347,890,620	244,161,346

#### ii. Profit or Loss

Amount in NPR

Particulars	Current year	Previous year
Total profit or loss for reportable segments	9,959,065	(5,784,167)
Other profit or loss	2,498,595	(818,494)
Elimination of intersegment profits		
Unallocated amounts		
Profit before tax	12,457,660	(6,602,661)

#### iii. Assets

Amount in NPR

Particulars	Current year	Previous year
Total assets for reportable segments	3,962,007,891	3,078,902,960
Other assets		
Unallocated assets		
Entity's assets	3,962,007,891	3,078,902,960

#### iv. Liabilities

Amount in NPR

Particulars	Current year	Previous year
Total liabilities for reportable segments	3,429,958,275	2,550,138,498
Other liabilities		
Unallocated liabilities		
Entity's liabilities	3,429,958,275	2,550,138,498

### 4. Information About Geographical Areas

The financial company has revenue from following geographical areas:

Amount in NPR

Particulars	Current year	Previous year
Domestic		
Province 5	347,890,620	244,161,346
Foreign	-	
Total	347,890,620	244,161,346

### 5. Information About Major Customers

The revenue from a single customer does not exceed 10% or more of the total revenue of the company.

## Note 5.5 – Share Option and Share Based Payment

The company does not have arrangements of share-based payment and share option as on reporting date.

## Note 5.6 – Contingent Liabilities and Commitments

The details of contingent liabilities and commitments has been presented in notes 4.28 of the financial statement.

## Note 5.7 – Related Party Disclosures

The Company does not have any holding, subsidiary company and associate companies.

### 1. Key Management Personnel

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the company. Key management personnel include the board of directors and chief executive officer of the finance company as follows:

Name Of Key Management Personnel	Designation Current Year	Designation Previous Year
PashupatiDayal Mishra	Chairman	Chairman
Rajendra Bir Raya	Chairman	
Dr. Usha Rana Shah	Director	Director
Usha Kumari Bhandari	Director	Director
Tank Bahadur Basnet	Director	Director
Yubraj Adhikari	Director	Director
Dr. Om Prakash Mishra	Director	
Om Prakash Ajad	Director	
Om Pratap Rana		Director
Rajendra Bir Raya	Chief Executive Officer	Chief Executive Officer

The related party transactions are made at terms equivalent to those that prevail in an arm's length transactions. The following table provides the total amount of transaction that has been entered into with related parties for during the reporting period.

*Amount in NPR*

Particulars	Current year	Previous year
With directors		
Director's sitting fees	298,000.00	240,000.00
Other Expenses	28,598.85	4,760.11
Interest paid on deposits	153,202.10	137,993.94
With chief executive officer		
Remuneration and benefits paid	1,796,096.00	2,709,740.00
Interest paid on deposits	4,454.89	2,882.02
Balance of deposits		
Payable to directors	1,399,329.83	300,006.18
Payable to chief executive officer	33,842.60	156,436.60

## **Note 5.8 – Merger Andacquisitions**

During the reporting period, the company has not gone into merger and acquisition nor is pursuing any merger and acquisition.

## **Note 5.9 – Additional Disclosures on Non-consolidated Entities**

The company does not have any subsidiary company and therefore consolidated financial statement as per NFRS is not required to be prepared.

## **Note 5.10 – Events After Reporting Date**

The events after the reporting date are all those events, whether favorable or unfavorable, which occurs between the reporting date and the date approval of the financial statements by the board of directors. During this period, there are no such events that require adjustment or additional disclosure in the financial statement.

## **Note 5.11 – Disclosure of Effect of Transition from Previous GAAP to NFRSs**

NFRS 1 (First-time Adoption of Nepal Financial Reporting Standards) provides a suitable starting point for accounting in accordance with NFRS and is required to be mandatorily followed by first-time adopters. The company has prepared the opening statement of financial position as per NFRS as at Shrawan 1, 2074 (the transition date) by:

- i. recognizing all assets and liabilities whose recognition is required by NFRS,
- ii. not recognizing items of assets or liabilities which are not permitted by NFRS,
- iii. reclassifying items from previous generally accepted accounting principles (GAAP) to NFRS as required under NFRS,
- iv. applying NFRS in measurement of recognized assets and liabilities and
- v. exemptions used in applying the transitional provisions of NFRS 4 – Insurance Contracts.

## **Note 5.12 – Proposed Distributions (Dividend and Bonus Shares)**

The amount proposed is subject to approval of Nepal Rastra Bank and subject to approval of the shareholders in the ensuing annual general meeting of the finance company.

KARNALI DEVELOPMENT BANK LTD.

3. Effect of NFRS adoption for the statement of financial position

Particulars	Explanatory Note	As at 01.04.2074 (Date of Transition)			As at 32.03.2075 (End of last period presented under previous GAAP)		
		Previous GAAP	Effect of Transition to NFRS	Opening NFRS	Previous GAAP	Effect of Transition to NFRS	Opening NFRS
Assets							
Cash and Cash equivalent		917,259,371.00	-	917,259,371.00	1,532,305,862.00	-	1,532,305,862.00
Due from Nepal Rastra Bank		111,982,614.00	-	111,982,614.00	150,758,454.00	-	150,758,454.00
Placement with Bank and Financial Institutions		-	-	-	-	-	-
Derivative financial instruments		-	-	-	-	-	-
Other trading assets		-	-	-	-	-	-
Loans and advances to B/FIs		-	-	-	-	-	-
Loans and advances to customers	a	1,116,539,450.00	(23,553,465.00)	1,092,985,985.00	1,245,023,399.00	(17,625,887.00)	1,227,397,512.00
Investment securities		-	-	-	-	-	-
Current tax assets		313,602.00	-	313,602.00	1,334,104.00	-	1,334,104.00
Investment in subsidiaries		-	-	-	-	-	-
Investment in associates		-	-	-	-	-	-
Investment property		-	-	-	-	-	-
Property and Equipment	b	77,270,184.00	(451,999.00)	76,818,185.00	91,174,927.00	(525,224.00)	90,649,703.00
Goodwill and Intangible assets	c	-	452,000.00	452,000.00	-	525,224.00	525,224.00
Deferred tax assets	d	493,298.00	5,620,668.00	6,113,966.00	-	6,433,561.00	6,433,561.00
Other assets	e	27,379,252.00	43,058,522.00	70,437,774.00	28,514,045.00	40,984,495.00	69,498,540.00
Total Assets		2,251,237,771.00	25,125,726.00	2,276,363,497.00	3,049,110,791.00	29,792,169.00	3,078,902,960.00
Liabilities							
Due to Bank and Financial Institutions		-	-	-	-	-	-
Due to Nepal Rastra Bank		-	-	-	-	-	-
Derivative financial instruments		-	-	-	-	-	-
Deposits from customers		2,001,813,784.00	-	2,001,813,784.00	2,481,768,818.00	-	2,481,768,818.00

## Explanatory Notes to Effect of NFRS adoption for the statement of financial position

b Software transferred to Goodwill and Intangibles from Property and Equipment

c Software transferred to Goodwill and Intangibles from Property and Equipment

d Change in accounting of interest suspense to interest income on Accrual basis and other NFRS.

f Due to NFRS Adjustments.

Effect of Employment expenses as per Actuary valuation and appropriation of dividend as per announcement.

Accounting of Bonus share as per announcement.

Due to NFRS Adjustments.

Due to NFRS Adjustments.

#### 4. Effect of NFRS adoption for the statement of profit or loss and other comprehensive income

For the year ended 32.03.2075 (the latest period presented under previous GAAP)

Particulars	Explanatory Note	Previous GAAP	Effect of Transition to NFRS	Amount as per NFRSs
Interest income	Due to accounting on accrual basis of interest income, Income on Government bond as per EIR, notional cost of employee.	214,349,406	5,802,834	220,152,240
Interest expense		163,969,958	-	163,969,958
Net interest income		50,379,448	5,802,834	56,182,282
Fee and commission income		20,141,024	-	20,141,024
Fee and commission expense		-	-	-
Net fee and commission income		20,141,024	-	20,141,024
Net interest, fee and commission income		70,520,472	5,802,834	76,323,306
Net trading income			-	-
Other operating income	Changes in fair value of investment in equity instruments and units of mutual fund and provision for investment in shares now not required.	3,868,082	-	3,868,082
Total operating income		74,388,554	5,802,834	80,191,388
Impairment charge/(reversal) loans and other losses	Previously the provision for non banking assets were made as per NRB directives no. 4, now it is categorised as non current asset held for sale hence the provision made was reversed.	7,251,082	-	7,251,082
Net operating income		67,137,472	5,802,834	72,940,306
Operating expense			-	
Personnel expenses	Due to actuarial valuation of employee benefit and notional cost of employee.	36,555,787	4,191,041	40,746,828
Other operating expenses		33,501,512	-	33,501,512
Depreciation and amortization		4,476,133	-	4,476,133
Operating Profit		(7,395,960)	1,611,793	(5,784,167)
Non operating income		-	-	-
Non operating expense	Due to adjustment of share issue expenses through equity.	1,331,264	(512,770)	818,494
Profit before income tax		(8,727,224)	2,124,563	(6,602,661)
Income tax expense			-	
Current Tax		257,157	-	257,157
Deferred Tax	Due to NFRS Adjustment	874,040	(1,287,851)	(413,811)
Profit for the year		(9,858,421)	3,412,414	(6,446,007)
Other comprehensive income		-	219,837	219,837
<b>Total comprehensive income</b>		<b>(9,858,421)</b>	<b>3,632,251</b>	<b>(6,226,170)</b>

## 5. Effect of NFRS adoption for the statement of cash flows

For the year ended 32.03.2075 (the latest period presented under previous GAAP)

Particulars	Explanatory Note	Previous GAAP	Effect of Transition to NFRS	Amount as per NFRSs
Net cash flow from operating activities	Due to reclassification of Items in Statements of financial position	240,025,094)	570,865,511	330,840,417
Net cash flow from investing activities	Due to reclassification of Items in Statements of financial position	(18,672,349)	2,995,000	(15,677,349)
Net cash flow from financing activities	Due to reclassification of Items in Statements of financial position	297,319,576	2,563,847	299,883,423
Net increase/(decrease) in cash and cash equivalent		38,622,133	576,424,358	615,046,491
Cash and cash equivalent at the beginning of the period		276,474,576	640,784,795	917,259,371
Cash and cash equivalent at the end of the period		315,096,708	1,217,209,154	1,532,305,862

## KARNALI DEVELOPMENT BANK LTD.

### Disclosure effect of transition from previous GAAP to NFRS

### NOTE 5.11

#### 1. Reconciliation of Equity

	Explanatory Note	As at 01.04.2074	As at 31.03.2075
		Date of Transition	End of last period presented under previous GAAP
Total Equity under previous GAAP		228,458,509.00	519,254,817.00
Adjustment under NFRSs:			
Impairment of loan and advances			
Fair value and employees benefit accounting of staff loan			
Lease accounting			
Measurement of investment securities at fair value		-	-
Revaluation of property & equipment			
Recognition of investment property		-	-
Amortization of debt securities issued			
Deferred tax	Due to NFRS Adjustment	5,337,635.00	6,531,270.00
Defined benefit obligation of employees	Accounting as per Actuary Valuation	(18,452,528.00)	(22,329,517.00)
Goodwill/ Bargain purchase gain			
Interest Income	Due to Accounting on Accrual Basis	19,505,056.00	25,307,891.00
Other			
Government bond at amortized cost			
Investment in associates			
Loans & advances at amortized cost			
Cash Dividend	Accounting as announcement of dividend	-	
Total Adjustment to Equity		6,390,163.00	9,509,644.00
Total Equity under NFRSs		234,848,672.00	528,764,461.00

## 2. Reconciliation of Profit or Loss

Explanatory Note		For the year ended 31.03.2075 End of last period presented under previous GAAP
Profit/(Loss) for the year Previous GAAP		(9,858,420.00)
Adjustments under NFRSs:		
Interest income	Due to accounting on Accrual Basis and additional interest income recognised on staff loan at effective interest rate	5,802,835.00
Impairment of loans and advances		
Employees benefit amortization under staff loan		(1,949,284.00)
Defined benefit obligation of employee	Accounting as per Actuary Valuation	(2,241,758.00)
Operating lease expense		
Amortization expense of debt securities		
Other operating income		
Interest expense		
Depreciation & Amortization		
Other		
Deferred income tax	Due to NFRS Adjustments	1,287,851.00
Provision for NBA	Reversal of Provision for NBA expenses as now NBA is categorised as Investment Property.	-
Provision for Investments	Investment recognised through FVTPL so the investment provision written back.	
Trading assets -Investment	Fair value changes in Trading assets i.e. investment recognised through FVTPL	-
Loss on sale of Fixed Assets	Change in loss on sale of Fixed Assets due to change in depreciation method to SLM	
Share issue expenses	Adjustment through Equity	512,769.00
Loans & Advances at amortized cost		
Government bond at amortized cost	Due to accounting on EIR Basis.	
Investment in associates	Due to accounting as per Equity method	
<b>Total Adjustments to profit or loss</b>		<b>3,412,413.00</b>
<b>Profit or loss under NFRSs</b>		<b>(6,446,007.00)</b>
<b>Other Comprehensive Income</b>		<b>219,837.00</b>
<b>Total Comprehensive income under NFRSs.</b>		<b>(6,226,170.00)</b>

**Karnali Bikash Bank Ltd**  
**Statement of Principal Indicators institution wise**

FINANCIAL YEARS Indicators	Unit	2075/76 Amount	2074/75 Amount	2073/74 Amount	2072/73 Amount	2071/72 Amount
Adequacy of Capital Fund on Risk Weighted Assets						
Core Capital	NPR	517,318,636	518,855,107.89	227,965,210.92	156,583,580.00	141,917,100.00
Total Capital Fund	NPR	538,330,185	529,973,154.89	237,947,232.92	164,770,691.00	151,777,620.00
Risk Weighted Exposure	NPR	2,763,186,769	1,873,045,795.02	1,526,872,040.37	1,289,043,630.00	1,006,596,243.00
Earning Per Share (Average share outstanding)	NPR	2.41	(1.96)	5.58	11.15	11.54
Market Value Per Share	NPR	114.00	106.00	317.00	303.00	267.00
Book Net Worth Per Share	NPR	105.81	103.17	150.97	141.65	144.92
Net Profit Per Staff	NPR	94,792.53	(92,134.76)	69,061.32	1,665,238.86	1,047,537.23
Per Employee Staff Cost	NPR	421,784.10	367,372.98	343,769.78	708,849.20	612,390.48
Number of Promotor Equity Shares	Nos.	2,344,725.00	2,344,725.00	77,010,000.00	56,610,000.00	51,000,000.00
Number of Public Equity Shares	Nos.	2,683,575.00	2,683,575.00	73,990,000.00	54,390,000.00	49,000,000.00
Number of Permanent Staffs	Nos.	128	107.00	122.00	83.00	85.00
Number of Branches	Nos.	17	15.00	13.00	11.00	11.00
Number of Extension Counters	Nos.	0.00	-	-	-	-
Number of ATM Machines	Nos.	5.00	5.00	5.00	5.00	5.00
Price Earning Ratio	Times	47.30	(1.96)	5.58	11.15	11.54
Dividend (including bonus) on Share Capital	Percent					11.58
Cash Dividend on Share Capital	Percent					
Net Profit / Gross Income	Percent	3.85	(4.14)	4.48	7.93	7.96
Net Profit / Loans and Advances	Percent	0.57	17.71	15.71	16.25	16.77
Return on Total Assets	Percent	0.31	(0.32)	0.37	0.62	0.71
Return on Equity	Percent	2.28	-1.68	5.48	11.59	11.89
Interest Income / Loans and Advances	Percent	14.88	17.71	15.71	16.25	16.77
Exchange Gain / Total Income	Percent	0.00	-	-	-	-
Interest Expenses / Total Deposits and Borrowings	Percent	6.88	6.61	4.99	4.87	5.95
Total Operating Expenses / Total Assets	Percent	2.62	2.49	3.17	6.87	7.75
Staff Expenses / Total Operating Expenses	Percent	51.99	48.19	41.19	16.49	18.04
Staff Bonus / Total Staff Expenses	Percent	2.56	-	4.26	7.99	7.56
Total Credit / Deposits	Percent	62.83	48.77	53.21	47.05	53.64
Non-Performing Loans / Total Loans	Percent	1.18	3.48		3.11	3.46
Base Rate	Percent	10.52	15.13	NA	NA	NA
Weighted Average Interest Rate Spread	Percent	6.43	7.04	10.98	10.69	9.75
CRR	Percent	4.06	6.07	5.59		5.78



## नेपाल राष्ट्र बैंक विकास बैंक सुपरिवेक्षण विभाग

पत्रसंख्या: वि.वै.सु.वि./गैरस्थलगत/कर्णाली/०७७/७८  
च.नं. १८९  
कर्णाली डेभलपमेन्ट बैंक लिमिटेड,  
नेपालगञ्ज, बाँके ।



केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
हाल पुल्चोक, ललितपुर ।  
फोन नं.: ०१-५०१०१६३  
Site: www.nrb.org.np  
Email: nrbdsd@nrb.org.np  
पोष्ट बक्स: ७३

मिति: २०७७/१०/२१

### विषय: वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७५/७६ को वित्तीय विवरण तथा अन्य कागजातका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शैयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित एवं कार्यान्वयन गर्न तथा अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी आ.व. २०७५/७६ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध गर्दछु ।

- (क) बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा १४ को उपदफा ३ मा भएको व्यवस्था बमोजिम स्वतन्त्र सञ्चालक नियुक्त गरी सञ्चालक समितिलाई पूर्णता दिनुहुन ।
- (ख) यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७७ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
- (ग) २०७६ असार मसान्तमा संस्थाको औसत ब्याजदर अन्तर तोकिएभन्दा बढी (७.२८ प्रतिशत) रहेको देखिएको तथा हालसम्म पनि सो ब्याजदर अन्तर तोकिएको सीमाभन्दा अधिक नै रहेकोले संस्थाका सञ्चालक समिति तथा प्रमुख कार्यकारी अधिकृत यस तर्फ सजग रहनुहुन । साथै, २०७७ असार मसान्त पश्चात यस बैंकबाट जारी एकीकृत निर्देशन नं. १५/०७७ को बुँदा नं. ४(२) बमोजिम औसत ब्याजदर अन्तर मासिक रूपमा ५ प्रतिशत सीमाभित्र कायम नभएमा सोही निर्देशनको बुँदा नं. ४(३) बमोजिम कारबाही हुने व्यहोरा अवगत गर्नुहुन ।
- (घ) संस्थालाई आ.व. २०७४/७५ को वित्तीय विवरण वार्षिक साधारण सभा प्रयोजनको लागि प्रकाशन गर्न मिति २०७६/०८/०५ मा नै स्वीकृति प्रदान गरिए तापनि संस्थाले हालसम्म उक्त अवधिको वार्षिक साधारण सभा सम्पन्न नगरेको पाइएको हुँदा प्रचलित कानूनले तोकेको समयभित्र वार्षिक साधारण सभा सम्पन्न गर्न तर्फ संवेदनशील हुनुहुन ।
- (ङ) संस्थाद्वारा कर्जा स्वीकृति तथा प्रवाह गर्दा विभिन्न कमी कमजोरीहरू देखिएको, लामो समयसम्म हिसाब मिलान गर्न बाँकी रहेको, लगायतका आन्तरिक लेखापरीक्षण र बाह्य लेखापरीक्षण तथा यस बैंकको निरीक्षणबाट देखिएका कैफियतहरू पुनः नदोहोरिने गरी सुधार गर्नुहुन ।

भवदीय,



(पुष्पा अधिकारी)  
उप निर्देशक

### बोधार्थ:

श्री नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग ।  
श्री नेपाल राष्ट्र बैंक, विकास बैंक सुपरिवेक्षण विभाग, कार्यान्वयन इकाई ।

## मिति २०७७/१०/२६ गते बसेको संचालक समिति बाट सो निर्देशन सम्बन्धमा भएको निर्णय

- (क) तहाँको निर्देशन बमोजिम रिक्त रहेको स्वतन्त्र संचालक पदमा बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा १४ को उपदफा ३ मा भएको व्यवस्था बमोजिम यथाशिघ्र संचालक नियुक्ती गरी जानकारी पठाइने व्यहोरा अनुरोध छ ।
- (ख) जारी एकीकृत निर्देशन नं. १९/०७७ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्ण पालना गरिने व्यहोरा अनुरोध छ ।
- (ग) तहाँको निर्देशनानुसार गरिने व्यहोरा अनुरोध छ ।
- (घ) तहाँको निर्देशन बमोजिम अब उपरान्त समयमा नै वार्षिक साधारण सभा सम्पन्न गरिने व्यहोरा अनुरोध छ ।
- (ङ) तहाँको निर्देशनको पूर्ण पालना गरिने व्यहोरा अनुरोध छ ।