



**RESILIENT  
RESPONSIBLE  
TRANSFORMATIVE**

**दरिलो | जिम्मेवार | रुपान्तरकार**



**मुक्तिनाथ विकास बैंक लि.  
MUKTINATH BIKAS BANK LTD.**

जनता बैंकमा होइन, बैंक जनतामा जानु पर्दछ



PROUD MEMBER

*We want to express our sincere thanks to our valued investors for choosing to be a part of our banking family. Your trust means the world to us, and we are fully committed to ensuring that your investment in our Bank flourishes sustainably. With excitement, we are pleased to present our 17th Annual Report—a detailed account that delves into the Bank's financial position, performance, cash flow, and other essential information. Our goal is to equip you with all the insights needed to make informed decisions about your investments. Your partnership is at the heart of our success, and we are enthusiastic about the journey ahead. Here's to another year of growth, prosperity, and shared accomplishments. Thank you for being an integral part of our story.*

यस विकास बैंकको लगानीकर्ता परिवारको रूपमा यहाँहरू आवद्ध हुनु भएकोमा हार्दिक धन्यवाद । यहाँहरूको अदृढ विश्वासले गर्दा नै बैंकको सफलतामा अझ दरिलो बन्दै गइरहेका छौं । बैंकको सत्रौं वार्षिक प्रतिवेदन यहाँहरू समक्ष पेश गर्न पाउँदा हामी अत्यन्तै हर्षित छौं । यस प्रतिवेदनमा विभिन्न वित्तीय विवरणहरूको साथै सान्दर्भिक अन्य गतिविधिहरू पनि समावेश गर्ने प्रयास गरेका छौं । यी विवरणहरूले यहाँहरूको हामी प्रतिको विश्वास अझै बढ्ने अपेक्षा राखेका छौं । यहाँहरूको दरिलो साथले नै आगामी नयाँ गन्तव्य तय गर्न अग्रसर र प्रतिवद्ध छौं ।

## ABOUT THE REPORT

### Our Approach to Reporting

This Annual Report presents a holistic assessment of Muktinath Bikas Bank Limited's financial and non-financial performance for FY 2079-80. Our primary goal is to transparently communicate our sustainable banking practices and the underlying value creation model to all our stakeholders. Furthermore, the report seeks to present a well-rounded view of Muktinath, covering aspects such as corporate governance, board and management structures, business policies, management systems, and an unwavering commitment to our valued stakeholders.

### Frameworks, Guidelines, and Standards

The Statutory Reports presented in this report complies with the requirement of:

- ❖ Companies Act, 2063.
- ❖ Bank and Financial Institution Act, 2073.
- ❖ Nepal Rastra Bank's Unified Directives, 2078 and other directions and circulars issued in this regard.
- ❖ Regulations of Securities Exchange Board of Nepal.
- ❖ Nepal Financial Reporting Standards issued by Accounting Standards Board, Nepal

### Reporting Cycle

The information presented in this report pertains to the period from 1st Shrawan 2079 to 31st Asar 2080 (17th July 2022 to 16th July 2023).

### Reporting Scope and Boundary

The non-financial information in this Report covers the activities and progress of the Bank on a standalone basis.

### Board and Management Assurance

The Board and the management have thoroughly reviewed the report. Both the Board of Directors and the Bank's management recognize their responsibility in safeguarding the integrity of the information contained herein. They are confident, to the best of their knowledge, that this report comprehensively addresses all material issues and faithfully represents the integrated performance of the Bank and its impact in a fair and accurate manner.

### Feedback

Your valuable feedback is integral to the continuous improvement of our annual report. Please mail us your comments to [info@muktinathbank.com.np](mailto:info@muktinathbank.com.np).



This report can be viewed by scanning this QR code. You may also visit our website [www.muktinathbank.com.np](http://www.muktinathbank.com.np) to read the report online.



In the dynamic realm of the Economy and Banking, our Institution stands out as a beacon of **RESILIENCE**, navigating challenges with unwavering strength.

**RESPONSIBILITY** takes precedence, with a steadfast commitment to corporate governance, robust risk management, ethical practices, and sustainability.

Our **TRANSFORMATIVE** initiatives drive a digital evolution for enhancing customer experience, operational efficiency, and fostering business models that enrich and align seamlessly with the evolving demands of the economy.

"As we maneuver through the complexities of the financial sector, our focus remains resolute on adapting, innovating, and maintaining the highest standards of responsibility, further solidifying our position as a trusted and forward-thinking Institution."



# FEASIBLE भनकै DIGITAL!

Unlock Your Digital Freedom with Muktinath Digital Banking Services



9802306889 to know more

# WHAT'S INSIDE



## OVERVIEW

Muktinath , with a close view	4
Vision, Mission & Values	7
Code of Conduct and Ethical Principles	8
A dive into our achievements	10
Key Financial & Non-financial Highlights	12
Our Key Performance Indicators	14
Awards & Recognition	16

## LEADERSHIP INSIGHT

Chairman's Message	18
CEO's Message	20
Board of Directors Photo	24
Senior Management Photo	26
Management Committee	28
Organisation Structure	30

## SUSTAINABILITY REVIEW

Corporate Governance	31
Stakeholders Engagement	40
Value Creation	42
Capital-Wise Performance	44
Value, Market & Economic Added Statement	50
Risk Management & IT Governance	52
Our Approach to ESG	55
Green Initiatives for a Greener Tomorrow	56
Empowering Communities	58

## STATUTORY REPORTS

AGM Notice	63
Director's Report	66
Disclosure Pursuant to Companies Act, 2063	77
Disclosure Pursuant to Securities Registration & Issuance Regulation and Corporate Governance for Listed Companies, 2074	80
NRB Approval Letter & Board Response	86

## FINANCIAL REPORTS

Independent Auditor's Report	89
Consolidated Financial Statements	93
Notes to the Consolidate Financial Statements	101
Subsidiary Independent Auditor's Report	166
Subsidiary Financial Statements	170

Please refer to page number 179 for Proxy Form.

# Muktinath, *with a close view*



With the vision to “Be the most preferred robust Bank in Nepal while uplifting socio-economic status of people”, we have been walking the dream since 3rd January, 2007 with our operative inception in Putalibazar, Syangja as a Development Bank licensed by Nepal Rastra Bank with scope within Syangja, Kaski and Tanahun district. With upgradation to National Level Development Bank in July, 2015, we have remarkable footprints in a Nepalese Banking industry as a leading development Bank with Balance sheet size of NPR 131 billion, 178 Branches, 22 ATM spread across the country serving more than 1.4 million happy customers from the diversities of social stratum in the country.

Our deep-rooted values for social inclusion through assess to finance with core principal of “जनता बैंकमा होइन, बैंक जनतामा जानु पर्दछ” (instead people coming to Bank, Bank should go to the doors of the people), we prioritized establishing branches in rural regions of Nepal with pressing demand for banking services. Our popularity within the local community can be attributed by customer-friendly offerings and our door-to-door services. We introduced Microfinance program, targeted to local MSMEs with dedicated department and people at all levels to support economically disadvantaged yet highly productive individuals with potentials. Pioneering an innovative

approach, we are believed to be the first to seamlessly cater to both commercial and microfinance clients living up our mission of inclusive financial service provider for all the stakeholder’s wellbeing. As the expansion into financially viable regions with unwavering approach in assisting communities and customers, we take pride in being acknowledged as a key contributor to the country’s socioeconomic development with our involvement in micro and rural financing with value added services and funding initiatives of National importance.

Our visionary approach to be a wholistic financial service provider was possible with the

establishment of Muktinath Capital Limited within our ecosystem. Muktinath Capital Limited stands as one of the premium investments and merchant bank in Nepal, offering a range of services including share registrar, issue management, underwriting, depository, portfolio management and advisory services. We are strengthening the link between strategy and sustainability with establishment of "Muktinath Krishi Company". It is an associate company of Muktinath Bikas Bank standing as a trailblazer, being the first public agriculture company with objective of managerial role in the complete agricultural value chain through initiatives in "Krishak sanga Muktinath" and "Upabhokta sanga Muktinath" within regulatory framework of the country.

Through our unrelenting pursuit of productive sector exposure, resource mobilization and technological adaptation, we stay dynamic while contributing to the creation of new opportunities. However, amidst this adaptability, we anchor ourselves in enduring principles to earn and uphold trust as our commitment to all our stakeholders. Our steadfast dedication lies in cultivating relationship that yields benefits for all stakeholders, encompassing customers, shareholders, regulators, communities and our own team.

We received international recognition in 2020 AD when we were awarded the esteemed European Microfinance Award 2020 for our dedicated commitment to accomplishing goal of financial inclusion and financial accessibility for rural communities. We are proud member of Global Alliance for Banking on Values (GABV) and endorses of Principles for Responsible Banking (UNEP Finance Initiatives), Smart Campaign and Social Performance Task Force (SPTF). We received numerous awards and acclaims for our services till date, which has actually humbled our dream for building a socially and ecologically sustainable future.

In line with the broader trend in the banking sector, we have our primary emphasis on six key dimensions of: Finance, Operations, Technology, organization, Business Model and reputation. There is a recognized imperative to be thoroughly examined and ensure the relevance of our Business Model, particularly to enhance short-term resilience and foster long-term sustainable growth. Our General Banking division provides an extensive array of financial services catering to both the public and institutions. Ranging our service from deposit acceptance, corporate and retail credit, project financing, hire purchase financing, trade financing, personal and

corporate banking, and various other supplementary services with primary goal to offer a secure and convenient means for individuals and businesses to oversee and access their funds, facilitating their diverse financial requirement.

Our distinct yet pioneer framework of inclusive financial services, encompassing Micro Banking, Impact (partnership) Banking, and Wholesale Banking with fundamental goal of inclusive banking to facilitate financial intermediation by offering diverse and affordable financial services, ensuring accessibility to people from all walks of life.

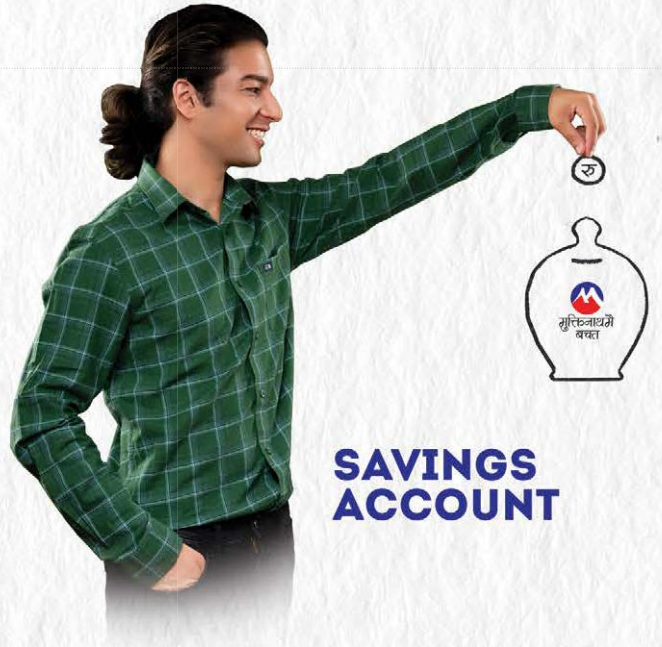
We adhere to the tenets of good governance and compliance, conforming to both regulatory requirement and industry best practices. In a dedication to transparency and inclusive governance, we openly communicate all significant decision, thereby preserving transparency and promoting the standards of effective corporate governance.

This year has been marked by resilience adaptability and shared commitment to financial excellence. Our journey is intertwined with our financial aspirations, and we eagerly anticipate another year of partnership, growth and mutual success throughout this journey of excellence.

**DIGITAL  
BANKING**



**SAVINGS  
ACCOUNT**



**LOANS**



**VISA DEBIT  
CARD**



\*T&C Applied

**WE'VE GOT  
YOU COVERED**





## Vision

Be the most preferred robust Bank in Nepal while uplifting socio-economic status of people.

नागरिकहरूको सामाजिक, आर्थिक स्तर उकास्दै सबैको रोजाईको सबल बैंकको रूपमा स्थापित हुने ।

## Mission

Become a leading, financially viable, socially acceptable, regulatory compliant, environment friendly, inclusive financial services provider for all the stakeholders' wellbeing.

वित्तीय रूपमा सक्षम, सामाजिक रूपमा सर्वस्वीकार्य, नियमनमा प्रतिबद्ध, वातावरणमैत्री समावेशी वित्तीय सेवाहरू प्रदान गर्दै सबै हितग्राहीहरूको समुन्तीको लागि अग्र स्थानमा रहने ।

## Values

Goal Focused  
(लक्ष्यमा केन्द्रित)

Result Oriented  
(परिणाममुखी)

Ownership in the tasks  
(कार्यमा जिम्मेवारी)

Well-being  
(सर्वहित)



## CODE OF CONDUCT

At Muktinath, our Code of Conduct is like a moral compass, guiding us to act with integrity and follow the bank's rules. It's not just a set of guidelines; it represents what our bank stands for and the kind of culture we want to nurture. We're all about creating an open and diverse environment where success is built on respect, collaboration, and teamwork in serving our clients and communities. The Code of Conduct is more than just words; it shapes our workplace culture around trust, fairness, and excellence for everyone at Muktinath.

### Customer Focus:

1

- ▶ We prioritize our customers by helping them make informed financial decisions.
- ▶ We are honest and fair in all our dealings and communications with customers.
- ▶ We protect customer confidential information and data with the utmost care.
- ▶ We respond promptly to customer complaints, addressing them with a fair, consistent, and responsible approach.

### Integrity and Transparency:

2

- ▶ We act with integrity in all our transactions and interactions.
- ▶ Transparency is key to our success – we communicate openly and honestly.
- ▶ Upholding the highest ethical standards, we lead by example in every aspect of our work.

### Responsibility and Culture:

3

- ▶ Each one of us is responsible for upholding the values and culture of Muktinath.
- ▶ We work towards maintaining and enhancing our organizational culture.
- ▶ We tackle challenges with fairness, consistently demonstrating responsibility towards our stakeholders.

### Excellence:

4

- ▶ We pursue excellence in every field, striving to make a positive difference.
- ▶ Leading by example, we set high standards for ourselves and others.
- ▶ Continuous improvement and innovation are integral to our pursuit of excellence.

### Reporting Violations:

5

- ▶ It is the responsibility of every member of Muktinath to raise concerns when a violation of the Code of Conduct is observed.
- ▶ Reporting such concerns contributes to the collective effort to uphold our values and maintain the integrity of our organization.

# ETHICAL PRINCIPAL

Our ethical Principal serves as the foundation for our business operations, reflecting our commitment to ethical conduct, sustainability, stakeholder engagement, customer satisfaction, and legal compliance. We adhere to a set of ethical principles to uphold the highest business standards necessary to foster trust, integrity, and sustainable success:

## Integrity and Transparency:

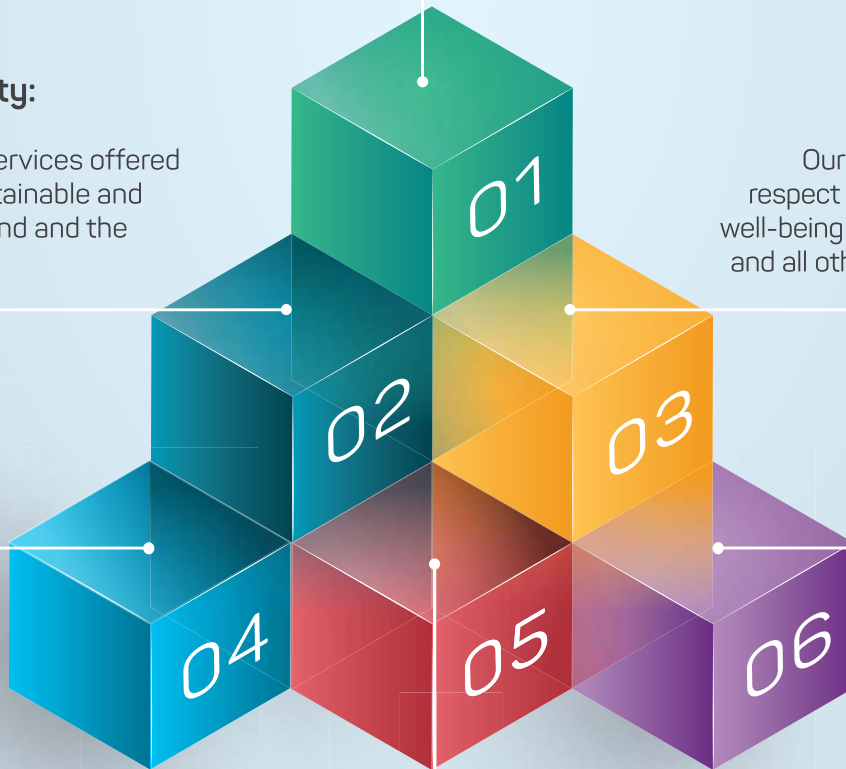
Our businesses should be conducted and governed with integrity and in a manner that is ethical and transparent.

### Sustainability:

Product and services offered should be sustainable and safe for mankind and the environment.

### Wellbeing:

Our business should respect and promote the well-being of all employees and all other stakeholders.



### Respect and Responsiveness:

Our business should respect the interests of and be responsive to all it's stakeholders.

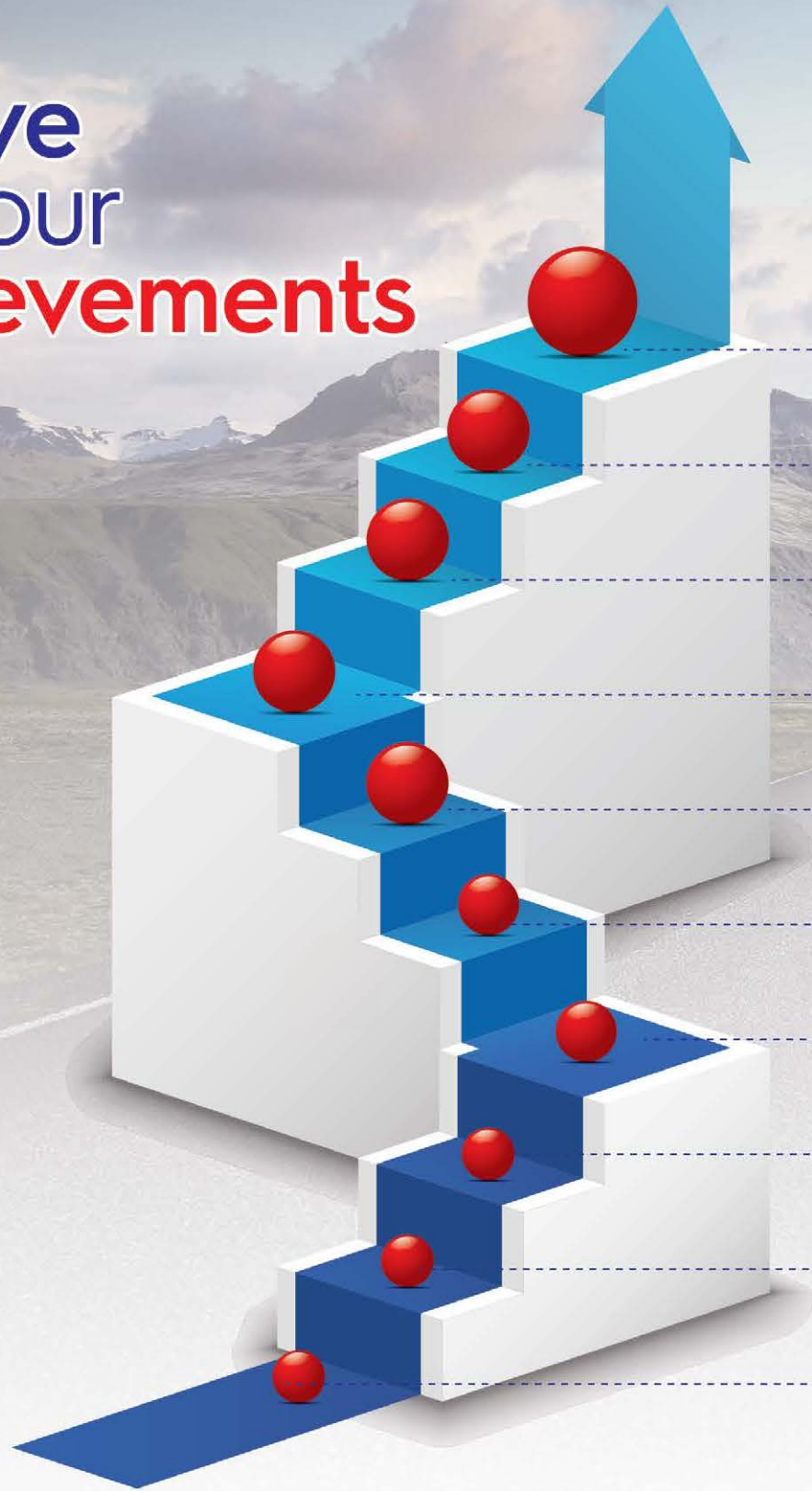
### Legal Compliance:

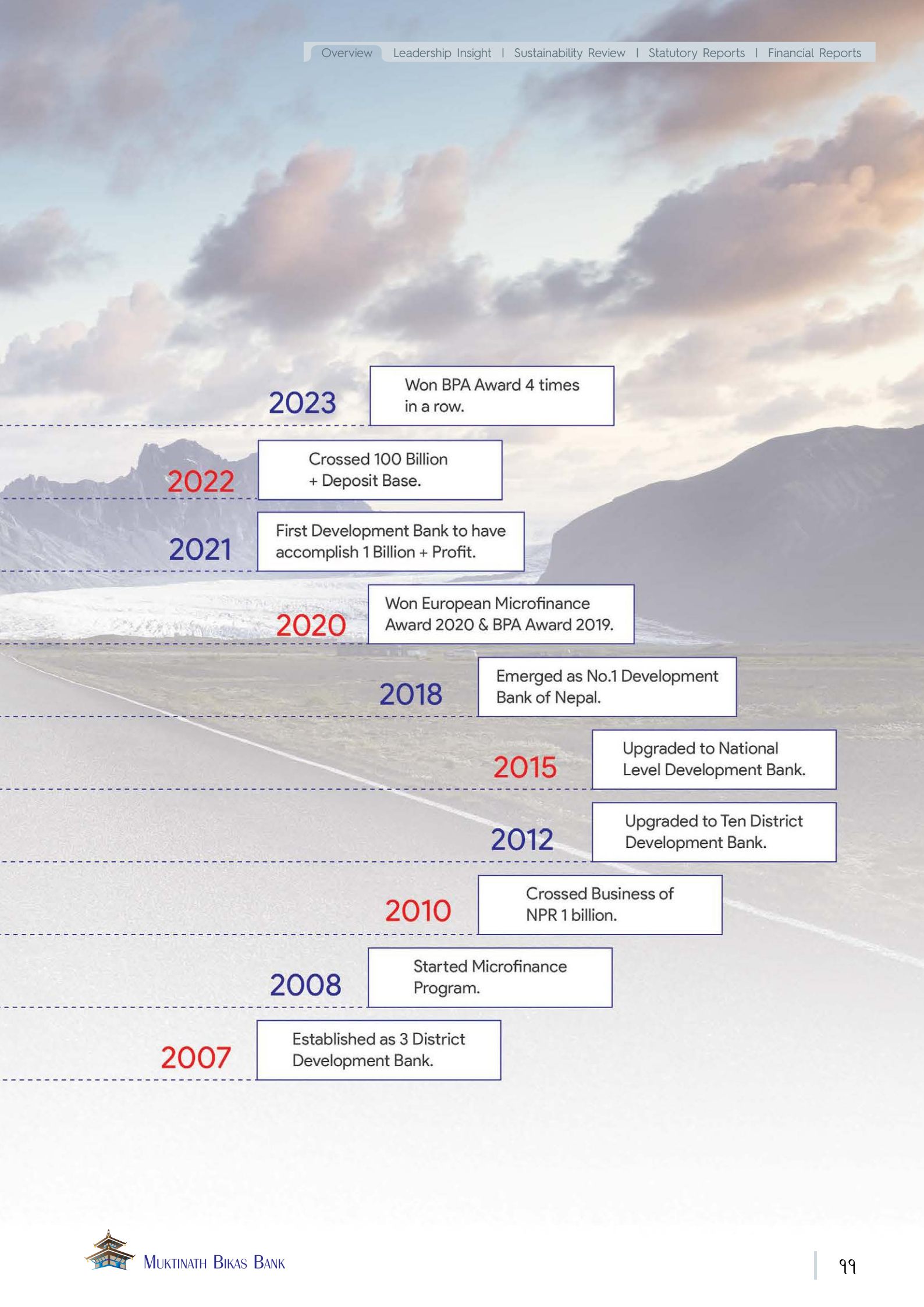
The business activity we carry out should be in compliance with all the laws, rules, regulations and directives issued by the government and regulatory bodies.

## Customer Value:

Our business should provide value to their customers in a responsible manner.

# A Dive into our Achievements





2023

Won BPA Award 4 times in a row.

2022

Crossed 100 Billion + Deposit Base.

2021

First Development Bank to have accomplish 1 Billion + Profit.

2020

Won European Microfinance Award 2020 & BPA Award 2019.

2018

Emerged as No.1 Development Bank of Nepal.

2015

Upgraded to National Level Development Bank.

2012

Upgraded to Ten District Development Bank.

2010

Crossed Business of NPR 1 billion.

2008

Started Microfinance Program.

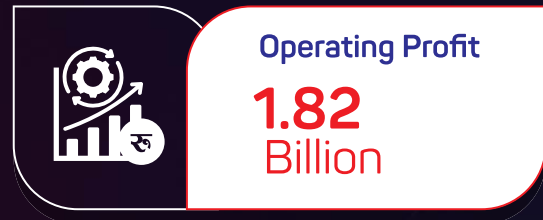
2007

Established as 3 District Development Bank.



# Key Financial Highlights

Amount in NPR



# Non-Financial Highlights

**178**  
Branches



(including  
Extension Counters)

**22**  
ATMS



**51.35%**  
Women Borrowers

**7**  
Provinces Covered



**716,039**  
Mobile Banking Users

**48**  
Districts Covered



**47,348**  
I-Banking

**1,359,377**  
Deposit Accounts



**202,552**  
Debit Cards Users

**88,179**  
Loans Accounts



[CARE-NP]  
BBB(Is)  
[Triple B (Issuer)]



(As of July 16, 2023)

# Our Key Performance Indicators

Testament to our consistent and sustainable performance over the years...

## Financial Position

Balance Sheet Size	(in Million)
2022-23	131,611
2021-22	121,083
2020-21	101,127
2019-20	66,348
2018-19	51,991

YoY 8.69% ⓘ 5Y CAGR 30.50% Ⓢ

Total Deposits	(in Million)
2022-23	118,449
2021-22	108,425
2020-21	92,323
2019-20	59,633
2018-19	46,176

YoY 9.25% ⓘ 5Y CAGR 31.03% Ⓢ

Paid-up Capital	(in Million)
2022-23	6,421
2021-22	5,657
2020-21	4,812
2019-20	4,325
2018-19	3,065

YoY 13.50% ⓘ 5Y CAGR 19.89% Ⓢ

Total Loan	(in Million)
2022-23	96,993
2021-22	89,539
2020-21	76,403
2019-20	48,265
2018-19	38,144

YoY 8.33% ⓘ 5Y CAGR 30.97% Ⓢ

## Financial Performance

Net Interest Income	(in Million)
2022-23	4,104
2021-22	3,330
2020-21	2,789
2019-20	2,259
2018-19	1,895

YoY 23.25% ⓘ 5Y CAGR 25.63% Ⓢ

Net Profit	(in Million)
2022-23	1,248
2021-22	1,342
2020-21	1,156
2019-20	707
2018-19	856

YoY 6.97% ⓘ 5Y CAGR 14.87% Ⓢ

Note: YoY = Year-on-Year | CAGR = Compounded Annual Growth Rate



## Profitability Ratios

Earning Per Share	(in Rupees)
2022-23	19.44
2021-22	23.72
2020-21	24.03
2019-20	16.56
2018-19	27.94

5 years Average EPS: 22.34

Return on Equity	(in %)
2022-23	13.33
2021-22	16.61
2020-21	16.94
2019-20	12.16
2018-19	19.24

5 years Average ROE: 15.66%

## Assets Quality

Non Performing Assets	(in %)
2022-23	0.98
2021-22	0.21
2020-21	0.23
2019-20	0.26
2018-19	0.07

## Total Capital Fund/RWE

Capital Adequacy Ratio	(in %)
2022-23	11.77
2021-22	11.80
2020-21	11.19
2019-20	13.23
2018-19	13.44

## Stock Performance

Market Price	(Rupees Per Share)
2022-23	407
2021-22	439.90
2020-21	657
2019-20	312
2018-19	370

Market Capitalization	(in Million)
2022-23	26,133.06
2021-22	24,885.94
2020-21	31,611.89
2019-20	13,493.97
2018-19	11,339.61

Price Earning Ratio	(in Times)
2022-23	20.94
2021-22	18.55
2020-21	27.34
2019-20	18.84
2018-19	13.24

# AWARDS & RECOGNITIONS!!!

2022

THE BIZZ AWARDS



2022

CORPORATE BUSINESS EXCELLENCY AWARD



2021

HRM AWARDS FOR THE CORPORATE EXCELLENCE



2020

EUROPEAN MICROFINANCE AWARD

HONORABLE MENTION IN SME FINANCIER OF THE YEAR- ASIA OF GLOBAL SME FINANCE AWARD

2021





## 2022

BEST PRESENTED ANNUAL REPORT (BPA) AWARD

## 2021

BEST PRESENTED ANNUAL REPORT (BPA) AWARD



## 2020

BEST PRESENTED ANNUAL REPORT (BPA) AWARD

## 2019

BEST PRESENTED ANNUAL REPORT (BPA) AWARD



CERTIFICATE OF MERIT FOR FINANCIAL SERVICE SECTOR OF SAFA (BPA) AWARDS

## 2021

# CHAIRMAN'S Message

## अध्यक्षको सन्देश

What inspires us is the trust and confidence of our stakeholders which remains our strongest anchor, encouraging us to consistently improve our performance.



### Fellow Stakeholders,

It is indeed a proud moment for me to present to you Bank's Integrated Annual Report for FY 2022-23, which signifies a momentous milestone as we are stepping into 18 years of Bank's foundation. Before I proceed, I want to express my sincere appreciation to all of you for your continued unwavering loyalty and commitment to our Bank. Your continued support has been instrumental to the Bank's sterling performance since its inception.

The past year was challenging in many respects, with significant global and domestic economic developments. The global economy was crippled by profound shocks and unprecedented uncertainty. But on a positive note, it was a momentous year, it was a year in which the world largely shook off the effects of the COVID-19 pandemic thus enabling Governments, businesses and people to rebound in their activities with renewed zeal and new investments. Despite the setbacks, Bank responded well, adapting our strategies

to leverage available opportunities while creating value for all our stakeholders.

Against this backdrop of global uncertainties, our Bank has remained resilient. Our performance in the last fiscal year is a witness to the high-quality institution we are. We have built a solid and resilient balance sheet of NPR 131.61 billion (expanded by 8.69%) with strong capital and well-diversified lending business. Strong focus on deposit mobilization with 9.25% YOY growth. With increase in deposit, we have continued to maintain benchmark of collection 100 Billion plus deposit in the fiscal year 2022-23. The deposit growth was driven by granular retail deposits and especially fixed deposits, which grew faster than the overall deposits. On the loan book side, we remained watchful of the evolving operating environment. Our loan growth for the year picked up by 8.33% y-o-y. Our Balance sheet has been driven by modernization, digital banking growth, talented workforce and maintained profit crossing NPR 1

Billion mark. For us, Banking involves more than profit. It is about banking for shared prosperity while prioritizing social, economic, and environmental factors in all that we do. These days, one of the main tenets of the Bank's business strategy is sustainable banking. Being a proud member of Global Alliance for Banking on Values (GABV) we believe in thinking bolder in all aspects involved. It also gives me immense pride to share that your Bank received Certificate of Merit for Financial Service Sector of SAFA (BPA) AWARDS 2021 held by South Asian Federation Association & Best Presented Annual (BPA) Report 2022, adding more milestones to the Bank.

At the Bank, we accord tremendous importance to very high standards of corporate governance. The various Committees of the Board met throughout the year giving them an opportunity to take stock of various aspects of critical importance to the Bank for fair and timely disclosures which have built credibility over the years. Our



digital journey is focused on improving customer experience and services. This agenda is underpinned by robust data governance and information security while enabling our people to achieve higher levels of productivity by automating repetitive tasks and processes. We continue to prioritize investments in technology that help us target a wider customer base across all segments. We have automated several operational processes. Additionally, a 16 hour digital banking support is also made available for customers for support. Your Bank is committed to building a more balanced, fairer, and inclusive economy, which is why we continue to internalize sustainability principles in our business operations and investment decisions. In past fiscal year, we made considerable progress in this regard, bearing in mind our role in accelerating the achievement of the United Nations Sustainable Development Goals (SDGs). Our Corporate Social Responsibility initiatives are targeted at health, education, women and financial inclusion. With our CSR initiatives, we

have focused to diversify the spending on different SDGs goals to serve as much diverse groups as possible. The CSR initiatives includes both self-management by Bank and also collaboration with various social organizations. Our strong financial performance was driven by our greatest asset: our people. Our talented and resolute workforce is motivated by a relentless pursuit of excellence in service to our hundreds of thousands of customers. It is a matter of pride that our highly committed and capable workforce have worked hard to deliver the seamless banking in these tough operating environments. The main focus of the Bank for future is to create a sustainable growth which empowers the all the stakeholders in addition to creating positive impact on the overall socioeconomic development in communities that we operate in.

As we enter the next stage of growth, we are determined to evolve and create enduring trust, marked with excellence in service and product quality. What inspires us is the trust and confidence

of our stakeholders which remains our strongest anchor, encouraging us to consistently improve our performance. We hold values that encourages us to become more ethical, reliable and transparent than ever. We will continue to evolve and execute success throughout our ecosystem.

I end by expressing my heartfelt gratitude to my colleagues members for their guidance, supervision, unwavering support and belief in our abilities. Finally my gratitude to the management and staffs for their contribution not just for the year gone by but also for their efforts over the years, making the Bank count amongst the finest financial institutions. It is a privilege to lead Bank, and I remain excited about the future and all that we can accomplish together. Thank you for taking the time to read our report and for your continued support.

**Jay Muktinath!**  
**Bharat Raj Dhakal**  
 Chairman



# CEO's Message

प्रमुख कार्यकारी अधिकृतज्यूको सन्देश

In the face of current challenges affecting both the banking sector and the broader economy, going forward, we remain focused on key business priorities, leveraging emerging opportunities and strategically fortifying ourselves at a better position through robust risk management and focused recovery efforts.



## Namaskar!

With immense pride, I am pleased to introduce our 17th Annual Report, my fifth as the Chief Executive Officer of this remarkable organization. I want to express my deepest appreciation to our existing shareholders, whose unwavering belief has served as the cornerstone of our progress. Additionally, I extend a warm welcome to our new investors, whose confidence in us has injected fresh momentum into our ongoing journey. We understand that the trust bestowed upon us continually calls for us to surpass expectations.

## Economic Overview

The previous year witnessed a shift from the new normal to a more familiar one as the world moved beyond the pandemic. While the health crisis is largely under control, the repercussions of decisions made during those challenging and unprecedented times have given rise to various economic issues. This encompasses heightened inflation, leading to subsequent monetary tightening, and the emergence of a banking crisis in the advanced economies like United States and Switzerland. Fortunately, with the Nepal Rastra Bank's vigilant supervision and effective responsiveness, the Nepalese banking sector has been positioned in a more favorable and secure position.

In the fiscal year 2022-23, the Nepalese economy witnessed notable financial trends, marked by a modest real GDP increase of 1.9 percent; significantly below the 10-year average growth rate. The challenges were exacerbated by a stressed economic landscape, evident in the widening fiscal deficit, which reached NPR 486.89 billion compared to NPR 263.67 billion the previous year. Additionally, the annual average inflation surged to 7.74% from 6.32%. A concerning aspect of this economic scenario is the declining government revenue collection, standing at NPR 957.15 billion in FY 2022-23 compared to NPR 1,067.96 billion the prior year, alongside a mounting government debt of Rs. 2,218.54 billion versus NPR 2,010.13 billion in the previous fiscal year. However, on a positive note, there were encouraging developments with remittance inflows increased by 21.2 percent, reaching NPR 1,220.56 billion, compared to a 4.8 percent increase in the preceding year. Additionally, the total number of tourist arrivals witnessed a substantial rise, reaching 862,992 in this year, a significant jump from the 374,147 recorded in the previous fiscal year. The World Bank's

economic outlook anticipates growth rebounding to 3.9% in FY 2023-24 and 5% in FY 2024-25. Lifted import restrictions and gradual monetary policy easing and decreasing interest rates are expected to be the contributing factors in increasing economic activity thereby increasing the GDP.

## Banking Sector

In the fiscal year 2022-23, the stance of monetary policy has been kept cautiously tight to promote macroeconomic stability by maintaining price and external sector stability and to support economic growth through increasing productivity by channelizing financial resources to the productive sector. The focus of the monetary policy was to reallocate credit towards the productive sector, addressing concerns about the high credit to GDP ratio.

Amidst high interest rates, lower credit demand, and reduced economic activities, private sector credit growth from Banking and Financial Institutions (BFIs) increased by a modest 3.8%, compared to the robust 13.1% growth in the previous year. On the deposit front, BFIs witnessed a healthy growth of 12.3%, surpassing the 9.0% observed in the prior year. The combination of restrained loan growth and robust deposit expansion maintained a relaxed liquidity position for BFIs throughout the year, as reflected in the year-end interbank rate dropping to 2.98.

However, a notable concern arose in the form of non-performing loans (NPLs) within BFIs, which increased to 3 percent of total loans by the end of FY 2022-23. This marks the highest NPL ratio registered in the past six years, signaling a potential challenge for the industry. Addressing and mitigating the rise in NPLs will likely become a focal point for regulators and financial institutions to maintain the healthy assets quality.

The capital adequacy of BFIs, measured by the total capital to risk-weighted assets ratio, remained relatively stable at 13.4 percent by the end of FY 2022-23, a marginal change compared to FY 2021-22. Looking ahead, the implementation of the Countercyclical Buffer and BASEL III to National Level Development Bank from FY 2023-24 is anticipated to exert additional pressure on the capital position of BFIs, leading to further tightening.

A significant development during the fiscal year was the impact of the merger and acquisition policy introduced by the regulator in previous years. The number of commercial banks, development banks, and finance companies collectively decreased from 60 to 54 during FY 2022-23. This consolidation reflects a strategic shift in the sector, potentially enhancing efficiency and competitiveness.

## Our Performance

Despite the formidable challenges posed by the ongoing economic scenario impacting businesses and recoveries across the industry, we have demonstrated noteworthy results, which are as follows.

- ▶ Our Balance Sheet size expanded by 8.69% to reach NPR 131.61 billion, making it the development bank's strongest balance sheet.
- ▶ The deposit portfolio is now worth NPR 118.45 billion, up 9.25% while the market increased by 12.3%. The ALCO continuously ensures the sound assets liability management and has strategically raised the deposits based on the liquidity position of the Bank.
- ▶ Our loan book has increased by 8.33%, reaching NPR 96.99 billion at a time when the market grew by 3.8%.



- ▶ The Bank earned a healthy revenue of 4.65 billion, the 21% increase from the previous year end. The net interest income increased by 23% contributing 88% of the revenue while non-interest interest increased by 9% which comprise remaining 12% of revenue.
- ▶ With the increase in the levels of the NPAs from 0.21% in the previous year to 0.98% in this year, there has been significant increase in the impairment charges. We have set aside the amount of NPR 699 million as the impairment charges with which our provision coverage ratio stands at 208%.
- ▶ As of 16th July 2023, we reported a net profit of NPR 1.25 billion, which is diluted compared in the previous year primarily due to increase in the impairment charges. The return on equity (ROE) and return on assets (ROA) both of this FY stands at 13.33% and 0.95%, respectively.

- ▶ As of year's end, we proudly serve a wide range of customers from our 173 branches and 5 extension counters.
- ▶ We are also awarded with the Best Presented Annual Report Award -2022, now for four times in a row by the Institute of Chartered Accountants of Nepal.

In the face of current challenges affecting both the banking sector and the broader economy, going forward, we remain focused on key business priorities, leveraging emerging opportunities and strategically fortifying ourselves at a better position through robust risk management and focused recovery efforts. Our commitment remains steadfast in maintaining a focus on robust balance sheet management, thereby building a solid financial foundation for the creation of value for our shareholders. We're continuously putting our focus on embracing the latest technology to bring our customer a smoother journey in banking. We want every step of your experience to be digital,

making it not just easy but enjoyable. Our aim is to make every interaction with us feel rewarding, while also optimizing business processes leading to enhanced operational efficiencies.

As I conclude this message, I wish to express my profound appreciation to our esteemed Board Members. Your guidance, support, and confidence have been invaluable assets. Heartfelt thanks are extended to all our stakeholders for their unwavering support and patronage, including our regulator for their invaluable guidance. Finally, I express gratitude to my colleagues for their ongoing contributions, not just in the past year, but also for their efforts over the years, collectively shaping our Bank into one of the nation's preferred institutions, in line with our vision statement.

**Jay Muktinath!!!**

---

**Pradyuman Pokharel**  
Chief Executive Officer



*Start Small*  
**DREAM**  
**BIG**



Make small monthly investments & build up  
your savings with Muktinath Bikas Bank

# BOARD OF DIRECTORS

सञ्चालक समिति



**Bharat Raj Dhakal**

**Chairman**

Resident of Syangja, Renowned Banker,  
Founder and Former CEO of  
Muktinath Bikas Bank.



**Gajendra Man Shrestha**

**Director**

Resident of Nuwakot,  
Pioneer Businessman engaged in  
pharma industry and Business



**Nirmala Kumari K.C.(Karki)**

**Director**

Resident of Kathmandu, an experienced  
Banker with an experience on banking  
operation & risk management.



**Shaligram Mishra**

**Director**

Resident of Kathmandu,  
Retired Government Employee.  
Engaged in social activities and associations.



**Shyam Sundar Sharma**

**Independent Director**

Resident of Kathmandu,  
Retired Government Employee with  
adequate knowledge of external & current affairs.

# SENIOR MANAGEMENT

उच्च व्यवस्थापन



**Til Bahadur Gurung**  
Assistant Deputy Chief Executive Officer

Resident of Syangja, an ingenious Banker with banking experience over 24 years.



**Pradyuman Pokharel**  
Chief Executive Officer

Resident of Birgunj, inspirational leader & professional banker with over 31 years of Banking experience.



**Samir Sekhar Bajracharya**  
Deputy Chief Executive Officer

Resident of Palpa, a profound Banker with banking and development sector experience over 25 years.



**Govinda Bahadur Raut**  
Assistant Chief Executive Officer

Resident of Dang, an ingenious Banker with banking experience over 29 years in microfinance & development sectors.



# MANAGEMENT TEAM

## व्यवस्थापन समूह

**Prem Thapa**  
Head- Existing  
Credit Management



**Baburam Dhakal**  
Head - Consumer Credit



**Dandapani Dhakal**  
Head Legal and  
Grievances Redressal



**Vijay K. Gurung**  
Head - Research, Innovation  
& Product Development



**Rashik Bhandari**  
Head - Business Credit



**Samir K. Paudel**  
Head - AML/CFT  
& Compliance



**Binaya R. Shakya**  
Head- Liability Business



**Birendra Rajbhat**  
Head- General Services



**Sarbesh Shrestha**  
Head-Information  
Technology



**Shankar P. Baral**  
Head-Talent Acquisition,  
Development & Management



**Subash Dhakal**  
Head- Central Operations



**Ishwor Budathoki**  
Head-Internal Audit



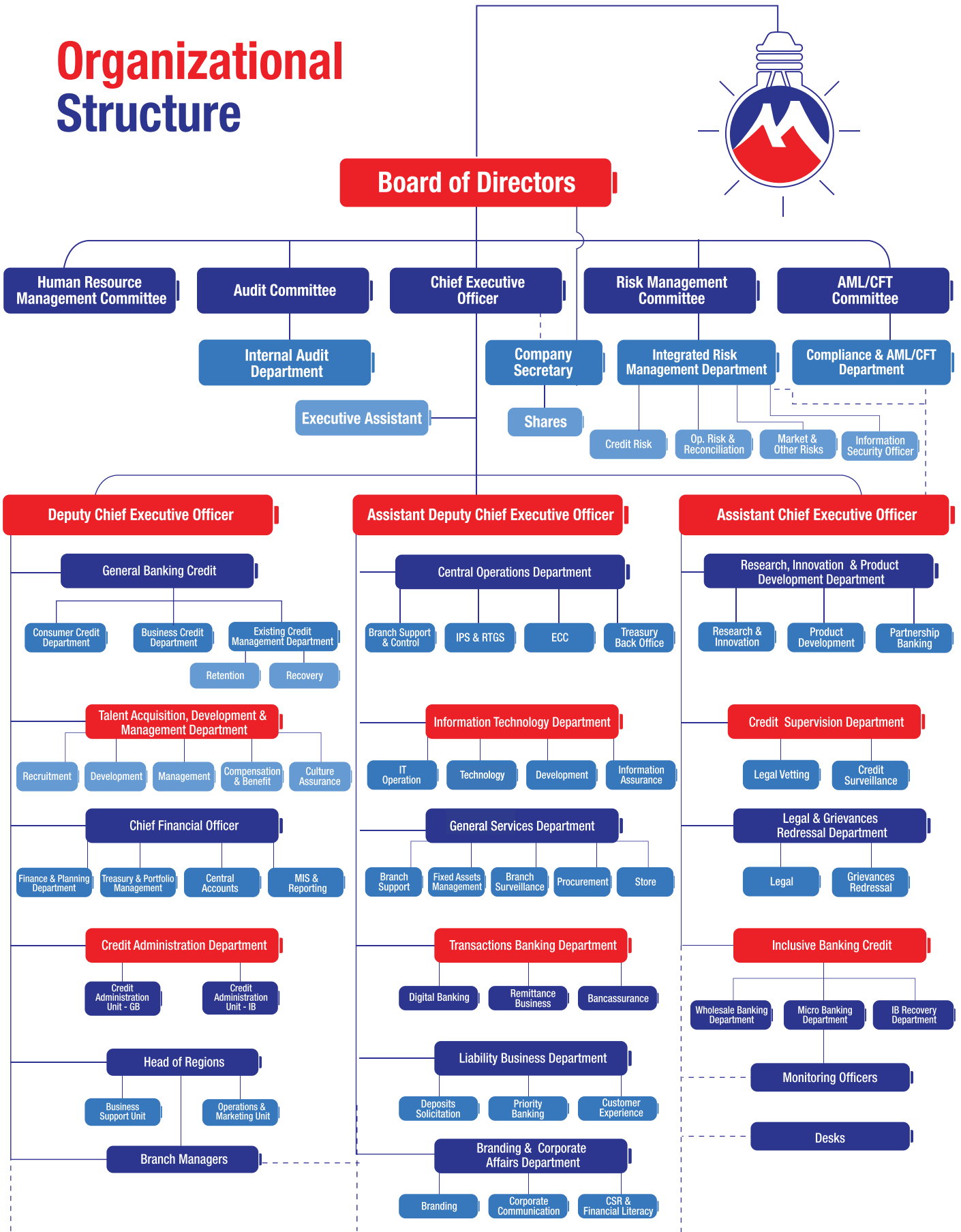
**Pragalv Neupane**  
Officiating Head-Integrated  
Risk Management



**Sanjiv Poudel**  
Chief Financial Officer



# Organizational Structure





# Corporate Governance

Performance led by Accountability & Transparency...



"A good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working."

The Board of Directors of the Bank being the apex body accountable to the regulators, investors and all other stakeholders including the society, sets the purpose of the Bank, the values with which it is guided, the strategies with the combination the vision and mission and implement this in the business strategy.

### Our Corporate Governance Philosophy

At Muktinath, the strong, committed and diverse board ensure the effective corporate governance across the organization. A good corporate governance is a way of

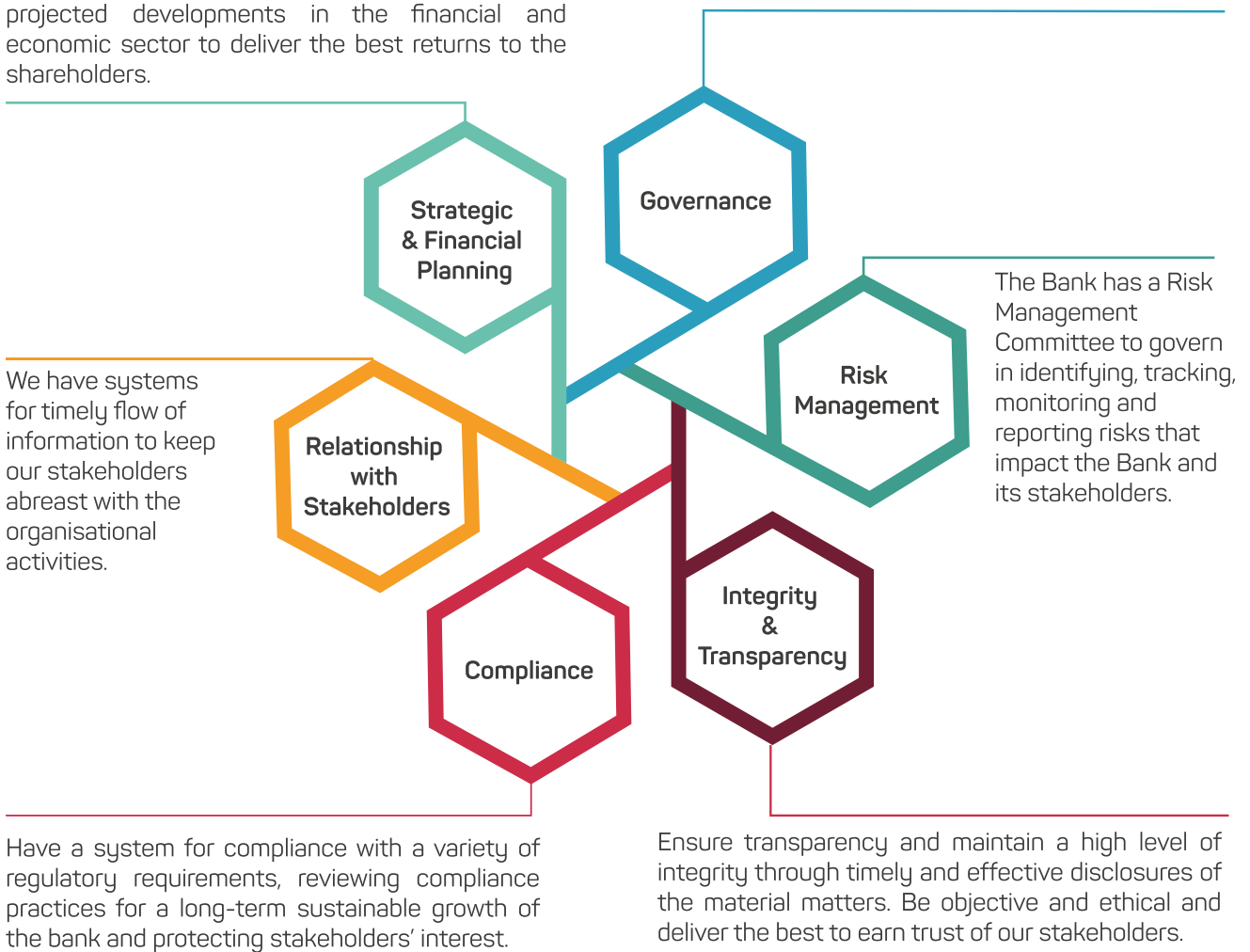
life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. We are focused on enhancement of long-term value creation for all stakeholders taking care of the integrity, transparency, social & environmental obligations and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of our Bank. These principles have been and will continue to be our guiding force in future in creating the sustainable investor and stakeholder value, while remaining rooted to our value system.

### Corporate Governance Framework

The governance framework of our Bank is underpinned by its core values and the strength of its vision, mission, and the primary objective of delivering sustainable growth. The bank is committed to strengthen this approach through adoption of best in class's philosophy, systems and processes in the realm of governance We adopt the following in the corporate governance framework to ensure that our actions align with our core values and mission:

The Bank has developed as five-year strategic plan which serves as a blueprint of the bank's next five-year journey. Further the annual strategies and financial planning is made based on the recent and projected developments in the financial and economic sector to deliver the best returns to the shareholders.

We attempt to balance the interests of many stakeholders, such as shareholders, management, customers, employees, government and the community at large.



## Board of Directors

Our Board of Directors comprise a great mix of expertise, professionalism, knowledge, diversity, experience and values. The composition of the Board is in compliance with the Section 14 of the Bank and Financial Institution Act, 2073 which comprise of 5 directors. Among 5 directors 2 directors are nominated from promotor shareholders, 2 from the public Shareholders and 1 is the independent director.

The following is the details of the directors:

Particulars	Bharat Raj Dhakal	Gajendra Man Shrestha	Shaligram Mishra	Nirmala Kumari K.C. Karki	Shyam Sundar Sharma
Position	Chairman	Director	Director	Women Director	Independent Director
Represents	Promotor Shareholders		Public Shareholders		Independent
Date of Appointment	2019-12-16	2019-12-16	2019-12-16	2019-12-16	2020-07-31
Appointed By	Shareholders in Annual General Meeting				Board of Directors
Term	1st	2nd	1st	1st	1st
Tenure in Board	3 Years 7 Months	7 Years 7 Months	3 Years 7 Months	3 Years 7 Months	2 Years 11 Months
Shareholding %	1.56%	0.91%	0.01%	0.01%	Nil

There has been one change in the composition of the Board of Directors post FY 2022-23 year end. Mr. Rabindra Man Shrestha has tendered his resignation w.e.f. 2023-09-17 citing his personal reasons.

### Board Meetings and its Procedure:

The Board are convened by giving appropriate notice well in advance of the meetings. The Directors are provided with appropriate information in the form of agenda items in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management. To enable the Board to discharge its responsibilities effectively and take informed decisions, apart from the Board Members and the Company Secretary, the meetings are also

attended by the Business Heads, Risk, Audit and Compliance Heads, Chief Financial Officer and other Department Heads.

The Board usually meets at least once in a month to approve the credit facilities above the delegated limit, review the Company's quarterly performance and financial results, to consider business strategies, and their implementation, and also reviews risk, audit, control, compliance and other related matters. The Board sets annual performance objectives

and strategies, oversees the actions and results of the management, and monitors the effectiveness of the risk management and Bank's governance practices for enhancing the stakeholders' value.

The Bank has well-established framework for conveying the Meetings of the Board which seeks to systematize the decision-making process at the Meetings in an informed and efficient manner.

### Number of Board Meetings and Attendance of Directors at Board Meetings

During the financial year under review, the 22 numbers of board meetings were held and following were the attendance details of the directors:

S.N.	Date (B.S.)	Medium	Bharat Raj Dhakal	Gajendra Man Shrestha	Rabindra Man Shrestha	Shaligram Mishra	Nirmala Kumari K.C. Karki*	Shyam Sundar Sharma
1	30/04/2079	Physical	👤	👤	👤	👤		👤
2	27/05/2079	Physical	👤	👤	👤	👤		
3	30/06/2079	Physical	👤	👤	👤	👤		
4	22/07/2079	Virtual	👤	👤	👤	👤	👤	👤
5	29/07/2079	Physical	👤	👤	👤	👤	👤	👤
6	21/08/2079	Physical	👤	👤	👤	👤	👤	👤
7	01/09/2079	Physical	👤	👤	👤	👤	👤	👤
8	08/09/2079	Virtual	👤	👤	👤	👤	👤	👤
9	29/09/2079	Physical	👤	👤	👤	👤	👤	👤
10	11/10/2079	Physical	👤	👤	👤	👤	👤	👤
11	20/10/2079	Physical	👤	👤	👤	👤		👤
12	23/11/2079	Physical	👤	👤		👤	👤	👤
13	06/12/2079	Physical	👤	👤	👤	👤	👤	👤
14	16/12/2079	Physical	👤	👤	👤	👤	👤	👤
15	29/12/2079	Physical	👤	👤	👤	👤		
16	19/01/2080	Physical	👤	👤	👤	👤	👤	👤
17	31/01/2080	Physical	👤	👤	👤	👤	👤	👤
18	19/02/2080	Physical	👤	👤	👤	👤		👤
19	29/02/2080	Physical	👤	👤	👤	👤		👤
20	07/03/2080	Physical	👤	👤	👤	👤		👤
21	22/03/2080	Physical	👤	👤	👤	👤		👤
22	29/03/2080	Virtual	👤	👤	👤	👤		👤

\*Note: Ms. Nirmala Kumari K.C. Karki has taken prior consent from the Board for her abroad visit.

### Meeting Allowances to the Directors

The Board members are provided with the sittings fees for attending the meetings which is approved by the shareholders in the Annual General Meetings, Registrar of Companies and Nepal Rastra Bank. The sitting fees of NPR 13,000 is being paid to chairman while NPR 12,000 is being paid to other directors.

Accordingly, the following allowance were provided to the directors:

Particulars	Total	
	Numbers	Fees
Bharat Raj Dhakal	22	286,000
Gajendra Man Shrestha	22	264,000
Rabindra Man Shrestha (resigned w.e.f 2023-09-17)	21	252,000
Shaligram Mishra	22	264,000
Nirmala Kumari K.C. Karki	12	144,000
Shyam Sundar Sharma	19	228,000
<b>Total</b>		<b>1,438,000</b>

### Board Committees

The Board has constituted various Committees with specific terms of reference which clearly defines their purpose, roles, and responsibilities in line with the provisions of the Bank and Financial Institution Act, 2073 and NRB Directors. The Board Committees play a vital role in improving the Board effectiveness in the areas where more focuses and extensive discussions are required. The coordinator of the respective Committee presents the key matters before the Board.

There are 5 Board Committees, which includes the four statutory committee and one non-statutory committee, the details of which are as follows:





## AUDIT COMMITTEE

Audit Committee has been constituted in compliance with the regulatory provisions of NRB Unified Directives, the provisions of Section 164 and 165 of Companies Act, 2063 and the provisions of Section 60 of BAFIA. The Audit Committee assists the Board in its responsibility in dealing with aspects of good corporate governance, internal control, risk management, financial reporting, legal and regulatory compliance and ethical conduct of business.

### Terms of Reference

The terms of reference of this Committee are as follows:

1. Review the financial condition, internal controls, Audit Program, and analyze the findings of the internal audit on periodic basis and give necessary direction to Management to take appropriate steps on that regards and to recommend to the Board of Directors about the actions to be taken;
2. Review the matters contained in the audit report of the external (statutory) Auditors and initiate for necessary corrective actions;
3. Review reports submitted by Nepal Rastra Bank during Supervision and Inspection and inform Board of Directors whether remarks made on such supervision have been complied or not.
4. Assists ensure annual report to be accurate and real;
5. Ensure the Board of Directors that accounts are accurate and fair, along with frequent reviews of the adequacy of provisioning against contingencies and Classified loan;
6. Review the compliance of the regulations issued by Nepal Rastra Bank to the Bank and include the same in its report;
7. Review the activities of Bank in respect of its regularity, Economical, logical, effectiveness, and give necessary suggestions to the Board of Directors.
8. To perform any other function or duty as stipulated by the Companies Act, 2063, Bank and Financial Institution Act 2073 and NRB Directives .

### Composition, Meetings, Attendance and Allowance of Committee

The Committee comprises of three members which comprise of two directors nominated by Board of Directors and Head of Internal Audit

Department as Member Secretary. The committee meets regularly to discuss and oversee the issues highlighted by the Internal Audit Department. The

Audit Committee meets at least once a quarter and additionally on a need basis to discharge its responsibility conferred by the statute and NRB Directives.

The following is the composition, attendance and allowance details of the Audit Committee for FY 2022-23:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Gajendra Man Shrestha	Director	Coordinator	8	100%	60,000
Shyam Sundar Sharma	Director	Member	8	100%	56,000
Ishwar Budhathoki	Head- Internal Audit Department	Member Secretary	8	100%	Nil

### Activities of the Committee during the year

- ▶ Monitored the progress of the initiatives taken by the Internal Audit Department to improve Internal Control Monitoring process and effectiveness of the internal audit.
- ▶ Approved the Internal Audit Plan and reviewed the effectiveness of the implementation of the Plan throughout the year.
- ▶ Reviewed the independence, objectivity, and performance of the internal audit function as well as the adequacy of the Department's resources.
- ▶ The Audit Committee of the Bank reviewed the internal control issues identified by the Internal Audit Department, the External Auditors, regulatory authorities and the Management, and evaluates the adequacy and effectiveness of the risk management and internal control systems.
- ▶ The committee recommended the name and remuneration for appointment of Statutory Auditor for FY 2022-23.
- ▶ The committee reviewed the annual financial statements of the Bank.
- ▶ The comments made by the External Auditors in connection with internal control system were reviewed during the year and appropriate steps have been taken to rectify them. The recommendations made by the External Auditors in connection with the internal control will be addressed in the future.



## RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been formed pursuant to the Clause 7(3) of the NRB Unified Directives. The committee is constituted by the Board of Directors to assist them in the identification, evaluation and mitigation of risks. The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Bank.

### Terms of Reference

The terms of reference of this Committee are as follows:

1. Appraise the Board of Directors as to the appropriateness of the existing risk identification and management system as well as suggest for development of an appropriate system.
2. Review and recommend for the Board risk management policies, systems, processes & risk management policy on time to time, by considering the changing industry dynamics, evolving complexity and regulatory requirements.
3. Review the level of risk associated with the business, risk bearing capabilities, development of strategies, policy arrangements as well as guidelines adopted towards risk management and suggest to the Board of Directors as to their appropriateness
4. Obtain report from the management on a regular basis; discuss as to assess and evaluate the risk under existing system, control and monitoring mechanism and submit necessary suggestions to the Board.
5. Analyze and review Capital adequacy as per the risk assets, internal capital adequacy assessment plan (ICAAP), appropriateness of policies as per the business strategy, maximum level of risk to the organization may assume and submit necessary recommendation, opinion to the Board.
6. Conduct, review and assess of stress testing scenarios as well as review breaches therein and suggest remedial actions if any.
7. Review the authority delegation and analyze its appropriateness and submit report along with the recommendation to the Board of Directors.
8. Review on quarterly basis the assets' structure, mobilization status of such assets, yield from the assets, improve/deterioration in assets quality, as well as performance of Assets Liabilities Committee (ALCO) and providing necessary guidance to Management and submit report to the Board.

### Composition, Meetings, Attendance and Allowance of Committee

The Committee comprises of four members in total including two directors nominated by Board of Directors one being the coordinator of the Audit Committee, Chief Operating Officer and Head of Integrated Risk Management Department as Member Secretary. The Risk Committee meets at least on a quarterly basis to discharge its responsibilities.

The following is the composition, attendance and allowance details of the Risk Committee for FY 2022-23:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Rabindra Man Shrestha (resigned w.e.f 2023-09-17)	Director	Co-Ordinator	4	100%	30,000
Gajendra Man Shrestha	Director	Member	4	100%	28,000
Til Bahadur Gurung	Chief Operating Officer	Member	3	75%	Nil
Prem Thapa (Till 2023-04-29)	Head- Integrated Risk Management Department	Member Secretary	3	100%	Nil
Pragalv Neupane (From 2023-04-30)		Member Secretary	1	100%	Nil

### Activities of the Committee during the year

- ▶ Reviewed of the Credit Risk, Operation Risks, Market Risks and other type reports prepared by the Risk Management Department.
- ▶ Review and suggested on various frameworks and policies.
- ▶ Discussed on inherent risk of deposit portfolio of the bank, increasing cost of funds. and suggested to improve the composition of retail deposit and improve CASA and control costs.
- ▶ Reviewed the ICAAP and computation and projection of CAR and its impact on the future business.
- ▶ Discussed on the recent changes in the regulatory requirement, implementation status and its impact.

- ▶ Reviewed the assets quality of the bank including the detailed analysis on the non- performing, watchlist and overdue accounts.
- ▶ Monitored and reviewed the likelihood of the impact of the ongoing liquidity risk in the industry.
- ▶ Assessed and monitored the post disbursal of loans verification methodologies and suggested the management to increase the post disbursal revision and verification.
- ▶ Reviewed the agendas discussed in the Assets Liability Committee (ALCO) and its effectiveness.
- ▶ Reviewed the risk associated with the staff turnover.
- ▶ The Committee presented regular risk related reports to the Board for its consideration.



## AML/CFT COMMITTEE

AML/CFT Committee of the Board has been formed in line with the provision of Unified Directives of Nepal Rastra Bank. The Committee oversees implementation of Assets (Money) Laundering Prevention Act, 2064, Assets (Money) Laundering Prevention Rules, 2073, NRB Unified Directives and other legal and regulatory requirements related to Money Laundering Prevention and Combating financing of Terrorism.

### Terms of Reference

1. Review Quarterly reports on implementation status of AML/CFT framework in the bank
2. Implementation status of NRB-FIU issued FATF Recommendations, Internal Policies and procedures for better control measures
3. Issues Review relating to AML/CFT and discuss on Assessment, Measurement, Monitoring and Control of various related risks along with use of our AML vendor i-Care for various automatic monitoring purposes.
4. To perform any other tasks as governed by Bank and Financial Institution Act 2073, Asset Money Laundering Prevention Act 2064, Asset Money Laundering Prevention Rules 2073, NRB Directives and Board of the bank from time to time.
5. The Committee should provide a quarterly report to the Board after due assessment of activities carried out by the compliance department.

### Composition, Meetings, Attendance and Allowance of Committee

The Committee comprises of three members in total which includes one Director, Head of Integrated Risk Management Department and Head of Compliance Department as Member Secretary. The Risk Committee meets at least on a quarterly basis to discharge its duties.

The following is the composition, attendance and allowance details of the AML/CFT Committee for FY 2022-23:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Shaligram Mishra	Director	Coordinator	5	100%	37,500
Samir Kumar Paudel (From 2023-02-08)	Head-Compliance Department & AML/CFT Department	Member Secretary	2	100%	Nil
Dhruba Prasad Regmi (From 2022-10-09 To 2023-02-01)			2	100%	Nil
Til Bahadur Gurung	Chief Operating Officer		1	100%	Nil
Prem Thapa (Till 2023-04-29)	Head- Integrated Risk Management Department	Member	4	100%	Nil
Pragalv Neupane (From 2023-04-30)		Member	1	100%	Nil

### Activities of the Committee during the year

- ▶ Annual Review and Revision of KYC status and Revision of AML/CFT Policy of the bank.
- ▶ Report on banking issues related to AML/CFT on various national and international level and make risk assessment to implement control measures
- ▶ Report regarding status of Customer Due Diligence (CDD), Suspicious Transaction Report (STR), Transaction Threshold Report (TTR), Account Block and Releases as per Regulating Bodies of Nepal
- ▶ Discussion on Customer Identification and Monitoring throughout quarter, High Risk Account Assessment followed by information on training to staffs and other relevant issues.
- ▶ Discussion on various control measures in line with implementation of internal and external policies, NRB directives, as per regulations of various governing bodies of Nepal.





## HUMAN RESOURCES MANAGEMENT & REMUNERATION COMMITTEE

The formation of the Human Resources Management & Remuneration Committee is in line with the provisions set forth in the "Employee Service Bylaws 2079" of the Bank. The Human Resources Department is responsible for managing the administrative function of this committee.

### Terms of Reference

1. Assists the Board in forming the "Remuneration Policies and Practices" of the Bank.
2. Report to the board on its periodical assessment and analysis of the Bank's employee remuneration structure, as well as that of the industry, and its possible implications on the Bank.
3. Recommends the Board with the necessary rationales and explanations to revise the existing remuneration of all the employees including that of the Chief Executive Officer in accordance with the Bank's "Remuneration Policies and Practices".
4. Develop and revise the metrics and procedures for assessing the work performance of the Bank's employees.
5. Develop and submit to the Board plans, guidelines, and policies on hiring, posting, transferring, promoting, and other labor-related issues as well as performance reviews, rewards, and penalties for employees.
6. Present the Board for its approval of the succession planning on the employees.

### Composition, Meetings, Attendance and Allowance of Committee

The committee is composed of four people: the non-executive director, the Chief Executive Officer, the Chief Financial Officer, and the head of the human resources department. It meets as needed to accomplish its responsibilities.

The following is the composition, attendance and allowance details of the Human Resources Management & Remuneration Committee for FY 2022-23:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Nirmala Kumari KC Karki	Director	Co-ordinator	2	100%	15,000
Pradyuman Pokharel	Chief Executive Officer	Member	2	100%	Nil
Sanjiv Poudel	Chief Financial Officer	Member	2	100%	Nil
Shankar Prasad Baral	Head- Human Resource Department	Member-Secretary	2	100%	Nil

### Activities of the Committee during the year

- ▶ Recommended to the Board for its approval, the corporate position wise additional staff enrollment for the FY 2022-23.
- ▶ Reviewed and suggested on a training calendar and the programs connected.
- ▶ Review the headcount position vis-à-vis the budgeted headcount.





## BUILDING CONSTRUCTION MONITORING COMMITTEE

The Building Construction Monitoring Committee is the non-statutory board committee formed pursuant to the board decision in 247th Board meeting for overseeing the construction work in the ongoing Head Office Building.

### Terms of Reference

1. To monitoring the construction related works of Central Office Building in Lazimpat.
2. To oversee the construction works is being performed in line with the contract.
3. To keep the board informed about the progress status of the project.

### Composition, Meetings, Attendance and Allowance of Committee

The committee comprise of the 7 members including one director, one expert member, 2 member representing the building consultant and building contractor and 3 Bank's personnel.

The Building Construction Monitoring Committee's composition, attendance, and compensation information for FY 2022-23 is as follows:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Shaligram Mishra	Director	Co-ordinator	13	100%	65,000
Pradhyuman Pokharel	Chief Executive Officer	Member	12	92%	Nil
Til Bahadur Gurung	Chief Operating Officer	Member Secretary	13	100%	Nil
Birendra Rajbhat	Head- General Service Department	Member	13	100%	Nil
Consultant Representative	Permanent Invitee	Representating Consultant	10	77%	Nil
Contractor Representative		Representating Contractor	5	38%	Nil

### Activities of the Committee during the year

- ▶ Monitored the construction works of the building and reported the progress status to the board.
- ▶ Supervised the construction process to ensure the quality of materials used and work done.
- ▶ Coordinating with different stakeholder for building construction.
- ▶ Evaluated the market scenario to facilitate the smooth construction work.

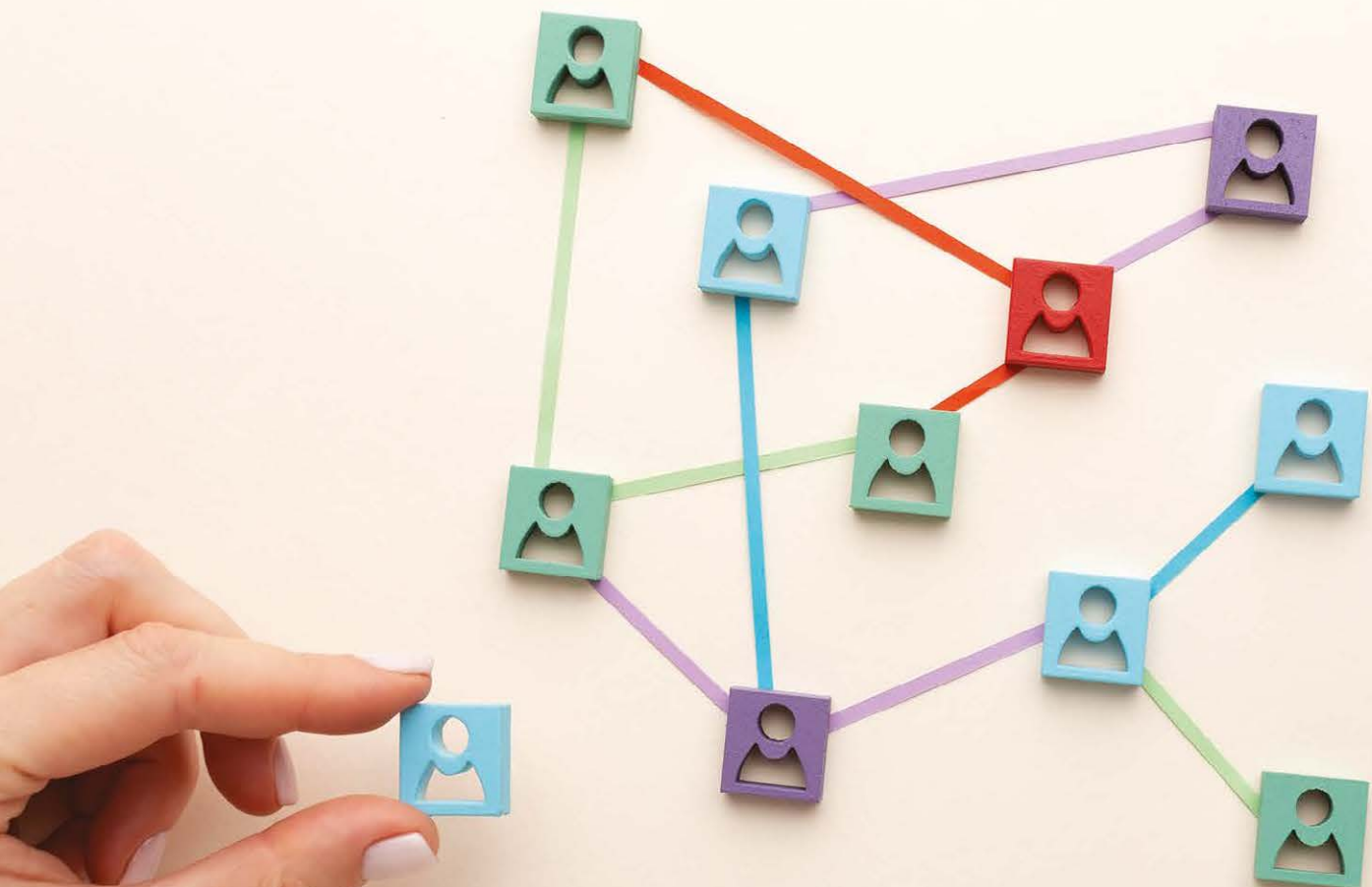
# Stakeholder Engagement

At Muktinath Bank, we believe that involving stakeholders is essential to infuse ethics, sustainability, and fairness into our strategic planning decisions. Our stakeholders are not just entities; they are individuals, groups, and organizations who either shape or are influenced by our business activities. We don't just talk about engagement; we live it. Throughout the year, we create numerous opportunities for stakeholders to interact with us, fostering an ongoing dialogue.

We don't just involve stakeholders; we build relationships with them. It's not just about meeting their needs but finding that delicate balance between what they expect and what our business requires. Our engagement process is more than a series of steps; it's about identifying, prioritizing, engaging, and reporting on the value we deliver.

In the complex landscape of multiple stakeholders, we prioritize those who are not just important but vital to our business and value creation. By truly understanding their expectations and concerns, we guide the prioritization of strategies, policies, and action plans across environmental, economic, and societal domains.

These interactions aren't mere conversations; they shape the very direction of our strategies. We align our plans with stakeholder requirements and expectations, ensuring that as we strive for competitive, sustainable value, we're not just thinking short term but also considering the medium and long term. In essence, at Muktinath Bank, we humanize our relationships with stakeholders, recognizing their significance in our journey toward ethical, sustainable, and fair practices.



	Interest 	Influence 	Engagement 
 <p><b>Shareholders &amp; Investors</b></p>	<ul style="list-style-type: none"> <li>▶ Corporate Governance.</li> <li>▶ Compliance</li> <li>▶ Risk Management</li> <li>▶ Financial Performance</li> <li>▶ Brand Reputation and Image</li> <li>▶ Asset Quality</li> </ul>	<p>HIGH as shareholders and investors play a vital role in the success of our Bank, providing essential capital and financial stability. Their investments enable our Bank to fund operations, expand our services and pursue growth opportunities.</p>	<ul style="list-style-type: none"> <li>▶ Annual/Special General Meetings</li> <li>▶ Annual Report</li> <li>▶ Financial Results &amp; Disclosures</li> <li>▶ Website</li> </ul>
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>▶ Reliable Banking Services.</li> <li>▶ Data Security</li> <li>▶ Customer Satisfaction.</li> <li>▶ Relationship Management</li> <li>▶ Transparency and Fair Disclosure</li> </ul>	<p>HIGH, satisfied customers build lasting relationships, trust, and referrals, ensuring our prosperity in a competitive market thus drives the revenue.</p>	<ul style="list-style-type: none"> <li>▶ Customer Feedback</li> <li>▶ Surveys</li> <li>▶ Grievances Redressal</li> <li>▶ Personalized Services</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>▶ Employee Well-Being</li> <li>▶ Fair Compensation</li> <li>▶ Employee Development</li> <li>▶ Career Opportunities</li> <li>▶ Talent and Retention</li> <li>▶ Diversity and Inclusion</li> <li>▶ Rewards and Recognition</li> </ul>	<p>HIGH as their diverse skills and knowledge drive efficient operations, exceptional customer service, and sustained growth. Empowered employees are our cornerstone, enabling us to excel in a competitive landscape while upholding the highest standards of integrity and professionalism</p>	<ul style="list-style-type: none"> <li>▶ Performance Appraisal</li> <li>▶ Training Programs</li> <li>▶ Staffs Meet</li> <li>▶ Email</li> <li>▶ Muktinath Darpan</li> </ul>
 <p><b>Government &amp; Regulators</b></p>	<ul style="list-style-type: none"> <li>▶ Compliance with Regulations</li> <li>▶ Transparency and Fair Disclosure</li> <li>▶ Risk Management</li> <li>▶ Protection of the Depositor's Interest</li> <li>▶ Timely Payment of Taxes and Duties</li> </ul>	<p>HIGH, as through oversight and enforcing regulations, they promote sound governance, risk management, and consumer protection, safeguarding the economy's overall health and fostering public trust in the banking system.</p>	<ul style="list-style-type: none"> <li>▶ Regulatory Reporting</li> <li>▶ Onsite Supervision</li> <li>▶ Offsite Supervision</li> <li>▶ Press Releases</li> <li>▶ Website</li> </ul>
 <p><b>Community &amp; Society</b></p>	<ul style="list-style-type: none"> <li>▶ Social and Environmental Impact</li> <li>▶ Green Financing</li> <li>▶ Sustainable Banking</li> <li>▶ Financial Literacy</li> <li>▶ Employment Generation</li> </ul>	<p>High, as the community and society form the very foundation of our business operations.</p>	<ul style="list-style-type: none"> <li>▶ CSR Projects</li> <li>▶ Financial Literacy Programs</li> <li>▶ Community Outreach</li> </ul>

# VALUE CREATION

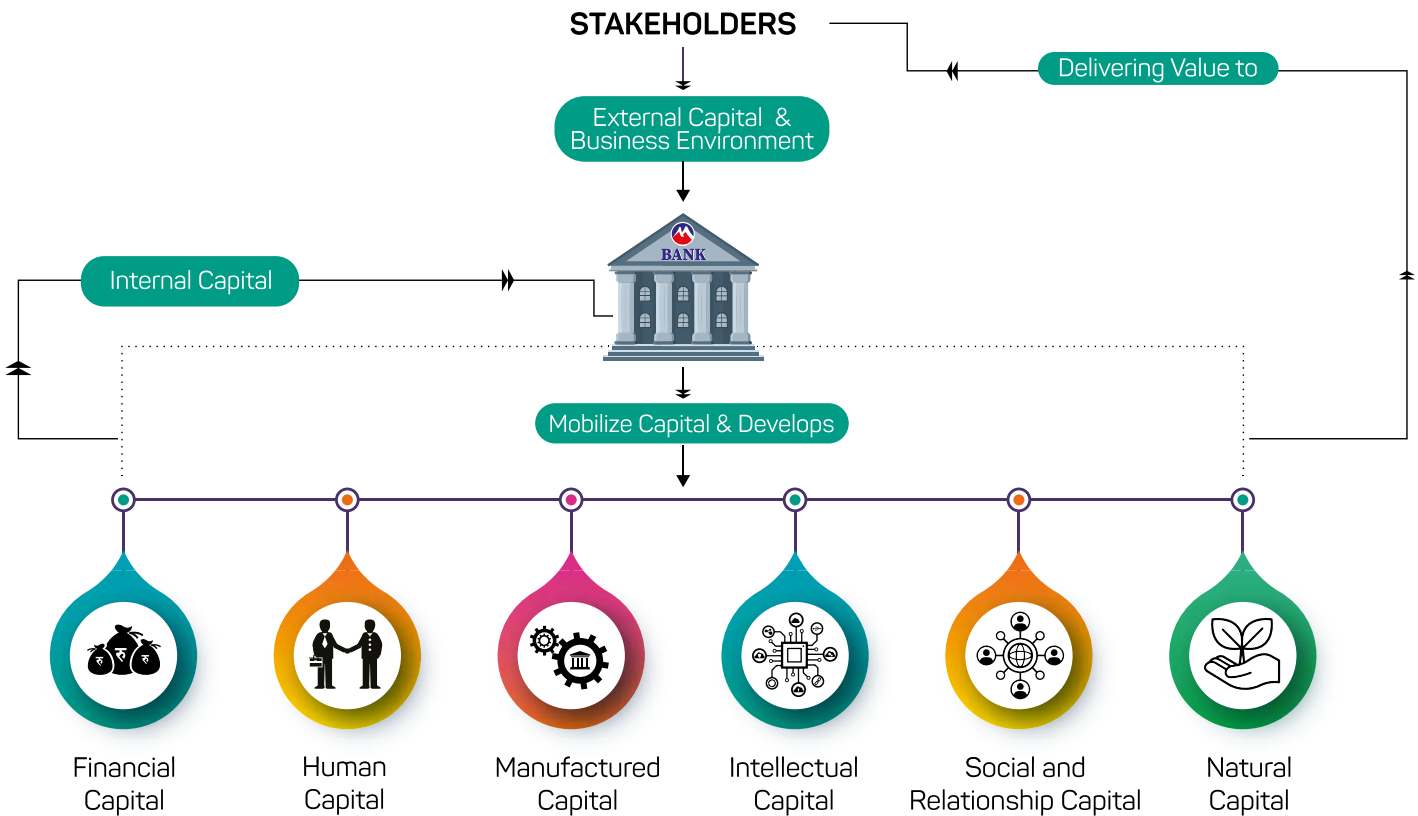
## Our Approach to Value Creation

At Muktinath Bank, we pursue to create long-term value for all our stakeholders. Along with the changing environment and scenarios, we are prepared to deliver pertinent solutions that answer the changing demands and expectations of our stakeholders. We focus on creating synergy with our initiatives to enhance stakeholder's value at large.

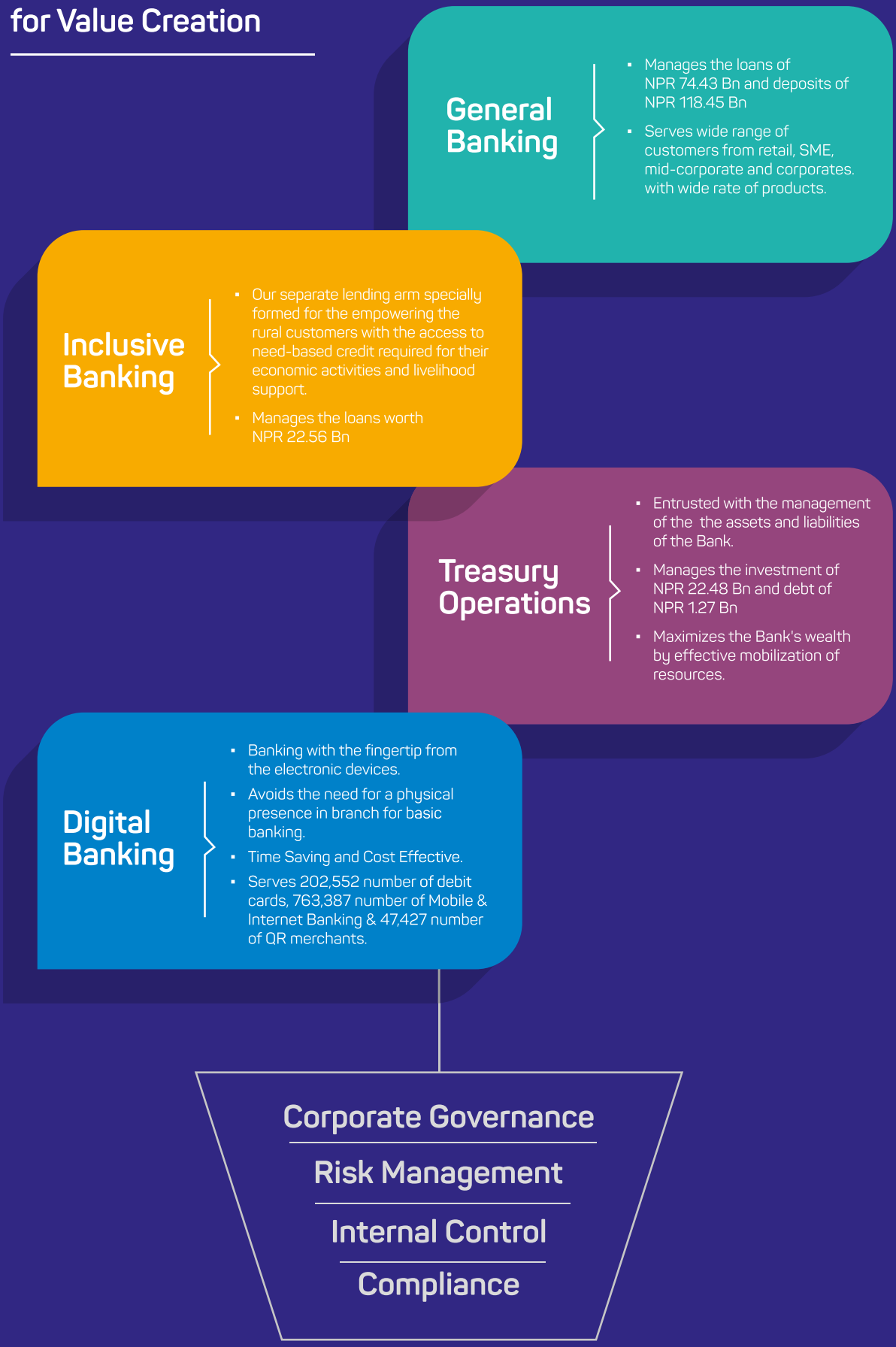
The best possible product development & service strategies are adopted for our customers. We try to motivate all our employees with a well-facilitated and progressive working environment, where focus is put on learning and enhancing productivity. Most of all, we want to continue to provide the best possible banking solutions for all kinds of customers from

different economic backgrounds so we can also contribute to uplifting the society.

We aspire to create continuous and consistent value for our stakeholders by utilizing and analyzing our resources through the prism of the size capital, the relationship of which is depicted below through the diagram:



## Our Business Model for Value Creation



## I. Financial Capital

Financial capital is essential to the Bank's ability to keep its market position, achieve its strategic goals, and produce sustainable stakeholder value. As a Bank that is committed to sustainability, we source and use

capital in a way that balances the interests of various stakeholders while effectively managing risk factors. Thus, the Bank is focused on optimizing capital allocation and maintaining a strong balance

sheet for a business continuity with sustainable growth and creating both short-term and long-term value for all the stakeholders.



## II. Human Capital

At Muktinath Bikas Bank, we recognize that our people are the heart and soul of our success. Unwavering commitment and robust organizational culture define our identity. Aspiring to be an employer of choice, we prioritize creating an exceptional employee experience. Our goal is to foster a culture that values safety, encourages innovation, sparks creativity, and embraces diversity. This approach not only propels us toward our business objectives but also ensures personal and professional growth for our employees.

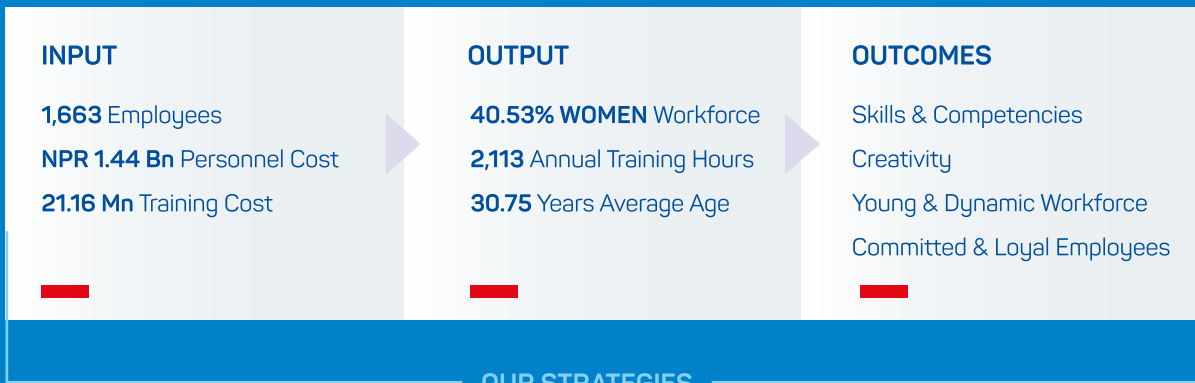
Our vision goes beyond numbers; it's about nurturing a culture that values safety, celebrates innovation, encourages creativity, and embraces diversity. This isn't just a strategy to meet business goals; it's a commitment to help our team members grow both personally and professionally.

We're passionate about building a workplace where everyone, regardless of gender, caste, creed, color, sexual orientation, or religion, feels included and valued. We're not just talking about equal opportunities; we're actively working

towards creating an environment that respects human dignity, fosters independence, and sparks creativity.

**"Our investment in developing our people isn't just a line on a budget; it's a promise to make Muktinath Bikas Bank the kind of place where every employee can flourish."**

Our growing team, now with 1663 staff members by the end of the fiscal year 2079/80, including 40.53% females, is a testament to the talent, diversity, and dedication that drive our success.



### OUR STRATEGIES

- ▶ Skills & Competencies
- ▶ Employee Development
- ▶ Performance Management
- ▶ Workforce Planning
- ▶ Talent Management
- ▶ Succession Planning
- ▶ Employee Communication
- ▶ Employee Wellness



"In Teamwork, We Believe"

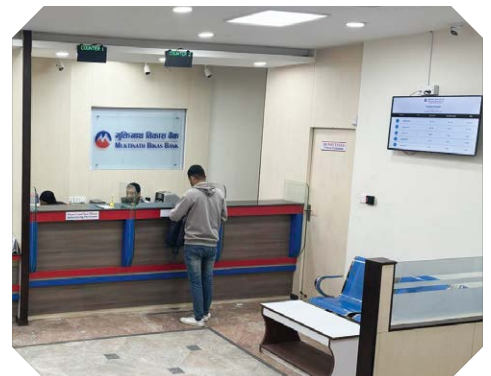
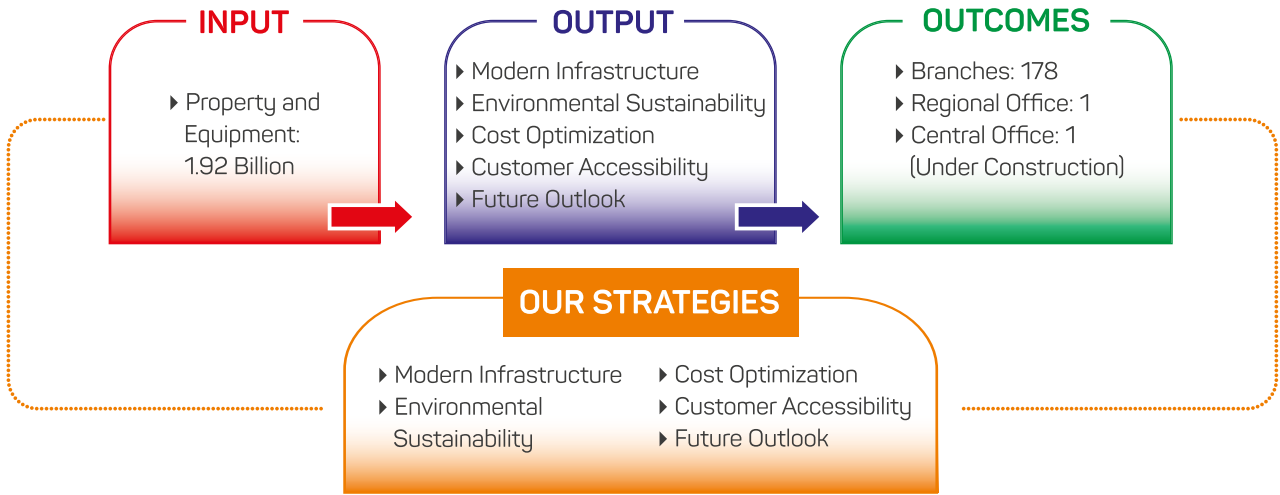
### III. Manufactured Capital

Manufactured Capital includes the Capex i.e Property, furniture, office equipment & IT Infrastructure we make to deliver our value-added services to our valued customers. We continue to invest in both our physical and digital infrastructure to increase accessibility to customers,

thereby fulfilling their financing needs reliably and conveniently. We strive to create an extensive branch network spread across the part of the counties to provide resilient financial as well as physical infrastructure for all the stakeholders. We have also worked on and will also continue to work on the

digital platforms which compliments the physical infrastructure with access to digital solutions.

Driving financial inclusion through rural branch network and branch on wheels



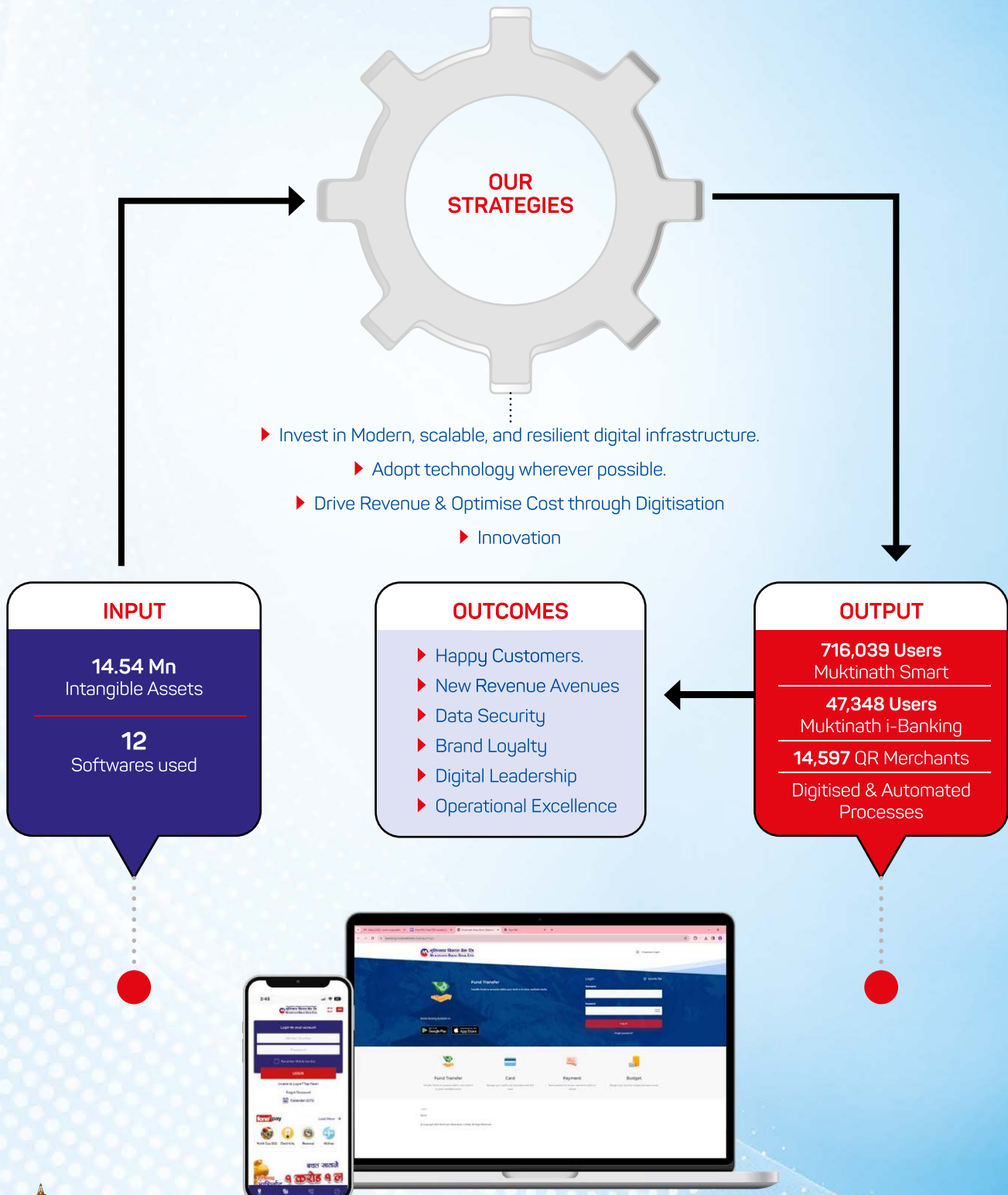


## II. Intellectual Capital

To ensure quick and seamless delivery of products and services backed by robust technology infrastructure the bank has been developing intellectual capital. Digital excellence is a key pillar of the Bank's strategy and will play an increasingly important role in transforming the customer experience through seamless, innovative solutions.

With an objective to automate the lending and deposit process the Bank has developed online account opening, fixed deposit request and lending forms to facilitate the customers. In addition to the systems which provide core business functionality, the Bank has deployed business process automation system for our internal processes and

other internal systems such as human resource management software, fixed assets management software, AML/CFT software for the effective flow of the processes. Further, the data security being one of the key concerns of the bank different investment on ethical hacking, physical and logical controls, IT audits have been made.



## Social & Relationship Capital

We aim to build strong partnerships by engaging with our key stakeholders, including shareholders and lenders, employees, governments, communities and civil societies. These relationships help maintain and strengthen our license to operate. The Bank as a part of its initiatives under Corporate Social Responsibility has undertaken projects in various areas including Education, Livelihood, Health, Environmental Sustainability, and Sanitation, etc.

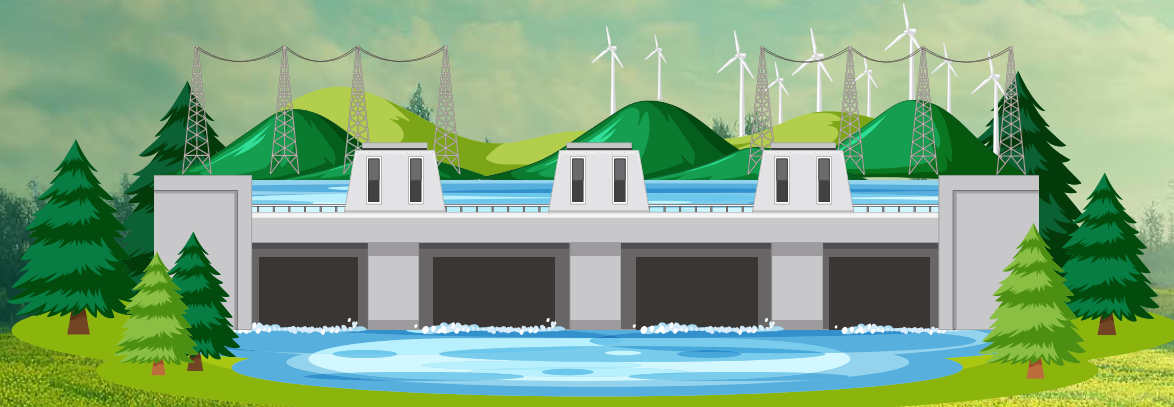
As an accountable financial institution, we believe in leading responsibly and complying with applicable regulations. We collaborate with regulatory bodies, central and state governments to formulate and implement various schemes for overlooked sections of society. We have partnered with the Ministry of Youth and Sports for providing loans to small entrepreneurs and youth at the concessional rate. Further we have entered into tripartite agreement between KfW

Development Bank, Germany, Nepal Rastra Bank, and Muktinath Bikas Bank under Sustainable Economic Development in Rural and Semi-Urban Areas- MSME Finance Phase II (SEDRA II) for providing the financial access to target group-oriented loans to micro, small and medium-sized enterprises in rural and semi-urban areas.



- ▶ Responsible Banking
- ▶ Sustainable Banking Practices
- ▶ Giving back to the Society



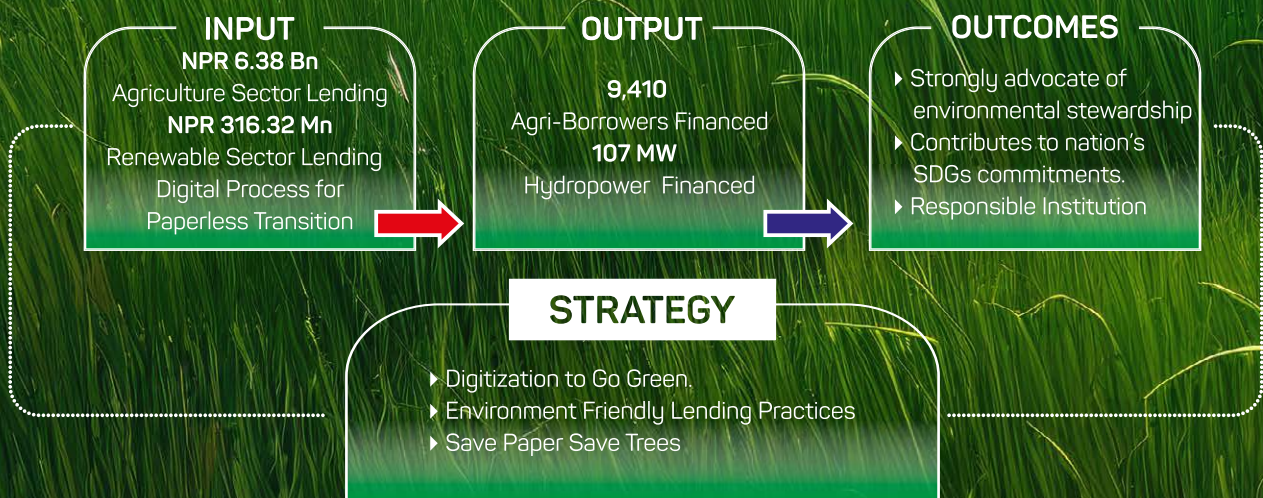


## Natural Capital

The concept of natural capital is closely related to the idea of sustainable development, which seeks to balance economic, social, and environmental considerations in decision-making. In this context, natural capital is seen as a critical resource that must be managed and conserved in order to ensure a healthy and sustainable future for all.

We at Muktinath Bikas Bank are very conscious of the direct and indirect impact of its operation on the environment. Through the Environment and Social Risk Management Policy, the Bank has integrated environmental and social risk assessment into its overall credit risk framework analysis, to monitor and oversee the environment and social impact on its lending decisions.

Our approach centers on minimizing the direct environmental impacts of our operations while contributing towards the sustainable use of natural resources through responsible lending practices. Further we have devised the following strategy to minimize the environmental impact from our operations:



## Value Added Statement

In NPR Million

The value-added statement shows how much value(wealth) has been created by the Bank through utilization of its capacity, capital, manpower and other resources and allocated to employees, government, community, shareholder, and for the expansion and growth of the Bank. It depicts the profit generated by collective efforts management, employees, capital and its utilization that is distributed among its various stakeholder.

The value added by the Bank stood at NPR 3,495.21 million as on July 16, 2023 as compared to NPR 3,372.38 million in previous year.

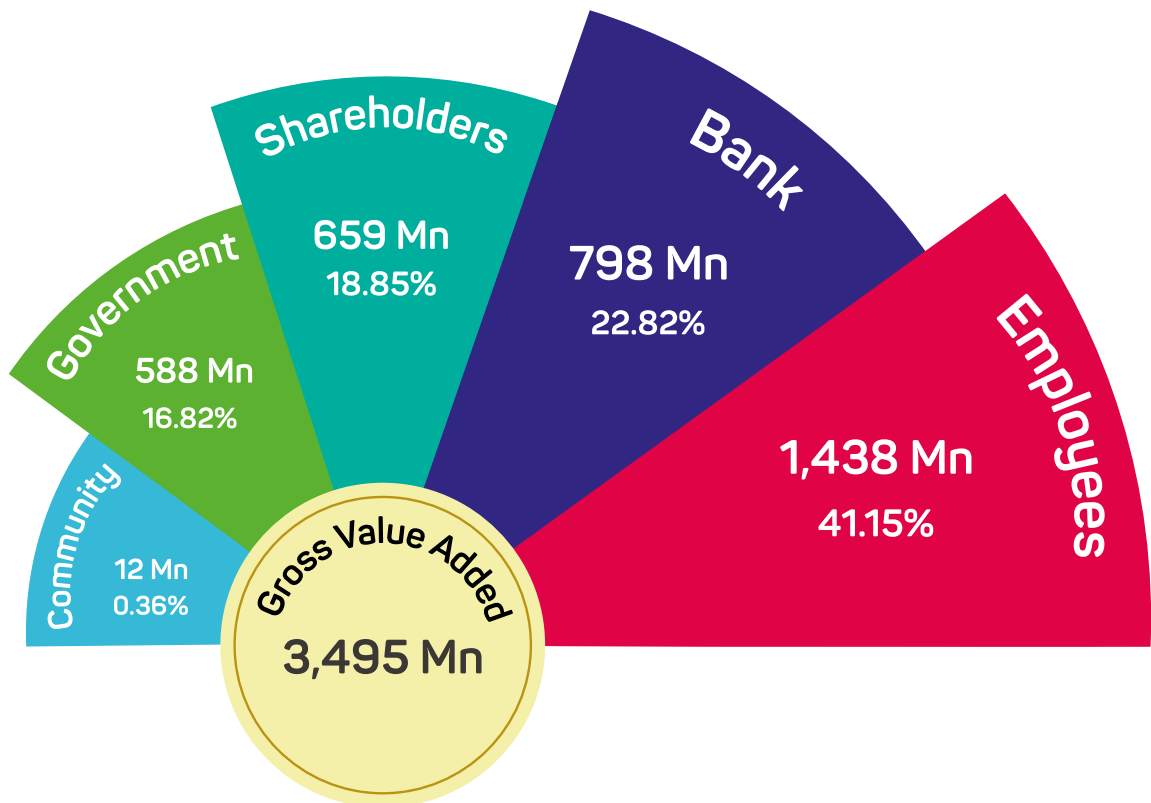
Value Added	2022/23	2021/22	Change(%)
Interest Earned	15,475.24	11,563.22	33.83%
Other Income	615.66	552.82	11.37%
Interest Expenses	11,371.14	8,233.44	38.11%
Other Operating Expenses	525.87	435.51	20.75%
<b>Value Added by Banking Services</b>	<b>4,193.88</b>	<b>3,447.09</b>	<b>21.66%</b>
Impairment Charge for Loans and Other Losses	698.68	74.71	835.16%
<b>Gross Value Added</b>	<b>3,495.21</b>	<b>3,372.38</b>	<b>3.64%</b>

### Application of Value Addition

For the year ended Asar 2080 (July 16, 2023) the application statement comprises of value addition to various stakeholders of the Bank. The current value addition of 41.15%

has been apportioned to employees of the bank for the salaries and other benefit that is followed by the expansion and growth by 22.82% for dividends. The shareholders,

government and community of the bank received 18.85%, 16.82% and 0.36% of total value addition respectively.



## Market Value Added

Market value is the difference between the market value and total book value of the bank. It shows the difference between the current market value of the Bank and capital contributed

by investors. It is the sum of all capital claims held against the bank plus the market value of debt and equity. Positive Market value added depicts the bank has added value.

The Bank has market value added of NPR 16,770.01 million as on July 16, 2023 which was NPR 16,809.35 million as on July 16, 2022.

In NPR Million

Particulars	2022/23	2021/22
Market price per share	407.00	439.90
Number of shares	64.21	56.57
Total Market value	26,133.06	24,885.94
Book value per share	145.82	142.77
Number of shares	64.21	56.57
Total Book value	9,363.06	8,076.59
<b>Market Value Added</b>	<b>16,770.01</b>	<b>16,809.35</b>

## Economic Value Added

Economic Value Added (EVA) is a financial performance measurement tool developed by Stern Stewart & Co. which is an estimate of a Bank's economic

profit, or the value created more than the required return of the Bank's shareholders. EVA is the profit earned by the Bank less the cost of financing the Bank's capital.

The Bank has generated Economic Value Added of NPR 418.10 million as on July 16, 2023 which was NPR 653.28 million on July 16, 2022.

In NPR Million

Particulars	2022/23	2021/22
Net operating profit after tax	1,248.23	1,341.81
Average Shareholders' fund	8,719.82	7,451.62
Cost of capital Employed %*	9.52%	9.24%
Cost of capital Employed	830.13	688.53
<b>Economic Value Added</b>	<b>418.10</b>	<b>653.28</b>

\*The cost of fund as of year end has been assumed to be the cost of capital employed of the Bank for each financial year.

# Risk Management

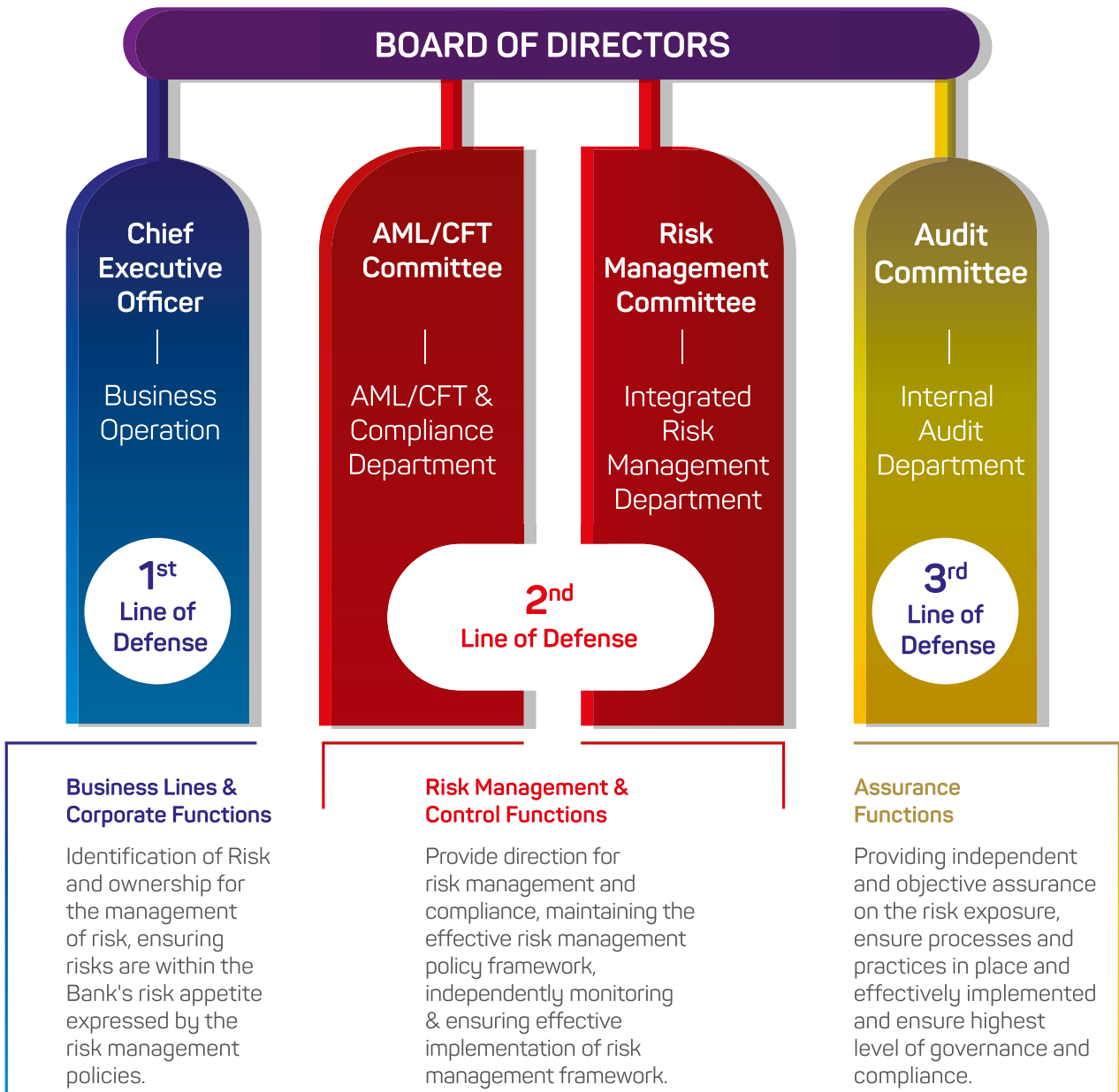
## Risk Management Structure

The Board of Directors are responsible for overall risk management and for approving the risk management strategies and principles. The Risk Management Policy approved by the Board has laid down the

governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Bank. The objective of the risk management platform is to make a conscious effort in developing

risk culture within the organization and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Bank follows the following Risk Management Structure:



The Board has formed a Risk Management Committee to assist the Board in fulfilling the oversight of the risk management function. The Integrated Risk Management Department is assigned the responsibility of establishing overall risk management at strategic and operational levels of the Bank.

For the identifying, assessing and mitigation of the AML/CFT and Compliance Risk, the separate Board Level Committee, "AML/CFT Committee" has been formed. The AML/CFT and Compliance Department of the Bank reports directly to AML/CFT committee on the basis of the preapproved terms of reference.

As the third level of defense the Internal Audit Department has been formed under the direct supervision of the Audit Committee of the Bank. The Internal Audit Department monitors the adequacy, effectiveness and adherence to internal controls, processes and procedures instituted by the Bank's and reports to the Board through the Audit Committee.



### Risk Management Process

The Board has a Risk Management committee which is responsible for identifying, assessing and managing the risks within the Bank and reports to the Board of Directors. The Risk Management Policy has been implemented through the established organization structure. The overall monitoring of the Risks is done by the Integrated Risk Management Department with the support from all the department heads including the ALCO of the Bank. The Board will review the status and progress of the risk and risk management system, on a quarterly basis through the Audit Committee and Risk Management Committee.

As the first level of defense, the individual departments are responsible for ensuring implementation of the risk management framework and policies, systems and methodologies as approved by the Board. The concerned department heads shall ensure that the branches, department and Bank as a whole operates within the risk tolerance. They are also responsible for identifying risks within their own department or related business activity as the risk exposure of any business may undergo change from time to time due to the continuously changing environment.

While each department focuses on its specific area of activity, the Integrated Risk Management Department operates in coordination with all other departments, gathers all significant information to ensure that the risk is within the risk appetite expressed by the Risk Management Policy of the Bank. Additionally, a dedicated department with a specialty on identifying and mitigating the risks relating to money laundering and financial terrorism (ML and TF) is established as a risk management tool. Further the Compliance Department has also been formed to ensure that the Bank complies with all kinds of laws and regulations.

The Internal Audit Department carries out the audit as per the approved audit plan of the audit committee and examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management and reports its findings and recommendations to the Audit Committee. The Bank also undergoes an external audit by an external auditor in accordance with the requirements of Companies Act, 2063, and Banks and Financial Institution Act, 2073 which provide assurance that financial statements accurately reflect the financial position and performance of

the Bank. In addition, the Information System Audits are done each year by the external specialized firms to review and evaluate the Bank's information system and the controls in place to ensure the confidentiality, integrity, and availability of information.

### Risk Culture

At Muktinath, we foster a robust risk culture across the entire organization, firmly believing that every employee plays a role in risk management. Our goal is to institutionalize a positive risk culture within the Bank, incorporating values, beliefs, attitudes, and practices that drive highly effective risk decisions. We empower all employees with the responsibility to manage and escalate risks while demonstrating responsible behavior that contributes to a resilient risk culture. To fortify this culture, we conduct regular training sessions, elevating the level of risk awareness among our employees and equipping them with the necessary skills and experience to effectively handle risks associated with their respective roles.

The detailed risk management strategies are described in notes 5.1 of the Financial Statement.

# IT GOVERNANCE



It's not just about managing risks; it's about safeguarding the trust our customers have placed in us through every digital interaction and financial transaction.

At **Muktinath Bikas Bank**, where we hold a deep belief in the transformative power of technology, we also acknowledge the weight of responsibility that comes with it, especially concerning customer data security. We understand that our customers are at the core of our success, and safeguarding their information is paramount.

In the realm of IT risk management, our proactive approach extends to ensuring the security of customer data. We go beyond just minimizing risks; we aim to fortify our defenses to protect the trust our customers place in us. Here's how we intertwine IT governance with customer data security:

#### **Operations-Driven IT Strategy:**

Our IT strategies are not just about technology; they're seamlessly woven into our daily operations to make things more effective and secure.

#### **Improved IT Spending:**

We're not just spending on IT; we're strategically allocating resources to ensure efficiency and impactful initiatives.

#### **Strong Governance/Compliance:**

Our commitment to governance and compliance extends to stringent measures that safeguard customer information, ensuring we adhere to the highest standards of data protection and IT risk management.

In our daily operations, we take specific steps like keeping our servers and computers armed with the latest antivirus solutions, employing next-generation firewalls, employing next-generation firewalls with Unified Threat Management, regularly updating software, backing up data with off-site storage, and making sure our staff is well-versed in IT policies and procedures.

We recognize that the tone set at the top is critical for effective risk management. Clear roles and responsibilities are established, with every staff member strictly following

policies and frameworks designed to protect against IT-related risks. Regular IT audits are conducted to evaluate system availability, security, confidentiality, accuracy, reliability, and timeliness. Updates and patches are promptly applied to address any identified vulnerabilities.

We don't just see IT risk management as a task; it's a shared responsibility. Every member of our staff is not just informed; they truly understand and live by the risk tolerances we've set. We conduct regular IT risk awareness programs, not just as a formality, but as a way to build a positive risk culture. And yes, we believe in recognizing and rewarding our team because we know individual accountability is the key.

In essence, at Muktinath Bikas Bank, our commitment to IT risk management seamlessly integrates with our dedication to ensuring the highest levels standards. It's not just about managing risks; it's about safeguarding the trust our customers have placed in us through every digital interaction and financial transaction.





## Our Approach to ESG

At Muktinath Bikas Bank, we recognize Environment, Social and Governance as our trusted indicators for sustainability that ensures long term and ethical impact on our business. We believe that sustainable

business practices are crucial for our long-term success and well-being of the communities we serve. Our commitment to ESG principles is deeply ingrained in our corporate culture and strategic decision-

making process with responsibility of the Board of Directors with oversight of Senior Executives. Our commitment for building ecologically and socially sustainable future are evident with:

Total Credit subjected to Environmental and Social Due Diligence (above exposure of NPR 10 million)	131
Share (%) of Total Commercial loan subjected to Environmental and Social Due Diligence	10.86%
Total Loan disbursed with Environmental and Social Due Diligence	NPR 3,760 Million
Training / Workshop on Environment, Social and Governance	12
Total Attendees in Training / Workshop on Environment, Social and Governance	544

### Environmental Commitment to a Greener Future

We are proud to contribute to the transaction to a low-carbon economy through Green Financing initiatives. We have crafted a Green Loan Product Paper and established a dedicated unit for Green Financing with vision of transitioning our portfolio to environmentally sustainable initiatives. Our dedication to environmentally responsible

lending extends to stringent due diligence processes to ensure that funded projects meet the highest environmental standards. Lending to sustainable sector remains a focal point, contingent upon a rigorous assessment of risk, returns and impact with integration of ESG and climate risk consideration into our credit evaluation process.

Looking inside the Bank, we are actively pursuing energy efficiency measures within the Bank aiming to reduce our carbon footprint. Executive Team's shift in their transportation paradigm to Electronic Vehicle has set leadership example for building sustainable corporate ethos towards carbon-neutral institution.

### Social Impact with Inclusive growth

We remain committed to fostering financial inclusion in the communities we serve. Our unique positioning of Inclusive Banking for lower Socio-Economic stratum has empowered them to build a more secure financial future at grassroot. For us, this is not only a socially responsible initiatives but also a strategic move that contributes to our success and sustainability.

Our evaluation criterions in Environment and Social Due Diligence on legal issues, occupational health and safety, labor conditions (including child and forced labor), minimum wage compilation and anti-discrimination measures insures positive social impact on each major lending.

Our success is directly tied to the

well-being of our employees. We continue to invest in programs that support a healthy work-life balance, professional development opportunities, diversity and inclusion. The diverse composition of workforce from different socio-economic background is testament to our efforts in creating a supportive and inclusive workplace.



# Green Initiatives for a Greener Tomorrow



## Overview of Green Finance

Green finance refers to financial products and services that prioritize environmental sustainability, aiming to support projects and initiatives with positive ecological impacts. It holds immense significance for the banking industry, creating a symbiotic relationship that benefits both financial institutions and the broader environmental landscape. As per the UNDP background policy paper on green financing in Nepal, the most potential sectors for green financing in Nepal includes renewable energy, clean transportation, green building, sector of water and waste, sustainable tourism, climate smart agriculture and agri-business. Adopting green finance and sustainable practices is imperative for Nepalese banks due to a combination of environmental responsibility, risk mitigation in the face of climate-related challenges, market demand for socially responsible products, long-term viability through stable returns on eco-friendly investments, compliance with evolving environmental regulations, positive societal impact, enhanced brand image, and improved access to funding sources.



## Initiating Green Finance at Muktinath

We are fully committed to aligning with Nepal's visionary initiatives, strategies, and the GRID (Green, Resilient, and Inclusive Development) approach, as announced during Conference of the Parties (COP26), to actively contribute to the country's pursuit of 'net zero carbon,' sustainable development, and climate resilience by implementing proactive measures and supporting long-term green growth. For MNBBL, embracing green finance practices is pivotal as it not only aligns our operations with global sustainability objectives but also enhances our commitment for environment friendly responsible banking. In our pursuit of sustainable financial practices, we have established the Green Finance unit with a core mission to seamlessly integrate environmentally responsible strategies into our financial operations. It has the key objectives of facilitating investments in eco-friendly projects, formulating and executing green financial strategies, incentivizing green initiatives, adhering to sustainable finance regulations and enhancing environmental risk management in financial decision-making. Besides, the green finance unit integrates green principles into our financial policies, oversees and reports on our carbon footprint, conducts research on emerging green financial trends, and provides training programs to enlighten our staff on green finance principles.



## Fostering Green Practices and Eco-Friendly Solutions

We aim to promote green and sustainable initiatives for 2023-28. As a member of Global Alliance for banking on values (GABV), we have adopted its six guiding principles, including social and environmental sustainability, transparency, and client-centered focus. We have a mandated ESRM policy, disclose a comprehensive value creation model, and promote corporate governance with defined codes of conduct. Our green finance portfolio prominently features loan to renewable energy projects, electric vehicles and associated ecosystem and support for circular economy projects. With our commitment to promote renewable energy, we have incorporated green initiatives into our internal policies, such as granting a 10% higher limit for electric vehicle purchases under the "Own Your Vehicle" scheme policy.





### Climate Smart Agriculture Focus

We acknowledge the pivotal role of agriculture in our country's economy and actively support the government's initiative to enhance financing in the climate-smart agricultural sector. We strategically concentrate on expanding our agricultural loan portfolio with specific focus on climate mitigation as well as climate adaptation measures, with technical assistance from our dedicated associate company, Muktinath Krishi Company Limited. We capitalize on market opportunities by offering a broader range of structured products and services, aiming for the lasting benefit of the bank and the agricultural community. Our financing initiatives, including product papers like the improving agriculture loan, green loan product paper etc. are specifically aimed at promoting sustainable agriculture and nature-based solutions.



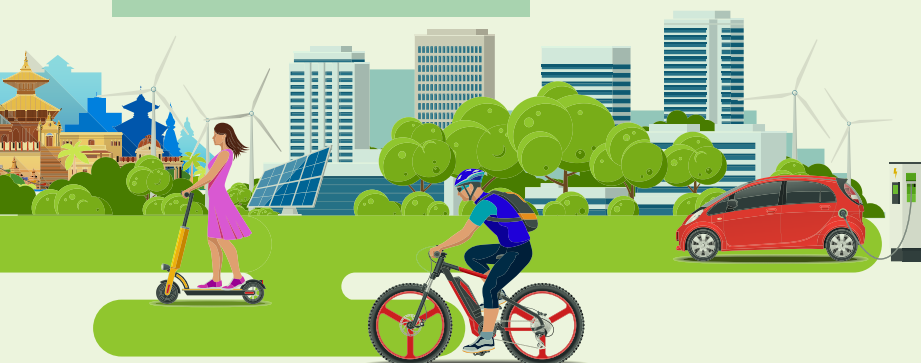
### Clean Energy Commitment

Our commitment to promoting clean energy solutions aligns with responsible environmental practices, emphasizing projects that reduce carbon footprints and combat climate change. We offer comprehensive financial solutions tailored to meet the unique needs of hydropower projects, supporting initiatives that have positive impacts on the environment and local communities. We encourage collaboration with international organizations, government bodies, and NGOs, creating a supportive ecosystem for energy efficiency and green initiatives. Our energy loan product paper focusses on energy efficiency by investing in Micro hydropower project, solar home system, solar cooker, solar dryer, solar pump, biogas, improved water mill, improved cook stoves, and wind energy etc.



### Future Outlook for a Greener Tomorrow

Moving forward, we are dedicated to the regular publication of our sustainability report along with a comprehensive disclosure of our greenhouse gas (GHG) emissions data in adherence to the PCAF standard. We plan to incentivize the green practices within our bank by providing green stickers/ rating for the branches with the highest consideration for green initiatives. Our commitment extends to enhancing the depth of our reporting structure, incorporating more detailed integrated reporting that prominently features ESG disclosures within our annual report. This commitment underscores our dedication to transparency, accountability, and the highest standards of corporate responsibility. We shall continue allocating the CSR budget towards green initiatives in the future too with due consideration for Gender Equality and Social Inclusion (GESI) framework as well as other sustainability standards. Our future strategy entails the creation of a substantial green financing portfolio through collaboration with stakeholders across diverse sectors. This collaboration aims to influence and shape policies for a more environmentally sustainable future.





# Empowering Communities

Muktinath Bikas Bank's is anchored on its dedication to changing people's lives and empowering communities through Corporate Social Responsibility (CSR). With a vision to support sustainable development, the Bank curates various CSR initiatives through participatory, bottom-up and consultative approach. Bank collaborates with a wide range of non-governmental organizations (NGOs), social organizations, local government

bodies, corporate organizations, associated companies, and dedicated employee volunteers to effectively implement a wide range of sustainable development initiatives/programs. Each program seeks to make a significant difference in diverse areas such as education, healthcare, sustainable development, climate action, financial literacy, awareness, etc.



## PROMOTING EDUCATION

The Bank strongly advocates in promotion of education. "MUKTINATH UTKRISHTA SCHOLARSHIP" which was started in FY 2022-23 is one such initiative which aimed to provide scholarship to various students of GRADE 11 & 12 at various government/ community colleges who came from weak economic background, marginalized communities. In the initial year 11 students studying in GRADE 11 from various faculties were enrolled under the program. Also, new eligible students are being added under the scholarship this fiscal year as well.

In addition, Bank collaborated with various government Schools and NGOs and provided financial support to foster scholarship program. Also, Bank supported in improving school infrastructure through refurbishment, providing stationaries such as school bags, handing over other administrative materials needed.



## HEALTHCARE AND HYGIENE

The Bank takes a comprehensive approach to healthcare and hygiene. For facilitating healthcare, Bank organized/facilitated ground programs such as Health Camps (Eye & Dental) & blood donation programs, collaborated with Kathmandu Institute of Child Health (KIOCH) to construct children's hospital in Eastern Nepal and handover over wheelchairs to various hospitals across the nation to facilitate patients.

Waste management and access to safe drinking water, is another major intervention issue under hygiene and sanitation for the Bank. For this, through collaboration with local authorities Bank have managed to organize clean up campaigns, handover dustbins for waste collection and provide support to build a bio sand filter and tanks to provide clean drinking water.



## TO A GREENER AND SUSTAINABLE TOMORROW

The Bank organized and participated in various tree plantation programs to take a step towards combatting climate change. Some of the tree plantations were organized on special occasions as World Environment Day and World Biodiversity Day to create more impact and awareness. Over 340 plant saplings (fruit bearing & non fruit bearing) have been planted under the program.

Also, to promote self-sufficiency, Bank reached out to various orphanages, child care centers old age homes and handed over equipment's & materials related to terrace farming, gardening and bio- degradable waste management. The goal is to promote production of various vegetables within the compound of the organizations for sustainability.



## FINANCIAL LITERACY AND INCLUSION

Achieving Financial Inclusion is a vital goal that requires a multi-faceted approach. Financial Literacy helps accelerate the process for financial inclusion hence, it is one of the most prioritized initiatives under CSR. The Bank adopted various models such as classroom model, door-to-door (D2D) model, literacy through various media channels, etc. The Bank managed to organize over 140 events at various public spaces, colleges and schools. Over 1,600 staff members of the Bank, including executive members, participated in the programmer. More than 6,500 participants in the classroom setting modality alone and the reach for the D2D model in tens of thousands. The Bank is committed to promoting financial literacy and empowering communities to make informed financial decisions. Bank's financial literacy campaigns are designed to provide essential knowledge about savings, loans and investments in addition to access to organized finance sources.

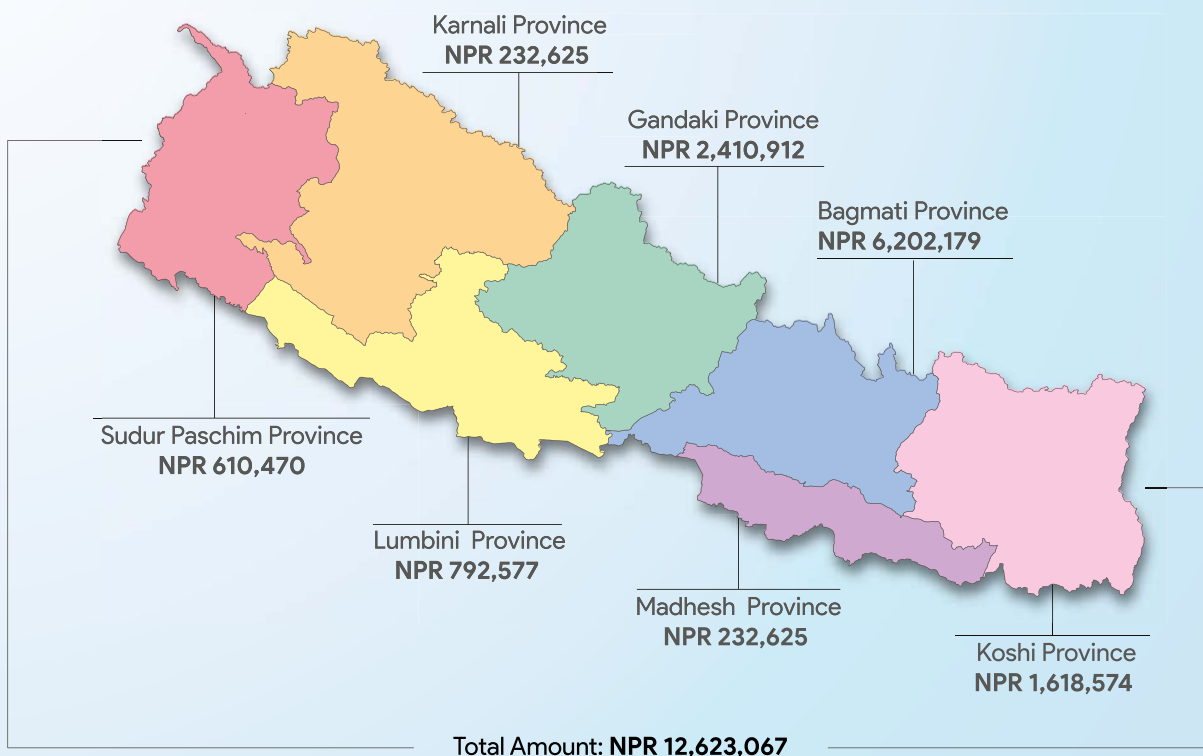
# Forms of Spending and Provincial Distribution of CSR Activities

Every fiscal year 1% of net profit is set as budget in CSR Fund of the Bank which is utilized across the provinces of nation under various headings.

Considerable contributions of NPR 12.62 Million have been made in various CSR headings including sustainable goals for FY 2022-23. A summary for the contributions made by the Bank in line with the forms of spending and provinces are presented as below:



S. No	Forms of Spending	Contributions ( In NPR)
1	Social Projects	2,025,803
2	Financial Literacy	1,664,994
3	Direct Grant	35,000
4	Sustainable Development Goals (SDGs)	7,134,808
5	Expenses against COVID preventive measures for staffs (as per actual bill basis), cost regarding medicines, oxygen cylinder, vaccine	322,494
6	Orphanages , Child care homes, Old Age homes related expenses	488,793
7	Digital Literacy	614,114
8	Others Activities	337,061
Grand Total		12,623,067



## विषय सूची

■ सत्रौं वार्षिक साधारण सभा सम्बन्धी सूचना	६३
■ सत्रौं वार्षिक साधारण सभा सम्बन्धी अन्य जानकारीहरू	६४
■ अध्यक्षज्यूको मन्तव्य	६५
■ सञ्चालक समितिको वार्षिक प्रतिवेदन	६६
■ कम्पनी ऐन, २०६३ को दफा १०९ उपदफा ४ अनुसारको अतिरिक्त विवरण	७०
■ धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ संग सम्बन्धित	८०
■ संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन	८२
■ नेपाल राष्ट्र बैंकको स्वीकृति पत्र	८६
■ नेपाल राष्ट्र बैंकबाट प्राप्त निर्देशनहरू उपर सञ्चालक समितिको प्रतिक्रिया	८७
■ लेखापरीक्षकको प्रतिवेदन	८९
■ एकीकृत वित्तीय अवस्थाको विवरण	९३
■ एकीकृत नाफा नोक्सानको विवरण	९४
■ एकीकृत विस्तृत आम्दानीको विवरण	९५
■ एकीकृत नगद प्रवाहको विवरण	९६
■ एकीकृत इक्विटीमा भएको परिवर्तनको विवरण	९७
■ प्रमुख लेखा नीतिहरू तथा लेखा सम्बन्धी टिप्पणीहरू	१०१
■ अपरिष्कृत वित्तीय विवरण र लेखापरीक्षण भएको वित्तीय नतिजाको तुलनात्मक विवरण	१६३
■ सहायक कम्पनी मुक्तिनाथ क्यापिटल लिमिटेडको लेखापरीक्षकको प्रतिवेदन	१६६
■ सहायक कम्पनी मुक्तिनाथ क्यापिटल लिमिटेडको लेखापरीक्षकको वित्तीय विवरण	१७०
■ प्रबन्धपत्रमा प्रस्तावित संशोधन सम्बन्धी तीन महले विवरण	१७५
■ नियमावलीमा प्रस्तावित संशोधन सम्बन्धी तीन महले विवरण	१७६
■ प्रोक्सी फाराम	१७९



## सत्रौ वार्षिक साधारण सभा सम्बन्धी सूचना

### आदरणीय सेयरधनी महानुभावहरू,

मुक्तिनाथ विकास बैंक लि.को सञ्चालक समितिको मिति २०८० पौष ६ गते बसेको ३१२ औं बैठकको निर्णय अनुसार यस विकास बैंकको सत्रौं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा, देहायका विषय उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण सेयरधनी महानुभावहरूको जानकारी एवं उपस्थितिका लागि यो सूचना प्रकाशित गरिएको छ ।

### सभा हुने मिति, समय र स्थान :

मिति : २०८० पौष २८ गते, शनिवार ( तदनुसार जनवरी १३, २०२४ )

समय : दिनको १:०० बजे ।

स्थान : सिटी स्क्वायर, न्यूरोड, पोखरा, कास्की ।

### छलफलका विषयहरू :

#### सामान्य प्रस्तावहरू :

- सञ्चालक समितिको तर्फबाट अध्यक्षज्यूको आ.व. २०७९/०८० को वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
- लेखापरीक्षकको प्रतिवेदन सहित आ.व. २०७९/०८० आषाढ मसान्तको वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह लगायतका विवरणहरू पारित गर्ने ।
- लेखापरीक्षण समितिको सिफारिस बमोजिम आ.व. २०८०/०८१ को लागि लेखापरीक्षक नियुक्ति गर्ने र निजको पारिश्रमिक निर्धारण गर्ने ।
- यस विकास बैंकको सहायक कम्पनी मुक्तिनाथ क्यापिटल लि.को आ.व. २०७९/०८० को वित्तीय विवरण सहितको एकीकृत वित्तीय विवरण उपर छलफल गरी पारित गर्ने ।
- सञ्चालक समितिले प्रस्ताव गरे बमोजिम ०.५१३२ प्रतिशतले हुने रकम रु. ३,२९,४९,३५६.६६ (अक्षरेपी तीन करोड उनतिस लाख उनपचास हजार तीन सय छपन्न रूपैयाँ छैसठ्ठी पैसा मात्र) (बोनस सेयरको कर प्रयोजनार्थ ) नगद लामांश वितरण गर्ने प्रस्ताव पारित गर्ने ।

### विशेष प्रस्तावहरू :

- काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं. २८, कमलादी, काठमाण्डौ स्थित केन्द्रीय कार्यालयलाई काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३ लाजिम्पाट, काठमाण्डौमा स्थानान्तरण गर्नका लागि प्रवन्धपत्र तथा नियमावलीमा आवश्यक संशोधन गर्ने ।
- सञ्चालक समितिले प्रस्ताव गरे बमोजिम हाल कायम चुक्ता पूँजी रु. ६,४२,०९,००,२७२.५१ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रूपैयाँ एकाउन्न पैसा मात्र) को २.७५ प्रतिशतका दरले ६२,६०,३७,७७६.५७ (अक्षरेपी बैसठ्ठी करोड साठी लाख सैंतीस हजार सात सय छयहतर रूपैयाँ सन्ताउन्न पैसा ) बोनस सेयर वितरण गर्ने प्रस्ताव पारित गर्ने ।

- विकास बैंकको चुक्ता पूँजी रु. ६,४२,०९,००,२७२.५१ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रूपैयाँ एकाउन्न पैसा मात्र) बाट २.७५ प्रतिशतका दरले ६२,६०,३७,७७६.५७ (अक्षरेपी बैठ्ठी करोड साठी लाख सैंतीस हजार सात सय छयहतर रूपैयाँ सन्ताउन्न पैसा) बोनस सेयर वितरण पश्चात जारी तथा चुक्ता पूँजी रु. ७,०४,६९,३८,०४९.०८ (अक्षरेपी सात अर्ब चार करोड उनान्सतरी लाख अठ्तीस हजार उनपचास रूपैयाँ आठ पैसा मात्र) पुन्याउने प्रस्ताव पारित गर्ने र सोही बमोजिम प्रबन्धपत्रको सम्बन्धित दफा संशोधन गर्ने ।
- विकास बैंकको नियमावली अनुसार संस्थापक सेयरधनीहरूको तर्फबाट सञ्चालक पदमा प्रतिनिधित्व गर्ने ३ (तीन) जना, र सर्वसाधारण सेयरधनीहरूको तर्फबाट सञ्चालक पदमा प्रतिनिधित्व गर्ने २ (दुई) जना सञ्चालकहरूको निर्वाचन गर्ने ।
- सञ्चालक समितिका अध्यक्ष तथा सञ्चालकहरूको सेवा सुविधा पुनरावलोकन गरी सोही बमोजिम नियमावलीको सम्बन्धित दफा संशोधन गर्ने ।
- यस मुक्तिनाथ विकास बैंक लि. र अन्य उपयुक्त बैंक तथा वित्तीय संस्थाहरू एक आपसमा प्राप्ति/समाहित (Acquisition/Merger) प्रयोजनका लागि उपयुक्त बैंक तथा वित्तीय संस्थाको पहिचान गर्ने, सहमतिपत्र (Memorandum Of Understanding) मा हस्ताक्षर गर्ने, सोको आधारमा सैद्धान्तिक स्वीकृतिका लागि नेपाल राष्ट्र बैंकमा निवेदन दिने, सम्पत्ति दायित्वको मूल्याङ्कन (Due Diligence Audit) गर्न परामर्शदाता, मूल्याङ्कनकर्ता, लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक तोक्ने तथा मर्जरसंग सम्बन्धित अन्य आवश्यक कार्यहरू गर्नका लागि सञ्चालक समितिलाई अस्तित्कारी दिने प्रस्ताव पारित गर्ने ।
- विकास बैंकको प्रबन्धपत्र तथा नियमावली संशोधन गर्ने सम्बन्धमा नियमनकारी निकायबाट फेरबदल गर्न निर्देशन भएमा आवश्यकता अनुसार सोमा थपघट, परिमार्जन, संशोधन तथा सच्याउनको लागि सञ्चालक समिति वा समितिले तोकेको व्यक्तिलाई अस्तित्कारी दिने ।

### विविध :

**द्रष्टव्य:** सत्रौं वार्षिक साधारण सभा प्रयोजनार्थ मिति २०८० पौष १९ गते (१ दिन) यस विकास बैंकको सेयर दारिबल खारेज बन्द (Book Close) हुने व्यहोरा सेयरधनी महानुभावहरूलाई जानकारी गराइन्छ ।

### सञ्चालक समितिको आचाले

इण्डपानी ढकाल

(कम्पनी सचिव)



## सत्रौं वार्षिक साधारण सभा सम्बन्धी थप जानकारीहरू

१. सत्रौं वार्षिक साधारण सभालाई ध्यानमा राखी, मिति २०८० पौष १९ गते (१ दिन) विकास बैंकको सेयरधनी दर्ता किताब बन्द (Book Close) रहने छ । नेपाल स्टक एक्सचेंज लिमिटेडमा मिति २०८० पौष १८ गतेसम्म कारोबार भई, प्रचलित कानून बमोजिम यस विकास बैंकको सेयर रजिष्ट्रार मुक्तिनाथ क्यापिटल लि. (Muktinath Capital Ltd) नारायणचौर, नक्शाल, काठमाण्डौमा, प्राप्त सेयर नामसारीको लिखतको आधारमा सेयरधनी दर्ता किताबमा कायम सेयरधनीहरूले सो सभामा भाग लिन, साथै बोनस तथा नगद लाभांश प्राप्त गर्नेछन् ।
२. वार्षिक साधारण सभामा भाग लिन आउनुहुने सम्पूर्ण सेयरधनी महानुभावहरूले आफ्नो परिचय खुल्ने प्रमाणपत्र वा सोको प्रतिलिपि अनिवार्य रूपमा साथमा लिई आउनुहुन अनुरोध छ ।
३. सेयरधनी महानुभावहरूको उपस्थिति पुस्तिकामा दस्तखत गर्न सेयरधनी उपस्थिति पुस्तिका साधारण सभा हुने दिन बिहान ११:०० बजेदेखि खुल्ला रहनेछ ।
४. छलफलका विषयहरू मध्ये, विविध शिर्षक अर्न्तगत कुनै प्रस्ताव भएमा, छलफल गर्न इच्छुक सेयरधनीले, साधारण सभा हुनुभन्दा ७ (सात) दिन अगावै, छलफलको विषयको जानकारी, कम्पनी सचिव मार्फत, सञ्चालक समितिको अध्यक्षलाई लिखित रूपमा दिनु पर्नेछ ।
५. साधारण सभामा भाग लिनका लागि प्रतिनिधि (प्रोक्सी) नियुक्ति गर्न चाहने सेयरधनीहरूले, प्रचलित कम्पनी कानूनले तोकेको ढाँचामा, प्रतिनिधि पत्र (प्रोक्सी) फारम मरी, सभा शुरू हुनु भन्दा कम्तिमा ४८ घण्टा अगावै, अर्थात् मिति २०८० पौष २६ गते दिनको १२:०० बजे भित्र बैंकको केन्द्रीय कार्यालय हातिसार काठमाण्डौमा दर्ता गराई सक्नु पर्नेछ । बैंकको सेयरधनी बाहेक अरुलाई प्रोक्सी दिन र एक भन्दा बढी ब्यक्तिलाई आफ्नो सेयर विभाजन गरी, तथा अन्य कुनै किसिमबाट छुट्याई प्रोक्सी दिन पाइने छैन । यसरी दिइएको प्रोक्सी बदर हुनेछ ।
६. प्रोक्सी नियुक्त गरी सक्नु भएको सेयरधनी आफैँ सभामा उपस्थित भई हाजिर पुस्तिकामा दस्तखत गर्नु भएमा निजले दिईसकेको प्रोक्सी स्वतः बदर हुनेछ ।
७. एकै सेयरधनीले एक भन्दा बढी प्रोक्सीहरू दिईसकेको अवस्थामा यस अघि दिइएका सवै प्रोक्सी बदर गरी पछिल्लो प्रोक्सीलाई मान्यता दिइयोस भनी छुट्टै पत्र लेखी, ४८ घण्टा अगावै अर्थात्, २०८० पौष २६ गते दिनको १२:०० बजे भित्र दर्ता गराएको अवस्थामा, अधिल्ला प्रोक्सीहरू स्वतः बदर भएको मानी, पछिल्लो प्रोक्सीलाई मान्यता दिइने छ ।
८. नावालक सेयरधनीको सन्दर्भमा, सेयरधनी दर्ता किताबमा संरक्षकको रूपमा नाम लेखिएको व्यक्तिले मात्र संरक्षकको हैसियतले सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मतदान गर्न समेत सक्नु हुनेछ ।
९. साधारण सभा सम्बन्धमा थप जानकारी आवश्यक परेमा कार्यालय समय भित्र विकास बैंकको केन्द्रीय कार्यालय, हातिसार काठमाण्डौमा सम्पर्क राख्न समेत अनुरोध छ ।

**पुनश्च:** कम्पनीको आर्थिक विवरण, सेयरधनी महानुभावहरूले उपलब्ध गराएको ठेगानामा पठाइएको छ । साथै कम्पनी ऐन २०६३ अनुसारको वार्षिक आर्थिक विवरण, सञ्चालक समितिको प्रतिवेदन र लेखापरीक्षकको प्रतिवेदन, सेयरधनी महानुभावहरूले कम्पनीको केन्द्रीय कार्यालय, हातिसार, काठमाण्डौमा तथा यस विकास बैंकको सेयर रजिष्ट्रार मुक्तिनाथ क्यापिटल लि. नारायणचौर, नक्शाल, काठमाण्डौमा आई, निरीक्षण गर्न र प्राप्त गर्न सक्ने व्यहोरा समेत जानकारीका लागि सूचित गरिन्छ । आर्थिक विवरण लगायत वार्षिक साधारणसभामा पेश हुने सम्पूर्ण प्रस्तावहरू बैंकको Website: [www.muktinathbank.com.np](http://www.muktinathbank.com.np) मा हेर्न सक्नुहुनेछ ।

## सञ्चालक समितिको तर्फबाट अध्यक्षज्यूको मन्तव्य

आदरणीय सेयरधनी महानुभावहरू, तथा सम्पूर्ण अतिथि ज्यूहरूमा, हार्दिक न्यायो अभिवादन ।

विगत वर्षहरू जस्तै आज पनि हामी हाम्रो प्यारो मुक्तिनाथ विकास बैंकको १७ औं वार्षिक साधारण सभा गर्दै छौं । यस सभालाई सफल बनाउन उपस्थित हुनु भएका सेयरधनी महानुभावहरू तथा सम्पूर्ण अतिथि ज्यूहरूलाई बैंकको सञ्चालक समिति तथा मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागत गर्न चाहन्छु ।

नेपालमा रहेका विकास बैंकहरू मध्येमा अधिकांश सूचकहरूमा पहिलो स्थानमा राखी राख्न यहाँहरूले गर्नु भएको योगदान, सहयोग र शुभेच्छाको लागि हार्दिक धन्यवाद दिन चाहन्छु । आगामी दिनमा पनि यहाँहरूको यो सद्भाव रही रहने अपेक्षा गरेको छु ।

विगत १७ वर्षमा यो विकास बैंकले आफूलाई एक अग्रणी र सफल विकास बैंकको रूपमा पहिचान कायम राख्न सफल भएको मैले महशुस गरेको छु । बैंक स्थापनाको शुरुवाती वर्षहरूमा एक निर्दिष्ट लक्ष्य उन्मुख जग बसाल्नु पर्ने परिस्थिति थियो भने, त्यस पछि राष्ट्रिय स्तरमा स्तरोन्नति हुँदै देश भरी नै आफ्नो विशिष्टीकृत सेवा विस्तार गरी बैंकलाई सबलता तर्फ लैजानु थियो र हामी सोही रणनीति अनुसार अगाडि बढी रह्यौं । यसै अवधिमा हामी सबैले भोगेको मुकम्प, नाकाबन्दी, कोभिड-१९ र आर्थिक मन्दी जस्ता अर्थतन्त्रलाई हल्लाउने विषम अवस्थामा पनि हामी दरिलो भई उभिन सफल भई रह्यौं ।

अहिलेको देशको आर्थिक अवस्थालाई मध्यनजर गर्दै, हाम्रा शाखाहरूलाई वित्तीय रूपमा स्वसक्षम बनाउने, सेवाग्राहीहरूलाई भ्रमरहीत उत्कृष्ट सेवा प्रदान गर्ने, डिजिटल सेवाहरूलाई सुरक्षित र भरपर्दो बनाउँदै लैजाने, बढी भन्दा बढी कर्जा उत्पादनमूलक क्षेत्रमा प्रवाह गरी आयात घटाउने वा निर्यात बढाई रोजगारी सिर्जना गराउने, वातावरण मैत्री दैनिकीलाई प्रोत्साहन गर्ने, अनुपालनामा अझै प्रतिवद्ध रहने, र राज्यको प्राथमिकता अनुरूप नागरिकहरूको आर्थिक अवस्था सुधारमा योगदान दिने गरी कार्य गर्नुपर्नेछ ।

हामीले आ.व. २०७९/८० सम्ममा करिब १३ लाख परिवारमा वित्तीय सेवाहरू पुऱ्याएका छौं । त्यस मध्ये ८८ हजार जना कर्जा कारोबारमा आवद्ध हुनु भएको छ । यस विकास बैंकबाट मोबाईल बैंकिङ्ग सेवा लिनै ग्राहकहरू ७ लाख १६ हजार जना हुनु हुन्छ । बैंकले वासलातको आकार बढाउन, सेयरधनी ज्यूहरूलाई उचित प्रतिफल सुनिश्चित गर्न र सेवाग्राहीहरूको संख्या विस्तार गर्न सेवामा विविधिकरण र परिमार्जन गर्दै आई रहेको छ । वार्षिक बजेट तथा योजना, पञ्च वर्षिय योजना, त्यसको समीक्षा, सिकाई र सुझावहरू बैंकको मार्गदर्शक रणनीतिहरू रहेका छन् ।

यस विकास बैंकको सहायक कम्पनीको रूपमा रहेको मुक्तिनाथ क्यापिटल लि. ले आफ्नो व्यवसाय विस्तार गर्दै आएको छ । सेवाका क्षेत्रहरूलाई थप फराकिलो बनाउँदै लैजाने, उच्च प्रतिफल सहितका नयाँ योजनाहरू सञ्चालनमा ल्याउने, शाखा विस्तार र उत्कृष्ट ग्राहक सेवालाई उच्च प्राथमिकता दिएको छ । छिट्टै नै क्यापिटलले मुक्तिनाथ

म्युचुअल फण्ड ल्याउन लागेको र त्यस योजनामा सबै सेयरधनी महानुभावहरू लगायत सबैको उत्साहजनक सहभागीताको लागि हार्दिक अनुरोध गर्दछु ।

यहाँहरू सहित, बैंकको अगुवाईमा सञ्चालनमा ल्याइएको मुक्तिनाथ कृषि कम्पनीले पाँच वर्ष पुरा गरी सकेको छ भने सर्वसाधारणहरूमा सेयर निस्काशन गरी कृषि क्षेत्रमा निजी लगानीको पहिलो पब्लिक लिमिटेड कम्पनी बन्न सफल भएको छ । कम्पनीले कारोबारको रकमलाई क्रमशः वृद्धि गर्दै लगेको छ भने ७७ ओटै जिल्लाहरूमा ४०० भन्दा बढी व्यवसायिक साभेदारहरू मार्फत पहुँच विस्तार गरेको छ । कारोबारलाई विशिष्टीकृत गर्न कम्पनीकै शतप्रतिशत स्वामित्व रहने गरी आठ ओटा सहायक कम्पनीहरू स्थापना गरी सकेको छ । कृषि क्षेत्रको समस्या समाधान गर्न आवश्यकतानुसारका सम्पूर्ण कार्य गर्ने अभियानमा कम्पनी रहेको छ ।

यस सभामा पेश भएका प्रस्तावहरू उपर यहाँहरूले गम्भीर रूपमा छलफल गरी सर्वसम्मत निर्णय हुनेछ भन्ने मैले अपेक्षा गरेको छु । आजै बैंकको नीतिगत तहमा नेतृत्व गर्न आगामी चार वर्षको लागि नयाँ सञ्चालक समिति पनि गठन हुनेछ । सो समितिमा दुरदर्शी र क्षमतावान सेयरधनीलाई सञ्चालकको रूपमा सर्वसम्मत छनौट गरी कुशल नेतृत्वको जिम्मा दिनुहुन पनि हार्दिक अनुरोध गर्दछु ।

आदरणीय सेयरधनी महानुभावहरूको जानकारीको लागि नियमक निकायले तोकेका विवरणहरू बाहेकका थप विषय वस्तुहरू तथा आवश्यक ठानिएका बैंकका क्रियाकलापहरू यस प्रतिवेदनको विभिन्न खण्डहरूमा समावेश गरिएको छ । विगतका वर्षहरूमा यहाँहरूले दिनु भएको सुझावहरूलाई शीरोपर गर्दै, अन्तर्राष्ट्रिय समुदायमा पनि बैंकको जानकारी प्रदान गर्ने उद्देश्यले यो प्रतिवेदन तयार पारिएको छ । सुधारको क्षेत्र जहिले पनि रही रहने हुनाले यहाँहरूको अमूल्य सुझावको अपेक्षा गर्दछौं ।

हामीलाई सही मार्गमा हिँड्न उत्प्रेरित गरी रहनु हुने सम्पूर्ण नियमक निकायहरू, देश विकास र हाम्रो कार्यहरूमा हातेमालो गर्न आउनु भएका साभेदार संस्थाहरू, संभावित जोखिम लिफ्टर पनि स्वःलगानीमा अग्रसर निजी क्षेत्रले यस विकास बैंकलाई गर्नु भएको अमूल्य सहयोग र योगदानको उच्च प्रशंसा गर्न चाहन्छु । यस विकास बैंकमा पूँजी लगानी गरी यसको मलजल गर्नु हुने सम्पूर्ण सेयरधनी महानुभावहरू प्रति कृतज्ञता प्रकट गर्दछु । यस विकास बैंकबाट प्रत्यक्ष कारोबार गरी रहनु भएका समआदरणीय सेवाग्राही ज्यूहरूलाई हार्दिक विशेष धन्यवाद दिन चाहन्छु । यहाँहरूको विश्वास विना बैंकको परिकल्पना पनि गर्न सक्दैनौं । यहाँहरूको साथ आजीवन रही रहने अपेक्षा गरेको छु । आफ्नो कर्तव्य पथमा अविचलित प्रतिवद्ध, ईमान्दार र मेहनती सम्पूर्ण कर्मचारीहरूको उच्च कदर गर्दछु । आगामी दिनमा अझै उत्कृष्टताको लागि शुभकामना व्यक्त गर्दछु ।

धन्यवाद ।

जय मुक्तिनाथ !

मिति २०८० पौष ५ गते, बिहीबार

## सञ्चालक समितिको वार्षिक प्रतिवेदन

यो प्रतिवेदन मुक्तिनाथ विकास बैंक लि.को सञ्चालक समितिको तर्फबाट सत्रौं वार्षिक साधारण सभामा पेश गरिएको छ । यस प्रतिवेदनमा उल्लेखित विषय वस्तु र आँकडाहरू आदरणीय सेयरधनी महानुभावहरूले समेत अध्ययन गरी आफ्नो राय तथा सुझावहरू पेश गर्न हार्दिक अनुरोध गर्दछौं । राष्ट्रिय तथा अन्तर्राष्ट्रिय आर्थिक परिदृश्यहरू अनुकूल नहुँदा पनि यस विकास बैंकले सन्तोषजनक तथ्याङ्कहरू प्रस्तुत गरेको छ । बैंक तथा वित्तीय संस्था सम्बन्धी देशको प्रचलित ऐन कानूनले तोकेका विषय वस्तुहरूका अलावा अन्य सान्दर्भिक थप विवरणहरू यो प्रतिवेदनमा समावेश गरिएको छ ।

नेपाल राष्ट्र बैंकले आ.व. २०८०/०८१ मा मूल्य र बाह्य क्षेत्र स्थायित्व कायम राख्दै अर्थतन्त्रलाई चलायमान बनाउन सजगतापूर्वक लचिलो मौद्रिक नीतिको कार्यदिशा अवलम्बन गर्ने, वित्तीय स्रोतलाई उत्पादनशील क्षेत्रमा प्रवाह गराई आन्तरिक उत्पादन क्षमता अभिवृद्धि गर्ने, ठूला कर्जाहरूको अनुगमन, नियमन तथा सुपरिवेक्षणलाई प्रभावकारी बनाउने, कर्जाको अधिकेन्द्रीकरण कम गर्दै लैजाने, साना तथा मझौला उत्पादनशील कर्जालाई प्राथमिकता दिने र कर्जाको गुणस्तर तथा पहुँच अभिवृद्धि गरी वित्तीय स्थायित्व प्रवर्द्धन गर्नेतर्फ मौद्रिक नीतिलाई सहयोग पुग्ने गरी नियामकीय नीतिहरू तर्जुमा गर्ने कार्यदिशा तय गरेको छ ।

मौद्रिक नीतिको कार्यान्वयनबाट समष्टिगत आर्थिक स्थायित्व प्रवर्द्धन हुने, वित्तीय स्रोतको उत्पादनशील उपयोग अभिवृद्धि हुने, वित्तीय पहुँच विस्तार हुने र उच्च तथा दिगो आर्थिक वृद्धिको लक्ष्य हासिल गर्न सहयोग पुग्ने नेपाल राष्ट्र बैंकले अपेक्षा गरेको देखिन्छ ।

### मौद्रिक नीति र यसका प्रभावहरू :

आर्थिक वर्ष २०८०/०८१ को नेपाल सरकारको बजेट वक्तव्यले ६ प्रतिशतको आर्थिक वृद्धि हासिल गर्ने र मुद्रास्फीति ६.५ प्रतिशतभित्र राख्न सहयोग पुग्ने गरी वित्तीय स्रोतलाई उत्पादनशील क्षेत्रतर्फ प्रवाहित गर्न मौद्रिक नीतिले प्राथमिकता राखेको देखिन्छ । सो नीतिमा उल्लेखित अन्य केही मुख्य बुँदाहरू यहाँ प्रस्तुत गरिएको छ ।

- ▶ छिमेकी मुलुकहरू भारत र चीनको अर्थतन्त्र सन् २०२२ मा क्रमशः ६.८ प्रतिशत र ३.० प्रतिशतले विस्तार भएकोमा सन् २०२३ मा क्रमशः ५.२ प्रतिशत र ५.२ प्रतिशतले विस्तार हुने प्रक्षेपण छ । सन् २०२४ मा भारतको अर्थतन्त्र ६.३ प्रतिशतले र चीनको अर्थतन्त्र ४.५ प्रतिशतले विस्तार हुने अन्तर्राष्ट्रिय मुद्रा कोषको प्रक्षेपण रहेको छ ।
- ▶ राष्ट्रिय तथ्याङ्क कार्यालयले आर्थिक वर्ष २०७९/८० मा आर्थिक वृद्धि आधारभूत मूल्यमा २.१६ प्रतिशत र उत्पादकको मूल्यमा १.८६ प्रतिशत रहने अनुमान गरेको छ ।
- ▶ आर्थिक वर्ष २०७९/८० मा खासगरी निर्माण क्षेत्र र निर्माण क्षेत्रसंग अन्तरसम्बन्धित क्षेत्रहरू संकुचनमा गएका छन् । आर्थिक क्रियाकलापलाई गति दिन थोक तथा खुद्रा व्यापार, खानी तथा उत्खनन, उत्पादनमूलक क्षेत्रलगायत अर्थतन्त्रका अन्य क्षेत्रसंग बलियो अग्र तथा पृष्ठ सम्बन्ध भएको निर्माण क्षेत्रलाई चलायमान

बनाउन पूर्वधारलगायत विकास निर्माणमा समयमा नै पूँजीगत खर्च हुने व्यवस्था मिलाउनु आवश्यक छ । यसबाट अन्य क्षेत्रको निजी मागसमेत बढ्न गई लक्षित आर्थिक वृद्धि हासिल गर्न सहयोग पुग्ने छ ।

- ▶ बाह्य क्षेत्रमा सुधार भई ब्याजदर घट्दो क्रममा रहेकोले निजी माग विस्तार हुने र यसबाट आर्थिक क्रियाकलाप चलायमान बनाउन सहयोग पुग्ने देखिन्छ । बाह्य रोजगारीमा जानेको संख्या बढेको हुनाले विप्रेषण आप्रवाह पनि सन्तोषप्रद रहने अनुमान छ । तर, उल्लेख्य संख्यामा युवाहरू वैदेशिक रोजगारी र अध्ययनको लागि विदेशीने क्रम बढेकोले आन्तरिक माग केही हदसम्म प्रभावित भएको छ ।
- ▶ आर्थिक वर्ष २०८०/८१ मा ६.५ प्रतिशतको सीमाभित्र मुद्रास्फीति रहने देखिन्छ ।
- ▶ आर्थिक वर्ष २०८०/८१ मा निजी क्षेत्रतर्फ जाने कर्जा, बजेटको आकार र यसले प्रस्तावित वैदेशिक सहयोग, आयात तथा निर्यात व्यापार र विप्रेषण आप्रवाहको प्रवृत्तिलाई दृष्टिगत गर्दा चालु खाता घाटामा वृद्धि भएतापनि शोधनान्तर स्थिति केही बचतमा रहने प्रक्षेपण रहेको छ ।
- ▶ २०८० असार मसान्तसम्ममा बैंक तथा वित्तीय संस्थाबाट निजी क्षेत्रलाई प्रदान गरिएको कर्जा बक्यौता करिब रु.४८७७ अर्ब अर्थात् कुल गार्हस्थ्य उत्पादनको १०.७ प्रतिशत पुग्ने अनुमान रहेको छ । २०८० असार मसान्तमा औसत कर्जा-निक्षेप अनुपात ८१.६२ प्रतिशत रहेको छ ।
- ▶ आर्थिक वर्ष २०८०/८१ मा निजी क्षेत्रतर्फ जाने कर्जा रु.५६२ अर्ब अर्थात् ११.५ प्रतिशतसम्मले वृद्धि हुने प्रक्षेपण रहेको छ ।
- ▶ नेपालमा पछिल्लो २५ वर्षको औसत मुद्रास्फीति ६.७ प्रतिशत रहेको छ । यसलाई आधार मान्दा नेपालको प्राकृतिक ब्याजदर ६.५ प्रतिशतको हाराहारीमा रहेको अनुमान गर्न सकिन्छ ।
- ▶ कुल गार्हस्थ्य उत्पादनको तुलनामा नेपालमा निजी क्षेत्रतर्फ प्रवाह भएको कर्जाको आकार दक्षिण एशियामा नै उच्च रहेको छ ।
- ▶ पछिल्लो २० वर्षमा बैकिङ्ग क्षेत्रबाट औसतमा १९.४ प्रतिशतले कर्जा विस्तार भएको छ ।
- ▶ वित्तीय क्षेत्रको स्थायित्वलाई असर पुऱ्याउने गैर-व्यावसायिक तथा उच्चखर्चल गतिविधिलाई समेत नियन्त्रण गर्न सहयोग पुग्ने गरी विद्यमान बैकिङ्ग कसुर ऐन, २०६४ मा समसामयिक संशोधन प्रक्रिया अगाडि बढाइने छ ।
- ▶ राष्ट्रिय स्तरका विकास बैंकहरूले समेत पूर्ण रूपमा Capital Adequacy Framework, 2015 अनुसार पूँजीकोष कायम गर्नु पर्ने व्यवस्था लागू गरिने छ ।
- ▶ कर्जा प्रवाहको वर्तमान अवस्था समेतको विश्लेषणको आधारमा तोकिएका क्षेत्रमा कर्जा लगानी गर्नुपर्नेसम्बन्धी विद्यमान व्यवस्थामा आवश्यक पुनरावलोकन गरिने छ ।
- ▶ क्रेडिट स्कोरीङ्ग मापन गर्ने प्रणालीको विकास गर्न सम्बन्धित निकायसँग आवश्यक समन्वय गरिने छ ।
- ▶ शेयर धितो कर्जा, रिचल स्टेट कर्जा तथा हायर पर्चेज कर्जाका विद्यमान जोखिम भार सम्बन्धी व्यवस्था पुनरावलोकन गरिने छ ।

## विगत ५ आर्थिक वर्षको वित्तीय अवस्थाको विवरण

(रकम रु.मा)

विवरण	२०७९/८०	२०७८/७९	२०७७/७८	२०७६/७७	२०७५/७६
<b>सम्पति</b>					
नगद तथा नगद समान	५,२६८,५३९,७४८	८,१०१,००९,८१२	६,२६९,७२१,४८४	८,१९९,३८२,५६७	८,५२६,२५७,०६१
नेपाल राष्ट्र बैंकमा रहेको मौज्जात	३,७३२,१३२,१३३	२,८६५,४४०,३९९	२,५६४,७४८,५९२	२,०१९,०२७,०२२	१,७१८,१०४,५२८
बैंक तथा वित्तीय संस्थामा रहेको मौज्जात	-	-	-	-	-
व्युत्पन्न वित्तीय उपकरण	-	-	-	-	-
अन्य व्यापारिक सम्पत्तिहरू	-	-	-	-	-
बैंक तथा वित्तीय संस्थालाई कर्जा तथा सापट	२,५३६,४३९,२७०	२,७२६,७९९,७७३	३,४८३,६१३,३६५	६०३,९००,०००	-
ग्राहकलाई कर्जा सापटी	९४,४५६,९६५,९५२	८६,८११,९४८,४१५	७२,९१९,२४९,८७३	४७,६६०,९०४,६११	३८,१४४,३२१,४८९
सुरक्षणपत्रमा लगाणी	२२,०८४,६०९,५००	१७,९३६,३८१,६५९	१४,५१३,४०२,९२६	६,५९२,८०८,५४३	२,५१६,८५३,९३०
यस आ.व.को कर सम्पति	४८,१७६,७८७	१६,४७२,४४७	४४,२९८,४६७	६९,१५०,९६९	-
सहायक कम्पनीमा लगाणी	२४४,०४५,९०५	११७,५००,०००	११७,५००,०००	११७,५००,०००	११७,५००,०००
सम्बद्ध कम्पनीमा लगाणी	१५५,५५०,०००	१००,०००,०००	१००,०००,०००	५४,७२८,००६	५३,२२०,७५७
सम्पतिमा लगाणी	२५६,०८०,७८२	५१,०५०,८५२	-	-	-
सम्पति तथा उपकरण	१,९१९,८५१,१६३	१,८९५,०६१,४९८	८१३,७८०,४०९	७६४,७८३,१५४	७२०,३२३,२५३
रूय्याति तथा अमूर्त सम्पति	१४,५३७,३१६	१९,९३७,६१०	८,३४८,६००	९,७७१,७४४	७,७१७,७९४
स्थगन कर सम्पति	८४,६८३,३२४	९२,४५०,५८८	५५,०१८,००४	४५,३००,६४३	३९,०६६,९३७
अन्य सम्पतिहरू	८०९,५९५,१७६	३४९,४१५,३६९	२३७,१३५,०८४	२१०,८३५,४५१	१४८,०३०,५३८
<b>जम्मा सम्पतिहरू</b>	<b>१३१,६११,२०७,०५५</b>	<b>१२१,०८३,४६८,४२२</b>	<b>१०१,१२६,८१६,८०४</b>	<b>६६,३४८,०९२,७११</b>	<b>५१,९९१,३९६,२८७</b>
<b>दायित्वहरू</b>					
बैंक तथा वित्तीय संस्थालाई तिर्न बाँकी	१,९९९,५४७,१८९	३,७५०,२८४,११०	५,४१९,५८६,९२५	२,३२२,२७०,७४७	५,३०५,८४८,१३२
नेपाल राष्ट्र बैंकलाई तिर्न बाँकी	२१५,८७४,८४८	१,०३२,९७९,५५६	८३२,४४६,४१८	-	-
व्युत्पन्न वित्तीय उपकरण	-	-	-	-	-
ग्राहकबाट निक्षेप	११६,४४९,८७०,९५४	१०४,६७५,०७२,२६३	८६,९०२,९१४,३७३	५७,३१०,८६२,७०१	४१,४७०,७०४,७५३
तिर्न बाँकी सापटी	१८,७५०,०००	२५,०१६,४३८	-	-	-
यस आ.व.को कर दायित्व	-	-	-	-	३०,३१९,०६०
व्यवस्थाहरू	१४,८०६,०३०	३,५०६,०३०	३,७३२,०७०	३,७३२,०७०	६,९१७,९१३
स्थगन कर दायित्व	-	-	-	-	-
अन्य दायित्वहरू	२,३०२,३८१,९३४	२,२७३,५२९,६६०	१,१४१,४७९,८७७	८९२,७६८,५०३	७२८,१०३,००९
जारी गरिएको ऋण पत्र	१,२४६,९१७,७८२	१,२४६,४८९,२९२	-	-	-
सुरक्षण नराखिएको सहायक आवधिक दायित्व	-	-	-	-	-
<b>जम्मा दायित्वहरू</b>	<b>१२२,२४८,१४८,७३७</b>	<b>११३,००६,८७७,३४८</b>	<b>९४,३००,१५९,६६२</b>	<b>६०,५२९,६३४,०२२</b>	<b>४७,५४१,८९२,८६७</b>
<b>इक्विटी</b>					
सेयर पूँजी	६,४२०,९००,२७३	५,६५७,१८०,८५७	४,८११,५५०,८०३	४,३२४,९८९,४८६	३,०६४,७६०,१२३
सेयर प्रिमियम	-	-	-	६४,०१२,१४२.५७	-
संचित मुनाफा	६७३,९३८,०६१	८०८,३७६,६५७	८९६,३१५,६५१	६१३,७७९,१६१	७०५,६३१,०६४
जोडा कोष	२,२६८,२१९,९८४	१,६११,०३३,५५९	१,११८,७९०,६८८	८१५,६७७,९००	६७९,११२,२३३
<b>सेयरधनीहरूको कुल पूँजी</b>	<b>९,३६३,०५८,३१८</b>	<b>८,०७६,५९१,०७४</b>	<b>६,८२६,६५७,१४२</b>	<b>५,८१८,४६८,६८९</b>	<b>४,४४९,५०३,४२०</b>
गौर नियन्त्रण स्वार्थ	-	-	-	-	-
<b>कुल पूँजी</b>	<b>९,३६३,०५८,३१८</b>	<b>८,०७६,५९१,०७४</b>	<b>६,८२६,६५७,१४२</b>	<b>५,८१८,४६८,६८९</b>	<b>४,४४९,५०३,४२०</b>
<b>कुल दायित्व तथा पूँजी</b>	<b>१३१,६११,२०७,०५५</b>	<b>१२१,०८३,४६८,४२२</b>	<b>१०१,१२६,८१६,८०४</b>	<b>६६,३४८,०९२,७११</b>	<b>५१,९९१,३९६,२८७</b>
सम्भावित दायित्व र प्रतिबद्धता	३,३४३,६९४,३७४	४,०८८,३६०,६०२.८३	४५९,६१८,८४५	२,४२८,९४८,८४७	२२४,०५८,७७३
प्रति सेयर खुद सम्पति मूल्य	१४५.८२	१४२.७७	१४१.८८	१३४.५३	१४५.१८

## विगत ५ आर्थिक वर्षको नाफा वा नोक्सानको विवरण

(रकम रु.मा)

विवरण	२०७२/७३	२०७३/७४	२०७४/७५	२०७५/७६	२०७६/७७
ब्याज आम्दानी	१५,४७५,२३६,३१२	११,५६३,२१६,२९८	७,५८३,६५२,४६९	६,५९२,४९३,३६३	५,११८,६०३,९८९
ब्याज खर्च	११,३७१,१४२,३५३	८,२३३,४३६,९२१	४,७९५,०११,३३०	४,३३३,१०९,१०९	३,२२३,८२८,५५६
<b>सुद ब्याज आम्दानी</b>	<b>४,१०४,०९३,९५९</b>	<b>३,३२९,७७९,३७६</b>	<b>२,७८८,६४१,१३८</b>	<b>२,२५९,३८४,२५३</b>	<b>१,८९४,७७५,४३३</b>
शुल्क तथा कमिशन आम्दानी	५९२,८९५,४४४	४९७,४९३,२६४	६०५,०१९,०२०	५०९,६३०,०९४	६१५,६३५,९२७
शुल्क तथा कमिशन खर्च	६७,१९८,६१९	४९,९५१,५२९	३२,०६७,६३३	२२,७६२,९६३	१३,७३९,७९७
<b>सुद शुल्क तथा कमिशन आम्दानी</b>	<b>५२५,६९६,८२५</b>	<b>४४७,५४१,७३५</b>	<b>५७२,९५१,३८६</b>	<b>४८६,८६७,१३०</b>	<b>६०१,८९६,१३०</b>
<b>सुद ब्याज, शुल्क तथा कमिशन आम्दानी</b>	<b>४,६२९,७९३,७८४</b>	<b>३,७७७,३२१,१११</b>	<b>३,३६१,५९२,५२४</b>	<b>२,७४६,२५१,३८४</b>	<b>२,४९६,६७१,५६३</b>
सुद व्यापारिक आम्दानी	११,३४०,९११	८,४४४,७६२	६,२४२,५३६	६,२५९,४५४	८,०६०,५८४
अन्य संचालन आम्दानी	११,४१९,७६५	४६,८७८,५०१	४२२,०१८,०७९	३५,६५६,५५३	१३,२९८,९४४
<b>कुल संचालन आम्दानी</b>	<b>४,६५२,५५१,४६०</b>	<b>३,८३२,६४४,३७३</b>	<b>३,७८९,८५३,१४०</b>	<b>२,७८८,१६७,३९१</b>	<b>२,५१८,०३१,०९१</b>
कर्जा तथा अन्य नोक्सानीको जोखिम व्यवस्था/(फिर्ता)	६९८,६७५,८०९	७४,७१२,१८८	४९५,२७३,०२१	३१६,८५६,६२८	१४६,०४६,२३१
<b>सुद संचालन आम्दानी</b>	<b>३,९५३,८७५,६५१</b>	<b>३,७५७,९३२,१८५</b>	<b>३,२९४,५८०,११९</b>	<b>२,४७१,३१०,७६३</b>	<b>२,३७१,९८४,८६०</b>
<b>संचालन खर्च</b>					
कर्मचारी खर्च	१,४३८,१५९,३५८	१,२१६,३५४,५१९	१,११०,८६३,५६९	८९५,७९९,३७८	६८४,४९१,६९७
अन्य संचालन खर्च	४६१,०३४,६३७	३९४,२९८,९१६	३९७,४०७,३५७	४३४,८३५,७९७	३६३,१५६,४१३
हासकट्टी र परिशोधन	२३४,१०८,८८०	२१३,९०५,२७७	१४४,७१५,३७५	१३१,८३४,४१०	१०६,२८०,७९४
<b>संचालन नाफा</b>	<b>१,८२०,५७२,७७६</b>	<b>१,९३३,३७३,४७३</b>	<b>१,६४१,५९३,८१८</b>	<b>१,००८,८४१,१७८</b>	<b>१,२१८,०५५,९५७</b>
गौर संचालन आम्दानी	-	-	१४,१८०,०००	१७३,१२५	५२७,९७५
गौर संचालन खर्च	१०,२५६,१०२	२,२८१,८२२	-	-	-
<b>आयकर अघिको मुनाफा</b>	<b>१,८१०,३१६,६७४</b>	<b>१,९३१,०९१,६५०</b>	<b>१,६५५,७७३,८१८</b>	<b>१,००९,०१४,३०३</b>	<b>१,२१८,५८३,९३२</b>
<b>आयकर खर्च</b>					
चालु आयकर	५८७,९३८,८८५	६००,३०३,२३६	५२६,७२१,२८०	३१६,९६१,५१२	४१७,६२०,७६७
स्थगन कर आम्दानी/खर्च	(२५,८४८,४८०)	(११,०१६,८७३)	(२७,२०३,९६०)	(१५,३५२,३२६)	(५५,२०३,३१४)
<b>यस वर्षको नाफा</b>	<b>१,२४८,२२६,२६८</b>	<b>१,३४१,८०५,२८७</b>	<b>१,११६,२५६,४९८</b>	<b>७७७,४०५,११७</b>	<b>८५६,१६६,४७९</b>
<b>सुद नाफा/(नोक्सान)मा हिस्सा</b>					
बैंकको सेयरधनीको	१,२४८,२२६,२६८	१,३४१,८०५,२८७	१,११६,२५६,४९८	७७७,४०५,११७	८५६,१६६,४७९
गौर नियन्त्रित स्वार्थको	-	-	-	-	-
<b>यस वर्षको मुनाफा</b>	<b>१,२४८,२२६,२६८</b>	<b>१,३४१,८०५,२८७</b>	<b>१,११६,२५६,४९८</b>	<b>७७७,४०५,११७</b>	<b>८५६,१६६,४७९</b>

## विगत ५ आर्थिक वर्षको अन्य विस्तृत आम्दानीको विवरण

(रकम रु.मा)

विवरण	२०७२/७०	२०७३/७१	२०७४/७२	२०७५/७३	२०७६/७४
यस वर्षको नाफा	१,२४८,२२६,२६८	१,३४१,८०५,२८७	१,१५६,२५६,४९८	७०७,४०५,११७	८५६,१६६,४७९
आयकर पछिको अन्य विस्तृत आम्दानी					
क) नाफा/(नोक्सान) मा पुनःवर्गीकरण नगरिने बुँदाहरू बुँदा					
फेयर भ्याल्यूमा मूल्याङ्कन गरिएका इक्विटी उपकरणको लगानीबाट भएको नाफा/(नोक्सान)	५६,३८८,८६४	(७४,३७१,८७८)	३८,७३५,८८४	२१,६९६,१७७	(७,९४६,९७५)
पुनर्मूल्याङ्कनबाट भएको नाफा/(नोक्सान)	-	-	-	-	-
परिभाषित लाभ योजनाबाट विमाङ्किक नाफा/(नोक्सान)	५५,६६३,६१४	(१३,६८०,४९३)	१९,५५२,७७७	८,६९९,२२५	(२,५५०,३७३)
माथि उल्लेख गरिएका बुँदाको आयकर	(३३,६१५,७४३)	२६,४१५,७११	(१७,४८६,५९८)	(९,११८,६२१)	३,१४९,२०४
नाफा/(नोक्सान) मा पुनः वर्गीकरण नगरिने अन्य सुद विस्तृत आम्दानी	७८,४३६,७३५	(६१,६३६,६६०)	४०,८०२,०६३	२१,२७६,७८१	(७,३४८,१४४)
ख) नाफा/(नोक्सान)मा पुनःवर्गीकरण गरिएका वा गर्न सकिने बुँदाहरू					
नगद प्रवाहको हेजिङबाट गरिएका नाफा/(नोक्सान)	-	-	-	-	-
विदेशी विनिमय संचालनको वित्तीय सम्पत्ति विनिमयबाट भएको सटही नाफा/(नोक्सान)	-	-	-	-	-
माथि उल्लेख गरिएका बुँदाको आयकर	-	-	-	-	-
नाफा/(नोक्सान) को पुनःवर्गीकरण	-	-	-	-	-
नाफा/(नोक्सान) मा पुनः वर्गीकरण गरिएका वा गर्न सकिने अन्य सुद विस्तृत आम्दानी	-	-	-	-	-
ग) इक्विटी तरिकाबाट लेखांकन गरिएको सम्बन्ध संस्थाको अन्य विस्तृत आम्दानीमा हिस्सा	-	-	-	-	-
यस वर्षको आयकर पछिको अन्य विस्तृत आम्दानी	७८,४३६,७३५	(६१,६३६,६६०)	४०,८०२,०६३	२१,२७६,७८१	(७,३४८,१४४)
कुल विस्तृत आम्दानी	१,३२६,६६३,००३	१,२८०,१६८,६२७	१,१९७,०५८,५६१	७२८,६८१,८९८	८४८,८१८,३३५
कुल विस्तृत आम्दानीको वॉडफौंड					
बैंकको इक्विटी सेयरधनीलाई	१,३२६,६६३,००३	१,२८०,१६८,६२७	१,१९७,०५८,५६१	७२८,६८१,८९८	८४८,८१८,३३५
गैर नियन्त्रित स्वार्थलाई	-	-	-	-	-
यस वर्षको जम्मा विस्तृत आम्दानी	१,३२६,६६३,००३	१,२८०,१६८,६२७	१,१९७,०५८,५६१	७२८,६८१,८९८	८४८,८१८,३३५



## विगत ५ आर्थिक वर्षको प्रमुख वित्तीय सूचकाङ्कहरू

विवरण	इकाई	२०७९/८०	२०७८/७९	२०७७/७८	२०७६/७७	२०७५/७६
१. खुद नाफा/कुल आमदानी	प्रतिशत	२६.८३	३५.०१	३०.५१	२५.३७	३४.००
२. प्रति सेयर आमदानी	रु.	१९.४४	२३.७२	२४.०३	१६.५६	२७.९४
३. प्रति सेयर बजार मूल्य	रु.	४०७	४३९.९०	६५७.००	३१२.००	३७०.००
४. मूल्य आमदानी अनुपात	अनुपात	२०.९४	१८.५५	२७.३४	१८.८४	१३.२४
५. सेयर पूँजीमा लाभांश	प्रतिशत	९.७५	१३.५०	१७.५८	११.२५	१७.६०
६. सेयर पूँजीमा नगद लाभांश मुक्तानी	प्रतिशत	०.५१३२	०.७१०५	०.९३	४.२६	०.९३
७. ब्याज आमदानी/कर्जा तथा सापट	प्रतिशत	१३.०४	१०.७९	८.३७	१२.०८	१०.८६
८. कर्मचारी खर्च/कुल संचालन खर्च	प्रतिशत	६५.३६	६४.८९	६७.६६	६१.२५	५९.३२
९. कुल निक्षेप तथा सापटीमा ब्याज खर्च	प्रतिशत	९.७६	७.८६	५.५२	७.५६	६.८९
१०. सटही घटबढ आमदानी/कुल आमदानी	प्रतिशत	०.३०	०.२१	०.१४	०.४९	०.१३
११. कर्मचारी बोनस/कुल कर्मचारी खर्च	प्रतिशत	१३.९९	१७.६४	१६.५६	१४.३१	१९.७८
१२. खुद नाफा/कर्जा सापट	प्रतिशत	१.२९	१.५०	१.५१	१.४७	२.२४
१३. खुद नाफा/कुल सम्पति	प्रतिशत	०.९५	१.११	१.१४	१.०७	१.६५
१४. कुल कर्जा/निक्षेप	प्रतिशत	८१.८९	८२.५८	८२.७६	८०.९४	८२.६१
१५. कुल सञ्चालन खर्च/कुल सम्पति	प्रतिशत	१.६२	१.५१	१.६३	२.२०	२.२२
१६. जोखिम भारित सम्पतिमा पूँजीकोषको पर्याप्तता						
(क) प्राथमिक पूँजी	प्रतिशत	८.८४	८.८३	९.९४	११.९७	१२.२९
(ख) पुरक पूँजी	प्रतिशत	२.९४	२.९७	१.२५	१.२६	१.१५
(ग) पूँजीकोषको पर्याप्तता	प्रतिशत	११.७७	११.८०	११.१९	१३.२३	१३.४४
१७. तरलता	प्रतिशत	२५.६७	२६.३२	२४.०७	२७.८३	२५.८८
१८. निष्क्रिय कर्जा/कुल कर्जा	प्रतिशत	०.९८	०.२१	०.२३	०.२६	०.०७
१९. आधार दर	प्रतिशत	११.६८	११.१५	८.०५	९.९८	११.३६
२०. कोष लागत	प्रतिशत	९.५२	९.२४	६.२६	७.५२	८.६९
२१. कर्जाको औषत ब्याजदर	प्रतिशत	१४.१८	१३.७६	१०.७८	१२.५१	१३.६७
२२. ब्याज दर अन्तर	प्रतिशत	४.५९	४.५१	४.४८	४.९९	४.९८
२३. कुल सेयर	संख्या	६४,२०९,००३	५६,५७१,८०९	४८,११५,५०८	४३,२४९,८९५	३०,६४७,६०१
२४. प्रति सेयर किताबी मूल्य	रु.	१४५.८२	१४२.७७	१४१.९८	१३४.५३	१४५.१८
२५. खुद नाफा/कुल सम्पति	प्रतिशत	०.९५	१.११	१.१४	१.०७	१.६५
२६. इविट्टीमा प्रतिफल	प्रतिशत	१३.३३	१६.६१	१६.९३	१२.१६	१९.२४
२७. कुल कर्मचारी	संख्या	१,६६३	१,५५५	१,५४७	१,४३६	१,२२३
२८. कुल शाखा संख्या	संख्या	१७८	१७७	१५८	१३५	११९



## आ. व. २०७८/८० को प्रगति विवरण

### १. कुल सम्पति :

यस विकास बैंकको कुल सम्पति आ. व. २०७९/८० मा ८.६९ प्रतिशतले वृद्धि भई कुल सम्पति रु. १ खर्ब ३२ अर्ब पुगेको छ । आर्थिक वर्ष २०७८/७९ को अन्त्यमा यस विकास बैंकको कुल सम्पति रु. १ खर्ब २१ अर्ब रहेको थियो ।

### २. कुल पूँजी :

रु. दश लाखमा

विवरण	२०७९/८०	२०७८/७९	% वृद्धि
सेयर पूँजी	६,४२०.९०	५,६५७.१८	१३.५०%
संचित मुनाफा	६७३.९४	८०५.५२	-१६.३४%
जोडा कोष	२,२६८.२२	१,६१३.८९	४०.५४%
सेयरधनीहरूको कुल पूँजी	९,३६३.०६	८,०७६.५९	१५.९३%

आ.व. २०७८/७९ मा रु. ८ अर्ब ७ करोड रहेको सेयरधनीको जेथा आ.व. २०७९/८० सम्म आउँदा १५.९३ प्रतिशतले वृद्धि भई रु. ९ अर्ब ३६ करोड पुगेको छ । सोही वार्षिक साधारण सभाले पारित गरेको १३.५ प्रतिशत बोनस सेयर पश्चात् बैंकको चुका पूँजी रु. ६ अर्ब ४२ करोड पुगेको छ भने संचित मुनाफा र जोडा कोष क्रमशः रु. ६७ करोड ३९ लाख र २ अर्ब २६ करोड पुगेको छ ।

### ३. निक्षेप परिचालन :

रु. दश लाखमा

विवरण	२०७९/८०	२०७८/७९	% वृद्धि
बैंक तथा वित्तीय संस्थालाई तिर्न बाँकी	२,०००	३,७५०	-४६.६८%
ग्राहकबाट निक्षेप	११६,४५०	१०४,६७५	११.२५%
कुल निक्षेप	११८,४५०	१०८,४२५	९.२५%

आर्थिक वर्ष २०७८/७९ मा रु. १ खर्ब ९८ अर्ब रहेको बैंकको कुल निक्षेप ९.२५ प्रतिशतले (रु. १० अर्ब २ करोड) वृद्धि भई यस वर्षको अन्त्यमा रु. १ खर्ब १८ अर्ब पुगेको छ । २०८० असारमा यस विकास बैंकको कुल निक्षेपमा चलती, बचत, कल निक्षेप र मुद्दतीको अंश क्रमशः २ प्रतिशत, २३ प्रतिशत, ६ प्रतिशत र ६९ प्रतिशत रहेको छ । बैंकको निक्षेप मध्ये मुद्दती निक्षेपले आधा भन्दा धेरै अंश ओगटेको छ । गत वर्ष रु. ७२ अर्ब ३० करोड रहेको मुद्दती खाता निक्षेप यस वर्षको अन्त्यमा रु. ८१ अर्ब १६ करोड रहेको छ । ३ महिने निक्षेप उपलब्धता र व्याज संवेदनशील ग्राहकको वृद्धिको कारण अन्य निक्षेपहरूको तुलनामा यस वर्षमा मुद्दती निक्षेपको वृद्धिदर उच्च रहेको छ । निक्षेपको विविधीकरण गरी निक्षेपको लागतलाई कम गर्दै जाने योजना अनुरूप बैंकले समीक्षा वर्षमा बचत निक्षेप परिचालनमा विशेष जोड दिँदै आएको भएतापनि विविध कारणले गर्दा बचत निक्षेपमा तुलनात्मक वृद्धि हुनसकेको छैन । यस विकास बैंकले आगामी वर्षमा बचत निक्षेपहरूमा अझ

बढी सुधारका लागि नविनतम निक्षेप योजना सञ्चालनमा ल्याइसकेको छ ।

करिब १३.५ लाख निक्षेप ग्राहक सहित यस विकास बैंक निक्षेपकर्ताहरूको प्रथम रोजाईको विकास बैंक बन्न सफल भएको छ । नेपाल राष्ट्र बैंकको निर्देशन अनुसार यस विकास बैंकको कुल निक्षेपमा संस्थागत निक्षेपको अनुपात बढीमा ५० प्रतिशत कायम राख्नु पर्नेमा बैंकले व्यक्तिगत तथा संस्थागत निक्षेप क्रमशः ७५ प्रतिशत तथा २५ प्रतिशत अनुपात कायम गर्न सफल भएको छ ।

निक्षेपका व्याजदरहरू बढ्न गएकाले समग्रमा कोष लागत ९.२४ प्रतिशतबाट ९.५२ प्रतिशत पुगेको छ ।

### ४. ऋणपत्र :

यस विकास बैंकले ७ वर्ष अवधि तथा वार्षिक ८.७५ प्रतिशत व्याजदर भएको प्रति ऋणपत्र रु. १,००० अंकित मूल्यका १२ लाख ५० हजार किताले हुन आउने रु. १ अर्ब २५ करोड बराबरको आषणो प्रथम ऋणपत्र निस्कासन गरेको थियो ।

### ५. कर्जा तथा सापट :

रु. दश लाखमा

विवरण	२०७९/८०	२०७८/७९	% वृद्धि
बैंक तथा वित्तीय संस्थालाई कर्जा तथा सापट	२,५३६.४४	२,७२६.८०	३३.६४.०२%
ग्राहकलाई कर्जा सापट	९४,४५६.९७	८६,८११.९५	११.७३%
कुल कर्जा	९६,९९३.४१	८९,५३८.७५	८.३३%

आ.व. २०७८/७९ को अन्त्यमा यस बैंकको कुल कर्जा रु. ८९ अर्ब ५४ करोड रहेकोमा समीक्षा वर्षको अन्त्यमा ८.३३ प्रतिशतले (रु. ७ अर्ब ४५ करोड) वृद्धि भई रु. ९६ अर्ब ९९ करोड पुगेको छ । बैंकको कुल कर्जा मध्ये रु. २ अर्ब ५३ करोड लघुवित्त वित्तीय संस्थालाई थोककर्जा प्रदान गरिएको छ ।

यस विकास बैंकले आफ्नो कर्जा तथा सापटीलाई विविधीकरण गर्ने हेतुले साना तथा मझौला व्यवसाय कर्जा, लघुउद्यम कर्जा, कृषि तथा उत्पादनशील कर्जा, विपन्न वर्ग कर्जा, व्यक्तिगत कर्जा, तथा अन्य क्षेत्रमा कर्जा प्रदान गर्दै आएको छ । साथै बैंकको कर्जा लगानी तर्फको जोखिम न्यूनीकरणको लागि साना सीमा भएका कर्जालाई पहिलो प्राथमिकतामा राखेको छ । साथै प्राथमिकता प्राप्त क्षेत्रमा नेपाल राष्ट्र बैंकले तोकेको बमोजिम आफ्नो लगानी बिस्तार गर्दै आएको छ । क्षेत्रगत सीमा अन्तर्गत बैंकको आषणो कर्जा नीति अनुरूप सीमा कायम गरिएको हुँदा यस तर्फ हालसम्म बैंकको अवस्था सन्तोषजनक रहेको छ । साथै, नेपाल राष्ट्र बैंकले तोकेका क्षेत्रहरू र तिनीहरूको सीमा नेपाल राष्ट्र बैंकले जारी गरेका नीति निर्देशनहरू पूर्णरूपले पालना गरेको छ ।

## ६. लगानी :

आ.व. २०७८/७९ मा रु.१८ अर्ब १५ करोड रहेको कुल लगानी आ.व. २०७९/८० मा २३.८५ प्रतिशतले (रु.४ अर्ब ३३ करोड) वृद्धि भई रु.२२ अर्ब ४८ करोड पुगेको छ। नेपाल सरकारको ट्रेजरी विलमा रु.६ अर्ब ४ करोड तथा विकास ऋणपत्रमा रु. १५ अर्ब ६६ करोडको लगानी तथा अन्य सेयर तथा म्युअचुल फन्डमा रु. ३९ करोडको लगानी गरेको छ । साथै, यस विकास बैंकले सहायक कम्पनी मुक्तिनाथ क्यापिटल लिमिटेडमा रु.२४ करोड ४० लाख र सम्बन्ध कम्पनी मुक्तिनाथ कृषि कम्पनी लिमिटेडमा रु.१५ करोड ५० लाख लगानी गरेको छ ।

सन्तुलित तरलता कायम गर्दै समग्र स्रोतबाट प्रतिफल आर्जन गर्ने बैंकको उद्देश्य अनुरूप नेपाल सरकार तथा नेपाल राष्ट्र बैंकद्वारा निष्कासित जोखिम रहित सम्पत्ति (ट्रेजरी विल, विकास ऋण पत्र आदि) मा बैंकको लगानी गर्ने नीतिलाई निरन्तरता दिईएको छ । यस विकास बैंकले लगानीमा निहित प्रतिफल र जोखिम व्यवस्थापन अर्धवार्षिकरूपमा आषाढी लगानीको पुनरावलोकन गर्ने गरेको छ । विकास बैंकको सम्पूर्ण लगानी नेपाल राष्ट्र बैंकले तोकेको सीमा भित्र रहेको छ ।

## ७. ब्याज आम्दानी तथा खर्च :

रु. दश लाखमा

विवरण	२०७९/८०	२०७८/७९	% वृद्धि
व्याज आम्दानी	१५,४७५.२४	११,५६३.२२	३३.८३%
व्याज खर्च	११,३७१.१४	८,२३३.४४	३८.११%
स्वुद व्याज आम्दानी	४,१०४.०९	३,३२९.७८	२३.२५%
स्वुद व्याज आम्दानी / व्याज आम्दानी	२६.५२%	२८.८०%	-२.२८%

### ► व्याज आम्दानी

समीक्षा अवधिमा बैंकको कर्जाबाट ब्याज आम्दानी ३१.४३ प्रतिशतले वृद्धि भई रु. १४ अर्ब ०१ करोड पुगेको छ भने कर्जा बाहेकको अन्य लगानी तर्फको ब्याज आम्दानी ६२.२७ प्रतिशतले वृद्धि भई रु. १ अर्ब ४६ करोड पुगेको छ ।

### ► ब्याज खर्च

समीक्षा अवधिमा बैंकको व्याज खर्च ३८.११ प्रतिशतले वृद्धि भई रु. ११ अर्ब ३७ करोड पुगेको छ । बैंकको निक्षेप संकलनतर्फको व्याज खर्च ३९.५४ प्रतिशतले वृद्धि भई रु. ११ अर्ब ८ करोड पुगेको छ भने अन्यतर्फ रु. ३० लाख कम भई रु. २९ करोड पुगेको छ । यस अवधिमा मुद्दती खातामा उच्च ब्याजदर कायम भएको र समग्र बैंकिङ क्षेत्रमा नै बचत खाताको रकम मुद्दती खातामा स्थानान्तरण भएको कारणले ब्याज खर्चमा वृद्धि भएको हो ।

### ► स्वुद व्याज आम्दानी

व्यवसायमा भएको वृद्धि र कुशल कोष परिचालनको कारण बैंकको स्वुद व्याज आम्दानी अघिल्लो वर्षको तुलनामा २३.२५ प्रतिशतले वृद्धि भई रु. ४ अर्ब १० करोड

कायम गर्न सफल भएको छ । साथै स्वुद व्याज आम्दानी र व्याज आम्दानीको अनुपात गत आ.व. मा २८.८० रहेकोमा यस आ.व.मा २६.५२ रहेको छ ।

## ८. गैर ब्याज आम्दानी :

गैर व्याज आम्दानीमा शुल्क तथा कमिशन आम्दानी, स्वुद व्यापारिक आम्दानी र अन्य संचालन आम्दानी शीर्षकमा भएको आम्दानीलाई समावेश गरिएको छ । शुल्क तथा कमिशन आम्दानी, स्वुद व्यापारिक आम्दानी र अन्य संचालन आम्दानी क्रमशः रु. ५९ करोड २९ लाख, रु. १ करोड १३ लाख र रु. १ करोड १४ लाख गरी जम्मा रु. ६१ करोड ५६ लाख गैर व्याज आम्दानी आर्जन गर्न सफल भएको छ । गत वर्ष सोही अवधिमा यस बैंकले शुल्क तथा कमिशन आम्दानी, स्वुद व्यापारिक आम्दानी र अन्य संचालन आम्दानी क्रमशः रु. ४९ करोड ७५ लाख, रु. ८४ लाख र रु. ४ करोड ६९ लाख गरी जम्मा रु. ५५ करोड २८ लाख आम्दानी आर्जन भएको थियो ।

गत वर्षको तुलनामा यस वर्ष कर्जाको वृद्धिसँगै शुल्क तथा कमिशन आम्दानीमा वृद्धि आएको हो । साथै गत वर्ष यस विकास बैंकले सेयर तथा नेपाल सरकारको ऋणपत्र बिक्री गरी रु. ९७ लाख आम्दानी गर्न सफल भएकोमा यस वर्ष सेयर बजारमा आएको गिरावटसँगै बैंकको लगानी बिक्री आम्दानी न्यून भएकोले अन्य संचालन आम्दानीमा पनि कमी आएको छ ।

## ९. सम्भावित नोक्सानी व्यवस्था :

समीक्षा अवधिमा बैंकको सम्भावित नोक्सानी व्यवस्था ५४.१६ प्रतिशतले वृद्धि भई रु. १ अर्ब ९९ करोड पुगेको छ, जुन अघिल्लो वर्ष रु. १ अर्ब २९ करोड रहेको थियो । २०७९ असार मसान्तमा निष्क्रिय कर्जाको अनुपात ०.२१ प्रतिशत रहेको थियो भने २०८० असार मसान्त आइपुग्दा बैंकको कुल सम्भावित नोक्सानी व्यवस्था रु. १ अर्ब ९९ करोड पुगेको छ जुन कुल कर्जाको ०.९८ प्रतिशत हो । देशको प्रतिकूल आर्थिक अवस्थाको कारण कर्जा असुलीमा आएको चुनौतिको कारणले यो वर्षमात्र यस विकास बैंकले कर्जा तथा अन्य नोक्सानीको जोखिम व्यवस्था शीर्षकमा रु. ६९ करोड ८७ लाख छुट्याएको छ, जुन गत वर्ष रु. ७ करोड ४७ लाख थियो ।

## १०. कर्मचारी, व्यवस्थापन र अन्य खर्च

रु. दश लाखमा

विवरण	२०७९/८०	२०७८/७९	वृद्धि	% वृद्धि
कर्मचारी खर्च	१,४३८.१६	१,२१६.३५	२२१.८०	१८.२४%
शुल्क तथा कमिशन खर्च	६७.२०	४९.९५	१७.२५	३४.५३%
अन्य संचालन खर्च	४६१.०३	३९४.३०	६६.७४	१६.९३%
मूल्याङ्कन र परिशोधन	२३४.११	२१३.९१	२०.२०	९.४५%
कुल खर्च	२,२००.५०	१,८७४.५१	३२५.९९	१७.३९%

### कर्मचारी खर्च

आ. व. २०७९/८० मा बैंकको कुल कर्मचारी खर्च १८.२४ प्रतिशतले वृद्धि भई रु. १ अर्ब ४४ करोड (कर्मचारी बोनस रकम रु. २० करोड ११ लाख) रहेको छ भने गत आर्थिक वर्षमा (२०७८/७९) मा रु. १ अर्ब २२ करोड (कर्मचारी बोनस रकम रु. २१ करोड ४६ लाख) रहेको थियो । समीक्षा अवधिमा विभिन्न शाखा तथा विभागहरूमा १०८ जना थप कर्मचारीहरू व्यवस्थापन गरिएको थियो आ. व. मा कर्मचारी खर्चमा वृद्धि भएको हो । गत आर्थिक वर्ष २०७८/७९ को अन्त्यसम्ममा बैंकको कुल कर्मचारी संख्या १,५५५ रहेकोमा यस वर्ष बैंकको कुल कर्मचारी संख्या १,६६३ रहेको छ । बैंकको संचालक समितिले स्वीकृत गरेको दर बन्दीको आधारमा आवश्यकता अनुसार कर्मचारी व्यवस्थापन गर्दै जाने बैंकको नीति रहेको छ ।

बैंकले कर्मचारीहरूको क्षमता अभिवृद्धि तथा नियमित तालिममा विशेष सजग रही कर्मचारीहरूको तालिम तथा क्षमता वृद्धिका लागि उक्त अवधिमा रु. २ करोड १२ लाख खर्च गरेको छ, जुन सो आर्थिक वर्षको कर्मचारीको तलव तथा भत्ता खर्चको २.१० प्रतिशत हुन आउँछ र कुल तलबभत्ता खर्चको न्यूनतम ३ प्रतिशत रकम तालिम व्यवस्था बमोजिम बाँकी रकम कर्मचारी वृत्ति विकास कोषमा विनियोजन गरिएको छ ।

### शुल्क तथा कमिशन खर्च

शुल्क र कमिशन वापत बैंकले गरेको भुक्तानी यो शीर्षकमा उल्लेख गरिएको छ । यो खाता शीर्षकमा कार्डसंग सम्बन्धित शुल्क, ज्यारेन्टी कमिशन, ब्रोकरेज, खर्च लगायत समावेश गरिएको छ । बैंकको शुल्क तथा कमिशन खर्च १९.१८ प्रतिशतले वृद्धि भई रु. ५९ करोड २९ लाख पुगेको छ जुन अघिल्लो वर्ष रु. ४९ करोड ७५ लाख रहेको थियो ।

### अन्य संचालन खर्च

आ. व. २०७९/८० मा बैंकको अन्य संचालन खर्च १६.९३ प्रतिशतले वृद्धि भई रु. ४६ करोड १० लाख रहेको छ भने गत आर्थिक वर्षमा (२०७८/७९) मा रु. ३९ करोड ४३ लाख रहेको थियो । उच्च मूल्यवृद्धि, शाखा स्तारन्तरण र पुननिर्माण, सफ्टवेयर, प्रविधि तथा अन्य सम्पत्तिमा भएको लगानीले खर्चमा वृद्धि भएको हो ।

### ह्रास तथा परिशोधन

समीक्षा अवधिमा बैंकको ह्रासकट्टि र परिशोधन खर्च ९.४५ प्रतिशतले वृद्धि भई रु. २३.४ करोड पुगेको छ, जुन अघिल्लो वर्ष रु. २१.४ करोड रहेको थियो । सम्पत्ति तथा उपकरण र ख्याती तथा अमूर्त सम्पत्तिमा क्रमशः रु. २२.८५ करोड र रु. ०.५६ करोड ह्रास तथा परिशोधन लेखाङ्कन गरिएको छ ।

### ११. खुद मुनाफा

समीक्षा वर्षमा बैंकको समग्र व्यवसायमा कमीसंगै आम्दानीका क्षेत्रहरूमा आएको कमी र कर्जा तथा अन्य नोक्सानीको जोखिम व्यवस्थामा आएको वृद्धिसंगै खुद मुनाफा गत वर्षको रु. १ अर्ब ३४ करोडबाट ६.९७ प्रतिशत गिरावट भई रु. १ अर्ब २५ करोड पुगेको छ ।

### १२. प्रति सेयर आम्दानी

आ.व. २०७९/८० को अन्त्यमा बैंकको प्रति सेयर आम्दानी रु. १९.४४ कायम भएको छ । अघिल्लो आ. व.को अन्त्यमा यो रु. २३.७२ थियो । यो गत आ.व. मन्दा रु. ४.२८ कम भएको छ ।

### १३. पूँजीकोष अनुपात तथा पूँजीकोष पर्याप्तता

गत वर्ष ११.८० प्रतिशत रहेको पूँजीकोष अनुपात यस वर्षको अन्त्यमा ११.७७ प्रतिशत रहेको छ । व्यवसायमा वृद्धि र नेपाल राष्ट्र बैंकले जोखिम भारमा गरेको परिवर्तनको कारण पूँजीकोष पर्याप्तता अनुपात असर परेको हो । यद्यपि बैंकको पूँजीकोष अनुपात नेपाल राष्ट्र बैंकले तोकेको न्यूनतम सीमा अर्थात् १० प्रतिशत मन्दा बढी नै रहेको छ ।

बैंकसंग पर्याप्त पूँजी रहेको सुनिश्चितता गर्न बैंकमा सञ्चालक समितिबाट स्वीकृत आन्तरिक पूँजीकोष पर्याप्त मूल्याङ्कन (ICAAP) पद्धति तयार गरी लागू गरेको छ । बैंकको वर्तमान जोखिम अवस्था तथा भविष्यको कार्य योजनाको तुलनामा बैंकको पूँजीकोष पर्याप्त भए नभएको मूल्यांकन तथा अनुगमन गर्न बैंकको जोखिम व्यवस्थापन समितिबाट त्रैमासिक रुपमा आन्तरिक पूँजी विश्लेषण पुनरावलोकन गर्ने र त्रैमासिक रुपमा सञ्चालक समितिको बैठकमा पेश गर्ने गरिएको छ । साथै वार्षिक बजेट र पञ्च वर्षीय योजना तर्जुमा गर्दा पूँजीकोष पर्याप्ततामा विशेष ध्यान दिईएको छ ।



## चालु वर्षको उपलब्धि र भावी योजनाहरू

### १. कारोबार सम्बन्धमा

यस विकास बैंकले चालु आर्थिक वर्षको पहिलो त्रैमासमा (२०८० श्रावण १ गतेदेखि असोज मसान्तसम्म) वासलातको आकार तथा कारोबार रकममा सामान्य वृद्धि गरेको छ । २०८० आषाढ मसान्तमा रु. १ खर्ब ३१ अर्ब ६१ करोड रहेको वासलातको आकारमा सामान्य ह्रास भई रु. १ खर्ब ३० अर्ब ७६ करोडको हुन पुगेको छ । यस अवधिमा कर्जा लगानी तर्फ रु. २ अर्ब १५ करोड अर्थात २.२२ को सामान्य वृद्धि गरी कर्जा लगानी रु. ९९ अर्ब १४ करोड रहेको छ । ग्राहकसंगको निक्षेप संकलन यस अवधिसम्म रु. १ खर्ब १७ अर्ब १० करोडमा पुगेको छ ।

२०८० आश्विन मसान्त सम्ममा बैंकले करिब रु. ३४ करोड २४ लाख सञ्चालन मुनाफा आर्जन गरेको छ । सञ्चालक समितिले यस आ.व.को लागि स्वीकृत गरेको वार्षिक लक्ष्य बमोजिम यस विकास बैंकले प्रगति हासिल गरी रहेको छ ।

२०८० आश्विन मसान्तको अपरिस्कृत वित्तीय विवरणको मुख्य सूचकहरू देहाय बमोजिम रहेका छन्:

#### क. वित्तीय अवस्था

रु. दश लाखमा

विवरण	२०८० असार मसान्त	२०८० आश्विन मसान्त	वृद्धि	
			रकम	प्रतिशत
कुल कर्जा तथा सापट	९६,९९३.४१	९९,१४३.८९	२,१५०.४८	२.२२%
कुल लगानी	२२,४८४.२१	२०,०२६.४६	(२,४५७.७४)	-१२.२७%
कुल निक्षेप	११८,४४९.४२	११७,१०३.२०	(१,३४६.२२)	-१.१४%
कुल सम्पत्ति	१३१,६११.२१	१३०,७६०.६६	(८५०.५५)	-०.६५%
कुल दायित्व	१२२,२४८.१५	१२१,१३५.८८	(१,११२.२७)	-०.९२%
कुल पूँजी	९,३६३.०६	९,६२४.७९	२६१.७३	२.७२%

#### ख. नाफा-नोक्सानको विवरण

रु. दश लाखमा

विवरण	२०८० आश्विन मसान्त
ब्याज आम्दानी	३,८६३,३०८.४५
ब्याज खर्च	२,८१९,११३.३९
खुद ब्याज आम्दानी	१,०४४,१९५.०५
गैर ब्याज आम्दानी	१६६,६३७.४६
कर्जा तथा अन्य नोक्सानीको जोखिम व्यवस्था/(फिती)	३६१,५९८.३०
कर्मचारी खर्च	३२२,४६०.३५
कार्यालय संचालन खर्च तथा अन्य खर्च	१९९,९०६.८२
<b>संचालन नाफा</b>	<b>३४२,४४८.९२</b>
आयकर खर्च	९८,०६०.१२
<b>खुद मुनाफा</b>	<b>२२८,६०६.९४</b>

#### ग. मुख्य सूचकाङ्कहरू

विवरण	२०८० असार मसान्त	२०८० आश्विन मसान्त
पूँजीकोषको पर्याप्तता	११.७७ %	११.६१%
निष्क्रिय कर्जा/कुल कर्जा	०.९८ %	१.४९%
आधार दर	११.६८ %	११.४७%
कोष लागत	९.५२ %	९.४२%
कर्जाको औषत ब्याजदर	१४.१८ %	१४.०४%
औषत ब्याज दरको अन्तर	४.५९ %	४.५९%

## २. शाखा तथा सञ्जाल विस्तार सम्बन्धमा

यस विकास बैंकले आषणो उपस्थितिलाई सातै प्रदेशहरूमा विस्तार गरी सकेको छ । २०८० आश्विन मसान्त सम्म कुल १७८ ओटा शाखाहरू सञ्चालनमा छन् । प्रदेश तथा क्षेत्र (उपक्षेत्रीय) स्तरीय कार्यालयहरूको सबलीकरण गर्ने कार्य पनि जारी रहेको छ । प्रदेश तथा क्षेत्र स्तरमा भएका कार्यालयहरूले मातहतका कार्यालयहरूमा व्यवसाय वृद्धि तथा गुणस्तरीयता कायम गर्ने कार्यहरूमा प्रत्यक्ष टेवा पुऱ्याइरहेका छन् । आवश्यकता अनुसार नयाँ शाखाहरू बिस्तार गर्दै लगेने छ ।

## ३. सूचना प्रविधि विस्तार सम्बन्धमा

अहिलेको पुस्ताको चाहना र आवश्यकता बमोजिम सूचना प्रविधिमा यो विकास बैंकले आफूलाई स्तरोन्नती गर्दै आएको छ । सूचना प्रविधिमा भएको विकाससंगै बैंकिङ्ग प्रणालीमा मिश्रिएका नवीनतम प्रविधिहरूको प्रयोगलाई आत्मसाथ गरेको छ । Online KYC Update, Online Account Opening, Online Fixed Deposit Application, Online Loan Application, E-Teller, Chip Based ATM Card, NFC ATM Card, QR Payment, Mobile Banking, Internet Banking, Business Process Automation आदिको प्रयोगलाई वृद्धि गर्दै लगेको छ । यसले कारोबारमा सुरक्षा, विश्वसनीयता र सहजता थपेको छ । प्रविधिमा भएको विकासले सुरक्षा चुनौतीहरू पनि थप हुने संभावनाहरूमा यो विकास बैंक सचेत रहेको छ भने त्यस्ता चुनौतीहरूको सामना गर्न आवश्यक सुरक्षा संयन्त्रहरूको विकास र सोको नियमित अनुगमन गर्ने व्यवस्था गरेको छ ।

सम्पूर्ण शाखा कार्यालयहरूलाई आगलागी, चोरी, शंकास्पद जातिविधि लगायतका सुरक्षा सम्बन्धी जोखिम न्यूनीकरण गर्न २४ सै घण्टा केन्द्रीय कार्यालयबाट अनुगमन गर्ने प्रणालीको प्रयोग गरिएको छ । यो प्रणाली प्रभावकारी पनि देखिएको छ ।

बैंक भित्र दैनिक रुपमा हुने कारोबार तथा कागजी कामकाजहरूलाई प्रविधिमा आधारित रही डिजिटलाईज्ड गर्ने कार्य गरिएको छ । कर्जा स्वीकृति प्रक्रिया, स्वर्च स्वीकृति प्रक्रिया, दैनिक काम कारोबार सम्बन्धी टिप्पणी तथा आदेशहरू र सम्पति शुद्धिकरण अनुगमन आदि कार्यहरू डिजिटल माध्यमबाट गर्ने गरिएको छ । यस प्रणालीबाट समय र कागजी स्वर्चको अत्यधिक बचत भएको छ ।

## ४. संस्थाको स्तरोन्नति तथा अन्य संस्थासँग गाभ्ने/गाभिने सम्बन्धमा

नेपाल राष्ट्र बैंकको प्राथमिकता बमोजिम यो विकास बैंक पनि Acquisition/Merger को लागि सकारात्मक रहेको छ । यो विकास बैंकसँग गाभिएर व्यवसाय विस्तार गर्न ईच्छुक उपयुक्त बैंक तथा वित्तीय संस्था आएमा गाभ्ने/गाभिने कार्यलाई प्राथमिकता दिइनेछ ।

## ५. मानव संसाधनको व्यवस्थापन र विकास

सञ्चालक समितिबाट स्वीकृत संगठनात्मक ढाँचा तथा दरबन्दी बमोजिम यथेष्ट मात्रामा कर्मचारी व्यवस्थापन गरिएको छ । २०८० आश्विन मसान्त सम्ममा जम्मा १,६४० जना कर्मचारीहरू कार्यरत रहनु भएको छ । योग्य र उपयुक्त कर्मचारीको छनौट, नियुक्ति, क्षमता अभिवृद्धि र बृत्ति विकासलाई उच्च प्राथमिकता दिइएको छ । उच्च स्तरको ग्राहक सेवा, सेवामा तत्परता, चुस्त आन्तरिक नियन्त्रण प्रणाली, नियमन र अनुपालनामा प्रतिवद्ध जनशक्ति तयार गर्न हरेक तहका कर्मचारीहरूलाई निरन्तर तालिम तथा अनुशिक्षणको कार्यक्रमहरू आन्तरिक तथा वाह्य प्रशिक्षकहरूबाट प्रदान गर्दै आएको छ ।

बढ्दै गएको शाखा सञ्जाल र भौगोलिक क्षेत्र अनुसार क्षेत्रीय तथा उपक्षेत्रीय कार्यालयहरू र सोसंगै अनुगमन कार्यालयहरूको स्थापना गरी सेवामा शीघ्रता तथा गुणस्तर ल्याउने कोशिस गरिएको छ । विकास बैंकलाई नेतृत्व तहमा आवश्यक पर्ने जनशक्ति सकेसम्म संस्थाभित्र कार्य गरी सकेका र अनुभवी तथा योग्य व्यक्तिलाई जिम्मेवारी दिने रणनीति लिएको छ । आन्तरिक रुपमा परिपूर्ति हुन नसक्ने अवस्था भएमा अन्य बैंक तथा वित्तीय संस्थाहरूमा उपयुक्त योग्यता र अनुभव भएका जनशक्तिलाई नियुक्त गर्ने गरिएको छ । कर्मचारीहरूको मनोबल सधैं उच्च बनाई संस्थाको लक्ष्य तथा उद्देश्य बमोजिम परिचालन गर्न विभिन्न प्रकारका वित्तीय तथा गैर वित्तीय प्रोत्साहनका कार्यक्रमहरू सञ्चालन गरेको छ । यस विकास बैंकको हरेक कर्मचारी संस्था प्रति प्रतिवद्ध र अनुशासित बनाउन विभिन्न व्यवस्थापकीय नीतिहरू अवलम्बन गरिएको छ ।

## ६. सामाजिक उत्तरदायित्व

यो विकास बैंक पनि समाजको एक अंग भएकोले समाज तथा समुदायको लागि योगदान दिनु पर्ने कार्यहरूमा सक्रियतापूर्वक जिम्मेवारी निर्वाह गरेको छ । समाजमा ब्याप्त समास्याहरूको समाधान गर्ने वा साधन र स्रोतको अभावमा रहेका सामाजिक संघ संस्था, समुदाय तथा व्यक्तिहरूलाई सहयोग गर्ने कार्य गरेको छ । सामाजिक उत्तरदायित्व सम्बन्धी सहयोगलाई सकेसम्म सबै प्रदेश, क्षेत्र र भूगोलमा विभिन्न विधाहरूमा नगद तथा भौतिक सामाग्री सहयोग गर्ने रणनीति बैंकले लिएको छ । समाजमा सकारात्मक योगदान दिने प्रकारका कार्यहरूलाई निरन्तरता दिँदै थप प्रभावकारी बनाउन बैंक प्रतिवद्ध रहेको छ ।

## ७. गुनासो सुनुवाइ

बैंकका सेवाग्राहीहरूलाई सहज, सरल र स्तरीय सेवा प्रदान गर्नको लागि सेवाग्राहीहरूले बैंकबाट सेवा लिने क्रममा पर्ने असुविधा तथा ग्राहकहरूको गुनासो सुनुवाइ गर्न यस विकास बैंकले गुनासो सुनुवाइ तथा पृष्ठपोषण इकाइको व्यवस्था गरी बैंकका सेवा सुविधामा सुधार गर्दै उत्कृष्ट ग्राहक सेवा प्रदान गर्दै आएको छ । यस विकास बैंकले गुनासो सुनुवाइ अधिकारीको समेत

व्यवस्था गरेको छ । ग्राहकहरुबाट बैंकमा आउने गुनासाहरु ईमेलमार्फत संकलनको लागि grievance@muktinathbank.com.np, फोन मार्फत संकलन तथा सुनुवाई गर्न फोन नं. ०१-४५४२९४८, अनलाईन लिंकको लागि बैंकको वेवसाइटमा राखिएको Feedback Collection Form, Customer Satisfaction Form, बैंकको हटलाईन नं. १६६६-०१४-९९९९, आधिकारिक ईमेल info@muktinathbank.com.np बाट गुनासो र सुझावहरु प्राप्त गरिने माध्यमहरु रहेका छन् । यस विकास बैंकले आर्थिक वर्ष २०७९/८० मा ४५९ वटा ग्राहकका गुनासोहरु प्राप्त गरेकोमा ४४५ वटा गुनासोहरु समाधान भईसकेको छ भने ६ वटा गुनासोहरु समाधानको क्रममा रहेका छन् । बैंकले गुनासो सुनुवाई र समाधान कार्यविधी तयार गरी लागू गरेको छ ।

बैंकको गुनासो सुन्ने अधिकारीको विवरण बैंकको वेवसाईट तथा बैंकका शाखा कार्यालयहरुमा राखिएको छ ।

गुनासो सुन्ने अधिकारीको विवरण देहाय बमोजिम रहेको छ ।

नाम : इण्डपानी ढकाल  
पद : कम्पनी सचिव  
फोन नं. : ०१-४९६८५३८  
मोबाईल नम्बर : ९८०२३०६०९३

## ८. सम्पति शुद्धीकरण (Anti-Money Laundering) निवारण

सम्पति शुद्धीकरण निवारण सम्बन्धी राज्य तथा नियमक निकायले लिएको नीतिलाई यस विकास बैंकले अक्षरशः पालना गर्दै कडाइका साथ लागू गरेको छ । यस कार्यलाई एक रुपता दिन र सबैको बुझाइमा समानता ल्याउन ग्राहक पहिचान तथा अनुपालना मार्गदर्शन-२०८० तयार गरी कार्यान्वयनमा ल्याएको छ । यसलाई समयानुकूल परिमार्जन र परिस्कृत गर्दै लागिएको छ । बैंकले सम्पति शुद्धीकरण जाँचको लागि छुट्टै i-Care कम्प्युटर सफ्टवेयरमा आधारित प्रणालीहरुको जडान र उपयोग गरेको छ । यस विकास बैंकसंग कारोबार गर्न चाहने ब्यक्ति तथा संस्थाको Screening पश्चात् मात्र खाता संचालन गर्न पाउने ब्यवस्था लागू गरिएको छ । गैरकार्यकारी सञ्चालकको संयोजकत्वमा गठित सम्पति शुद्धीकरण निवारण सम्बन्धी समितिले यस सम्बन्धमा भए गरेको कार्यहरुको नियमित रुपमा प्रतिवेदन लिने, विश्लेषण गर्ने र सञ्चालक समितिलाई आवश्यक सुझाव दिने गरेको छ ।

विषयको गम्भीरतालाई मध्यनजर गरी बैंकमा नयाँ नियुक्ति लिने कर्मचारीहरु तथा कार्यरत कर्मचारीहरुलाई यस सम्बन्धी तालिमहरु प्रदान गर्दै आएको छ । यसबाट कर्मचारीको दक्षता अभिवृद्धि भएको छ ।

## कम्पनी ऐन, २०६३ को दफा १०८ अनुसारको अतिरिक्त विवरण (आर्थिक वर्ष २०७९/८०)

### क. विगत वर्षको कारोबारको सिंहावलोकन

सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।

### ख. राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असर

आर्थिक वर्ष २०७९/८० मा कुल वस्तु निर्यातमा २१.४ प्रतिशतले कमी आई रु.१५७ अर्ब १४ करोड कायम भएको छ । यस अवधिमा कुल वस्तु व्यापार घाटा १५.५ प्रतिशतले कमी आई रु.१४५४ अर्ब ५९ करोड कायम भएको छ । निर्यातको वृद्धिदर धेरै भए पनि आयातको हिस्सा अधिक हुनाले ब्यापार घाटा पनि वृद्धि भएको छ । यसले समग्र राष्ट्रिय अर्थतन्त्रलाई नै असर पार्नु स्वाभाविकै हो ।

देशको प्रतिकूल आर्थिक अवस्थाको कारण कर्जा असुलीमा बैकिङ्ग क्षेत्रको लागि ठूलो चुनौतीको रुपमा उदय भएको छ ।

समीक्षा अवधिको अधिकांश समय कर्जा लगानी नहुँदा तरलताको अवस्था सहज भयो । बचत निक्षेपको ब्याजदर केही घट्दा आधार दर तथा कर्जाको व्याजदर पनि घट्न पुग्यो । यसबाट ऋणीहरूलाई कर्जा लिन सहजताको अवस्था सृजना भएता पनि कर्जा माग घट्न गएको छ ।

### ग. प्रतिवेदन तयार भएको मितिसम्म वर्षको उपलब्धि र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा संचालक समितिको धारणा

सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।

### घ. कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध

यस विकास बैंकले आषानो कारोबार विस्तार तथा आपसी सहकार्यको लागि सोही प्रकृतिका विभिन्न सरकारी, गैरसरकारी संस्था, व्यवसायिक एवं औद्योगिक प्रतिष्ठानहरू, सामाजिक संघ-संस्थाहरू, अन्तर्राष्ट्रिय संघ संस्थाहरू, शैक्षिक तथा अनुसन्धान संस्था, निजी क्षेत्र र नियमक निकायहरूसंग सौहार्दपूर्ण तथा व्यवसायिक सम्बन्ध कायम राख्दै तथा विस्तार गर्दै आएको छ । त्यसै गरी बैंकको व्यवसायमा प्रत्यक्ष सहकार्य गर्ने विभिन्न रेमिट्यान्स सेवा प्रदायकहरू, जीवन तथा निर्जीवन बीमा कम्पनीहरू, सूचना प्रविधि प्रदायक कम्पनीहरू लगायत सेवा प्रदायक कम्पनीहरूसंग पनि समन्वय गरी आपसी हितका कार्यहरू गरी रहेको छ ।

### ङ. सञ्चालक समितिमा भएको हेरफेर र सोको कारण

यस विकास बैंकको सञ्चालक समितिमा ५ जनाको प्रतिनिधित्व रहेको छ । समितिमा संस्थापक सेयरधनीको तर्फबाट २ जना, सर्वसाधारण सेयरधनीको तर्फबाट २ जना र १ जना स्वतन्त्र सञ्चालक रहनु भएको छ । वि.सं. २०७६ साल मंसिर ३० गते सम्पन्न भएको यस विकास बैंकको १३ औं वार्षिक साधारण सभाले

छनौट गरेको संस्थापक सेयरधनीको तर्फबाट प्रतिनिधित्व गर्नु हुने सञ्चालकहरू मध्ये श्री रबिन्द्र मान श्रेष्ठले मिति २०८०/०५/३१ मा व्यक्तिगत कारण देखाइ राजिनामा दिनुभएको छ भने सर्वसाधारण सेयरधनीको तर्फबाट कुनै परिवर्तन तथा हेरफेर भएको छैन । वि.सं. २०७७ साल श्रावण १६ गते सञ्चालक समितिले नियुक्त गरेको स्वतन्त्र सञ्चालकमा कुनै परिवर्तन तथा हेरफेर भएको छैन । यस विकास बैंकको सञ्चालकहरूको विवरण निम्न बमोजिम रहेको छ ।

नाम	पद	नियुक्त मिति
श्री भरत राज ढकाल	अध्यक्ष	२०७६/०८/३०
श्री राजेन्द्र मान श्रेष्ठ	सञ्चालक	२०७६/०८/३०
श्री शालिग्राम मिश्र	सञ्चालक	२०७६/०८/३०
श्रीमती निर्मला कुमारी के.सी.(काकी)	सञ्चालक	२०७६/०८/३०
श्री श्याम सुन्दर शर्मा	स्वतन्त्र सञ्चालक	२०७७/०४/१६

### च. कारोबारलाई असर पार्ने मुख्य कुराहरू

बैंक तथा वित्तीय संस्थाहरूको कारोबारलाई विभिन्न आन्तरिक तथा वाह्य तत्वहरूले असर गरी रहेको हुन्छ । विशेष गरी वाह्य तत्वको रुपमा अर्थतन्त्रका अंगहरू र राज्य तथा नियमक निकायका नीतिगत व्यवस्थाहरूले प्रत्यक्ष प्रभाव पारी रहेका हुन्छन् । यस आ.व. मा देशको प्रतिकूल आर्थिक अवस्थाको कारण कर्जा असुलीमा बैकिङ्ग क्षेत्रको लागि ठूलो चुनौतीको रुपमा रहयो ।

आन्तरिक कारोबारको सिलसिलामा सिर्जना हुन सक्ने विविध संभावित जोखिमहरू आउन नदिन बैंक व्यवस्थापन सजग र सक्रिय रहेको छ । यस प्रकारका जोखिमहरूको पूर्वअनुमान गरी सोको व्यवस्थापन तथा न्यूनीकरण गर्न विभिन्न तहगत संरचना र जिम्मेवारीहरू तोकिएका छन् ।

### छ. लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिका प्रतिक्रियाहरू

यस विकास बैंकको सञ्चालकको नेतृत्वमा गठन भएको लेखापरीक्षण समितिले आन्तरिक लेखापरीक्षण विभागले तयार गरेको लेखापरीक्षण प्रतिवेदनलाई अध्ययन गरी त्रैमासिक रुपमा प्रतिवेदन सञ्चालक समिति समक्ष पेश गर्ने गर्दछ । आन्तरिक तथा वाह्य लेखापरीक्षणको क्रममा देखा परेका त्रुटी तथा कैफियतहरूलाई निरक्षणकै क्रममा वा शीघ्र सुधार गरिन्छ । यसरी सुधार गरेको प्रमाण लेखापरीक्षण प्रतिवेदनको प्रतिउत्तरमा समेत समावेश गर्ने गरिन्छ । हाल सम्म उल्लेख्य र गम्भीर प्रकृतिका त्रुटी तथा कैफियतहरू फेला परेका छैनन् । सामान्य कमजोरी र छुटहरूलाई नियमित गरी सकिएको छ । यस सम्बन्धमा समितिले व्यवस्थापनलाई निर्देशन दिएको छ भने व्यवस्थापनले सुधार गर्दै आईरहेको छ ।

- ज. लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम  
रु. ६५८,९८७,९३३.२३
- झ. सेयर जफत भएको भए जफत भएको सेयर संख्या, त्यस्तो सेयरको अङ्कित मूल्य, त्यस्तो सेयर जफत हुनुभन्दा अगावै सोबापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो सेयर जफत भएपछि सो सेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको सेयरबापत रकम फिर्ता गरेको भए सोको विवरण  
यस विकास बैंकले आ.व. २०७९/०८० मा कुनै पनि सेयर जफत गरेको छैन ।
- ञ. विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन  
यस विकास बैंक तथा यसको सहायक कम्पनीको प्रगति विवरण यसै वार्षिक प्रतिवेदनमा छुट्टै उल्लेख गरिएको छ ।
- ट. कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन  
यस विकास बैंकले आ.व. २०७९/८० मा नियमित बैंकिङ्ग कारोबारहरू गरेको र सोको विवरण यसै प्रतिवेदनको विभिन्न खण्डमा उल्लेख गरिएको छ । यस विकास बैंकको सहायक कम्पनी मुक्तिनाथ क्यापिटल लि.ले पनि आफ्नो व्यवसायको दायरा भित्र रहेर नियमित कारोबारहरू गर्दै आएको छ । उक्त क्यापिटलको मुख्य कार्यहरू पोर्टफोलियो व्यवस्थापन, संस्थागत परामर्श, धितोपत्र प्रत्याभूती, सेयर रजिष्ट्रार र निष्काशन तथा बिक्री प्रबन्धक, आदि रहेका छन् । यस अवधिमा कुनै महत्वपूर्ण परिवर्तन भएको छैन ।
- ड. विगत आर्थिक वर्षमा कम्पनीको आधारभूत सेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी केही नभएको ।
- ड. विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिइएको सेयरको स्वामित्वको विवरण र कम्पनीको सेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी केही नभएको ।
- ढ. विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा केही नभएको ।
- ण. कम्पनीले आफ्नो सेयर आफैले खरिद गरेको भए त्यसरी आफ्नो सेयर खरिद गर्नुको कारण, त्यस्तो सेयरको संख्या र अङ्कित

मूल्य तथा त्यसरी सेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम

कम्पनीले आफ्नो सेयर आफैले खरिद गरेको छैन ।

त. आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण

यस विकास बैंकले नियमक निकायहरूले तोकेको, बैंकिङ्ग क्षेत्रका विभिन्न अभ्यासहरूले उत्कृष्ट मानिएका र आफ्नै अनुभवहरूले प्रभावकारी देखिएका आन्तरिक नियन्त्रण प्रणालीलाई नीति र व्यवहारमा लागू गरेको छ । बैंकको संगठनात्मक ढाँचाको सर्वोच्च निकाय सञ्चालक समितिले विभिन्न माध्यमबाट आन्तरिक नियन्त्रण प्रणालीको अनुगमन गरी सुधारात्मक कार्यको लागि सुझाव दिने गरेको छ ।

सञ्चालकहरूको संयोजकत्वमा गठन गरिएका समितिहरू, व्यवस्थापन अन्तर्गत गठन भएका उपसमितिको, विभिन्न विभाग र निजहरूलाई तोकिएको जिम्मेवारी, कार्यालयहरूको तहगत संरचना, कार्यालय भित्र पनि विभिन्न पद र जिम्मेवारीका कर्मचारीहरूलाई तोकिएको काम, कर्तव्य र अधिकारहरूले दैनिक कार्य सञ्चालनलाई सहज र शीघ्रता प्रदान गर्नुको साथै कार्य प्रणालीमा पारदर्शिता ल्याउने प्रयास गरिएको छ ।

साथै, संस्थामा निर्देशनहरू, आन्तरिक नीतिहरू, कार्यविधिहरू र परिपत्रहरूको पालना भए नभएको जाँच गर्न संगठनात्मक संरचना तयार गरिएको छ भने भए गरेको अवस्थाको नियमित व्यवस्थापन समक्ष सूचना तथा जानकारी आउने प्रणालीको विकास गरिएको छ ।

थ. विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण

कर्मचारी खर्च (कर्मचारी बोनस बाहेक) : रु. १,२३७,०९३,०६९  
कार्यालय सञ्चालन खर्च : रु. ७६२,३४२,९३७  
कुल व्यवस्थापन खर्च : रु. १,९९९,३५५,९९७

द. लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारबाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण :

नाम	पद	प्रति बैठक भत्ता (रु.)
श्री राजेन्द्र मान श्रेष्ठ - सञ्चालक	संयोजक	७,५००/-
श्री श्याम सुन्दर शर्मा - सञ्चालक	स्वतन्त्र सदस्य	७,०००/-
आन्तरिक लेखापरीक्षण विभाग प्रमुख	सदस्य सचिव	-

आ.व. २०७९/०८० मा लेखापरीक्षण समितिको बैठक ८ पटक बसेको छ र समितिका पदाधिकारीहरूलाई बैठक भत्ता वापत कुल रु. १९६,०००/- भुक्तानी गरिएको छ । समितिले आन्तरिक लेखापरीक्षणको वार्षिक कार्य योजना स्वीकृत गरी सोही बमोजिम आन्तरिक लेखापरीक्षकहरूलाई कारोबारको निरीक्षण र जाँच गर्न परिचालन गर्ने, नेपाल राष्ट्र बैंक तथा वाह्य लेखापरीक्षकले दिएको प्रतिवेदनको अध्ययन र विश्लेषण गर्ने, बैंकको नीति नियम तथा



सञ्चालन सम्बन्धी भए गरेका काम कुराहरुको पुनरावलोकन गर्ने, कमी कमजोरीहरु पहिचान गर्ने, सुधारात्मक सुझावहरु सञ्चालक समिति मार्फत व्यवस्थापनलाई निर्देशन दिने व्यवस्था रहेको छ । साथै, नेपाल राष्ट्र बैंक तथा वाह्य लेखापरीक्षकले दिएका प्रतिवेदन उपर विस्तृत रुपमा छलफल गरी सञ्चालक समितिलाई आवश्यक सुझाव दिएको छ । त्यसरी दिएको सुझाव उपर व्यवस्थापनले गरेको सुधारहरुको प्रमाण सहित प्रतिउत्तर लिने र सोको अध्ययन गर्ने गरेको छ ।

घ. सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत सेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा सँगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा केही नभएको ।

न. सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरुलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम

सञ्चालकको नाम	पद	प्रति बैठक भत्ता (रु.)	उपस्थित बैठक संख्या
श्री भरत राज ढकाल	अध्यक्ष	१३,०००/-	२२
श्री राजेन्द्र मान श्रेष्ठ	सञ्चालक	१२,०००/-	२२
श्री रबिन्द्र मान श्रेष्ठ	सञ्चालक	१२,०००/-	२१
श्री शालिग्राम मिश्र	सञ्चालक	१२,०००/-	२२
श्रीमती निर्मला कुमारी के.सी.(कार्की)	सञ्चालक	१२,०००/-	१२
श्री श्याम सुन्दर शर्मा	स्वतन्त्र सञ्चालक	१२,०००/-	१२

आ.व. २०७९/०८० मा बैठक भत्ता स्वरुप सञ्चालकहरुलाई कुल रु.१७ लाख २९ हजार ५०० र यातायात, टेलिफोन, इन्टरनेट, पत्रपत्रिका तथा अन्य खर्च स्वरुप रु. १,३६२,३२७ भुक्तानी गरिएको छ ।

प्रमुख कार्यकारी अधिकृतलाई वार्षिक रुपमा प्रदान गरिएको पारिश्रमिक, भत्ता तथा सुविधाहरु

विवरण	रकम
तलब तथा भत्ता	९,५००,०००
सञ्चय कोष	६००,०००
बिदा तथा उपदान	३७५,०००
बोनस	२,६१४,९०७
जम्मा	१३,०९९,९०७

अन्य सुविधाहरु :

सवारी चालक एकजना, ईन्धन, सर्भिसिङ्ग, मर्मत खर्च सहित एउटा गाडी उपलब्ध गराइएको छ । यसका अलावा आवास कर्जा रु. ५९,२४,९२५, रु. २५,००,००० को दुर्घटना बीमा, रु. ५,००,००० को औषधोपचार बीमा सुविधा प्रदान गरिएको छ । त्यसै गरी मोबाइल तथा टेलिफोन खर्च वास्तविक बिल अनुसार प्रदान गरिएको छ । दैनिक तथा भ्रमण भत्ता वापत स्वदेशमा प्रति दिन रु. ३,५००/-, साक र राष्ट्रहरुमा प्रतिदिन १०० अमेरिकी डलर र अन्य राष्ट्रहरुमा प्रतिदिन १५० अमेरिकी डलर प्रदान गरिन्छ भने होटल, खाना, र यातायात वापतको वास्तविक खर्च अनुसारको रकम भुक्तानी गर्ने व्यवस्था रहेको छ ।

प. सेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांशका रकम रु.१५,३९०,९४४.००

फ. दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण  
यस आर्थिक वर्षमा बैंकले कम्पनी ऐन, २०६३ को दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको छैन ।

ब. दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएका कारोबारको विवरण  
यस सम्बन्धी विवरण वार्षिक प्रतिवेदनको वित्तीय विवरणको नोटमा उल्लेख गरिएको छ ।

ग. यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा  
यसै प्रतिवेदनको विभिन्न खण्डहरुमा उल्लेख गरिएको ।

घ. अन्य आवश्यक कुराहरु  
प्रचलित ऐन तथा कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य विवरणहरु यसै प्रतिवेदनमा उल्लेख गरिएका छन् ।

## धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को अनुसूची १५, नियम २६ को उपनियम २ सँग सम्बन्धित

### १. सञ्चालक समितिको प्रतिवेदन

यसै प्रतिवेदनसंग संलग्न रहेको ।

### २. लेखापरीक्षकको प्रतिवेदन

यसै प्रतिवेदनसंग संलग्न रहेको ।

### ३. लेखापरीक्षण भएको वित्तीय विवरण

यसै प्रतिवेदनसंग संलग्न रहेको ।

### ४. कानुनी कारवाही सम्बन्धी विवरण

क. आ.व. २०७९/८० मा संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएको भए

- ▶ आ.व. २०७९/८० मा यस विकास बैंकका विरुद्धमा सामान्य व्यवसायिक कारोबार सम्बन्धी मुद्दा बाहेक अन्य मुद्दा नरहेको ।
- ▶ यस विकास बैंकले अन्य कुनै व्यक्ति वा संस्था उपर मुद्दा दायर नगरेको र संस्था विरुद्धमा मुद्दा दायर भएको सूचना र जानकारी प्राप्त भएको छैन ।

ख. यस संस्थाका संस्थापक वा सञ्चालकले वा सञ्चालक वा सञ्चालकका विरुद्ध प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको वा सो सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भए

संस्थालाई यस बारेमा कुनै सूचना तथा जानकारी प्राप्त नभएको ।

ग. कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए

संस्थाले यस प्रकृतिको कुनै मुद्दा दायर नगरेको र अन्यत्रबाट पनि कुनै मुद्दा दायर भएको विषयमा सम्बन्धित अदालत वा कार्यालयबाट कुनै सूचना वा जानकारी प्राप्त नभएको ।

### ५. संगठित संस्थाको सेयर कारोबार तथा प्रगतिको विवरण

क. धितोपत्र बजारमा भएको संगठित संस्थाको सेयरको कारोबार सम्बन्धमा व्यवस्थापनको धारणा

यस विकास बैंकको सेयरहरू नेपाल स्टक एक्सचेन्जमा सूचिकृत भई नेपाल धितोपत्र बोर्डको रेखदेखमा खुल्ला बजारले निर्धारण गरेको मूल्य बमोजिम कारोबार भैरहेका छन् । समकक्षी विकास बैंकहरू तथा केही वाणिज्य बैंकहरूको भन्दा यस विकास बैंकको प्रति सेयर बजार मूल्य केही उच्च रहेको देखिन्छ । यसबाट बैंक प्रति सर्वसाधारण लगानीकर्ताहरूको विश्वास बढी रहेको अनुमान गर्न सकिन्छ ।

ख. गत वर्षको त्रैमासिक रूपमा सेयरको विवरण

आ.व. २०७९/८० मा भएको यस विकास बैंकको सेयर कारोबारको विवरण नेपाल स्टक एक्सचेन्ज लिमिटेडको वेवसाइट [www.nepalstock.com.np](http://www.nepalstock.com.np) बाट साभार गरिएको छ । सो वेवसाइटमा उल्लेख भए अनुसार कारोबारको विवरण यस प्रकार रहेको छ :-

विवरण	प्रथम त्रैमास	द्वितीय त्रैमास	तृतीय त्रैमास	चौथो त्रैमास
अधिकतम मूल्य (रु.)	४९६.५	४७६	४२५	४१८.२
न्यूनतम मूल्य (रु.)	४००	४०८	३८३.८	३८१
अन्तिम मूल्य (रु.)	४०७	४२०	४०४	४०७
कारोबार सेयर संख्या	१,७००,६९१	१,३७६,९९०	१,१७२,७२२	१,६५६,१२२
कारोबार संख्या	१५,७३१	११२७५	९९३७	१३७०३
कारोबार भएको दिन	६५	५२	५२	६२

## ६. समस्या तथा चुनौतीहरू

### क. आन्तरिक समस्या तथा चुनौतीहरू

केन्द्रीय कार्यालयबाट ग्रामीण तथा दुर्गम स्थानमा रहेका शाखा कार्यालयहरूमा पठाउने भौतिक सामग्रीहरू जस्तै: छपाईसंग सम्बन्धित स्टेशनरीहरू, प्रवर्द्धनात्मक सामग्रीहरू ढुवानीमा केही असहज भयो । केही दुर्गम स्थानहरूमा रहेका शाखाहरूमा विद्युत आपूर्ति र ईन्टरनेटको समस्या पटक पटक देखिएको छ । सोको बैकल्पिक व्यवस्था गर्न बैंकलाई चुनौतीपूर्ण रहेको छ ।

### ख. वाह्य समस्या तथा चुनौतीहरू

नेपाली वित्तीय बजारको प्रतिस्पर्धा, नयाँ नयाँ विभिन्न नीतिगत व्यवस्थाहरूले कार्य सञ्चालनमा अनुकूलनता व्यवस्थापन गर्दै अगाडि बढ्नु पर्ने अवस्था सिर्जना भएको थियो । कतिपय सेवा प्रवाहमा वाह्य पक्षसंगको निर्भरताले तोकिएको समयमा अपेक्षाकृत नतिजा ल्याउन कठिनाई भएको थियो । साथै, देशको विशाल आर्थिक परिस्थितिका कारण कर्जा असुली ठूलो चुनौतीको रूपमा उदय भएको छ ।

### ग. रणनीतिहरू

उल्लेखित आन्तरिक तथा वाह्य समस्या र चुनौतीहरूलाई व्यवस्थापनले उचित तवरले समाधान गरेको छ । कतिपय समस्या तथा चुनौतीहरू पूर्वअनुमान गरिए बमोजिम भएको ले त्यस्ता समस्याहरूले खासै असर गरेन । तर, अनपेक्षित घटना तथा परिघटनाहरूबाट हुन सक्ने जोखिम र क्षति न्यूनीकरणको लागि व्यवस्थापनले तत्काल विभिन्न वैकल्पिक उपायहरूको खोजी गरी समाधान गरिएको छ । बैंकमा सकेसम्म दीगोरूपमा नै समस्याहरू नआउने गरी कार्य गर्ने परिपाटीको विकास गरिएको छ । संभावित समस्या तथा चुनौतीहरूको आँकलन गरी त्यसबाट पर्ने सक्ने असरलाई न्यूनीकरण गर्न व्यवस्थापनले पूर्व तयारी गर्ने गरेको छ ।

## ७. संस्थागत सुशासन

संस्थागत सुशासन अभिवृद्धिका लागि व्यवस्थापनद्वारा चालिएका कदमहरू सम्बन्धी विवरणहरू

संस्थागत सुशासनलाई यस विकास बैंकले उच्चमहत्व दिएको छ । नियमनकारी निकायहरूद्वारा जारी गरिएका निर्देशनहरूको पूर्ण पालना, सञ्चालक समिति लगायत उच्च व्यवस्थापन र अन्य व्यवस्थापकीय कर्मचारीहरूद्वारा पालना र अनुगमन, सहभागितात्मक निर्णय प्रकृया, पारदर्शिता र सम्पूर्ण

कर्मचारीहरूमा यसको अभ्यास यस विकास बैंकले अवलम्बन गरेको छ । संस्थागत सुशासनलाई पालना र कार्यान्वयनमा मात्र सीमित नरखी यसको मापन र अनुगमन गर्ने परिपाटीको विकास गरिएको छ । कुनै पनि विषयमा निर्णय लिनु अघि विभिन्न तहगत सूचना प्रणालीको विकास गरिएकोले छलफल गरी निस्कर्षमा पुग्ने गरिन्छ । सञ्चालक समिति लगायत व्यवस्थापनले यसको अभ्यास दैनिक रूपमा गर्ने गरेको छ । सुशासन र पारदर्शिता कुनै एक वर्ग र तहमा मात्र सीमित नरखी हरेक कर्मचारीहरूले यसको अभ्यास गर्ने गराउने गरिएको छ ।

### ८. विवरणपत्रमा प्रक्षेपण गरिएका र लेखापरीक्षण भएको विवरणहरूमा बीस प्रतिशत वा सो भन्दा बढी फरक सम्बन्धी विवरण

नभएको ।

### ९. नियम २६ को उपनियम (५) सँग सम्बन्धित विशेष घटना वा परिस्थिति सम्बन्धी विवरण

९.१. सँगाठित संस्थाको विनियममा संशोधन : नभएको ।

९.२. सँगाठित संस्थाको सञ्चालक वा उच्च व्यवस्थापकीय तहका अधिकृतको परिवर्तन : नभएको

क. यस अवधिमा कुनै पनि सञ्चालकको पदावधि समाप्त भएको छैन ।

ख. सञ्चालक समितिबाट राजिनामा दिनु भएको: भएको ।  
सञ्चालक श्री रविन्द्र मान श्रेष्ठले मिति २०८०/०५/३१ मा व्यक्तिगत कारण देखाइ राजिनामा दिनुभएको ।

ग. उच्च व्यवस्थापकीय तहबाट राजिनामा दिनु भएको: नभएको ।

घ. उच्च व्यवस्थापकीय तहमा नयाँ नियुक्ति: नभएको ।

९.३. लाभांश घोषणा वा पूँजी संरचनामा परिवर्तन :

हाल रहेको चुक्ता पूँजी रु. ६ अर्ब ४२ करोड ९ लाख २ सय ७३ मा यस साधारण सभाले प्रस्तावित ९.७५ प्रतिशत बोनस लाभांश पारित भएमा चुक्ता पूँजी रु. ७ अर्ब ४ करोड ६९ लाख ३८ हजार ४९ पुग्नेछ ।



## संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन

(आर्थिक वर्ष २०७९/८०)

### सञ्चालक समिति सम्बन्धी विवरण :

क्र.सं.	सञ्चालकहरूको नाम तथा ठेगाना	प्रतिनिधित्व भएको समूह	सेयर संख्या (प्रतिशतमा)	पछिल्लो पटक नियुक्ति भएको मिति	सञ्चालक नियुक्तिको तरिका (विधि)
१	श्री भरत राज ढकाल ठेगाना : आँधिखोला गा.पा.-०६, स्याङ्जा	संस्थापक	१.५६	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
२	श्री राजेन्द्र मान श्रेष्ठ ठेगाना : बिदुर न.पा.-०९, नुवाकोट	संस्थापक	०.९१	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
३	श्री रबिन्द्र मान श्रेष्ठ ठेगाना : पुतलीबजार न.पा.-०९, स्याङ्जा	संस्थापक	०.९१	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
४	श्री शक्तिग्राम मिश्र ठेगाना : काठमाण्डौ म.न.पा.-२९, घट्टेकुलो	सर्वसाधारण	०.०९	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
५	श्रीमती निर्मला कुमारी के.सी.(काकी) ठेगाना : काठमाण्डौ म.न.पा.-१६, बनस्थली	सर्वसाधारण	०.०९	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
६	श्री श्याम सुन्दर शर्मा ठेगाना : काठमाण्डौ म.न.पा.-३, बसुन्धारा	स्वतन्त्र	-	२०७७/०८/१६	सञ्चालक समितिको बैठकबाट

\* मिति २०८०/०५/३१ मा राजिनामा दिनुभएको ।

### सञ्चालक समितिको बैठक सञ्चालन सम्बन्धी विवरण :

बैठक नं.	बैठक बसेको मिति	बैठकको किसिम (भौतिक / भर्चुअल)	उपस्थित सञ्चालक संख्या	बैठकको निर्णयमा भिन्न मत राखी हस्ताक्षर गर्ने सञ्चालकको संख्या
२७९	३०/०४/२०७९	भौतिक	५	फरक मत नरहेको
२८०	२७/०५/२०७९	भौतिक	४	फरक मत नरहेको
२८१	३०/०६/२०७९	भौतिक	४	फरक मत नरहेको
२८२	२२/०७/२०७९	भर्चुअल	६	फरक मत नरहेको
२८३	२९/०७/२०७९	भौतिक	६	फरक मत नरहेको
२८४	२९/०८/२०७९	भौतिक	६	फरक मत नरहेको
२८५	०९/०९/२०७९	भौतिक	६	फरक मत नरहेको
२८६	०८/०९/२०७९	भर्चुअल	६	फरक मत नरहेको
२८७	२९/०९/२०७९	भौतिक	६	फरक मत नरहेको
२८८	११/१०/२०७९	भौतिक	६	फरक मत नरहेको
२८९	२०/१०/२०७९	भौतिक	५	फरक मत नरहेको
२९०	२३/११/२०७९	भौतिक	५	फरक मत नरहेको
२९१	०६/१२/२०७९	भौतिक	६	फरक मत नरहेको
२९२	१६/१२/२०७९	भौतिक	६	फरक मत नरहेको
२९३	२९/१२/२०७९	भौतिक	४	फरक मत नरहेको
२९४	१९/०१/२०८०	भौतिक	६	फरक मत नरहेको
२९५	३१/०१/२०८०	भौतिक	६	फरक मत नरहेको
२९६	१९/०२/२०८०	भौतिक	५	फरक मत नरहेको
२९७	२९/०२/२०८०	भौतिक	५	फरक मत नरहेको
२९८	०७/०३/२०८०	भौतिक	५	फरक मत नरहेको
२९९	२२/०३/२०८०	भौतिक	५	फरक मत नरहेको
३००	२९/०३/२०८०	भर्चुअल	५	फरक मत नरहेको

- ▶ कुनै सञ्चालक समितिको बैठक आवश्यक जाणपूरक संख्या नपुगी स्थापित भएको भए सोको विवरण : नभएको ।
- ▶ सञ्चालक समितिको बैठकमा उपस्थित सञ्चालकहरु, छलफल भएको विषय र तत्सम्बन्धमा भएको निर्णयको विवरण (माइन्युट) को छुट्टै अभिलेख राखे/नराखेको : राखेको
- ▶ सञ्चालक समितिको लगातार बसेको २ वटा बैठकको अधिकतम अन्तर (दिनमा) : बढीमा ३८ दिनसम्म रहेको ।
- ▶ सञ्चालक समितिको प्रति बैठक भत्ता रु.: अध्यक्ष रु. १३,०००/- र सञ्चालक रु.१२,०००/-
- ▶ समितिको कुल बैठक खर्च (बैठक भत्ता तथा अन्य खर्च): बैठक खर्च: रु. १,८३८,०००/- र अन्य खर्च: रु. १,३६२,३२७/-

**सञ्चालकहरुको आचरण तथा अन्य विवरण:**

- ▶ सञ्चालकको आचरण सम्बन्धमा सम्बन्धित संस्थाको आचार संहिता भए/नभएको :  
सञ्चालकको छुट्टै आचारसंहिता नभएको, बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, एकीकृत निर्देशन, कम्पनी ऐन, धितोपत्र सम्बन्धी ऐन र विकास बैंकको नियमावलीमा उल्लेख भएबमोजिमका आचरण सम्बन्धी व्यवस्थाको पालना भएको ।
- ▶ एकाघर परिवारको एक भन्दा बढी सञ्चालक भए सो सम्बन्धी विवरण:  
नभएको ।

**सञ्चालकहरुको वार्षिक रुपमा सिकाई तथा पुर्नताजगी कार्यक्रम सम्बन्धी विवरण:**

क्र.सं.	विषय	मिति	सहभागी सञ्चालकको संख्या	तालिम सञ्चालन भएको स्थान
१	Board of Directors Course & AML/CFT for Board Members & Executives	जेष्ठ ५-६, २०८०	६ जना (सबै)	काठमाण्डौ

प्रत्येक सञ्चालकले आफू सञ्चालक पदमा नियुक्त वा मनोनयन भएको पन्द्र दिनभित्र देहायका कुराको लिखित जानकारी जाराएको/नजाराएको र नजाराएको भए सोको विवरण:

विवरण	अवस्था
<ul style="list-style-type: none"> <li>▶ संस्थासंग निज वा निजको एकाघरको परिवारको कुनै सदस्यले कुनै किसिमको करार गरेको वा गर्न लागेको भए सोको विवरण,</li> <li>▶ निज वा निजको एकाघरको परिवारको कुनै सदस्यले संस्था वा सो संस्थाको मुख्य वा सहायक कम्पनीमा लिइएको सेयर वा डिभेन्चरको विवरण,</li> <li>▶ निज अन्य कुनै संगठित संस्थाको आधारभूत सेयरधनी वा सञ्चालक रहेको भए त्यसको विवरण,</li> <li>▶ निजको एकाघरको परिवारको कुनै सदस्य संस्थाको पदाधिकारी वा कर्मचारीको हैसियतमा काम गरिरहेको भए सोको विवरण,</li> <li>▶ सञ्चालकले उस्तै प्रकृतिको उद्देश्य भएको सूचिकृत संस्थाको सञ्चालक, तलबी पदाधिकारी, कार्यकारी प्रमुख वा कर्मचारी भई कार्य गरेको भए सोको विवरण,</li> <li>▶ सञ्चालकहरुलाई नियमनकारी निकाय तथा अन्य निकायहरुबाट कुनै कारवाही गरिएको भए सोको विवरण,</li> </ul>	उल्लेखित विवरणहरु उपलब्ध जाराएको र प्राप्त विवरण अनुसार कुनै कौफियत नरहेको ।

**संस्थाको जोखिम व्यवस्थापन तथा आन्तरिक नियन्त्रण प्रणाली सम्बन्धी विवरण:**

(क) जोखिम व्यवस्थापनको लागि कुनै समिति गठन भए/नभएको, गठन नभएको भए सोको कारण: गठन भएको ।

(ख) जोखिम व्यवस्थापन समिति सम्बन्धी जानकारी:

(अ) समितिको संरचना (संयोजक तथा अन्य सदस्यहरूको नाम र पद):

श्री रबिन्द्र मान श्रेष्ठ	- संयोजक
श्री राजेन्द्र मान श्रेष्ठ	- सदस्य
श्री तिल बहादुर गुरुङ	- सदस्य
श्री प्रज्वल न्यौपाने	- सदस्य सचिव, प्रमुख, जोखिम व्यवस्थापन विभाग

(आ) समितिको बैठक संख्या: ४

(ग) आन्तरिक नियन्त्रण कार्यविधि मध्य/नभएको:

विकास बैंकले आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउनको लागि विभिन्न आन्तरिक कार्यविधिहरू बनाई लागू गरेको छ ।

(घ) आन्तरिक नियन्त्रण प्रणालीको लागि कुनै समिति गठन मध्य/नभएको, गठन नभएको मध्य सोको कारण

लेखापरीक्षण समितिको संरचना (संयोजक तथा अन्य सदस्यहरूको नाम र पद):

श्री राजेन्द्र मान श्रेष्ठ	: संयोजक
श्री श्याम सुन्दर शर्मा	: सदस्य
श्री ईश्वर बुढाथोकी	: सदस्य सचिव, विभागीय प्रमुख, आन्तरिक लेखापरीक्षण विभाग

आन्तरिक नियन्त्रण प्रणाली समिति सम्बन्धी विवरण

आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउनको लागि विकास बैंकमा सञ्चालक स्तरीय विभिन्न समितिहरू गठन भएका छन् । ती समितिहरू आ-आफ्नो जिम्मेवारी अनुसार सक्रिय रहेका छन् । समितिको समय समयमा बैठकहरू बस्ने र सो बैठकको निर्णय तथा आवश्यक सुझावहरू सञ्चालक समितिलाई दिने गरेको छ ।

समितिको नाम	समिति संयोजक	बैठक संख्या	समितिको कार्य सम्बन्धी छोटो विवरण
लेखापरीक्षण समिति	श्री राजेन्द्र मान श्रेष्ठ	८	बैंकको वित्तीय रिपोर्टिङको अनुगमन, लेखापरीक्षण प्रक्रियामा सहजीकरण, लेखापरीक्षकको नियुक्तिको सिफारिस र संस्थाको आन्तरिक नियन्त्रण कार्यलाई प्रभावकारी बनाउने तथा सञ्चालक समिति समक्ष सिफारिस गर्ने ।
कर्मचारी सेवा सुविधा समिति	श्री निर्मला कुमारी के.सी. (कार्की)	२	कर्मचारीसंग सम्बन्धित सेवा सुविधाहरूको समयानुकूल संसोधन तथा परिमार्जनको लागि सञ्चालक समिति समक्ष सुझाव पेश गर्ने ।
जोखिम व्यवस्थापन समिति	श्री रबिन्द्र मान श्रेष्ठ	४	व्यवसाय सञ्चालनको क्रममा उत्पन्न हुनसक्ने आर्थिक तथा गैर-आर्थिक जोखिमहरूलाई न्यूनीकरणका लागि आवश्यक रणनीति तयार गर्ने तथा सञ्चालक समिति समक्ष सुझाव पेश गर्ने ।
सम्पति शुद्धीकरण निवारण सम्बन्धी समिति	श्री शक्तिग्राम मिश्र	५	सम्पति शुद्धीकरणलाई नियन्त्रण तथा आतंककारी क्रियाकलापमा वित्तीय लगानी निरुत्साहित गर्नका लागि रणनीति तयार गर्ने तथा सञ्चालक समितिमा सुझाव तथा सिफारिस पेश गर्ने ।

(ङ) आर्थिक प्रशासन विनियमावली मध्य/नभएको :

भएको ।

**४. संस्थागत संरचना र कर्मचारी सम्बन्धी विवरण:**

(क) कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम, तलब, भत्ता तथा अन्य सुविधा, हाजिर र विदा, आचारसंहिता लगायतका कुराहरू समेटिएको कर्मचारी सेवा शर्त विनियमावली/व्यवस्था भए नभएको :  
भएको ।

(ख) सांठानिक संरचना संलग्न गर्ने :  
यसै प्रतिवेदनमा संलग्न गरिएको ।

(ग) उच्च व्यवस्थापन तहका कर्मचारीहरूको नाम, शैक्षिक योग्यता तथा अनुभव सम्बन्धी विवरण:

क्र.सं.	नाम	पद	शैक्षिक योग्यता	अनुभव
१	श्री प्रद्युमन पोखरेल	प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	३१ वर्ष (बैंकिङ्ग)
२	श्री समिर शेखर बज्राचार्य	नायव प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	२५ वर्ष (विकास आयोजना तथा बैंकिङ्ग)
३	श्री तिल बहादुर गुरुङ्ग	सहायक नायव प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	२४ वर्ष (बैंकिङ्ग)
४	श्री गोविन्द बहादुर राउत	सहायक प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	२९ वर्ष (लघुवित्त, विकास आयोजना तथा बैंकिङ्ग)

(घ) कर्मचारी सम्बन्धी अन्य विवरण :

विवरण	अवस्था
संरचना अनुसार कर्मचारी पदपूर्ति गरे/नगरेको	गरेको
नयाँ कर्मचारीहरूको पदपूर्ति गर्दा अपनाएको प्रक्रिया	राष्ट्रियस्तरको पत्रिकामा विज्ञापन प्रकाशित गरी आवश्यकता अनुसार लिखित तथा मौखिक परिक्षा मध्ये दुवै वा कुनै एक माध्यमबाट पदपूर्ति गर्ने गरिएको । ट्यालेन्ट हण्ट कर्मचारीको सर्न्दभमा मौखिक परिक्षाको माध्यमबाट पदपूर्ति गर्ने गरिएको ।
व्यवस्थापन स्तरका कर्मचारीको संख्या	४०
कुल कर्मचारी संख्या	१६६३
कर्मचारीहरूको सक्सेसन प्लान भए/नभएको	भएको
आ.व. २०७९/०८० मा कर्मचारीहरूलाई दिईएको तालिम संख्या तथा सहभागी कर्मचारीको संख्या	३१८ ओटा तालिममा कुल ८,७२८ जना कर्मचारीहरूको सहभागिता रहेको । (कर्मचारीहरूको संख्या दोहरिएको)
आ.व.२०७९/०८० को कर्मचारी तालिम खर्च	रु. २१,१६४,४८९
कुल खर्चमा कर्मचारी खर्चको प्रतिशत	६५.८६ प्रतिशत
कुल कर्मचारी खर्चमा कर्मचारी तालिम खर्चको प्रतिशत	१.४७ प्रतिशत

## नेपाल राष्ट्र बैंकको स्वीकृति पत्र



नेपाल राष्ट्र बैंक  
वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/ मुक्तिनाथ /०८०/८१  
च.नं.: १०३

श्री मुक्तिनाथ विकास बैंक लिमिटेड,  
कमलादी, काठमाण्डौ ।



केन्द्रीय कार्यालय  
बालुवाटार, काठमाण्डौ  
फोन नं.: ०१-४४१२३०७  
Site: www.nrb.org.np  
Email: nrbfis@nrb.org.np  
पोष्ट बक्स: ७३

मिति : २०८०/०९/०६

विषय: वार्षिक वित्तीय विवरण प्रकाशन गर्ने सहमति सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेरघरनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको ब्यहोरा अनुरोध छ । साथै, संस्थाले प्रस्ताव गरे अनुसार आर्थिक वर्ष २०७९/८० सम्मको नियमनकारी समायोजन पछिको वितरणयोग्य मुनाफा रु. ६७,३९३,८०६.०८ बाट २०८० असार मसान्तमा कायम रहेको चुक्ता पुँजी रु. ६,४२,०९,००,२७२.५९ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहत्तर रुपैयाँ एकाउन्न पैसा मात्र) को ९.७५ प्रतिशतले हुन आउने रकम रु. ६२,६०,३७,७७६.५७ (अक्षरेपी बिसठ्ठी करोड साठी लाख सैंतीस हजार सात सय छयहत्तर रुपैयाँ सन्ताउन्न पैसा) बराबरको बोनस शेयर तथा कर प्रयोजनको लागि सोही चुक्ता पुँजीको ०.५१३२ प्रतिशतले हुन आउने रकम रु. ३,२९,४९,३५६.६६ (अक्षरेपी तीन करोड उनन्तीस लाख उनन्त्यवास हजार तीन सय छपन्न रुपैयाँ छैंसठ्ठी पैसा मात्र) बराबरको नगद लाभांश (लाभांशमा लाग्ने कर प्रयोजनको लागि समेत) अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्न स्वीकृति प्रदान गरिएको ब्यहोरा समेत निर्णयानुसार अनुरोध गर्दछु ।

- यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०७९ बमोजिम ब्याजदर तथा ब्याज छुट सम्बन्धी व्यवस्थाको पालना गर्नुहुन तथा ग्राहकलाई ब्याज छुट दिँदा सबै ग्राहकलाई समान रूपमा छुट दिने व्यवस्थाको कडाईका साथ पालना गर्नुहुन ।
- संस्थाले जारी गरेको ऋणपत्रको हकमा यसै आर्थिक वर्षदेखि ऋणपत्र भुक्तानी कोषमा समानुपातिक रूपले मुनाफा सार्नुपर्नेमा सो नगरेको सम्बन्धमा डिबेञ्चर ट्रष्टीले आ.व. २०८०/८१ देखि आ.व. २०८४/८५ सम्म अनिवार्य रूपमा उक्त कोषमा मुनाफा छुट्याउने शर्तमा मात्र यस वर्षको लागि सहमति दिएको हुँदा आगामी वर्षदेखि सो कोषमा रकम जम्मा गर्नुपर्ने तर्फ सजग रहनुहुन ।
- कर्जा प्रवाह पश्चात अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
- यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०८० बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी गिवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
- कर्जा व्यवस्थापन, ग्राहक पहिचान (KYC), संस्थागत सुशासन, सूचना प्रविधि, सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।
- संस्थाले लघुवित्त कार्यक्रम मार्फत ऋणीहरूबाट ऋण रकमको १ प्रतिशत रकम संकलन गरी ग्राहक संरक्षण कोष खडा गरेको र २०८० असार मसान्तसम्म सो कोषमा रु. ५५ करोड ४३ लाख जम्मा भएको रकममा ब्याज प्रदान नगरेको तथा समग्र कोषको संचालन, रकमको लगानी र पारदर्शिताको सम्बन्धमा बैंकले यथाशीघ्र नीति बनाउने व्यवस्था गर्नुहुन ।

भवदीय,  
(सन्धिपति)  
(रञ्जना शर्मा)  
उप-निर्देशक

बोधार्थ:

- श्री नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग ।  
श्री नेपाल राष्ट्र बैंक, वित्तीय संस्था सुपरिवेक्षण विभाग, कार्यान्वयन इकाई ।  
श्री IBS (Individual Bank Supervisor) Officer



## नेपाल राष्ट्र बैंकबाट प्राप्त निर्देशनहरू उपर सञ्चालक समितिको प्रतिक्रिया

मुक्तिनाथ विकास बैंक लिमिटेडको आ.व २०७९/८० को वित्तीय विवरण प्रकाशन गर्ने क्रममा नेपाल राष्ट्र बैंकबाट दिइएका निर्देशनहरूलाई मिति २०८०/०९/०६ गते बसेको सञ्चालक समितिको ३१२ औं बैठकमा छलफल गरी निर्देशन बमोजिम गर्ने गराउने निर्णय भएको व्यहोरा जानकारीको लागि अनुरोध छ ।



**मुक्तिनाथ विकास बैंक लिमिटेडको  
लेखापरीक्षकको प्रतिवेदन र  
एकीकृत वित्तीय विवरण**

---

**Muktinath Bikas Bank Limited's  
Auditor's Report & Consolidated  
Financial Statements**

## Independent Auditor's Report

To the Shareholders of Muktinath Bikas Bank Limited

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

#### Opinion

We have audited the consolidated financial statements of Muktinath Bikas Bank Limited and its subsidiary (referred to as the "Group"), which comprise the consolidated statement of financial position as at Ashad 31, 2080 (July 16, 2023), the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of cash flows, and the consolidated statement of changes in equity for the year then ended and notes to the consolidated financial statements including a summary of significant accounting policies and explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at Ashad 31, 2080, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

#### 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Institute of Chartered Accountants of Nepal's (ICAN's) Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
<b>1. Identification of and provisioning for non-performing assets (NPA) on loan and advances (Refer note 4.6 and 4.7 of the consolidated financial statements)</b>	
The Bank has net advances amounting to Rs. 96.99 billion as at 31 Ashad 2080. Identification of and provisioning for non-performing assets (loans) in accordance with NFRS and relevant prudential norms issued by the Nepal Rastra Bank (NRB) in respect of income recognition, asset classification and provisioning pertaining to advances (herein after referred as "NRB Directives") is a key audit matter due to the current processes at the Bank which requires manual interventions, management estimates and judgement and level of regulatory and other stakeholders focus. Accordingly, our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances and associated impairment provisions.	Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: <ul style="list-style-type: none"><li>We evaluated and understood the Bank's internal control system in adhering to the relevant NRB Directives regarding income recognition, asset classification and provisioning pertaining to advances.</li><li>We analyzed and understood key IT systems/applications used and tested the operational effectiveness of relevant controls, including involvement of manual process and manual controls in relation to income recognition, asset</li></ul>

Key Audit Matters	How our audit addressed the key audit matters
	<p>classification and provisioning pertaining to advances.</p> <ul style="list-style-type: none"> <li>• We test checked advances to examine the validity of the recorded amounts, loan documentation, examined the statement of accounts, indicators of impairment, impairment provision for non-performing assets, and compliance with income recognition, asset classification and provisioning pertaining to advances; and</li> <li>• We evaluated the past trends of management judgement, governance process and review controls over impairment provision calculations and discussed the provisions made with senior management.</li> </ul> <p><b>Our Result:</b> We considered the identification of Non-Performing Advances and their provisioning to be acceptable.</p>
<p><b>2. Information Technology Systems and Controls Impacting Financial Reporting</b></p>	
<p>The Information Technology of the Bank is complex and involves a large number of independent and inter-dependent IT Systems used in the operations of the Bank for processing and recording a large volume of transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Bank.</p> <p>Appropriate IT General Controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately, and consistently for financial reporting.</p> <p>We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to management, stakeholders, and regulators.</p>	<p>We conducted an assessment and identified key IT applications, databases and operating systems that was relevant to our audit and identified Central Banking System (CBS) and Treasury System primarily as relevant for financial reporting. Our audit approach was based on Information Technology Guidelines 2012 issued by NRB and it also involved testing of design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Bank's IT control environment, IT policies and key changes during the audit period.</li> <li>• Reviewed the design, implementation, and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to financial reporting on test check basis.</li> <li>• Tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit on test check basis.</li> <li>• Reviewed the IS Audit Reports and discussed with IT team on compliance to key IS Controls.</li> </ul> <p><b>Our Result:</b> We considered the information technology systems and their relevant controls to be adequate.</p>

**Other Matter**

We did not audit the financial statement of the subsidiary whose financial statement reflect total assets of NPR 545,256,055 as at Ashad 31, 2080 (July 16, 2023), total revenues of NPR 76,823,153 and net positive cash flows of NPR 316,845,760 for the year ended on that date as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of NPR 2,075,272 and other comprehensive income of NPR 556,876 for the year ended Ashad 31, 2080 (July 16, 2023), in respect of one associate whose consolidated financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management.

Our opinion on the consolidated financial statements in so far as it relates to accounts and disclosures included in respects of this subsidiary and associate is based solely based on the reports of the other auditors.



### **Information other than the Consolidated Financial Statements and Auditor's Report thereon**

The management is responsible for the other information presented in the Bank's Annual Report including the report of the Board of Directors. The annual report, including the report of the Board of Directors, is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Nepal Financial Reporting Standards (NFRS), 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 judgment 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group'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 the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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 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 the consolidated 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 the other Legal and Regulatory Requirements**

We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit. The returns received from the branch offices of the bank, though the statements are not independently audited, were adequate for the purpose of the audit. The consolidated financial statements have been prepared in the format prescribed by the Nepal Rastra Bank's Unified Directives no. 4 and in accordance with the provisions of Companies Act, 2063 and Section 59 of the Bank and Financial Institution Act, 2073, and are in agreement with the books of accounts of the Bank; and the accounts and records are properly maintained in accordance with the prevailing laws. We have not come across any accounting fraud, so far as it appeared from our examination of the books of accounts.

To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the bank has taken actions for protection of the interest of depositors and investors; the capital fund and risk bearing fund were adequately maintained; loans have been written off as specified; the business of the Bank was conducted satisfactorily, and the Bank's transactions were found to be within the scope of its authority. We did not come across to the cases where the board of directors or any director or any office bearer of the Bank has acted contrary to the provisions of law or has caused loss or damage to the Bank or committed any misappropriation or violation of directive of Nepal Rastra Bank.

  
  
Bikesh Madhikari  
Partner

Place: Kathmandu

Date: December 21, 2023

UDIN: 231221CA01391H1TNI

## Consolidated Statement of Financial Position

As on 31st Asar 2080 (July 16, 2023)

Figures in NPR

Particulars	Notes	Group		Bank	
		31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Assets</b>					
Cash and Cash Equivalent	4.1	5,326,084,785	8,145,516,992	5,268,539,748	8,101,009,812
Due from Nepal Rastra Bank	4.2	3,732,132,133	2,865,440,399	3,732,132,133	2,865,440,399
Placement with Bank and Financial Institutions	4.3	-	-	-	-
Derivative Financial Instruments	4.4	-	-	-	-
Other Trading Assets	4.5	48,618,603	63,796,298	-	-
Loans and Advances to BFIs	4.6	2,536,439,270	2,726,799,773	2,536,439,270	2,726,799,773
Loans and Advances to Customers	4.7	94,456,965,952	86,811,948,415	94,456,965,952	86,811,948,415
Investment Securities	4.8	22,269,838,948	17,961,381,659	22,084,609,500	17,936,381,659
Current Tax Assets	4.9	52,756,158	16,279,283	48,176,787	16,472,447
Investment in Subsidiaries	4.10	-	-	244,045,905	117,500,000
Investment in Associates	4.11	134,553,273	76,371,125	155,550,000	100,000,000
Investment Property	4.12	289,196,462	84,166,532	256,080,782	51,050,852
Property and Equipment	4.13	1,934,412,450	1,913,977,036	1,919,851,163	1,895,061,498
Goodwill and Intangible Assets	4.14	15,209,783	20,906,691	14,537,316	19,937,610
Deferred Tax Assets	4.15	85,994,981	102,240,662	84,683,324	92,450,588
Other Assets	4.16	856,524,747	372,984,507	809,595,176	349,415,369
<b>Total Assets</b>		<b>131,738,727,544</b>	<b>121,161,809,372</b>	<b>131,611,207,055</b>	<b>121,083,468,422</b>
<b>Liabilities</b>					
Due to Banks and Financial Institutions	4.17	1,999,547,189	3,750,284,110	1,999,547,189	3,750,284,110
Due to Nepal Rastra Bank	4.18	215,874,848	1,032,979,556	215,874,848	1,032,979,556
Derivative Financial Instrument	4.19	-	-	-	-
Deposits from Customers	4.20	116,297,178,932	104,667,788,144	116,449,870,954	104,675,072,263
Borrowings	4.21	18,750,000	25,016,438	18,750,000	25,016,438
Current Tax Liabilities	4.9	-	-	-	-
Provisions	4.22	14,806,030	3,506,030	14,806,030	3,506,030
Deferred Tax Liabilities	4.15	-	-	-	-
Other Liabilities	4.23	2,430,937,973	2,309,276,165	2,302,381,934	2,273,529,660
Debt Securities Issued	4.24	1,246,917,782	1,246,489,292	1,246,917,782	1,246,489,291
Subordinated Liabilities	4.25	-	-	-	-
<b>Total Liabilities</b>		<b>122,224,012,754</b>	<b>113,035,339,734</b>	<b>122,248,148,737</b>	<b>113,006,877,348</b>
<b>Equity</b>					
Share Capital	4.26	6,420,900,273	5,657,180,857	6,420,900,273	5,657,180,857
Share Premium		-	-	-	-
Retained Earnings		655,193,953	768,233,362	673,938,061	805,522,228
Reserves	4.27	2,272,992,668	1,621,323,346	2,268,219,984	1,613,887,989
<b>Total Equity Attributable to Equity Shareholders</b>		<b>9,349,086,894</b>	<b>8,046,737,565</b>	<b>9,363,058,318</b>	<b>8,076,591,074</b>
<b>Non Controlling Interest</b>		<b>165,627,897</b>	<b>79,732,073</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>9,514,714,790</b>	<b>8,126,469,638</b>	<b>9,363,058,318</b>	<b>8,076,591,074</b>
<b>Total Equity and Liabilities</b>		<b>131,738,727,544</b>	<b>121,161,809,372</b>	<b>131,611,207,055</b>	<b>121,083,468,422</b>
Contingent Liabilities and Commitments	4.28	3,343,694,374	4,088,360,603	3,343,694,374	4,088,360,603
Net Assets Value per share		148.18	143.65	145.82	142.77

As per our report of even date

**Sanjiv Poudel**  
Chief Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

**Bikesh Madhikarmi**  
Partner  
CSC & Co.  
Chartered Accountants

**Gajendra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Date: 5th Poush 2080  
Place: Kathmandu, Nepal

## Consolidated Statement of Profit or Loss

For the year ended 31st Asar 2080 (July 16, 2023)

Figures in NPR

Particulars	Notes	Group		Bank	
		31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Interest Income	4.29	15,504,956,352	11,567,961,936	15,475,236,312	11,563,216,298
Interest Expense	4.30	11,364,475,399	8,232,935,856	11,371,142,353	8,233,436,921
<b>Net Interest Income</b>		<b>4,140,480,953</b>	<b>3,335,026,081</b>	<b>4,104,093,959</b>	<b>3,329,779,376</b>
Fees and Commission Income	4.31	628,148,220	534,223,114	592,895,444	497,493,264
Fees and Commission Expense	4.32	71,966,148	56,149,718	67,198,619	49,951,529
<b>Net Fee and Commission Income</b>		<b>556,182,073</b>	<b>478,073,396</b>	<b>525,696,825</b>	<b>447,541,735</b>
<b>Net Interest, Fee and Commission Income</b>		<b>4,696,663,025</b>	<b>3,813,099,476</b>	<b>4,629,790,784</b>	<b>3,777,321,111</b>
Net Trading Income	4.33	14,697,376	(20,077,278)	11,340,911	8,444,762
Other Operating Income	4.34	13,684,380	(1,059,372)	11,419,765	46,878,501
<b>Total Operating Income</b>		<b>4,725,044,781</b>	<b>3,791,962,826</b>	<b>4,652,551,460</b>	<b>3,832,644,373</b>
Impairment charge/(reversal) for loans and other losses	4.35	698,675,809	74,712,188	698,675,809	74,712,188
<b>Net Operating Income</b>		<b>4,026,368,972</b>	<b>3,717,250,638</b>	<b>3,953,875,651</b>	<b>3,757,932,185</b>
<b>Operating Expense</b>					
Personnel Expenses	4.36	1,459,961,516	1,232,478,992	1,438,159,358	1,216,354,519
Other Operating Expenses	4.37	469,459,172	403,661,099	461,034,637	394,298,916
Depreciation and Amortisation	4.38	239,699,913	219,411,305	234,108,880	213,905,277
<b>Operating Profit</b>		<b>1,857,248,371</b>	<b>1,861,699,242</b>	<b>1,820,572,776</b>	<b>1,933,373,473</b>
Non Operating Income	4.39	-	-	-	-
Non Operating Expenses	4.40	10,256,102	2,281,822	10,256,102	2,281,822
<b>Profit before Income Tax</b>		<b>1,846,992,269</b>	<b>1,859,417,420</b>	<b>1,810,316,674</b>	<b>1,931,091,650</b>
Income Tax Expenses	4.41				
Current Tax		589,775,311	602,937,303	587,938,885	600,303,236
Deferred Tax		(17,370,062)	(20,417,532)	(25,848,480)	(11,016,873)
<b>Profit for the Period</b>		<b>1,274,587,020</b>	<b>1,276,897,649</b>	<b>1,248,226,268</b>	<b>1,341,805,287</b>
<b>Profit attributable to:</b>					
Equity-holders of the Bank		1,264,935,491	1,283,731,107	1,248,226,268	1,341,805,287
Non-Controlling Interest		9,651,529	(6,833,458)	-	-
<b>Profit for the Period</b>		<b>1,274,587,020</b>	<b>1,276,897,649</b>	<b>1,248,226,268</b>	<b>1,341,805,287</b>
<b>Earnings per Share</b>					
Basic Earnings per Share		19.85	19.89 (Restated)	19.44	20.9 (Restated)
Diluted Earnings per Share		19.85	19.89 (Restated)	19.44	20.9 (Restated)

As per our report of even date

Sanjiv Poudel  
Chief Financial Officer

Pradyuman Pokharel  
Chief Executive Officer

Bharat Raj Dhakal  
Chairman

Bikesh Madhikarmi  
Partner  
CSC & Co.  
Chartered Accountants

Gajendra Man Shrestha  
Director

Shaligram Mishra  
Director

Nirmala Kumari KC Karki  
Director

Shyam Sundar Sharma  
Independent Director

Date: 5th Poush 2080  
Place: Kathmandu, Nepal



## Consolidated Statement of Other Comprehensive Income

For the year ended 31st Asar 2080 (July 16, 2023)

Figures in NPR

Particulars	Notes	Group		Bank	
		31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Profit for the year</b>		<b>1,274,587,020</b>	<b>1,276,897,649</b>	<b>1,248,226,268</b>	<b>1,341,805,287</b>
<b>Other Comprehensive Income, net of Income Tax</b>					
<b>a) Items that will not be reclassified to profit or loss</b>					
Gains/(losses) from investment in equity instruments measured at fair value		56,388,864	(74,371,878)	56,388,864	(74,371,878)
Gains/(losses) on revaluation		-	-	-	-
Actuarial gains/(losses) on defined benefit plans		55,663,614	(13,680,493)	55,663,614	(13,680,493)
Income tax relating to above items		(33,615,743)	26,415,711	(33,615,743)	26,415,711
<b>Net Other Comprehensive Income that will not be reclassified to profit or loss</b>		<b>78,436,735</b>	<b>(61,636,660)</b>	<b>78,436,735</b>	<b>(61,636,660)</b>
<b>b) Items that are or may be reclassified to profit or loss</b>					
Gains/(losses) on cash flow hedge		-	-	-	-
Exchange gains/(losses) (arising from translating financial assets of foreign operation)		-	-	-	-
Income tax relating to above items		-	-	-	-
Reclassify to profit or loss		-	-	-	-
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>c) Share of other comprehensive income of associate accounted as per equity method</b>		<b>556,876</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year, net of income tax</b>		<b>78,993,610</b>	<b>(61,636,660)</b>	<b>78,436,735</b>	<b>(61,636,660)</b>
<b>Total comprehensive income for the year</b>		<b>1,353,580,630</b>	<b>1,215,260,989</b>	<b>1,326,663,003</b>	<b>1,280,168,627</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Bank		1,343,929,101	1,222,094,447	1,326,663,003	1,280,168,627
Non-controlling interest		9,651,529	(6,833,458)	-	-
<b>Total comprehensive income for the period</b>		<b>1,353,580,630</b>	<b>1,215,260,989</b>	<b>1,326,663,003</b>	<b>1,280,168,627</b>

As per our report of even date

**Sanjiv Poudel**  
Chief Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

**Bikesh Madhikarmi**  
Partner  
CSC & Co.  
Chartered Accountants

**Gajendra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Date: 5th Poush 2080  
Place: Kathmandu, Nepal

## Consolidated Statement of Cash Flows

For the year ended 31st Asar 2080 (July 16, 2023)

Figures in NPR

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Interest Received	13,302,861,291	10,294,979,110	13,273,141,251	10,290,233,471
Fee and Other Income Received	628,148,220	534,223,114	592,895,444	497,493,264
Dividend Received	-	-	-	-
Receipts from Other Operating Activities	24,137,531	(32,637,956)	18,516,452	23,729,457
Interest Paid	(11,270,417,698)	(8,184,549,512)	(11,277,084,652)	(8,185,050,578)
Commissions and Fees Paid	(71,966,148)	(56,149,718)	(67,198,619)	(49,951,529)
Cash Payment to Employees	(1,254,970,738)	(1,017,913,253)	(1,237,013,061)	(1,001,788,780)
Other Expenses Paid	(479,715,274)	(700,066,414)	(471,290,738)	(550,558,958)
<b>Operating Cash Flows before Changes in Operating Assets and Liabilities</b>	<b>878,077,185</b>	<b>837,885,371</b>	<b>831,966,077</b>	<b>1,024,106,347</b>
<b>(Increase)/Decrease in Operating Assets</b>				
Due from Nepal Rastra Bank	(866,691,734)	(300,691,807)	(866,691,734)	(300,691,807)
Placement with Bank and Financial Institutions	-	-	-	-
Other Trading Assets	15,177,696	21,385,281	-	-
Loans and Advances to BFIs	190,360,503	756,813,592	190,360,503	756,813,592
Loans and Advances to Customers	(7,467,100,562)	(13,425,885,348)	(7,467,100,562)	(13,425,885,348)
Other Assets	(898,792,613)	(110,877,522)	(879,138,061)	(149,712,869)
<b>Increase/(Decrease) in Operating Liabilities</b>				
Due to Banks and Financial Institutions	(1,750,736,921)	(1,669,302,815)	(1,750,736,921)	(1,669,302,815)
Due to Nepal Rastra Bank	(817,104,708)	200,533,138	(817,104,708)	200,533,138
Deposits from Customers	11,629,390,789	17,837,050,853	11,774,798,691	17,772,157,890
Borrowings	(6,266,438)	25,016,438	(6,266,438)	25,016,438
Other Liabilities	(72,028,970)	895,669,843	(160,994,023)	968,742,800
<b>Net Cash Flow from Operating Activities before Tax Paid</b>	<b>834,284,226</b>	<b>5,067,597,026</b>	<b>849,092,824</b>	<b>5,201,777,367</b>
Income Tax Paid	(572,405,249)	(578,923,402)	(562,090,406)	(572,477,215)
<b>Net Cash Flow from Operating Activities</b>	<b>261,878,977</b>	<b>4,488,673,624</b>	<b>287,002,418</b>	<b>4,629,300,152</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Investment Securities	(3,992,531,677)	(3,494,237,531)	(3,956,215,986)	(3,447,813,299)
Receipts from Sale of Investment Securities	5,662,092	73,758,799	5,662,092	24,834,566
Purchase of Property and Equipment	(260,135,328)	(1,092,304,551)	(258,898,546)	(1,212,146,563)
Receipts from Sale of Property and Equipment	-	-	-	-
Purchase of Intangible Assets	-	(11,528,941)	-	(15,362,783)
Receipts from Sale of Intangible Assets	5,696,908	-	5,400,294	-
Purchase of Investment Properties	(205,029,930)	(51,050,852)	(205,029,930)	(51,050,852)
Receipts from Sale of Investment Properties	-	-	-	-
Interest Received	1,325,502,276	806,169,633	1,325,502,276	806,169,633
Dividend Received	4,244,224	11,501,305	4,244,224	31,593,805
<b>Net Cash Used in Investing Activities</b>	<b>(3,116,591,434)</b>	<b>(3,757,692,139)</b>	<b>(3,079,335,575)</b>	<b>(3,863,775,492)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts from Issue of Debt Securities	-	1,195,004,496	-	1,195,004,496
Repayments of Debt Securities	-	-	-	-
Receipts from Issue of Subordinated Liabilities	-	-	-	-
Repayments of Subordinated Liabilities	-	-	-	-
Receipt from Issue of Shares	-	-	-	-
Dividends Paid	(40,195,760)	(59,806,845)	(40,195,760)	(44,506,845)
Interest Paid	(94,057,701)	(48,386,344)	(94,057,701)	(48,386,344)
Other Receipts/Payments	169,533,709	(20,746,705)	94,116,553	(36,347,638)
<b>Net Cash from Financing Activities</b>	<b>35,280,249</b>	<b>1,066,064,602</b>	<b>(40,136,908)</b>	<b>1,065,763,668</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,819,432,208)	1,797,046,087	(2,832,470,065)	1,831,288,328
Cash and cash equivalents at Shrawan 1, 2079	8,145,516,992	6,348,470,905	8,101,009,812	6,269,721,484
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-	-	-
<b>Cash and cash equivalents at Asar end 2080</b>	<b>5,326,084,785</b>	<b>8,145,516,992</b>	<b>5,268,539,748</b>	<b>8,101,009,812</b>

As per our report of even date

Sanjiv Poudel  
Chief Financial Officer

Pradyuman Pokharel  
Chief Executive Officer

Bharat Raj Dhakal  
Chairman

Bikesh Madhikarmi  
Partner

Gajendra Man Shrestha  
Director

Shaligram Mishra  
Director

Nirmala Kumari KC Karki  
Director

Shyam Sundar Sharma  
Independent Director

CSC & Co.  
Chartered Accountants

Date: 5th Poush 2080

Place: Kathmandu, Nepal

# Consolidated Statement of Changes in Equity

For the year ended 31st Asar 2080 (July 16, 2023)

Figures in NPR

Particulars	GROUP											Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Staff Skill Development Fund	Other Reserve	Total		
<b>Balance at Shrawan 01, 2078</b>	4,811,550,803	-	959,419,513	1,916,932	119,980,792	12,952,121	-	918,034,352	-	34,060,108	6,857,914,620	100,746,350	6,958,660,970
Adjustment/(Restatement)	-	-	1,105,239	-	-	-	-	12,293,400	-	(80,154)	13,318,484	(689,885)	12,628,599
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income, Net of Tax</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(52,060,314)	-	-	-	-	(52,060,314)	-	(52,060,314)
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	(9,576,345)	(9,576,345)	-	(9,576,345)
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses)/arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	(52,060,314)	-	-	-	(9,576,345)	1,222,094,447	(6,833,458)	1,215,260,990
<b>Transfer to Reserves during the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	268,361,057	-	-	-	-	(268,361,057)	-	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	13,829,392	(13,829,392)	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	(13,418,053)	13,418,053	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	222,179,967	-	-	(222,179,967)	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	(50,000,000)	(50,000,000)	50,000,000	-	-	-	-
<b>Transfer from Reserves during the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	11,027,021	(11,301,095)	(274,075)	-	-	(274,075)
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	720,479	-	-	(3,602,397)	-	2,881,918	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share Premium	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transactions with Owners, directly recognized in Equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	845,630,054	-	-	-	-	-	-	(845,630,054)	-	-	-	-	(59,806,846)
- Cash Dividend Paid	-	-	-	-	-	-	-	(44,506,846)	-	(44,506,846)	-	(15,300,000)	(59,806,846)
- Other	-	-	-	-	-	-	-	(1,809,066)	-	(1,809,066)	-	1,809,066	-
<b>Total Contributions by and distributions</b>	845,630,054	-	-	-	-	-	-	(891,945,966)	-	-	(46,315,912)	-	(59,806,846)
<b>Balance at Asar End, 2079</b>	5,657,180,857	-	1,229,606,288	1,916,932	342,160,759	(42,710,590)	-	768,233,362	13,829,392	76,520,566	8,046,737,565	79,752,073	8,126,469,638



Particulars	Attributable to Equity-Holders of the Bank										Non-Controlling Interest	Total Equity	
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Staff Skill Development Fund	Other Reserve			Total
<b>Balance at Shrawan 01, 2079</b>	5,657,180,857	-	1,229,606,288	1,916,932	342,160,759	(42,710,590)	-	768,233,362	13,829,392	76,520,566	8,046,737,565	79,732,073	8,126,469,638
<b>Adjustment/(Restatement)</b>	-	-	-	-	-	(4,906,556)	-	4,880,386	-	-	(26,169)	-	(26,169)
<b>Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income, Net of Tax</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	39,472,205	-	-	-	-	39,472,205	-	39,472,205
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	38,964,530	38,964,530	-	38,964,530
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Profit of Associates	-	-	-	-	-	556,876	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	40,029,081	-	-	-	-	38,964,530	9,651,529	1,274,587,020
<b>Transfer to Reserves during the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	251,108,649	-	-	-	-	(251,108,649)	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	(3,293,722)	3,293,722	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	697,020	-	-	-	(697,020)	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	(12,628,602)	-	12,628,602	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	323,591,121	-	-	(323,591,121)	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfer from Reserves during the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	12,623,067	-	(12,643,127)	(20,060)	-	(20,060)
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	297,763	-	-	(1,488,816)	-	1,191,053	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transactions with Owners, directly recognized in Equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	85,000,000	85,000,000,000
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	763,719,416	-	-	-	-	-	-	(763,719,416)	-	-	(40,195,760)	-	(40,195,760)
- Cash Dividend Paid	-	-	-	-	-	-	-	(40,195,760)	-	-	(40,195,760)	-	(40,195,760)
- Other	-	-	93,067	-	-	-	-	(1,435,117)	-	4,265	(1,337,785)	(8,755,705)	(10,093,490)
<b>Total Contributions by and Distributions</b>	763,719,416	-	93,067	-	-	-	-	(805,350,292)	-	4,265	(41,533,545)	76,244,295	34,710,751
<b>Balance at Asar 31, 2080</b>	6,420,900,273	-	1,481,105,767	2,613,952	665,751,880	(9,076,862)	-	655,193,952	17,123,114	115,474,836	9,349,086,894	165,627,897	9,514,714,790

As per our report of even date

**Sanjiv Poudel** Chief Financial Officer  
**Pradyuman Pokharel** Chief Executive Officer  
**Bharat Raj Dhakal** Chairman  
**Gajendra Man Shrestha** Director  
**Shaligram Mishra** Director  
**Nirmala Kumari KC Karki** Director  
**Shyam Sundar Sharma** Independent Director  
**Bikesh Madhikarmi** Partner  
**CSC & Co.** Chartered Accountants

Date: 5th Poush 2080  
Place: Kathmandu, Nepal

# Consolidated Statement of Changes in Equity

For the year ended 31st Asar 2080 (July 16, 2023)

Figures in NPR

Particulars	BANK										Non-Controlling Interest	Total Equity	
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Staff Skill Development Fund	Other Reserve			Total
<b>Balance at Shrawan 01, 2078</b>	4,811,550,803	-	955,252,322	1,916,932	119,980,792	8,045,565	-	896,315,651	-	33,595,078	6,826,657,142	-	6,826,657,142
Adjustment/Restatement	-	-	2,854,430	-	-	-	-	11,417,719	-	-	14,272,149	-	14,272,149
<b>Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income, Net of Tax</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(52,060,314)	-	-	-	-	(52,060,314)	-	(52,060,314)
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	(9,576,345)	(9,576,345)	-	(9,576,345)
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	(52,060,314)	-	-	-	(9,576,345)	1,280,168,628	-	1,280,168,628
<b>Transfer to Reserves during the year</b>	-	-	268,361,057	-	-	-	-	(268,361,057)	-	-	-	-	-
- Statutory General Reserve	-	-	-	-	-	-	-	(13,829,392)	13,829,392	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	(13,418,053)	-	13,418,053	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	222,179,967	-	-	(222,179,967)	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	(50,000,000)	-	50,000,000	-	-	-
<b>Transfer from Reserves during the year</b>	-	-	-	-	-	(3,602,397)	-	2,881,918	-	(11,027,021)	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	11,027,021	-	(11,027,021)	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	720,479	-	-	-	-	-	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share premium	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transactions with Owners, directly recognized in Equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	845,630,054	-	-	-	-	-	-	(845,630,054)	-	-	-	-	-
- Cash Dividend Paid	-	-	-	-	-	-	-	(44,506,846)	-	-	(44,506,846)	-	(44,506,846)
- Other	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Contributions by and distributions</b>	845,630,054	-	-	-	-	-	-	(890,136,899)	-	-	(44,506,846)	-	(44,506,846)
<b>Balance at Asar end, 2079</b>	5,657,180,857	-	1,227,188,288	1,916,932	342,160,759	(47,617,146)	-	805,522,228	13,829,392	76,409,765	8,076,591,073	-	8,076,591,073



Particulars	Attributable to Equity-Holders of the Bank										Non-Controlling Interest	Total Equity	
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Staff Skill Development Fund	Other Reserve			Total
Balance at Shrawan 01, 2079	5,657,180,857	-	1,227,188,288	1,916,932	3,42,160,759	(47,617,146)	-	805,522,228	13,829,392	76,409,765	8,076,591,073	-	8,076,591,074
Adjustment/Restatement	-	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	249,645,254	-	-	-	-	(249,645,254)	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	(3,293,722)	3,293,722	-	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	697,020	-	-	(697,020)	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	(12,482,263)	12,482,263	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	323,591,121	-	(323,591,121)	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	12,623,067	(12,623,067)	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	297,763	-	-	-	(1,488,816)	1,191,053	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	-	-	-	-	-	-	-	(763,719,416)	-	-	-	-	-
- Cash Dividend Paid	-	-	-	-	-	-	-	(40,195,760)	-	-	(40,195,760)	-	(40,195,760)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	763,719,416	-	-	-	-	-	-	(803,915,175)	-	-	(40,195,760)	-	(40,195,760)
Balance at Asar End, 2080	6,420,900,273	-	1,477,131,305	2,613,952	665,751,880	(9,633,757)	673,938,061	17,123,114	115,233,490	9,363,038,318	-	-	9,363,038,318

As per our report of even date

**Sanjiv Poudel** Chief Financial Officer  
**Pradyuman Pokharel** Chief Executive Officer  
**Bharat Raj Dhakal** Chairman  
**Gajendra Man Shrestha** Director  
**Shaligram Mishra** Director  
**Nirmala Kumari KC Karki** Director  
**Shyam Sundar Sharma** Independent Director  
**Bikesh Madhikarmi** Partner  
**CSC & Co.** Chartered Accountants

Date: 5th Poush 2080  
Place: Kathmandu, Nepal

# Notes to the Consolidated Financial Statement

## 1. Reporting Entity

Muktinath Bikas Bank Limited ('The Bank') is domiciled and incorporated in Nepal under the Companies Act, 2063 on 22nd Chaitra 2062. The Bank received the license to commence banking operations as a 'B Class' financial institution from Nepal Rastra Bank on 18th Poush, 2063. The bank is a limited liability company having its shares listed on Nepal Stock Exchange. The registered office of the Bank is situated at Kathmandu Plaza, Kamaladi-28, Kathmandu, Nepal.

The bank's principal offerings include comprehensive range of financial services encompassing accepting of deposits, corporate and retail credit, project financing, hire purchase financing, micro credit, trade financing, personal and corporate banking, foreign currency operations, issuing of debit cards, internet banking, mobile banking, remittance facilities, dealing in government securities and treasury related products, agency services and others ancillary services permitted by the Banking and Financial Regulation Act, 2073.

The Bank has Muktinath Capital Limited (formerly known as Vibor Capital Limited) and Muktinath Krishi Company Limited as its subsidiary and associate company respectively. Muktinath Capital Limited is engaged in Merchant Banking business and provides the services of Registrar to Shares, Issue Management, Underwriting, Depository Participants, Portfolio Management Services and other advisory services. Muktinath Krishi Company Limited is engaged in the business of agricultural products which includes the production, manufacturing, trading and marketing of the agricultural products.

Muktinath Bikas Bank Limited and Muktinath Capital Limited are hereinafter referred to as "The Group".

## 2. Basis of Preparation

### 2.1. Going Concern

The financial statements are prepared on a going concern basis, as the bank has the resources to continue in business for the foreseeable future. In making this assessment, the Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cashflows and capital resources.

### 2.2. Statement of Compliance

The financial statements have been prepared on going concern basis and under historical cost conventions except where the standards require otherwise. The financial statements of the Group have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) developed by the Accounting Standards Board, Nepal (ASB, Nepal) and pronounced for application by the Institute of Chartered Accountants of Nepal (ICAN).

The financial statements comprise of Statement of Financial Position, Statement of Profit or Loss and Statement of Other

Comprehensive Income, Statement in Changes in Equity, Statement of Cashflows and Notes to the Accounts on the format prescribed by NRB Directive No. 4.

## 2.3. Reporting Period and Approval of Financial Statements

### Reporting Period:

The Group follows the Nepalese financial year based on Nepali calendar starting from 1st Shrawan 2079 and ending on 31st Asar 2080. (17th July 2022 to 16th July 2023).

### 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 5th Poush 2080 and have been recommended for approval by shareholders in the Annual General Meeting.

## 2.4. Functional and Presentation Currency

The financial statements are presented in Nepalese Rupees (NPR) which is the functional and presentation currency of the Bank.

The financial information presented has been rounded off to nearest rupee except where otherwise stated.

## 2.5. Use of Estimates, Assumptions and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

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.

### » Reporting Pronouncement

The Bank has, for the preparation of financial statements, adopted the NFRS pronounced by ASB as effective on 13 September 2013. The NFRS conform, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

However, the Institute of Chartered Accountants of Nepal (ICAN) vide its notice dated 10 November 2020 has resolved that Carve-outs in NFRS with Alternative Treatment and effective period shall be provided to the Banks and Financial Institutions regulated by NRB on the specific recommendation of Accounting Standard Board (ASB).



## 2.6. Changes in Accounting Policies

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening NFRS compliant Statement of Financial Position as at 1st Shrawan, 2074 being the date of transition to NFRS.

## 2.7. New Standards issued but not yet effective

- » Amendments in existing standards and interpretations issued by IASB after the pronouncement of NFRS have not been applied and shall be adopted as and when made effective by ICAN/ASBN.

## 2.8. Discounting

The Group determines amortized cost of a financial asset or a financial liability using the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of a financial asset or a financial liability to the net carrying amount of the financial asset or liability. If expected life cannot be determined reliably, then the contractual life is used.

In case where the Group assesses that the transaction amount of a financial asset or a financial liability does not represent its fair value, the related future cash flows are discounted at prevailing interest rate to determine the initial fair value.

## 3. Significant Accounting Policies

### 3.1. Basis of Measurement

The Financial Statements have been prepared on the historical cost basis, except for the following material items:

Item	Basis of Measurement
Investment Securities through SOCI	Fair Value
Employees Defined Benefit Obligation	Present value of defined benefit obligation less the fair value of the plan assets

### 3.2. Basis of Consolidation

#### a. Business Combination

Business combinations are accounted for using the acquisition method in line with the NFRS 03 "Business Combination". The consideration transferred in the acquisition and identifiable net assets acquired are measured at fair value. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities.

The consideration transferred does not include amount related to the settlement of pre-existing relationships. Such amount is generally recognised in profit or loss. Any contingent consideration is measured at fair value

at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

#### b. Non-Controlling Interest

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

#### c. Subsidiaries

Subsidiaries are the entities controlled by the bank. The Bank controls an entity if it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Consolidate Financial Statement includes the financials of the subsidiary from the date the control commences until the date control ceases. In preparing the consolidated financial statements, the financial statements are combined by adding the like items of assets, liabilities, equity, income, expenses and cash flows of the parent line by line with those of its subsidiary and eliminating the transaction with the companies within the group.

#### d. Loss of Control

When the Group loses control over a Subsidiary, it derecognises the assets and liabilities of the Subsidiary, and any-related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former Subsidiary is measured at fair value when control is lost and is accounted depending on the level of control retained.

#### e. Special Purpose Entity (SPE)

Special purpose entities are created to achieve a narrow and well-defined objective with restrictions around their activities. Special purpose entities are consolidated when the substance of the relationship between the Bank and the special purpose entity indicates the Bank has power over the contractual relevant activities of the special purpose entity, is exposed to variable returns, and can use that power to affect the variable return exposure.

The bank does not have any interest on special purpose entities during the reporting period.



**f. Transaction elimination on consolidation**

Intra-group balances, transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the Consolidated Financial Statements as per the provision of NFRS 10- Consolidated Financial Statement. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**3.3. Cash & Cash Equivalent**

Cash and cash equivalent comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value and carried at amortised cost.

The cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with banks, money at call and money market funds and financial assets with original maturity less than 3 months from the date of acquisition.

**3.4. Financial Assets and Financial Liabilities**

**a. Recognition**

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

**b. Classification**

The financial assets and liabilities are subsequently measured at amortized cost or fair value based on business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

**Financial assets are classified under three categories as required by NFRS 9, namely:**

**i. Financial Assets measured at amortised cost:**

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

**ii. Financial Assets measured at fair value through other comprehensive income:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI).

**iii. Financial Assets measured at fair value through profit or loss:**

The Group classifies the financials assets as fair value through profit or loss if they are held for trading or designated at fair value through profit or loss.

Any other financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL.

**Financial liabilities are classified under two categories as required by NFRS 9, namely:**

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Upon initial recognition, transaction cost directly attributable to the acquisition are recognized in Statement of Profit or Loss as incurred. Subsequent changes in fair value is recognized at profit or loss.

**ii. Financial liabilities measured at amortised cost:**

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

**c. De-recognition**

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**d. Determination of Fair Value**

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.



The Group follow three levels of the fair-value-hierarchy are described below:

- Level 1:** Quoted (unadjusted) prices for identical assets or liabilities in active markets;
- Level 2:** Significant inputs to the fair value measurement are directly or indirectly observable or valuations of quoted for similar instrument in active markets or quoted prices for identical or similar instrument in inactive markets; and
- Level 3:** Significant inputs to the fair value measurement are unobservable.

Investment in Unquoted Equity Instrument are carried cost as the market price of such shares could not be ascertained with certainty at the reporting date.

#### e. Impairment

The Bank reviews its individually significant loans and advances at each reporting date to assess whether an impairment loss should be provided in the Statement of Profit or Loss. The Management's judgement is extensively used in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and hence actual results may differ, resulting in future changes to the provisions made.

The individual impairment provision applies to financial assets evaluated individually for impairment and is based on Management's best estimate of the present value of the future cash flows that are expected to be received. In estimating these cash flows, Management makes judgements about the number of factors including a borrower's financial situation and the net realisable value of any underlying collateral. Top borrowers and loans classified as non-performing assets as per NRB norms forming part of 25% of the portfolio are tested for individual impairment. Each impaired asset is assessed on its merits to estimate the recoverable amount of cash flows.

The Bank considers the following factors in assessing objective evidence of impairment:

- » Whether the counterparty is in default of principal or interest payments.
- » When a counterparty files for bankruptcy and this would avoid or delay discharge of its obligation.
- » Where the Bank initiates legal recourse of recovery in respect of a credit obligation of the counterpart.
- » Where the Bank consents to a restructuring of the obligation, resulting in a diminished financial obligation, demonstrated by a material forgiveness of debt or postponement of scheduled payments.
- » Where there is observable data indicating that there is a measurable decrease in the estimated future cash flows of a group of financial assets, although

the decrease cannot yet be identified with specific individual financial assets.

A collective impairment provision is established for:

- » groups of homogeneous loans and advances and investment securities which are held-to-maturity, that are not considered individually significant; and
- » groups of assets that are individually significant but that were not found to be individually impaired.

The collective impairment is carried using the statistical modelling such as historical trends of probability of defaults, timings of recoveries, and current economic and market conditions which may warrant for the loss being greater than the suggested by the historical trends.

For the purpose of collective assessment of impairment bank has categorized assets into following broad products as follows:

- » Home Loan
- » Hire Purchase Loan
- » Personal Loan
- » Business Loans
- » Small & Micro Credit

Carve out adopted for assessment of impairment charge  
The Bank has opted to apply carve out on impairment of loans and receivables. Accordingly, individual and collective impairment loss amount calculated as per NFRS is compared with the impairment provision required under NRB directive no. 2, higher of the amount derived from these measures is taken as impairment loss for loans and receivables.

### 3.5. Trading Assets

Financial assets are classified as trading assets (held for trading) if they have been acquired principally for the purpose of selling in the near term, or form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short- term profit taking. They are recognised on trade date, when the bank enters into contractual arrangements with counterparties, and are normally derecognised when sold. They are initially measured at fair value, with transaction costs taken to profit or loss. Subsequent changes in their fair values are recognised in profit or loss.

### 3.6. Derivative Assets and Derivative Liabilities

Derivative instruments include transactions like interest rate swap, currency swap, forward foreign exchange contract etc. held for trading as well as risk management purposes. Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. The Group does not have any derivative instrument during the reporting period.

### 3.7. Property and Equipment

Recognition and measurement: The Group applies the cost model to all property and equipment and recognise these at the cost of acquisition plus expenditures directly attributable to the acquisition of the asset, less accumulated depreciation and any accumulated impairment losses, if any. Cost also include the cost of replacing part of the equipment when the recognition criteria are met.

**Depreciation:** The Bank depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Type of Assets	Useful Life
Buildings	50 Years
Leasehold Properties	8 Years
Computer & Accessories	5 Years
Vehicles - Two-Wheeler	5 Years
Vehicles - Four-Wheeler	7 Years
Furniture & Fixtures	5 Years
Equipment & Others - Equipment	5 Years
Equipment & Others - Others	5 Years

The Group has not measured the any property and plant at revaluation model and at fair value.

Assets having acquisition cost less than or equal NPR 10,000 have been written off as an expense in the Statement of Profit or Loss.

### 3.8. Goodwill/Intangible Assets

#### a. Goodwill

Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired in Business Combination is recognised as goodwill. Goodwill is measured at cost less any accumulated impairment losses. The Group follows the partial goodwill method for the computation of goodwill in business combinations. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

#### b. Intangible Assets:

Intangible assets are recognised when the cost of the asset can be measured reliably, there is control over the asset as a result of past events, future economic are expected from the asset. These intangible assets are recognised at historical cost less impairment less amortisation over their estimated useful life.

Amortisation of the intangible assets is calculated using the straight-line method over the useful life of 5 years.

### 3.9. Investment Property

Investment properties are land or building or both other than those classified as property and equipment under NAS 16 - "Property, Plant and Equipment"; and assets classified as non-current assets held for sale under NFRS 5 - "Non-Current Assets Held for Sale and Discontinued Operations". Land and Building acquired as non-banking assets are recognised as investment property as per NRB Directive. The investment property has been measured at the lower of outstanding amount or fair value of collateral on the date of recognition.

Investment properties are initially measured at cost, including transaction costs. Subsequently all investment properties are reported at fair value with any gains or losses in fair value reported in the statement of profit and loss as they arise. No depreciation is charges in investment property as they are not intended for the owner-occupied use.

### 3.10. Income Tax

Tax expenses comprises of current tax and deferred tax.

#### a. Current Tax

Current tax is the income tax expense recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. Current tax is the amounts expected or paid to Inland Revenue Department in respect of the current year, using the tax rates and tax laws enacted or substantively enacted on the reporting date and any adjustment to tax payable in respect of prior years.

#### b. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when the group has a legal right to offset

### 3.11. Deposit, debt securities issued and subordinated liabilities

#### a. Deposits

Deposits by banks & customers are financial liabilities of the bank as there is an obligation to deliver cash or



financial assets back to the depositing bank or customer and are initially recognised at fair value, plus for those financial liabilities not at fair value through profit and loss. The transaction price is considered as the fair value for measuring the deposits.

**b. Debt Securities Issued**

Debt Securities are initially measured at the fair value less incremental direct cost and subsequently at their amortised cost using effective interest method except where the bank designates liabilities at fair value through profit or loss.

**c. Subordinated Liabilities**

These are the liabilities subordinated, at the event of winding up, to claims of depositors, debt securities issued and other creditors. It shall include redeemable preference shares, subordinated notes issued, borrowings etc.

**3.12. Provisions**

A provision is recognized if as a result of a past event, the bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised is the best estimate of the consideration required to settle the present obligation at the reporting date, taking in to account the risks and uncertainties surrounding the obligation at that date. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates and are reversed if there is not the probability of outflow of resources.

The contingent liability are the liabilities for which it is uncertain as to whether it will become an obligation as it depends on the occurrence of an uncertain future event. These amounts are off-balance sheet items and are disclosed when there is a possible obligation that may but probably will not require an outflow of resources.

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

**3.13. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Bank and the consideration can be reliably measured. The following specific recognition criteria shall also be met for revenue recognition:

**a. Interest Income**

For all financial instruments measured at amortized cost and interest-bearing financial assets through other comprehensive income interest income or expense is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where

appropriate, to the net carrying amount of the financial asset or financial liability. The calculation of effective interest rate includes all charges and fee paid or received that are integral part of the effective interest only if considered necessary. Such a charges are not amortized over the life of the loan and advances as the income so recognized closely approximates the income that would have derived under effective interest method and are recognised directly in statement of profit and loss.

The interest income recognised in the statement of profit and loss includes the following:

- Interest income on financial assets measured at amortized cost calculated on an effective interest rate method, except for impaired loans and advances. These financial assets include investment in government securities, investment in NRB Bond and deposit instruments, reverse repos, interbank lending, etc.
- As per carve out on NAS 39 Para 9, the Bank has not included the fees and paid or received in loans and advances that are immaterial or impracticable to determine reliably the effective interest rate and have recognized them directly as revenue in the Statement of Profit or Loss.
- As per carve out on NAS 39 AG 93, the Bank has applied the effective interest rate to the gross carrying amount of a financial asset unless the financial asset is written off either partially or fully.
- Interest on investment securities is calculated on effective interest rate.
- Income on discounted instruments like bills purchased, documents negotiation is recognized over the period of discounting on accrual basis using effective interest rate.
- Interest income on all trading assets are considered to be incidental to the Group's trading operations and are presented together with all other changes in fair value of trading assets and liabilities in net trading income.
- The group has adopted the following criterion in to suspend the interest income where there is reasonable doubt about the collectability of the interest:
  - i. Loans where there is reasonable doubt about the ultimate collectability of principal or interest;
  - ii. Loans against which individual impairment as per NAS 39 or life time impairment as per NFRS 9 has been made;
  - iii. Loans where contractual payments of principal and/or interest are more than 3 months in arrears and where the "net realizable value" of security is insufficient to cover payment of principal and accrued interest;
  - iv. Loans where contractual payments of principal and/or interest are more than 12 months in arrears, irrespective of the net realizable value

of collateral;

- v. Overdrafts and other short-term facilities which have not been settled after the expiry of the loan and even not renewed within 3 months of the expiry, and where the net realizable value of security is insufficient to cover payment of principal and accrued interest;
- vi. Overdrafts and other short-term facilities which have not been settled after the expiry of the loan and even not renewed within 12 months of the expiry, irrespective of the net realizable value of collateral.

**b. Fee and Commission Income**

Fees and commissions are generally recognised on an accrual basis when the service has been provided.

**c. Dividend Income**

Dividend income received from equity shares is recognized in the books when the bank's right to receive the dividend is established.

**d. Net Trading Income**

Net Trading Income includes all gains and losses from changes in fair value, related capital gain/loss and dividend from financial assets through profit and loss. Trading expenses are deducted from the trading income and the amount net of trading expenses are disclosed in statement of profit and loss.

**e. Net Income from Other Financial Instrument at Fair Value Through Profit or Loss**

Net income from other financial instrument measured at fair value through Profit or Loss includes all gains/(losses) arises from the revaluation of financial instrument at fair value.

**f. Grant Income**

Government grants is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Income approach is followed in recording grant income. Government grants related to the assets including non-monetary grants at fair value is presented in the statement of financial position by setting up Deferred Grant Income.

Grant received towards purchase of fixed assets has been recognised to asset account Any depreciation on the assets, in the income statement will be reduced pro rata in accordance with grant relative to the asset value.

Grant received as reimbursements of operating expenses incurred or to be incurred are recognized in profit or loss as and when the cost is incurred.

Grants related to income are presented as part of profit or loss under other operating income.

**3.14. Interest Expenses**

Interest expense on all financial liabilities including deposits are recognized in profit or loss using effective interest method.

**3.15. Employee Benefits**

**a. Short term employee benefits**

The Group's short-term employee benefits mainly include wages, salaries, allowances, social security expenses, bonuses as provided in the law and other employee related expenses. Short term employee benefits are measured on an undiscounted basis and are charged to statement of profit and loss as and when the related service is provided.

**b. Long term employee benefits**

**- Defined Contribution Plans**

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees which the bank contributes fixed percentage of the salary to the Employee's Provident Fund. The Group has no further obligations under these plans beyond its periodic contributions.

**- Defined Benefit Plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The bank's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods. That benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on corporate bonds, that have maturity dates approximating the terms of the bank's obligation and that are denominated in the currency in which the benefits are expected to be paid.

The defined benefit obligation is recognised on the basis of the report of qualified actuary using the projected unit credit method. The bank recognizes all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefits plans in employee benefit are expensed in profit and loss account

Measurements of the net defined benefit liability comprise actuarial gains and losses. The return on plan assets (excluding interest income) and the effect of the assets ceiling (if any excluding interest) are recognized immediately in Other



Comprehensive Income. The bank determines the net interest expense (income) on the net defined liability (assets) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefits liability (assets), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefits payments. Net interest expenses and other expenses related to defined benefit plans are recognized as personnel expenses in Statement of profit and Loss.

The Group provides gratuity and leave encashment as the defined benefits plans to its employees.

### 3.16. Leases

The Bank has applied NFRS 16 'Leases' for accounting of operating lease from 1st Shrawan 2078 replacing NAS 17 'Leases'.

- **As a lessee**

The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its cost of fund rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, or if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- **Short-term leases and leases of low-value assets**

The Bank has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets i.e. not be affected by the size, nature, or circumstances of the lessee.

### 3.17. Foreign Currency Translation

The financial statements are presented in Nepalese Rupees which is the functional and presentation currency of the Company.

Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit and loss as the gain/losses on the revaluation of foreign currencies. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) - the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity. An amount equivalent to the net exchange gain /loss during the year is transferred to/other operating income. The realized gain has been presented under net trading income and translation gain/(loss) has been presented under other operating income.

### 3.18. Financial Guarantee and Loan Commitments

Financial Guarantees are contingent liabilities that arise out of the contract that the bank might make specified payments to reimburse the holder for loss that it incurs because a specified debtor fails to make payment when it is

due in accordance with terms of debt instrument. Guarantee liabilities being the off-balance items are disclosed if the outflow of economic resources is probable.

Loan commitment is the commitment where the Bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, future guarantees, whether cancellable or not, or letters of credit and the Bank has not made payments at the reporting date, those instruments are included in these financial statements as commitments.

### 3.19. Share Capital and Reserves

Equity is the residual interest in the total assets of the Bank after deducting all of its liability. Shares are classified as equity when the Bank has an unconditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Bank and there is no contractual obligation whatsoever to that effect. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments considering the tax benefits achieved thereon.

Dividends on ordinary shares and preference shares classified as equity are recognized in equity in the period in which they are declared.

Reserves are the allocation out of profit or retained earnings. These are created as statutory requirement, accounting standard requirement and bank's own requirement.

### 3.20. Earnings per Share (EPS) including diluted EPS

Bank presents basic and diluted Earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary equity holders of Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting both the profit and loss attributable to the ordinary equity holders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. The previous year EPS has been restated for the issuance of bonus shares.

### 3.21. Segment Reporting

The Bank's operating segments are organized and managed separately through the respective department/business managers according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by the entity's chief operating decision maker i.e. Chief Executive Officer of the Bank.

The bank has identified three business segments based on the nature of the business, transactions, products and services namely: Banking Operation, Treasury Operation and Digital Banking Operation as operating segment and the segment report is set out in Notes 5.4.

Segment report include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The income, expenses, assets & liabilities that cannot be allocated to aforesaid segment or those related to head office are unallocated are included in Modern Banking. The unallocated items generally comprise of head office assets, head office expenses, and tax assets and liabilities.

The geographical segment has been identified on the basis of the location of the branches in 7 different provinces of the country.

### 3.22. Investment in Associates

For the purpose of consolidation, the bank applies NAS 28 - Investments in Associates. Associates are entities in which the Bank has significant influence, but not control, over the operating and financial policies. Generally, the Bank holds more than 20%, but less than 50%, of their voting shares.

The investments in associates are recognized at cost in separate financial statements while in consolidated financial statements cost is increased (or decreased) each year by the Bank's share of the post-acquisition profit/(loss) using equity method. The Bank ceases to recognise its share of the losses of equity accounted associates when its share of the net assets and amounts due from the entity have been written off in full, unless it has a contractual or constructive obligation to make good its share of the losses.



## Notes Forming Part of the Financial Statements

### Cash and Cash Equivalent

Note 4.1

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Cash in Hand	1,497,621,829	1,528,673,659	1,497,590,402	1,520,537,462
Balance with Bank and Financial Institutions	315,558,387	623,188,782	258,044,777	594,517,799
Money at Call and Short Notice	3,512,876,949	5,985,933,517	3,512,876,949	5,985,933,517
Other	27,620	7,721,035	27,620	21,035
<b>Total</b>	<b>5,326,084,785</b>	<b>8,145,516,992</b>	<b>5,268,539,748</b>	<b>8,101,009,812</b>

Cash and Cash Equivalent includes the cash, bank balance, money at call and treasury bill with maturity of three months or less from the date of acquisition and is carried at amortised cost. The cash and balance with BFIs are maintained to manage the liquidity at the branch level. The money at call and other cash and cash equivalents are the highly liquid investment made by the bank.

Cash at vault and cash transit are adequately secured for the physical loss. The foreign convertible currency held in hand and banks are subject to price fluctuation due to market movement. The Bank continuously monitors and manages the market risk involved in foreign currency thus they are considered to be exposed to insignificant risks.

### Due from Nepal Rastra Bank

Note 4.2

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Statutory Balances with NRB	3,726,166,464	2,856,633,027	3,726,166,464	2,856,633,027
Securities Purchased under Resale Agreement	-	-	-	-
Other Deposit and Receivable from NRB	5,965,669	8,807,372	5,965,669	8,807,372
<b>Total</b>	<b>3,732,132,133</b>	<b>2,865,440,399</b>	<b>3,732,132,133</b>	<b>2,865,440,399</b>

Statutory Balance with Nepal Rastra Bank represent the cash balance that is required to be held as the Cash Reserve Ratio as per the regulatory norms. The other deposit and receivable are the foreign convertible currency deposit and are subject to price fluctuation due to market movement.

### Placement with Bank and Financial Institutions

Note 4.3

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Placement with domestic B/FIs	-	-	-	-
Placement with foreign B/FIs	-	-	-	-
Less: Allowances for impairment	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Placement with Banks and Financial Institution includes the placements with domestic as well as foreign bank and financial institutions with original maturities of more than three months from the acquisition date. The bank do not have any placement with banks and financial institutions at the reporting date.

### Derivative Financial Instruments

Note 4.4

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
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>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

A significant part of the derivatives in the portfolio are related to servicing corporate clients in their risk management to hedge. Mostly, foreign currency exposures. However, bank does not have any foreign currency exposures as on reporting date.



**Other Trading Assets****Note 4.5**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Treasury Bills	-	-	-	-
Government Bonds	-	-	-	-
NRB Bonds	-	-	-	-
Domestic Corporate bonds	-	-	-	-
Equities	48,618,603	63,796,298	-	-
Other	-	-	-	-
<b>Total</b>	<b>48,618,603</b>	<b>63,796,298</b>	-	-
Pledged	-	-	-	-
<b>Non-pledged</b>	<b>48,618,603</b>	<b>63,796,298</b>	-	-

Other trading assets includes the non derivative financial assets that are primarily held of trading purpose. The other trading assets are recognised at fair value through profit and loss and includes the securities, the Group, has acquired for generating the short term profit

**Loans and Advances to BFIs****Note 4.6**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Loans to Microfinance Institutions	2,569,756,164	2,762,665,599	2,569,756,164	2,762,665,599
Other	-	-	-	-
Less: Allowances for Impairment	(33,316,893)	(35,865,826)	(33,316,893)	(35,865,826)
<b>Total</b>	<b>2,536,439,270</b>	<b>2,726,799,773</b>	<b>2,536,439,270</b>	<b>2,726,799,773</b>

Loans and Advances to BFIs has been carried at amortised cost and includes accrued interest receivable amounting NPR 6,918,223

**4.6.1: Allowances for impairment**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Balance at Shrawan 1	35,865,826	45,743,946	35,865,826	45,743,946
Impairment loss for the year:				
Charge for the year	33,316,893	35,865,826	33,316,893	35,865,826
Recoveries/reversal	(35,865,826)	(45,743,946)	(35,865,826)	(45,743,946)
Amount written off	-	-	-	-
Other	-	-	-	-
<b>Balance at Asar end</b>	<b>33,316,893</b>	<b>35,865,826</b>	<b>33,316,893</b>	<b>35,865,826</b>

**Loans and Advances to Customers****Note 4.7**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Loan and advances measured at amortized cost	96,412,230,455	88,065,988,176	96,412,230,455	88,065,988,176
Less: Impairment allowances				
Collective Impairment	(1,203,346,742)	(1,061,686,898)	(1,203,346,742)	(1,126,391,375)
Individual Impairment	(751,917,761)	(192,352,863)	(751,917,761)	(127,648,385)
<b>Net amount</b>	<b>94,456,965,952</b>	<b>86,811,948,415</b>	<b>94,456,965,952</b>	<b>86,811,948,415</b>
Loan and advances measured at FVTPL	-	-	-	-
<b>Total</b>	<b>94,456,965,952</b>	<b>86,811,948,415</b>	<b>94,456,965,952</b>	<b>86,811,948,415</b>

The loans and advance to customers are carried at the amortised cost. After the initial recognition, loans and advances are subsequently measured at gross carrying amount using effective interest rate less the provision for impairment. The loan administration charges charged from the customer are considered immaterial thus are not considered while calculating the effective interest rate.

As per the carve out notice issued by ICAN, the Bank has measured impairment loss on loan and advances 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. The losses arising from impairment are recognised in 'Impairment charge for loans and other losses' in the Statement of Profit or Loss.

#### 4.7.1: Analysis of Loan and Advances - By Product

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Product				
Term Loans	40,978,805,616	31,588,477,799	40,978,805,616	31,588,477,799
Overdraft	5,250,440,515	16,920,281,739	5,250,440,515	16,920,281,739
Trust Receipt/Import Loans	-	-	-	-
Demand And Other Working Capital Loans	10,824,728,653	858,414,589	10,824,728,653	858,414,589
Personal Residential Loans	13,751,442,786	11,352,013,523	13,751,442,786	11,352,013,523
Real Estate Loans	6,628,267,354	5,757,944,876	6,628,267,354	5,757,944,876
Margin Lending Loans	2,786,264,782	2,032,550,330	2,786,264,782	2,032,550,330
Hire Purchase Loans	2,711,892,497	3,594,966,589	2,711,892,497	3,594,966,589
Deprived Sector Loans	6,310,132,551	7,713,588,690	6,310,132,551	7,713,588,690
Bills Purchased	-	-	-	-
Staff Loans	766,148,251	756,044,200	766,148,251	756,044,200
Other	5,534,432,890	7,077,194,185	5,534,432,890	7,077,194,185
<b>Sub total</b>	<b>95,542,555,893</b>	<b>87,651,476,520</b>	<b>95,542,555,893</b>	<b>87,651,476,520</b>
Interest Receivable*	869,674,562	414,511,656	869,674,562	414,511,656
<b>Grand total</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>

Out of total interest receivable of NPR 869,674,562 the amount of NPR 159,047 pertains to staff's loans and advances.

#### 4.7.2: Analysis of Loan and Advances - By Currency

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Nepalese Rupee	96,412,230,455	88,065,988,176	96,412,230,455	88,065,988,176
Indian Rupee	-	-	-	-
United State Dollar	-	-	-	-
Great Britain Pound	-	-	-	-
Euro	-	-	-	-
Japanese Yen	-	-	-	-
Chinese Yuan	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>

#### 4.7.3: Analysis of Loan and Advances - By Collateral

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Secured				
Movable/immovable assets	80,293,792,565	70,215,248,905	80,293,792,565	70,215,248,905
Gold and silver	643,077,069	539,038,177	643,077,069	539,038,177
Guarantee of domestic B/FIs	-	-	-	-
Government guarantee	-	-	-	-
Guarantee of international rated bank	-	-	-	-
Collateral of export document	-	-	-	-
Collateral of fixed deposit receipt	1,697,651,801	2,925,523,937	1,697,651,801	2,925,523,937
Collateral of Government securities	-	-	-	-
Counter guarantee	-	-	-	-
Personal guarantee	5,634,074,247	6,896,946,124	5,634,074,247	6,896,946,124
Other collateral	8,143,634,774	7,489,231,032	8,143,634,774	7,489,231,032
<b>Subtotal</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>
Unsecured	-	-	-	-
<b>Grant Total</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>	<b>96,412,230,455</b>	<b>88,065,988,176</b>

#### 4.7.4: Allowances for Impairment

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Specific allowances for impairment</b>				
Balance at Shrawan 1	127,648,385	152,375,048	127,648,385	152,375,048
Impairment loss for the year:				
Charge for the year	634,525,477	-	634,525,477	-
Recoveries/reversal during the year	-	(22,444,840)	-	(22,444,840)
Write-offs	(10,256,102)	(2,281,822)	(10,256,102)	(2,281,822)
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement	-	-	-	-
<b>Balance at Asar end</b>	<b>751,917,761</b>	<b>127,648,385</b>	<b>751,917,761</b>	<b>127,648,385</b>
<b>Collective allowances for impairment</b>				
Balance at Shrawan 1	1,126,391,375	1,017,074,404	1,126,391,375	1,017,074,404
Impairment loss for the year:				
Charge/(reversal) for the year	76,955,366	109,316,971	76,955,366	109,316,971
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement	-	-	-	-
<b>Balance at Asar end</b>	<b>1,203,346,742</b>	<b>1,126,391,375</b>	<b>1,203,346,742</b>	<b>1,126,391,375</b>
<b>Total allowances for impairment</b>	<b>1,955,264,503</b>	<b>1,254,039,761</b>	<b>1,955,264,503</b>	<b>1,254,039,761</b>
<b>Total allowances for impairment under NFRS</b>	<b>460,359,464</b>	<b>116,827,665</b>	<b>460,359,464</b>	<b>116,827,665</b>

#### Investment Securities

**Note 4.8**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Investment securities measured at amortized cost	21,883,725,127	17,698,746,464	21,698,495,679	17,673,746,464
Investment in equity measured at FVTOCI	386,113,821	262,635,195	386,113,821	262,635,195
<b>Total</b>	<b>22,269,838,948</b>	<b>17,961,381,659</b>	<b>22,084,609,500</b>	<b>17,936,381,659</b>

#### Investment Securities measured at Amortized Cost:

The investment made in government bonds and treasury bills with original maturities of more than three months from the acquisition date measured at the amortised cost using the effective interest rate and are presented under this head. It includes accrued interest receivable of NPR 395,021,178.81 on government securities. The details of the investment made in these securities are presented in Note 4.8.1.

#### Investment in Equity measured at FVTOCI

The bank's investment in shares and mutual fund are carried at fair value through other comprehensive income. The bonus share received is accounted by increasing the number of shares without changing the cost of the shares. Investment in unquoted equity securities have been valued at face value. Further, investment in Promoter shares has been valued at intrinsic value as of latest reporting dates. The details of the investment made in these securities are presented in Note 4.8.3.

#### 4.8.1: Investment securities measured at amortized cost

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Debt Securities	16,829,448	-	-	-
Government Bonds	15,628,916,674	15,881,660,338	15,628,916,674	15,881,660,338
Government Treasury Bills	6,042,210,621	1,769,815,132	6,042,210,621	1,769,815,132
Nepal Rastra Bank Bonds	27,368,384	22,270,993	27,368,384	22,270,993
Nepal Rastra Bank Deposits Instruments	-	-	-	-
Other	168,400,000	25,000,000	-	-
Less: specific allowances for impairment	-	-	-	-
<b>Total allowances for impairment under NFRS</b>	<b>21,883,725,127</b>	<b>17,698,746,464</b>	<b>21,698,495,679</b>	<b>17,673,746,464</b>

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

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Equity instruments				
Quoted Equity Securities	383,490,150	260,798,268	383,490,150	260,798,268
Unquoted Equity Securities	2,623,671	1,836,928	2,623,671	1,836,928
<b>Total</b>	<b>386,113,821</b>	<b>262,635,195</b>	<b>386,113,821</b>	<b>262,635,195</b>

#### 4.8.3: Information relating to investment in equities

Particulars	Group				Bank			
	31st Asar 2080		32nd Asar 2079		31st Asar 2080		32nd Asar 2079	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value

##### In Quoted Equity Instruments:

Mountain Energy Nepal Limited 3482 equity shares of Rs 100 each	2,859,963.02	3,464,590	-	-	2,859,963	3,464,590	-	-
National Life Insurance Co. Ltd. 1824 equity shares of Rs 100 each	1,044,805.44	1,176,480	-	-	1,044,805	1,176,480	-	-
Neco Insurance Limited 3423 equity shares of Rs 100 each	2,608,805.22	3,050,235	-	-	2,608,805	3,050,235	-	-
Sanima Mai Hydropower Ltd. 20000 equity shares of Rs 100 each	6,451,200	7,100,000	-	-	6,451,200	7,100,000	-	-
Siddhartha Premier Insurance Limited 8233 equity shares of Rs 100 each	8,038,372	6,409,391	-	-	8,038,372	6,409,391	-	-
Chilime Hydropower Company Limited 2000 equity shares of Rs 100 each	838,740	1,073,400	-	-	838,740	1,073,400	-	-
Life Insurance Co. Nepal 895 equity shares of Rs 100 each	1,319,033	1,391,725	-	-	1,319,033	1,391,725	-	-
Sanima GIC Insurance Limited* 100000 equity shares of Rs 100 each	10,000,000	53,923,022	-	-	10,000,000	53,923,022	-	-
Bottlers Nepal (Terai) Limited 600 equity shares of Rs 100 each	7,930,640.00	8,280,000	1,968,674	2,080,000	7,930,640	8,280,000	1,968,674	2,080,000
Api Power Company Limited 7,617 equity shares of Rs 100 each	2,413,294.11	1,500,549	2,413,279	1,732,527	2,413,294	1,500,549	2,413,279	1,732,527
CEDB Hydropower Development Company Limited 2,485 equity shares of Rs 100 each	1,769,394	2,246,440	1,339,688	1,368,750	1,769,394	2,246,440	1,339,688	1,368,750
Himalayan Distillery Limited 800 equity shares of Rs 100 each	1,630,808	1,798,400	1,630,805	1,705,000	1,630,808	1,798,400	1,630,805	1,705,000
Rastriya Beema Company Limited* 100 equity shares of Rs 100 each	1,467,699	1,609,900	1,467,699	1,340,000	1,467,699	1,609,900	1,467,699	1,340,000
Arun Valley Hydropower Development Co. Limited. 4860 equity shares of Rs 100 each	1,738,762	1,239,300	1,394,750	1,246,350	1,738,762	1,239,300	1,394,750	1,246,350
Sahas Urja Limited 3000 equity shares of Rs 100 each	1,538,100	1,451,700	1,538,100	1,380,000	1,538,100	1,451,700	1,538,100	1,380,000
Universal Power Company Limited* 1750 shares of Rs 100 each	404,005	383,250	404,005	398,650	404,005	383,250	404,005	398,650
Citizen Investment Trust 14894 equity shares of Rs 100 each	42,399,139	31,113,566	47,203,391	31,505,405	42,399,139	31,113,566	47,203,391	31,505,405
Nepal Doorsanchar Company Limited 6400 equity shares of Rs 100 each	6,663,795	5,804,160	7,061,277	5,009,730	6,663,795	5,804,160	7,061,277	5,009,730
Shivam Cements Limited 4000 equity shares of Rs 100 each	4,849,460	2,606,000	8,904,685	4,940,000	4,849,460	2,606,000	8,904,685	4,940,000
Nepal Life Insurance Co. Ltd. 16565 equity shares of Rs 100 each	28,730,867	12,324,360	28,730,867	12,374,055	28,730,867	12,324,360	28,730,867	12,374,055

Particulars	Group				Bank			
	31st Asar 2080		32nd Asar 2079		31st Asar 2080		32nd Asar 2079	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Nepal Reinsurance Company Limited 4893 equity shares of Rs 100 each	6,118,365	3,448,400	6,118,365	2,940,000	6,118,365	3,448,400	6,118,365	2,940,000
Asian Life Insurance Company Limited 1863 equity shares of Rs 100 each	908,231	1,388,121	1,322,188	717,500	908,231	1,388,121	1,322,188	717,500
Shikhar Insurance Company Limited 25722 equity shares of Rs 100 each	36,202,943	21,735,090	36,202,825	17,894,418	36,202,943	21,735,090	36,202,825	17,894,418
Bishal Bazar Company Limited* 500 shares of Rs 100 each	3,620,000	1,715,000	3,620,000	1,800,000	3,620,000	1,715,000	3,620,000	1,800,000
Premier Insurance Company Limited 7206 equity shares of Rs 100 each	-	-	8,042,040	4,150,656	-	-	8,042,040	4,150,656
Soaltee Hotel Limited 10042 equity shares of Rs 100 each	-	-	2,686,881	2,033,505	-	-	2,686,881	2,033,505
General Insurance Company Limited* 100000 equity shares of Rs. 100 each	-	-	10,000,000	14,863,000	-	-	10,000,000	14,863,000
Deprosc Laghubitta Bittiya Sanstha Limited 575 equity shares of Rs 100 each	-	-	863,837	535,800	-	-	863,837	535,800
<b>Sub-total</b>	<b>181,546,422</b>	<b>176,233,079</b>	<b>172,913,355</b>	<b>110,015,346</b>	<b>181,546,422</b>	<b>176,233,079</b>	<b>172,913,355</b>	<b>110,015,346</b>
<b>In Unquoted Equity Instruments:</b>								
Nepal Clearing House Ltd. 11355 equity shares of Rs. 100 each	300,000	2,623,671	300,000	1,836,928	300,000	2,623,671	300,000	1,836,928
<b>Sub-total</b>	<b>300,000</b>	<b>2,623,671</b>	<b>300,000</b>	<b>1,836,928</b>	<b>300,000</b>	<b>2,623,671</b>	<b>300,000</b>	<b>1,836,928</b>
<b>In Mutual Funds:</b>								
NMB Sulav Investment Fund - 2 2000000 units of Rs 10 each	20,000,000	19,980,000	-	-	20,000,000	19,980,000	-	-
Nabil Flexi Cap Fund 300000 units of Rs 10 each	3,000,000	3,000,000	-	-	3,000,000	3,000,000	-	-
Sanima Growth Fund 200000 units of Rs 10 each	2,000,000	1,998,000	-	-	2,000,000	1,998,000	-	-
Sunrise Focused Equiy Fund 300000 units of Rs 10 each	3,000,000	2,904,000	-	-	3,000,000	2,904,000	-	-
Prabhu Smart Fund 600000 units of Rs 10 each	6,000,000	5,940,000	-	-	6,000,000	5,940,000	-	-
Kumari Sunaulo Lagani Yojana 300000 units of Rs 10 each	3,000,000	3,000,000	-	-	3,000,000	3,000,000	-	-
NIBL Growth Fund 300000 units of Rs 10 each	3,000,000	3,192,000	-	-	3,000,000	3,192,000	-	-
Citizens Super 30 Mutual Fund 100000 units of Rs 10 each	1,000,000	1,000,000	-	-	1,000,000	1,000,000	-	-
Siddhartha Investment Growth Scheme - 3 250000 units of Rs 10 each	2,500,000	2,500,000	-	-	2,500,000	2,500,000	-	-
RBB Mutual Fund 2 100000 units of Rs 10 each	1,000,000	1,000,000	-	-	1,000,000	1,000,000	-	-
Shubha Laxmi Kosh 500000 units of Rs 10 each	5,000,000	5,000,000	-	-	5,000,000	5,000,000	-	-
Global IME Balanced Fund-1 500000 units of Rs 10 each	5,000,000	4,670,000	-	-	5,000,000	4,670,000	-	-
Global IME Samunnat Scheme-1 1010017 units of Rs 10 each	10,717,214	9,726,464	6,165,160	5,500,000	10,717,214	9,726,464	6,165,160	5,500,000

Particulars	Group				Bank			
	31st Asar 2080		32nd Asar 2079		31st Asar 2080		32nd Asar 2079	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Kumari Equity Fund 272500 units of Rs 10 each	2,684,725	2,771,325	2,500,000	2,517,500	2,684,725	2,771,325	2,500,000	2,517,500
Laxmi Unnati Kosh 100000 units of Rs 10 each	1,000,000	939,000	1,000,000	956,000	1,000,000	939,000	1,000,000	956,000
Nabil Equity Fund 628651 units of Rs 10 each	6,714,367	6,041,336	6,484,953	6,000,100	6,714,367	6,041,336	6,484,953	6,000,100
NIC Asia Flexi CAP Fund 3000800 units of Rs 10 each	30,006,288	30,518,136	30,000,000	30,000,000	30,006,288	30,518,136	30,000,000	30,000,000
NMB Hybrid Fund L-1 841334 units of Rs 10 each	9,312,447	9,077,994	8,431,409	8,399,328	9,312,447	9,077,994	8,431,409	8,399,328
Sunrise First Mutual Fund 175505 units of Rs 10 each	1,730,055	1,944,595	1,500,000	1,725,000	1,730,055	1,944,595	1,500,000	1,725,000
Citizens Mutual Fund -1 250000 units of Rs 10 each	2,500,000	2,345,000	2,500,000	2,200,000	2,500,000	2,345,000	2,500,000	2,200,000
NABIL BALANCED FUND-2 250000 units of Rs 10 each	2,500,000	2,200,000	2,500,000	2,695,000	2,500,000	2,200,000	2,500,000	2,695,000
NIBL Pragati Fund 600000 units of Rs 10 each	6,653,713	5,826,000	6,653,713	6,012,000	6,653,713	5,826,000	6,653,713	6,012,000
NIBL Sahabagita 200000 units of Rs 10 each	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
NIBL Samriddhi Fund -2 1000000 units of Rs 10 each	10,000,000	9,110,000	10,000,000	8,670,000	10,000,000	9,110,000	10,000,000	8,670,000
NIC Asia Dynamic Debt Fund 200000 units of Rs 10 each	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
NIC Asia Balanced Fund 150000 units of Rs 10 each	1,500,000	1,399,500	1,500,000	1,606,500	1,500,000	1,399,500	1,500,000	1,606,500
NIC Asia Growth Fund 100000 units of Rs 10 each	1,000,000	1,029,000	1,000,000	1,115,000	1,000,000	1,029,000	1,000,000	1,115,000
NIC Asia Select Fund 30 750000 units of Rs 10 each	7,500,000	6,742,500	7,500,000	6,577,500	7,500,000	6,742,500	7,500,000	6,577,500
Prabhu Select Fund 1468090 units of Rs 10 each	14,680,900	12,992,597	14,680,900	14,108,345	14,680,900	12,992,597	14,680,900	14,108,345
RBB Mutual Fund -1 1000000 units of Rs 10 each	10,000,000	8,080,000	4,363,400	3,486,357	10,000,000	8,080,000	4,363,400	3,486,357
Sunrise Bluechip Fund 250000 units of Rs 10 each	2,500,000	1,962,500	2,500,000	2,185,000	2,500,000	1,962,500	2,500,000	2,185,000
Siddhartha Equity Fund 150000 units of Rs 10 each	1,500,000	1,414,500	1,500,000	1,482,000	1,500,000	1,414,500	1,500,000	1,482,000
Siddhartha Investment Growth Scheme II 1000000 units of Rs 10 each	10,000,000	9,030,000	10,000,000	9,790,000	10,000,000	9,030,000	10,000,000	9,790,000
Sanima Large Cap Fund 250000 units of Rs 10 each	2,500,000	2,230,000	2,500,000	2,330,000	2,500,000	2,230,000	2,500,000	2,330,000
Mega Mutual Fund -1 436340 units of Rs 10 each	4,363,400	3,486,357	10,000,000	9,270,000	4,363,400	3,486,357	10,000,000	9,270,000
Kumari Dhanabridhi Yojana 2000000 units of Rs 10 each	20,000,000	20,080,000	20,000,000	20,000,000	20,000,000	20,080,000	20,000,000	20,000,000
Nabil Balanced Fund-3 16680 units of Rs 10 each	166,800	126,268	166,800	157,292	166,800	126,268	166,800	157,292
<b>Sub-total</b>	<b>218,029,910</b>	<b>207,257,071</b>	<b>157,446,335</b>	<b>150,782,922</b>	<b>218,029,910</b>	<b>207,257,071</b>	<b>157,446,335</b>	<b>150,782,922</b>
<b>Total</b>	<b>399,876,332</b>	<b>386,113,821</b>	<b>330,659,690</b>	<b>262,635,195</b>	<b>399,876,332</b>	<b>386,113,821</b>	<b>330,659,690</b>	<b>262,635,195</b>

\*Investment not yielding dividend in last 3 financial year.

## Current Tax Assets

Note 4.9

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Current tax assets				
Current year income tax assets	630,074,513	617,447,575	623,465,552	615,006,672
Tax assets of prior periods	-	-	-	-
Current tax liabilities				
Current year income tax liabilities	577,318,355	601,168,292	575,288,765	598,534,225
Tax liabilities of prior periods	-	-	-	-
<b>Total</b>	<b>52,756,158</b>	<b>16,279,283</b>	<b>48,176,787</b>	<b>16,472,447</b>

Current Tax Assets is the net of the advance tax plus Tax Deducted at Source (TDS) and the corporate income tax liability computed as per the provision of the Income Tax Act, 2058.

## Investment in Subsidiaries

Note 4.10

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Investment in Quoted Subsidiaries	-	-	-	-
Investment in Unquoted Subsidiaries	-	-	244,045,905	117,500,000
Total investment	-	-	244,045,905	117,500,000
Less: Impairment allowances	-	-	-	-
<b>Net carrying amount</b>	<b>-</b>	<b>-</b>	<b>244,045,905</b>	<b>117,500,000</b>

### 4.10.1: Investment in Quoted Subsidiaries

Particulars	Group				Bank			
	31st Asar 2080		32nd Asar 2079		31st Asar 2080		32nd Asar 2079	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 4.10.2: Investment in Unquoted Subsidiaries

Particulars	Group				Bank			
	31st Asar 2080		32nd Asar 2079		31st Asar 2080		32nd Asar 2079	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Muktinath Capital Limited 2,440,450 shares of Rs. 100 each	-	-	-	-	244,045,905	244,045,905	117,500,000	117,500,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244,045,905</b>	<b>244,045,905</b>	<b>117,500,000</b>	<b>117,500,000</b>

### 4.10.3: Information relating to subsidiaries of the Bank

Particulars	Group		Bank	
	% of ownership held by the Bank		% of ownership held by the Bank	
	Current Year	Previous Year	Current Year	Previous Year
Muktinath Capital Limited	-	-	60.26%	58.02%

### 4.10.4: Non controlling interest of the subsidiaries

Particulars	Group	
	31st Asar 2080	32nd Asar 2079
	Muktinath Capital Limited	
Equity interest held by NCI (%)	39.74%	41.98%
Profit/(loss) allocated during the year	9,651,529	(6,833,458)
Accumulated balances of NCI as on Asar end	165,627,897	79,732,073
Dividend paid to NCI	-	15,300,000

## Investment in Associates

Note 4.11

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Investment in quoted associates	-	-	-	-
Investment in unquoted associates	134,553,273	76,371,125	155,550,000	100,000,000
<b>Total Investment</b>	<b>134,553,273</b>	<b>76,371,125</b>	<b>155,550,000</b>	<b>100,000,000</b>
Less: Impairment allowances	-	-	-	-
<b>Net Carrying amount</b>	<b>134,553,273</b>	<b>76,371,125</b>	<b>155,550,000</b>	<b>100,000,000</b>

Muktinath Krishi Company Limited is recognised as the Associates as the Bank holds 27.78% of the shares of the company and Board of Directors comprise of two Bank's nominees. Investment in associates is accounted for using the equity method as per NAS 28 "Investment in Associates" considering the current year audited financial statement of the associates.

### 4.11.1: Investment in unquoted associates

Particulars	Group				Bank			
	31st Asar 2080		32nd Asar 2079		31st Asar 2080		32nd Asar 2079	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Muktinath Krishi Company Limited 15,55,500 Shares of Rs. 100 each (PY 10,00,000 shares)	155,550,000	134,553,273	100,000,000	76,371,125	155,550,000	155,550,000	100,000,000	100,000,000
<b>Total</b>	<b>155,550,000</b>	<b>134,553,273</b>	<b>100,000,000</b>	<b>76,371,125</b>	<b>155,550,000</b>	<b>155,550,000</b>	<b>100,000,000</b>	<b>100,000,000</b>

Muktinath Krishi Company Limited is recognised as the Associates as the Bank holds 27.78% of the shares of the company and Board of Directors comprise of two Bank's nominees. Investment in associates is accounted for using the equity method as per NAS 28 "Investment in Associates" considering the current year audited financial statement of the associates.

### 4.11.3: Information relating to Associates of the Bank

Particulars	Group		Bank	
	% of ownership held by the Bank		% of ownership held by the Bank	
	Current Year	Previous Year	Current Year	Previous Year
Muktinath Krishi Company Limited	27.78%	27.78%	27.78%	27.78%

### 4.11.4: Equity Value of Associates

Particulars	Group	
	31st Asar 2080	32nd Asar 2079
	Muktinath Capital Limited	
Muktinath Krishi Company Limited	134,553,273	76,371,125

## Investment Property

Note 4.12

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Investment Properties measured at Fair Value</b>				
Balance as on 1st Shrawan	-	-	-	-
Addition/(Disposal) during the year	-	-	-	-
Net Changes in fair value during the year	-	-	-	-
Adjustment/Transfer	-	-	-	-
<b>Net Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment Properties measured at Cost</b>				
Balance as on 1st Shrawan	84,166,532	33,115,680	51,050,852	-
Addition/(Disposal) during the year	205,029,930	51,050,852	205,029,930	51,050,852
Net Changes in fair value during the year	-	-	-	-
Adjustment/Transfer	-	-	-	-
<b>Net Amount</b>	<b>289,196,462</b>	<b>84,166,532</b>	<b>256,080,782</b>	<b>51,050,852</b>
<b>Total</b>	<b>289,196,462</b>	<b>84,166,532</b>	<b>256,080,782</b>	<b>51,050,852</b>

Refer notes 5.13 for the borrowerwise details of Investment Property.



**Property and Equipment**

**Note 4.13**

Particulars	Group										Right to Use Assets	31st Asar 2080	
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & others					
<b>Cost</b>													
As on 1st Shrawan	348,927,378	4,900,000	308,276,137	87,574,311	126,936,325	129,560,942	77,402,073	203,053,358	-	-	-	1,286,430,524	
Addition during the year	-	4,753,385	59,009,890	13,344,774	21,541,733	22,128,815	14,341,594	46,262,241	962,582,776	-	-	1,143,965,209	
Capitalization	-	-	-	-	-	-	-	-	-	-	-	-	
Disposal during the year	-	-	(16,138,255)	(1,737,698)	(4,385,000)	(3,232,047)	(771,382)	(15,180,661)	-	-	-	(41,445,043)	
Adjustment/Revaluation	-	-	-	(77,464)	-	(27,162)	-	104,626	-	-	-	-	
<b>Balance as on Asar end 2079</b>	<b>348,927,378</b>	<b>9,653,385</b>	<b>351,147,772</b>	<b>98,903,923</b>	<b>144,093,058</b>	<b>148,430,548</b>	<b>90,972,286</b>	<b>234,239,564</b>	<b>962,582,776</b>	<b>962,582,776</b>	<b>2,388,950,690</b>		
Addition during the year	-	-	42,885,464	13,090,400	9,600,000	16,022,312	9,325,003	27,727,923	107,931,313	-	-	226,582,415	
Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	
Capitalization	-	-	(10,377,672)	(5,342,959)	-	(7,042,090)	(2,436,029)	(17,436,793)	(28,815,338)	-	-	(71,450,882)	
Disposal during the year	-	-	(257,275)	-	-	-	-	-	-	-	-	(257,275)	
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Balance as on Asar end 2080</b>	<b>348,927,378</b>	<b>9,653,385</b>	<b>383,398,289</b>	<b>106,651,364</b>	<b>153,693,058</b>	<b>157,410,770</b>	<b>97,861,259</b>	<b>244,530,693</b>	<b>1,041,698,751</b>	<b>1,041,698,751</b>	<b>2,543,824,948</b>		
<b>Depreciation and Impairment</b>													
As on 1st Shrawan	-	245,000	175,114,946	50,784,978	47,085,005	81,736,913	44,490,086	115,875,529	-	-	-	515,332,458	
Depreciation charge for the year	-	193,597	26,454,364	14,589,112	20,513,275	19,948,505	13,058,184	38,476,475	81,991,392	-	-	215,224,903	
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	(12,039,277)	(1,573,197)	(3,268,098)	(3,144,870)	(763,150)	(14,245,290)	-	-	-	(35,033,882)	
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	
<b>As on Asar end 2079</b>	<b>-</b>	<b>438,597</b>	<b>189,530,033</b>	<b>63,800,893</b>	<b>64,330,183</b>	<b>98,540,547</b>	<b>56,785,121</b>	<b>140,106,714</b>	<b>81,991,392</b>	<b>81,991,392</b>	<b>695,523,479</b>		
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciation charge for the year	-	198,325	32,706,290	14,567,949	21,236,839	20,646,931	15,057,000	41,569,385	87,664,120	-	-	233,646,840	
Disposals	-	-	(9,079,172)	(5,217,686)	-	(6,944,609)	(2,407,273)	(16,804,902)	-	-	-	(40,453,642)	
Adjustment	-	-	(8,594)	-	-	-	-	52,022	(20,629)	-	-	22,800	
<b>As on Asar end 2080</b>	<b>-</b>	<b>636,922</b>	<b>213,148,558</b>	<b>73,151,155</b>	<b>85,567,022</b>	<b>112,242,870</b>	<b>69,434,847</b>	<b>164,923,220</b>	<b>169,634,882</b>	<b>169,634,882</b>	<b>888,739,476</b>		
<b>Capital Work in Progress</b>													
Balance as on Asar end 2079	-	220,549,826	-	-	-	-	-	-	-	-	-	220,549,826	
Addition during the year	-	58,777,153	-	-	-	-	-	-	-	-	-	58,777,153	
<b>Net Book Value</b>													
<b>As on Asar end 2079</b>	<b>348,927,378</b>	<b>229,764,615</b>	<b>161,617,739</b>	<b>35,103,030</b>	<b>79,762,875</b>	<b>49,890,001</b>	<b>34,187,165</b>	<b>94,132,850</b>	<b>880,591,384</b>	<b>880,591,384</b>	<b>1,913,977,036</b>		
<b>As on Asar end 2080</b>	<b>348,927,378</b>	<b>288,343,442</b>	<b>170,249,730</b>	<b>33,500,209</b>	<b>68,126,036</b>	<b>45,167,901</b>	<b>28,426,412</b>	<b>79,607,474</b>	<b>872,063,868</b>	<b>872,063,868</b>	<b>1,934,412,450</b>		

Particulars	Bank										31st Asar 2080	
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & others	Right to Use Assets			
<b>Cost</b>												
As on 1st Shrawan	348,927,378	4,900,000	305,817,342	85,163,168	123,537,425	125,112,177	76,399,974	201,043,504	951,192,372		2,222,093,341	
Addition during the year	-	4,753,385	53,433,595	13,067,000	21,541,733	21,878,850	14,341,594	45,782,044	-	-	174,798,203	
Acquisition	-	-	-	-	-	-	-	-	-	-	-	
Capitalization	-	-	(13,679,460)	(1,737,698)	(4,385,000)	(3,232,047)	(771,382)	(15,180,661)	-	-	(38,986,249)	
Disposal during the year	-	-	-	(383,850)	-	(31,297)	-	415,147	-	-	-	
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-	
<b>Balance as on Asar end 2079</b>	<b>348,927,378</b>	<b>9,653,385</b>	<b>345,571,477</b>	<b>96,108,621</b>	<b>140,694,158</b>	<b>143,727,684</b>	<b>89,970,186</b>	<b>232,060,034</b>	<b>951,192,372</b>		<b>2,357,905,295</b>	
Addition during the year												
Acquisition	-	-	42,859,064	12,797,900	9,600,000	15,989,768	9,325,003	27,727,923	107,140,757		225,440,415	
Capitalization	-	-	-	-	-	-	-	-	-	-	-	
Disposal during the year	-	-	(10,377,672)	(5,342,959)	-	(7,042,090)	(2,436,029)	(17,275,883)	(28,815,338)		(71,289,972)	
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-	
<b>Balance as on Asar end 2080</b>	<b>348,927,378</b>	<b>9,653,385</b>	<b>378,052,869</b>	<b>103,563,562</b>	<b>150,294,158</b>	<b>152,675,362</b>	<b>96,859,159</b>	<b>242,512,073</b>	<b>1,029,517,792</b>		<b>2,512,055,738</b>	
<b>Depreciation and Impairment</b>												
As on 1st Shrawan	-	245,000	174,513,926	49,318,197	46,374,666	78,472,443	44,081,553	114,689,195	-	-	507,694,979	
Depreciation charge for the year	-	193,597	26,188,359	14,296,395	19,872,224	19,303,860	13,058,184	37,952,854	79,266,031		210,131,505	
Impairment for the year	-	-	(11,438,255)	(1,573,197)	(3,268,098)	(3,144,870)	(763,150)	(14,245,290)	-	-	(34,432,860)	
Disposals	-	-	-	(306,386)	-	(4,135)	-	310,520	-	-	-	
Adjustment	-	-	-	-	-	-	-	-	-	-	-	
<b>As on Asar end 2079</b>	<b>-</b>	<b>438,597</b>	<b>189,264,030</b>	<b>61,735,009</b>	<b>62,978,792</b>	<b>94,627,298</b>	<b>56,376,587</b>	<b>138,707,279</b>	<b>79,266,031</b>		<b>683,393,623</b>	
Impairment for the year												
Depreciation charge for the year	-	198,325	31,639,646	14,213,993	20,597,540	20,234,750	15,057,000	40,992,481	85,574,851		228,508,586	
Disposals	-	-	(9,079,172)	(5,217,686)	-	(6,944,609)	(2,407,273)	(16,721,916)	-		(40,370,656)	
Adjustment	-	-	-	-	-	-	-	-	-		-	
<b>As on Asar end 2080</b>	<b>-</b>	<b>636,922</b>	<b>211,824,504</b>	<b>70,731,316</b>	<b>83,576,332</b>	<b>107,917,439</b>	<b>69,026,314</b>	<b>162,977,844</b>	<b>164,840,882</b>		<b>871,531,554</b>	
<b>Capital Work in Progress</b>												
Balance as on Asar end 2079	-	220,549,826	-	-	-	-	-	-	-		220,549,826	
Addition during the year	-	58,777,153	-	-	-	-	-	-	-		58,777,153	
<b>Net Book Value</b>												
<b>As on Asar end 2079</b>	<b>348,927,378</b>	<b>229,764,615</b>	<b>156,307,448</b>	<b>34,373,611</b>	<b>77,715,366</b>	<b>49,100,386</b>	<b>33,593,599</b>	<b>93,352,754</b>	<b>871,926,341</b>		<b>1,895,061,498</b>	
<b>As on Asar end 2080</b>	<b>348,927,378</b>	<b>288,343,442</b>	<b>166,228,365</b>	<b>32,832,246</b>	<b>66,717,826</b>	<b>44,757,922</b>	<b>27,832,846</b>	<b>79,534,229</b>	<b>864,676,909</b>		<b>1,919,851,163</b>	

The Bank has acquired the land in Lazimpat, Kathmandu and Prithivi Chowk, Pokhara for the purpose of construction of the head office and province office respectively. Capital work-in-progress represent the expenditure incurred in the Corporate Office Building being constructed in Lazimpat, Kathmandu.

## Goodwill and Intangible Assets

Note 4.14

Particulars	Group				31st Asar 2080
	Goodwill	Software		Other	
		Purchased	Developed		
<b>Cost</b>					
As on 1st Shrawan	-	21,120,977	-	-	21,120,977
Addition during the year					-
Acquisition		15,715,343	-	-	15,715,343
Capitalization	-		-	-	-
Disposal during the year		-			-
Adjustment/Revaluation					-
<b>Balance as on Asar end 2079</b>	<b>-</b>	<b>36,836,320</b>	<b>-</b>	<b>-</b>	<b>36,836,320</b>
Addition during the Year					-
Acquisition		356,166			356,166
Capitalization					-
Disposal during the year		-			-
Adjustment/Revaluation					-
<b>Balance as on Asar end 2080</b>	<b>-</b>	<b>37,192,486</b>	<b>-</b>	<b>-</b>	<b>37,192,486</b>
<b>Amortisation and Impairment</b>					
As on 1st Shrawan	-	11,743,226	-	-	11,743,226
Amortisation charge for the year	-	4,186,402	-	-	4,186,402
Impairment for the year		-			-
Disposals					-
Adjustment					-
<b>As on Asar end 2079</b>	<b>-</b>	<b>15,929,628</b>	<b>-</b>	<b>-</b>	<b>15,929,628</b>
Impairment for the year					-
Amortisation charge for the year		6,053,074			6,053,074
Disposals		-			-
Adjustment					-
<b>As on Asar end 2080</b>	<b>-</b>	<b>21,982,702</b>	<b>-</b>	<b>-</b>	<b>21,982,702</b>
<b>Capital Work in Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Book Value</b>					
<b>As on Asar end 2079</b>	<b>-</b>	<b>20,906,691</b>	<b>-</b>	<b>-</b>	<b>20,906,691</b>
<b>As on Asar end 2080</b>	<b>-</b>	<b>15,209,783</b>	<b>-</b>	<b>-</b>	<b>15,209,783</b>

Particulars	Bank				31st Asar 2080
	Goodwill	Software		Other	
		Purchased	Developed		
<b>Cost</b>					
As on 1st Shrawan	-	19,455,507	-	-	19,455,507
Addition during the year					-
Acquisition		15,362,783			15,362,783
Capitalization	-		-	-	-
Disposal during the year		-			-
Adjustment/Revaluation					-
<b>Balance as on Asar end 2079</b>	<b>-</b>	<b>34,818,290</b>	<b>-</b>	<b>-</b>	<b>34,818,290</b>
Addition during the Year					-
Acquisition		200,000			200,000
Capitalization					-
Disposal during the year		-			-
Adjustment/Revaluation					-
<b>Balance as on Asar end 2080</b>	<b>-</b>	<b>35,018,290</b>	<b>-</b>	<b>-</b>	<b>35,018,290</b>
<b>Amortisation and Impairment</b>					
As on 1st Shrawan	-	11,106,907	-	-	14,152,056
Amortisation charge for the year	-	3,773,772	-	-	3,773,772
Impairment for the year		-			-
Disposals					-
Adjustment					-
<b>As on Asar end 2079</b>	<b>-</b>	<b>14,880,680</b>	<b>-</b>	<b>-</b>	<b>14,880,680</b>
Impairment for the year					-
Amortisation charge for the year		5,600,294			5,600,294
Disposals		-			-
Adjustment					-
<b>As on Asar end 2080</b>	<b>-</b>	<b>20,480,974</b>	<b>-</b>	<b>-</b>	<b>20,480,974</b>
<b>Capital Work in Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Book Value</b>					
<b>As on Asar end 2079</b>	<b>-</b>	<b>19,937,610</b>	<b>-</b>	<b>-</b>	<b>19,937,610</b>
<b>As on Asar end 2080</b>	<b>-</b>	<b>14,537,316</b>	<b>-</b>	<b>-</b>	<b>14,537,316</b>



Deferred Tax Assets/Liabilities

Note 4.15

Particulars	Group			Bank		
	31st Asar 2080					
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax (Assets)/ Liabilities	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
<b>Deferred tax on temporary differences on following items</b>						
Loans and Advances to BFIs	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Investment Securities	4,552,982	-	4,552,982	4,128,753	-	4,128,753
Property and Equipment	12,657,202	-	12,657,202	12,278,863	-	12,278,863
Employees' Defined Benefit Plan	53,313,727	-	53,313,727	52,997,580	-	52,997,580
Lease Liabilities	269,314,726	259,314,076	10,000,650	269,314,726	259,403,073	9,911,653
Provisions	4,441,809	-	4,441,809	4,441,809	-	4,441,809
Other Temporary Differences	103,945	(924,666)	1,028,611	-	(924,666)	924,666
<b>Deferred tax on temporary differences</b>	<b>344,384,391</b>	<b>258,389,410</b>	<b>85,994,981</b>	<b>343,161,731</b>	<b>258,478,407</b>	<b>84,683,324</b>
Deferred tax on carry forward of unused tax losses	-	-	-	-	-	-
Deferred tax due to changes in tax rate	-	-	-	-	-	-
<b>Net Deferred Tax Asset (Liabilities) as on year end of 2080</b>			<b>85,994,981</b>			<b>84,683,324</b>
Deferred Tax (Asset)/ Liabilities as on Shrawan 01			102,240,662			92,450,588
Origination/(Reversal) during the year			(16,245,681)			(7,767,264)
Deferred Tax expense (income) recognized in profit or loss			(17,370,062)			(25,848,480)
Deferred Tax expense (income) recognized in OCI			33,615,743			33,615,743
Deferred Tax expense (income) recognized directly in Equity			-			-

Particulars	Group			Bank		
	32nd Asar 2019					
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax (Assets)/ Liabilities	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
<b>Deferred tax on temporary differences on following items</b>						
Loans and Advances to BFIs	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Investment Securities	29,945,945	-	29,945,945	20,407,348	-	20,407,348
Property and Equipment	15,782,768	-	15,782,768	15,674,315	-	15,674,315
Employees' Defined Benefit Plan	51,427,830	-	51,427,830	51,182,438	-	51,182,438
Lease Liabilities	266,765,794	261,680,271	5,085,523	266,765,794	261,577,902	5,187,891
Provisions	1,051,809	-	1,051,809	1,051,809	-	1,051,809
Other Temporary Differences	-	1,053,213	(1,053,213)	-	1,053,213	(1,053,213)
<b>Deferred tax on temporary differences</b>	<b>364,974,146</b>	<b>262,733,483</b>	<b>102,240,662</b>	<b>355,081,703</b>	<b>262,631,115</b>	<b>92,450,588</b>
Deferred tax on carry forward of unused tax losses	-	-	-	-	-	-
Deferred tax due to changes in tax rate	-	-	-	-	-	-
<b>Net Deferred Tax Asset (Liabilities) as on year end of 2019</b>			<b>102,240,662</b>			<b>92,450,588</b>
Deferred Tax (Asset)/ Liabilities as on Shrawan 01			55,407,419			55,018,004
Origination/(Reversal) during the year			46,833,243			37,432,584
Deferred Tax expense (income) recognized in profit or loss			20,417,532			11,016,873
Deferred Tax expense (income) recognized in OCI			26,415,711			26,415,711
Deferred Tax expense (income) recognized directly in Equity			-			-

### Other Assets

Note 4.16

Particulars	Group		Bank	
	31st Asar 2018	32nd Asar 2019	31st Asar 2018	32nd Asar 2019
Assets Held for Sale	-	-	-	-
Other Non-Banking Assets	-	-	-	-
Bills Receivable	-	-	-	-
Accounts Receivable	49,052,576	23,827,067	2,910,420	3,741,000
Accrued Income	62,250	2,278,950	62,250	2,278,950
Prepayments And Deposit	340,656,362	96,381,739	340,139,959	94,182,746
Income Tax Deposit	-	-	-	-
Deferred Employee Expenditure	412,599,691	229,532,706	412,599,691	229,532,706
Other Assets	54,153,867	20,964,046	53,882,856	19,679,968
<b>Total</b>	<b>856,524,747</b>	<b>372,984,507</b>	<b>809,595,176</b>	<b>349,415,369</b>

### Due to Banks and Financial Institutions

Note 4.17

Particulars	Group		Bank	
	31st Asar 2018	32nd Asar 2019	31st Asar 2018	32nd Asar 2019
Money Market Deposits	-	-	-	-
Interbank Borrowing	-	-	-	-
Other Deposits from BFIs	1,999,547,189	3,750,284,110	1,999,547,189	3,750,284,110
Settlement and Clearing Accounts	-	-	-	-
Other Deposits from BFIs	-	-	-	-
<b>Total</b>	<b>1,999,547,189</b>	<b>3,750,284,110</b>	<b>1,999,547,189</b>	<b>3,750,284,110</b>

Other deposits from BFIs includes the balance maintained in the call and current account by B, C and D class financial institutions.

#### 4.17.1 Nature wise segregation of other deposits from BFIs

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Current Deposits	20,289,040	137,698,720	20,289,040	137,698,720
Fixed Deposits	365,266,745	575,000,000	365,266,745	575,000,000
Call Deposits	1,613,991,404	3,037,585,390	1,613,991,404	3,037,585,390
Accrued Interest Payable	-	-	-	-
<b>Total</b>	<b>1,999,547,189</b>	<b>3,750,284,110</b>	<b>1,999,547,189</b>	<b>3,750,284,110</b>

#### Due to Nepal Rastra Bank

Note 4.18

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Refinance from NRB	-	958,975,088	-	958,975,088
Standing Liquidity Facility	-	-	-	-
Lender of Last Resort facility from NRB	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-
Other Payable to NRB	215,874,848	74,004,468	215,874,848	74,004,468
<b>Total</b>	<b>215,874,848</b>	<b>1,032,979,556</b>	<b>215,874,848</b>	<b>1,032,979,556</b>

The amount payable to NRB shall include amount of refinance facilities, standing liquidity facility, lender of last resort, sale and repurchase agreements, deposit from NRB etc.

The other payable from the NRB includes the amount received in line with the tripartite agreement between KfW Development Bank, Germany, Nepal Rastra Bank, and Muktinath Bikas Bank under Sustainable Economic Development in Rural and Semi-Urban Areas- MSME Finance Phase II (SEDRA II). This facility is received for refinancing sustainable ad target group-oriented loans to micro, small and medium-sized enterprises in rural and semi-urban areas.

#### Derivative Financial Instruments

Note 4.19

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Held for Trading</b>				
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts	-	-	-	-
Others	-	-	-	-
<b>Held for Risk Management</b>				
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts.	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The bank does not have any derivative financial instrument as on reporting date.

## Deposits from Customers

Note 4.20

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Institutions Customers:</b>				
Term Deposits	19,442,289,786	21,060,232,135	19,497,289,786	21,060,232,135
Call Deposits	5,928,572,487	5,959,320,371	6,012,423,649	5,959,320,371
Current Deposits	1,466,596,381	1,354,471,954	1,480,437,241	1,361,756,073
Other	155,077,884	1,572,237,411	155,077,884	1,572,237,411
<b>Individual Customers:</b>				
Term Deposits	61,787,234,154	51,149,749,252	61,787,234,154	51,149,749,252
Saving Deposits	26,824,683,288	23,182,986,062	26,824,683,288	23,182,986,062
Current Deposits	666,953,388	368,459,055	666,953,388	368,459,055
Other	25,771,564	20,331,904	25,771,564	20,331,904
<b>Total</b>	<b>116,297,178,932</b>	<b>104,667,788,144</b>	<b>116,449,870,954</b>	<b>104,675,072,263</b>

Deposits from customer is carried at amortised cost thus includes the accrued interest payable on the deposits.

## 4.20.1: Currency wise analysis of deposit from customers

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Nepalese Rupee	116,295,589,837	104,667,050,535	116,448,281,859	104,674,334,654
Indian Rupee	-	-	-	-
United State Dollar	1,589,095	737,608	1,589,095	737,608
Great Britain Pound	-	-	-	-
Euro	-	-	-	-
Japanese Yen	-	-	-	-
Chinese Yuan	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>116,297,178,932</b>	<b>104,667,788,144</b>	<b>116,449,870,954</b>	<b>104,675,072,263</b>

The foreign currency deposit is converted to NPR equivalent by using closing rate of the reporting data as per NAS 21.

## 4.20.2: Nature wise segregation of other deposits from customers

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Current Deposits	1,994,698,607	1,722,931,009	2,147,390,629	1,730,215,128
Saving Deposits	26,887,035,181	24,640,067,379	26,887,035,181	24,640,067,379
Fixed Deposits	80,797,845,014	71,728,018,274	80,797,845,014	71,728,018,274
Call Deposits	6,012,427,321	5,959,843,169	6,012,427,321	5,959,843,169
Margin Deposits	118,493,884	89,255,053	118,493,884	89,255,053
Accrued Interest Payable	486,678,925	527,673,260	486,678,925	527,673,260.42
<b>Total</b>	<b>116,297,178,932</b>	<b>104,667,788,144</b>	<b>116,449,870,954</b>	<b>104,675,072,263</b>

## Borrowings

Note 4.21

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Domestic Borrowing</b>				
Nepal Government	18,750,000	25,016,438	18,750,000	25,016,438
Other Institutions	-	-	-	-
Other	-	-	-	-
Sub total	18,750,000	25,016,438	18,750,000	25,016,438
<b>Foreign Borrowing</b>				
Foreign Bank and Financial Institutions	-	-	-	-
Multilateral Development Banks	-	-	-	-
Other Institutions	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>18,750,000</b>	<b>25,016,438</b>	<b>18,750,000</b>	<b>25,016,438</b>



The borrowing includes the amount received from Nepal Government, Ministry of Youth and Sports as the refinancing for the concessional rate loan to be provided by the Bank to deprived community engaged in agriculture, animal husbandry, small and micro enterprises and other income generating activities. The outstanding amount as on year end amounts to 18,750,000.

## Provisions

Note 4.22

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Provisions for redundancy	-	-	-	-
Provision for restructuring	-	-	-	-
Pending legal issues and tax litigation	14,806,030	3,506,030	14,806,030	3,506,030
Onerous contracts	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>14,806,030</b>	<b>3,506,030</b>	<b>14,806,030</b>	<b>3,506,030</b>

The provisions have been made on account of litigation disclosed in Note 4.28.5.

### 4.22.1: Movement in provision

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Balance at 1st Shrawan</b>	<b>3,506,030</b>	<b>3,732,070</b>	<b>3,506,030</b>	<b>3,732,070</b>
Provisions made during the year	11,300,000	-	11,300,000	-
Provisions used during the year	-	-	-	-
Provisions reversed during the year	-	(226,040)	-	(226,040)
Unwind of discount	-	-	-	-
<b>Balance at Asar end</b>	<b>14,806,030</b>	<b>3,506,030</b>	<b>14,806,030</b>	<b>3,506,030</b>

## Other Liabilities

Note 4.23

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Liability for employees Defined Benefit Obligations	111,959,353	131,367,890	111,959,353	131,367,890
Liability for long-service leave	49,671,029	18,538,358	48,089,351	17,332,554
Short-term employee benefits	702,907	689,109	589,202	426,405
Bills Payable	1,503,768	1,539,036	1,503,768	1,539,036
Creditors and Accruals	116,078,635	24,177,811	9,609,297	14,050,154
Interest payable on Deposit	-	-	-	-
Interest payable on Borrowing	-	-	-	-
Liabilities on Deferred Grant Income	-	-	-	-
Unpaid Dividend	1,124,484	17,722,663	1,124,484	17,722,663
Liabilities under Finance Lease	-	-	-	-
Employee Bonus Payable	205,421,968	214,996,929	201,577,487	214,996,929
Other	-	-	-	-
- Customer Protection Fund (Refer Notes)	554,339,630	555,198,603	554,339,630	555,198,603
- TDS Payable	98,598,986	102,722,046	98,351,655	102,002,712
- Lease Liability under NFRS 16	905,399,368	897,543,126	897,715,753	889,219,312
- Lease Liability under Operating Lease (NAS 17)	-	-	-	-
- Interest Payable on Debenture	55,726,898	54,995,504	55,726,898	54,995,504
- Others	330,410,946	289,785,089	321,795,057	274,677,897
<b>Total</b>	<b>2,430,937,973</b>	<b>2,309,276,165</b>	<b>2,302,381,934</b>	<b>2,273,529,660</b>

Liabilities relating to employees benefits like liabilities for defined benefit obligation gratuity and pension fund, liabilities for long-service leave, short-term employee benefits etc., Creditors and accruals, unearned income, unpaid dividend etc. are presented under this account head of other liabilities.



#### 4.23.1: Defined benefit obligations

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

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Present value of unfunded obligations	160,048,704	148,700,444	160,048,704	148,700,444
Present value of funded obligations	16,609,896	21,907,681	16,609,896	21,907,681
Total present value of obligations	176,658,600	170,608,125	176,658,600	170,608,125
Fair value of plan assets	16,609,896	21,907,681	16,609,896	21,907,681
Present value of net obligations	160,048,704	148,700,444	160,048,704	148,700,444
Recognised liability for defined benefit obligations	160,048,704	148,700,444	160,048,704	148,700,444

#### 4.23.2: Plan assets

Plan assets comprise :

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Equity securities	-	-	-	-
Government bonds	-	-	-	-
Bank deposit	-	-	-	-
Other	16,609,896	21,907,681	16,609,896	21,907,681
<b>Total</b>	<b>16,609,896</b>	<b>21,907,681</b>	<b>16,609,896</b>	<b>21,907,681</b>
Actual return on plan assets				

#### 4.23.3: Movement in the present value of defined benefit obligations

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Defined benefit obligations at Shrawan 1	170,608,125	123,962,522	170,608,125	123,962,522
Actuarial losses	(40,588,494)	2,747,685	(40,588,494)	2,747,685
Benefits paid by the plan	(16,560,516)	(6,965,619)	(16,560,516)	(6,965,619)
Current service costs and interest	63,199,485	50,863,537	63,199,485	50,863,537
<b>Defined benefit obligations at Asar end</b>	<b>176,658,600</b>	<b>170,608,125</b>	<b>176,658,600</b>	<b>170,608,125</b>

#### 4.23.4: Movement in the fair value of plan assets

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Fair value of plan assets at Shrawan 1	21,907,681	23,885,092	21,907,681	23,885,092
Adjustment to Opening Fund	3,492,417	1,261,119	3,492,417	1,261,119
Contributions paid into the plan	-	-	-	-
Benefits paid during the year	(14,651,972)	(5,081,011)	(14,651,972)	(5,081,011)
Actuarial (losses) gains	-	-	-	-
Expected return on plan assets	5,861,770	1,842,481	5,861,770	1,842,481
<b>Fair value of plan assets at Asar end</b>	<b>16,609,896</b>	<b>21,907,681</b>	<b>16,609,896</b>	<b>21,907,681</b>

#### 4.23.5: Amount recognised in profit or loss

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Current service costs	48,133,072	40,020,363	48,133,072	40,020,363
Interest on obligation	13,226,616	8,808,661	13,226,616	8,808,661
Expected return on plan assets	11,053,146	(10,740,775)	11,053,146	(10,740,775)
<b>Total</b>	<b>72,412,834</b>	<b>38,088,249</b>	<b>72,412,834</b>	<b>38,088,249</b>

#### 4.23.6: Amount recognised in other comprehensive income

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Actuarial (gain)/loss	(55,663,614)	13,680,493	(55,663,614)	13,680,493
<b>Total</b>	<b>(55,663,614)</b>	<b>13,680,493</b>	<b>(55,663,614)</b>	<b>13,680,493</b>

#### 4.23.7: Actuarial assumptions

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Discount rate	9.50%	9.00%	9.50%	9.00%
Expected return on plan asset	9.00%	9.00%	9.00%	9.00%
Future salary increase	4.00%	5.00%	4.00%	5.00%
Withdrawal rate	2.00%	3.00%	2.00%	3.00%

#### 4.23.8 Disclosure of Customer Protection Fund

Customer Protection Fund is established with a aim to provide the relief and work for the welfare to the customers availing non collateral based lending facilities from the Bank under the microfinance model with following salient features:

- The clients may make the voluntary payment of 1% of the credit facilities availed to avail the facility of the this fund.
- The objective of the fund is :
  - to provide the financial relief to the customers in the inevitable circumstances from waiving off the loans to providing the financial support;
  - to improve the socio economic status of the customers with the skills development program and
  - to conduct various financial literacy programs to the backward community.”
- The separate committee under the coordination of the Chief Executive Officer has been formed for the operation and monitoring of the fund.

The movement to/from the fund during the year is as follows:

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Opening Balance of the fund	555,198,603	505,285,230	555,198,603	505,285,230
Add: Contribution from the fund	22,889,652	89,939,561	22,889,652	89,939,561
Less: Withdrawal from the fund	(23,748,625)	(40,026,188)	(23,748,625)	(40,026,188)
<b>Closing Balance of the fund</b>	<b>554,339,630</b>	<b>555,198,603</b>	<b>554,339,630</b>	<b>555,198,603</b>

#### Debt Securities Issued

Note 4.24

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Debt securities issued designated as at fair value through profit or loss	-	-	-	-
Debt securities issued at amortised cost	1,246,917,782	1,246,489,292	1,246,917,782	1,246,489,291
<b>Total</b>	<b>1,246,917,782</b>	<b>1,246,489,292</b>	<b>1,246,917,782</b>	<b>1,246,489,291</b>

#### Subordinated Liabilities

Note 4.25

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Redeemable preference shares	-	-	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Share Capital**
**Note 4.26**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Ordinary shares	6,420,900,273	5,657,180,857	6,420,900,273	5,657,180,857
Convertible preference shares (equity component only)	-	-	-	-
Irredeemable preference shares (equity component only)	-	-	-	-
Perpetual debt (equity component only)	-	-	-	-
<b>Total</b>	<b>6,420,900,273</b>	<b>5,657,180,857</b>	<b>6,420,900,273</b>	<b>5,657,180,857</b>

**4.26.1: Ordinary shares**

Particulars	Bank	
	31st Asar 2080	32nd Asar 2079
<b>Authorized Capital</b> 80,000,000 Ordinary share of Rs. 100 each (Previous year : 80,000,000 Ordinary Shares of 100 each)	8,000,000,000	8,000,000,000
<b>Issued capital</b> 64,209,003 Ordinary share of Rs. 100 each (Previous year : 56,571,809 Ordinary Shares of 100 each)	6,420,900,273	5,657,180,857
<b>Subscribed and paid up capital</b> 64,209,003 Ordinary share of Rs. 100 each (Previous year : 56,571,809 Ordinary Shares of 100 each)	6,420,900,273	5,657,180,857
<b>Total</b>	<b>6,420,900,273</b>	<b>5,657,180,857</b>

The reconciliation of the number of share outstanding and the amount of share capital as at 31st Asar 2080 and 32nd Asar 2079 is as follows:

Particulars	31st Asar 2080		32nd Asar 2079	
	Numbers	Amount	Numbers	Amount
Number/ Amount of shares outstanding at the beginning of the period	56,571,809	5,657,180,857	48,115,508	4,811,550,803
Add: Bonus shares issued	7,637,194	763,719,416	8,456,301	845,630,054
Add: Right share issued	-	-	-	-
Add/(Less): Others adjustments	-	-	-	-
<b>Number/ Amount of share at the end of the period</b>	<b>64,209,003</b>	<b>6,420,900,273</b>	<b>56,571,809</b>	<b>5,657,180,857</b>

**4.26.2: Ordinary share ownership**

Particulars	31st Asar 2080		32nd Asar 2079	
	Numbers	Amount	Numbers	Amount
Domestic ownership				
Nepal Government	-	-	-	-
"A" Class Licensed Institutions	-	-	-	-
Other Licensed Institutions	-	-	-	-
Other Institutions	1.81%	115,926,850	2.69%	152,170,745
Public	98.19%	6,304,973,423	97.31%	5,505,010,112
Other	-	-	-	-
Foreign Ownership	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>6,420,900,273</b>	<b>100.00%</b>	<b>5,657,180,857</b>

#### 4.26.3: List of principle shareholders holding 0.5% or more share of the total share of the bank

Name	Nos. of Shares	% of Holding
1. Krishna Man Shrestha	1,367,864	2.13%
2. Tulasi Ram Dhakal	1,337,202	2.08%
3. Min Prasad Gurung	1,291,542	2.01%
4. Bharat Raj Dhakal	1,003,139	1.56%
5. Jagat Bandhu Aryal	897,910	1.40%
6. Khim Prakash Malla	891,448	1.39%
7. Hari Bahadur Gurung	883,950	1.38%
8. Gobind Gurung	863,057	1.34%
9. Narayan Kumar Shrestha	826,464	1.29%
10. Shanta Sharma	740,247	1.15%
11. Khagendra Raj Regmi	712,484	1.11%
12. Dil Kumari Regmi	629,641	0.98%
13. Sumit Kumar Agarwal	621,586	0.97%
14. Sashikant Agrawal	599,438	0.93%
15. Prakash Prasad Shrestha	583,679	0.91%
16. Gajendra Man Shrestha	582,764	0.91%
17. Bharat Prasad Lamsal	472,263	0.74%
18. Sandhya Poudel	453,721	0.71%
19. Naresh Kumar Sharma Pokhrel	424,826	0.66%
20. Sher Bahadur Rana	405,098	0.63%
21. Rama Devi Sharma	405,031	0.63%
22. Rudra Bahadur B K	402,029	0.63%
23. Bimala Sharma Pokhrel	381,606	0.59%
24. Shiba Kumar Adhikari	366,098	0.57%
25. Narayan Prasad Sharma	359,661	0.56%
26. Sitaram Kaphle	342,848	0.53%
27. Punya Prasad Pokharel	322,771	0.50%

#### Reserves

Note 4.27

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Statutory General Reserve	1,481,105,767	1,229,606,288	1,477,131,305	1,227,188,288
Exchange Equilisation Reserve	2,613,952	1,916,932	2,613,952	1,916,932
Corporate Social Responsibility Reserve	14,055,925	14,066,185	13,814,579	13,955,383
Capital Redemption Reserve	-	-	-	-
Regulatory Reserve	665,751,880	342,160,759	665,751,880	342,160,759
Investment Adjustment Reserve	50,000,000	50,000,000	50,000,000	50,000,000
Capital Reserve	-	-	-	-
Assets Revaluation Reserve	-	-	-	-
Fair Value Reserve	(9,076,882)	(42,710,590)	(9,633,757)	(47,617,146)
Dividend Equalisation Reserve	-	-	-	-
Debenture Redemption Reserve	-	-	-	-
Actuarial Gain	51,418,912	12,454,382	51,418,912	12,454,382
Special Reserve	-	-	-	-
Staff Skill Development Fund	17,123,114	13,829,392	17,123,114	13,829,392
Other Reserve	-	-	-	-
<b>Total</b>	<b>2,272,992,668</b>	<b>1,621,323,346</b>	<b>2,268,219,984</b>	<b>1,613,887,989</b>

The brief description of the reserves are as follows:

### Statutory General Reserve

Pursuant to Section 44 of the Bank and Financial Institution Act, 2073 banks and financial institutions are required to allocate 20% of the net profits of each fiscal year to the general reserve until the reserve is twice the paid up capital and thereafter minimum 10% of the net profit as this reserve being made pursuant to the statute, is not available for distribution. In line with the legal requirement the Bank has appropriated following amount in the Statutory General Reserves:

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Statutory General Reserves	1,227,188,288	955,252,321
20% of Net Profit appropriated as per BAFIA	249,943,017	271,935,967
<b>Closing Balance of Statutory General Reserves</b>	<b>1,477,131,305</b>	<b>1,227,188,288</b>

### Exchange Equilisation Reserve

Section 45 of the Bank and Financial Institution Act, 2073 requires every banks and financial institutions to set aside the 25% of the of the revaluation profits earned as a result of fluctuations in the exchange rates of foreign currencies, other than the Indian currency. Following is the movement of Exchange Equilisation Reserves:

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Exchange Equilisation Reserve	1,916,932	1,916,932
25% of revaluation gain appropriated as per BAFIA	697,020	-
<b>Closing Balance of Exchange Equilisation Reserve</b>	<b>2,613,952</b>	<b>1,916,932</b>

### Corporate Social Responsibility Reserve

NRB Directive 6 requires BFIs to create Corporate Social Responsibility Fund and appropriate an amount equivalent to 1% of net profit annually into this fund for covering expenditure related to CSR activities in the subsequent year. Accordingly, the bank has allocated the amount of NPR 12,482,263 to corporate social responsibility reserves for this year.

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Corporate Social Responsibility Reserve	13,955,383	11,564,351
1% of net profit appropriated as per NRB Unified Directives	12,482,263	13,418,053
Less: CSR expenses during the year	(12,623,067)	(11,027,021)
<b>Closing Balance of Corporate Social Responsibility Reserve</b>	<b>13,814,579</b>	<b>13,955,383</b>

### Regulatory Reserve

Regulatory Reserve is the statutory reserve made as per Directive No. 4 of the Nepal Rastra Bank. The regulatory reserve comprise of the interest income recognized against interest receivables, difference in loan loss provision as per NRB directive and impairment on loan and advance as per NFRS, amount equal to deferred tax assets, actuarial loss recognized in other comprehensive income, difference in provision on investment securities as per Directive No.8 and as per NFRS, amount of the non banking assets recognised and other adjustment occurred as a result of NFRS conversion.

The movement in Regulatory Reserves is as follows:

Particulars	31st Asar 2080	32nd Asar 2079	31st Asar 2078
Opening Balance of Regulatory Reserves	342,160,759	119,980,792	86,274,161
Interest Receivable on Loans and Advances	240,172,918	104,968,201	38,779,869
Change in Fair value on equity instrument	(37,983,389)	47,617,146	(14,790,600)
Deferred Tax Assets	(7,767,264)	37,432,584	9,717,362
Non Banking Assets	129,168,856	32,162,036	-
<b>Closing Balance of Regulatory Reserves</b>	<b>665,751,880</b>	<b>342,160,759</b>	<b>119,980,792</b>

The component wise break-up of the regulatory reserve is as follows:

Particulars	Interest Receivable	Fair Value Loss recognised in OCI	Deferred Tax Assets	NBA	Total
Balance as on Asar 31st, 2076	21,876,083	53,867,602	39,066,937	-	114,810,622
Addition during the year FY 2076-77	4,306,836	(39,077,002)	6,233,705	-	(28,536,461)
Balance as on Asar 31st, 2077	26,182,919	14,790,600	45,300,643	-	86,274,161
Addition during the year FY 2077-78	38,779,869	(14,790,600)	9,717,362	-	33,706,631
Balance as on Asar 31st, 2078	64,962,788	-	55,018,004	-	119,980,792
Addition during the year FY 2078-79	104,968,201	47,617,146	37,432,584	32,162,036	222,179,967
Balance as on Asar 32nd, 2079	169,930,989	47,617,146	92,450,588	32,162,036	342,160,759
Addition during the year FY 2079-80	240,172,918	(37,983,389)	(7,767,264)	129,168,856	323,591,121
Balance as on Asar 31st, 2080	410,103,907	9,633,757	84,683,324	161,330,892	665,751,880



### Investment Adjustment Reserve

Directive No. 8 of Nepal Rastra Bank's Unified Directives requires, the Bank has to create the investment reserve of an amount equivalent to the investment in the equity shares if the shares remained unquoted for 3 years from the date of investment Accordingly, the bank had created the reserve amounting to NPR 50,000,000 against the investment in following company.

Particulars	31st Asar 2080	32nd Asar 2079
Muktinath Krishi Company Limited	50,000,000	50,000,000
<b>Closing Balance of Investment Adjustment Reserves</b>	<b>50,000,000</b>	<b>50,000,000</b>

### Fair Value Reserve

The fair value reserve is created as the part of the compliance of NFRS which comprise of the amount resulting from the fair value recognition of the investment securities which are carried through the other comprehensive income.

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Fair Value Reserve	(47,617,146)	12,952,121
Appropriations during the year	37,983,389	(60,569,267)
<b>Closing Balance of Fair Value Reserves</b>	<b>(9,633,757)</b>	<b>(47,617,146)</b>

Fair value reserves comprise of :

Particulars	31st Asar 2080	32nd Asar 2079
Fair Value Reserve created as a result of change in fair value of instruments routed through OCI	(9,633,757)	(47,617,146)
Fair Value Reserve created as a result of the application of equity method of accounting of Associates	-	-
<b>Closing Balance of Fair Value Reserves</b>	<b>(9,633,757)</b>	<b>(47,617,146)</b>

### Debenture Redemption Reserve

The bank has issued debentures worth Rs. 1.25 billion having the maturity of 7 years during financial year 2078/79. NRB Directive 16 requires the bank to create the Debenture redemption reserve on all the years till maturity of debenture on proportionate basis except for the year of issue and redemption of debenture (i.e. from FY 2079/80 to FY 2084/85). However, the Directive offers the relaxation in this regard with banks and financial institutions meeting the minimum capital requirement and having maturity period of debenture more than 5 years may not allocate the amount to debenture redemption reserve for the distribution of bonus shares for particular fiscal year and needs to allocate the amount to other remaining years proportionately. Accordingly, the bank has not allocated the amount to debenture redemption reserve for FY 2079/80 for the purpose of distribution of bonus shares.

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Debenture Redemption Reserve	-	-
Appropriations during the year	-	-
<b>Closing Balance of Debenture Redemption Reserve</b>	<b>-</b>	<b>-</b>

### Actuarial Gain

Actuarial Gain reserve is created for the actuarial valuation of gratuity benefit to the employee of the Bank.

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Actuarial Gain	12,454,382	22,030,727
Actuarial gain/(loss) on employee's defined benefit obligation valuation	38,964,530	(9,576,345)
<b>Closing Balance of Actuarial Gain</b>	<b>51,418,912</b>	<b>12,454,382</b>

### Staff Skill Development Fund

Nepal Rastra Bank Directive No. 6, requires the Bank and Financial Institutions to spend at least 3% of the previous year's salary and allowance for the training and skill development of the employees. Any unspent amount shall be appropriated to the reserves and carried forward till the year it is spent.

Particulars	31st Asar 2080	32nd Asar 2079
Opening Balance of Staff Skill Development Fund	13,829,392	-
Less: Expense made from this reserves	-	-
Add: This year additions to reserves	3,293,722	13,829,392
<b>Closing Balance of Staff Skill Development Fund</b>	<b>17,123,114</b>	<b>13,829,392</b>

**Contingent liabilities and commitments****Note 4.28**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Contingent liabilities	917,985,627	766,131,276	917,985,627	766,131,276
Undrawn and undisbursed facilities	2,425,708,747	3,322,229,327	2,425,708,747	3,322,229,327
Capital commitment	-	-	-	-
Lease Commitment	-	-	-	-
Litigation	-	-	-	-
<b>Total</b>	<b>3,343,694,374</b>	<b>4,088,360,603</b>	<b>3,343,694,374</b>	<b>4,088,360,603</b>

**4.28.1: Contingent Liabilities**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Acceptance and documentary credit	226,989,890	103,511,603	226,989,890	103,511,603
Bills for collection	-	-	-	-
Forward exchange contracts	-	-	-	-
Guarantees	690,995,737	662,619,673	690,995,737	662,619,673
Underwriting commitment	-	-	-	-
Other commitments	-	-	-	-
<b>Total</b>	<b>917,985,627</b>	<b>766,131,276</b>	<b>917,985,627</b>	<b>766,131,276</b>

**4.28.2: Undrawn and undisbursed facilities**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Undisbursed amount of loans	787,050,000	1,143,632,800	787,050,000	1,143,632,800
Undrawn limits of overdrafts	1,638,658,747	2,178,596,527	1,638,658,747	2,178,596,527
Undrawn limits of credit cards	-	-	-	-
Undrawn limits of letter of credit	-	-	-	-
Undrawn limits of guarantee	-	-	-	-
<b>Total</b>	<b>2,425,708,747</b>	<b>3,322,229,327</b>	<b>2,425,708,747</b>	<b>3,322,229,327</b>

**4.28.3: Capital commitments**

Capital expenditure approved by relevant authority of the bank but provision has not been made in financial statements is as follows:

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
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>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 4.28.4: Disclosure pursuant to NFRS 16, Leases

The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date. The right-of-use asset is subsequently depreciated using the straight-line method .

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted the Bank's incremental borrowing rate.

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>a. Maturity analysis - contractual undiscounted cash flows</b>				
Upto one Year	180,388,073	149,863,236	180,388,073	149,863,236
More than one year to five Years	916,483,332	691,834,096	916,483,332	691,834,096
More than five years	366,474,537	593,253,974	366,474,537	593,253,974
<b>Total Undiscounted cash flows as at year end</b>	<b>1,463,345,942</b>	<b>1,434,951,305</b>	<b>1,463,345,942</b>	<b>1,434,951,305</b>
<b>b. Lease Liabilities included in the statement of financial position</b>				
Current	153,765,502	142,068,037	152,070,728	142,068,037
Non current	751,633,867	755,475,090	745,645,024	747,151,275
<b>Total Lease Liability</b>	<b>905,399,368</b>	<b>897,543,126</b>	<b>897,715,753</b>	<b>889,219,312</b>
<b>c. Reconciliation of Right To Use Assets</b>				
<b>Right To Use Assets</b>				
Right of Use as of 1st Shrawan	880,591,384	692,922,001	871,926,341	692,922,001
Addition during the year	107,931,313	269,660,775	107,140,757	258,270,372
Disposal during the year	(28,815,338)	-	(28,815,338)	-
Depreciation	(87,643,491)	(81,991,392)	(85,574,851)	(79,266,031)
<b>Closing Balance</b>	<b>872,063,868</b>	<b>880,591,384</b>	<b>864,676,909</b>	<b>871,926,341</b>
<b>d. Reconciliation of Lease Liabilities</b>				
Opening Lease Liabilities 1st Shrawan	897,543,126	692,922,001	889,219,312	692,922,001
Addition during the year	107,140,757	272,890,016	107,140,757	258,270,372
Disposal during the year	(26,437,804)	-	(26,437,804)	-
Interest	93,325,392	88,233,135	92,336,600	87,890,175
<b>Closing Balance</b>	<b>905,399,368</b>	<b>897,543,126</b>	<b>897,715,753</b>	<b>889,219,312</b>
<b>e. Discount Rate</b>	<b>9.52%</b>	<b>9.24%</b>	<b>9.52%</b>	<b>9.24%</b>
<b>f. Actual Rental Paid during the year</b>	<b>195,483,455</b>	<b>170,373,956</b>	<b>193,060,171</b>	<b>167,186,076</b>

#### 4.28.5: Litigation

- The Bank has filed the case against the suspended staffs for the misappropriation of the bank's funds by creating the fictitious borrowers. The district court has given its decision in favor of the bank and ordered the defendants to return the misappropriated funds. The defendants have further appealed to the High Court against the decision of the district court which is again decided in favour of bank. The provision of NPR 3,732,070 has been made for the possible liabilities at the initial year of the dispute itself and NPR 3,506,030 has remained outstanding as on year end.
- The Bank has initiated the legal proceedings against the non recoverability of the amount transferred erroneously to the defedants accounts maintained with other Banks of NPR 11.3 Million due to technical error in electronic cheque clearing system at the Kathmandu District Court. In this regards, the Kathmandu District Court has issued an order to defendent bank to withhold the amount until the final decision. The case is now sub-judice under Kathmandu District Court. Considering the contingency in the recoverability of amount under litigation, the Bank has made provision of NPR 11.3 million.

The Bank does not have any other litigation except the cases in ordinary course of business. The Bank does not anticipate any financial liability in these pending lawsuits.



## Interest Income

Note 4.29

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Cash and Cash Equivalent	89,395,974	80,391,745	89,395,974	80,391,745
Due from Nepal Rastra Bank	-	395,452	-	395,452
Placement with Bank and Financial Institutions	-	-	-	-
Loan and Advances to Bank and Financial Institutions	451,065,849	308,783,185	451,065,849	308,783,185
Loans and Advances to Customers	13,560,869,165	10,352,658,711	13,560,869,165	10,352,658,711
Investment Securities	1,268,310,157	731,365,106	1,238,590,118	726,619,467
Loan and advances to Staff	135,315,207	94,367,738	135,315,207	94,367,738
Other Interest Income	-	-	-	-
<b>Total</b>	<b>15,504,956,352</b>	<b>11,567,961,936</b>	<b>15,475,236,312</b>	<b>11,563,216,298</b>

Refer Note 13(a) for interest income recognition criterion.

## Interest Expense

Note 4.30

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Due to Bank and Financial Institutions	32,510,776	10,454,332	32,510,776	10,454,332
Due to Nepal Rastra Bank	84,150,056	98,481,567	84,150,056	98,481,567
Deposits from Customers	11,043,675,458	7,932,103,346	11,051,331,204	7,932,604,412
Borrowing	1,438,718	16,438	1,438,718	16,438
Debt Securities Issued	109,374,998	103,989,998	109,374,998	103,989,998
Subordinated Liabilities	-	-	-	-
Other Charges - Interest under NFRS 16	93,325,392	87,890,175	92,336,600	87,890,175
<b>Total</b>	<b>11,364,475,399</b>	<b>8,232,935,856</b>	<b>11,371,142,353</b>	<b>8,233,436,921</b>

## Fees and Commission Income

Note 4.31

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Loan Administration Fees	351,592,480	331,647,191	351,592,480	331,647,191
Service Fees	161,939,019	92,465,556	161,939,019	92,465,556
Consortium Fees	-	3,665,299	-	3,665,299
Commitment Fees	390,401	463,499	390,401	463,499
DD/TT/Swift Fees	38,000	123,112	38,000	123,112
Credit Card/ATM Issuance and Renewal Fees	32,354,568	23,633,436	32,354,568	23,633,436
Prepayment and Swap Fees	8,993,149	11,282,089	8,993,149	11,282,089
Investment Banking Fees	789,051	797,120	-	-
Asset Management Fees	2,997,049	12,613,124	-	-
Brokerage Fees	-	-	-	-
Remittance Fees	19,912,560	18,639,935	19,912,560	18,639,935
Commission on Letter Of Credit	1,923,289	852,994	1,923,289	852,994
Commission on Guarantee Contracts Issued	10,918,006	11,328,185	10,918,006	11,328,185
Commission on Share Underwriting/Issue	4,699,729	-	-	-
Locker Rental	669,000	611,250	669,000	611,250
Other Fees and Commission Income	30,931,918	26,100,324	4,164,971	2,780,718
<b>Total</b>	<b>628,148,220</b>	<b>534,223,114</b>	<b>592,895,444</b>	<b>497,493,264</b>

## Fees and Commission Expense

Note 4.32

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
ATM Management Fees	-	-	-	-
VISA/Master Card Fees	59,645,914	40,415,663	59,645,914	40,415,663
Guarantee Commission	-	-	-	-
Brokerage	-	-	-	-
DD/TT/Swift Fees	-	-	-	-
Remittance Fees and Commission	-	-	-	-
Other Fees and Commission Expense	12,320,233	15,734,055	7,552,705	9,535,866
<b>Total</b>	<b>71,966,148</b>	<b>56,149,718</b>	<b>67,198,619</b>	<b>49,951,529</b>

## Net Trading Income

Note 4.33

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Changes in Fair Value of Trading Assets	30,381,224	(32,193,946)	-	-
Gain/loss on Disposal of Trading Assets	(27,024,759)	3,671,906	-	-
Interest Income on Trading Assets	-	-	-	-
Dividend Income on Trading Assets	-	-	-	-
Gain/loss Foreign Exchange Translation	11,340,911	8,444,762	11,340,911	8,444,762
Other	-	-	-	-
<b>Total</b>	<b>14,697,376</b>	<b>(20,077,278)</b>	<b>11,340,911</b>	<b>8,444,762</b>

Trading income comprises gains less losses relating to trading assets and liabilities, and includes all realized interests, dividends and foreign exchange differences as well as unrealized changes in fair value of trading assets and liabilities are presented under this head.

## Other Operating Income

Note 4.34

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Foreign Exchange Revaluation Gain	2,788,080	(499,069)	2,788,080	(499,069)
Gain/loss on sale of Investment Securities	-	9,678,379	-	9,678,379
Fair value gain/loss on Investment Properties	-	-	-	-
Dividend on Equity Instruments	4,476,490	12,191,363	4,244,224	31,593,805
Gain/loss on sale of Property and Equipment	751,758	1,085,637	794,682	1,085,637
Gain/loss on sale of Investment Property	-	-	-	-
Operating Lease Income	-	-	-	-
Gain/loss on sale of Gold and Silver	-	-	-	-
Other Operating Income	-	-	-	-
- Share of Profit of Associates	2,075,272	(28,535,431)	-	-
- Provision written back	-	226,040	-	226,040
- Grant Income	695,738	1,750,000	695,738	1,750,000
- Other Income	2,897,041	3,043,708	2,897,041	3,043,708
<b>Total</b>	<b>13,684,380</b>	<b>(1,059,372)</b>	<b>11,419,765</b>	<b>46,878,501</b>

## Impairment charge/(reversal) for loans and other losses

Note 4.35

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Impairment charge/(reversal) on Loan and Advances to BFIs	(2,548,932)	(9,878,120)	(2,548,932)	(9,878,120)
Impairment charge/(reversal) on Loan and Advances to Customers	701,224,742	84,590,308	701,224,742	84,590,308
Impairment charge/(reversal) on Financial Investment	-	-	-	-
Impairment charge/(reversal) on Placement with BFIs	-	-	-	-
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>698,675,809</b>	<b>74,712,188</b>	<b>698,675,809</b>	<b>74,712,188</b>

## Personnel Expenses

Note 4.36

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Salary	541,242,256	451,930,404	534,038,809	444,234,087
Allowances	482,320,363	377,130,740	474,569,845	371,039,631
Gratuity Expense	38,333,245	36,811,622	38,333,245	36,811,622
Provident Fund	47,693,996	38,985,482	46,224,507	37,690,988
Uniform	-	16,220,500	-	16,220,500
Training & Development Expense	21,542,099	8,555,676	21,164,489	8,201,596
Leave Encashment	33,517,864	15,931,120	32,754,204	15,242,647
Medical	-	-	-	-
Insurance	9,178,432	6,045,367	8,785,478	6,045,367
Employees Incentive	771,000	5,673,003	771,000	5,673,003
Cash-Settled Share-Based Payments	-	-	-	-
Pension Expense	-	-	-	-
Finance Expense under NFRS	78,669,083	58,260,039	78,669,083	58,260,039
Other Expenses related to Staff	1,702,400	2,369,300	1,702,400	2,369,300
Subtotal	1,254,970,738	1,017,913,253	1,237,013,061	1,001,788,780
Employees Bonus	204,990,777	214,565,739	201,146,297	214,565,739
<b>Grand Total</b>	<b>1,459,961,516</b>	<b>1,232,478,992</b>	<b>1,438,159,358</b>	<b>1,216,354,519</b>

Employees Bonus is provided at 10% of net profit before bonus and taxes as per the requirement of Bonus Act, 2030. Expenses covered under this head include employees' salary, allowances, pension, gratuity, contribution to provident fund, training expenses, uniform expenses, insurance, staff bonus, finance expense under NFRS, cash-settled share-based payments etc. Staff Loans are fair valued using the market rates.

## Other Operating Expenses

Note 4.37

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Directors' Fee	2,139,500	1,870,000	1,729,500	1,585,000
Directors' Expense	1,387,289	1,395,530	1,362,327	1,373,311
Auditors' Remuneration	1,650,720	1,623,330	1,500,000	1,500,000
Other Audit Related Expense	-	13,035	-	13,035
Professional and Legal Expense	2,592,493	1,423,128	2,574,413	1,423,128
Office Administration Expense	403,979,694	361,902,453	399,050,738	360,054,582
Operating Lease Expense	28,517,058	17,665,800	28,517,058	17,322,840
Operating Expense of Investment Properties	-	-	-	-
Corporate Social Responsibility Expense	12,657,780	11,083,176	12,623,067	11,027,021
Onerous Lease Provisions	-	-	-	-
Other	16,534,638	6,684,647	13,677,534	-
<b>Total</b>	<b>469,459,172</b>	<b>403,661,099</b>	<b>461,034,637</b>	<b>394,298,916</b>

All operating expense other than those relating to personnel expense are recognized and presented under this head. The expenses covered under this account head includes office administration expense, other operating and overhead expense, directors' emoluments, remuneration and non audit fee paid to auditors, professional and legal expense, branch closure cost expense, redundancy cost expense, expense of restructuring, impairment of non financial assets, expense of corporate social responsibility, onerous lease provisions etc. Further, the details of the office administration expenses is presented in Note 4.37.1.

## Office Administration Expense

Note 4.37.1

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Water & Electricity	34,288,837	30,710,033	33,744,377	30,710,033
Repair & Maintenance				
(a) Building	7,550	18,110	7,550	18,110
(b) Vehicle	7,423,352	7,168,724	7,423,352	7,168,724
(c) Office Equipment & Furniture	4,832,052	3,955,796	4,453,330	3,955,796
(d) Computer & Accessories	367,601	337,095	367,601	337,095
(e) Others	3,120,542	2,898,742	3,120,542	2,476,893
Insurance	8,834,424	5,271,543	8,790,127	5,271,543
Postage, Telex, Telephone & Fax	55,723,684	51,962,210	55,314,998	51,962,210
Printing, Stationery & Small Purchases	35,276,311	32,418,505	35,061,171	32,418,505
Newspaper, Books and Journals	60,870	36,572	38,470	36,572
Advertisement	9,835,552	9,090,751	9,676,494	9,090,751
Donation	-	-	-	-
Security Expenses	65,233,602	53,911,763	65,024,752	53,650,523
Deposit and Loan Insurance Guarantee Premium	44,294,764	45,335,103	44,294,764	45,335,103
Travel Allowance & Expenses	14,486,709	11,332,887	14,404,152	11,332,887
Entertainment	177,343	-	-	-
Annual/Special General Meeting Expenses	3,039,406	2,585,414	2,988,293	2,585,414
Covid Protection and Prevention	-	-	-	-
Others:				
Business Promotion & Sponsorship	25,130,889	22,867,995	24,821,317	22,867,995
Cleaning & Sanitation	4,543,525	3,758,976	4,543,525	3,758,976
Fuel & Gas	24,277,262	17,044,309	24,170,926	17,044,309
Official Program Expenses	4,876,115	6,131,958	4,876,115	6,131,958
Renewal & Registration	13,287,669	13,328,256	12,184,527	13,212,421
Small Office Utilities	3,897,710	5,113,005	3,897,710	5,113,005
Software Subscription & Support	25,668,932	19,882,442	24,768,722	18,840,997
Share Related Expenses	2,755,856	3,654,876	2,755,856	3,654,876
Tea, Coffee and Snacks	11,219,301	9,447,504	11,219,301	9,447,504
Plant & Property Written Off	746,361	3,156,559	746,361	3,156,559
Other Administrative Expenses	573,473	483,326	356,405	475,825
<b>Total</b>	<b>403,979,694</b>	<b>361,902,453</b>	<b>399,050,738</b>	<b>360,054,582</b>

## Depreciation and Amortisation

Note 4.38

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Depreciation on Property and Equipment	145,982,720	135,958,872	142,933,735	130,865,474
Depreciation on Right To Use Assets	87,664,120	79,266,031	85,574,851	79,266,031
Depreciation on Investment Property	-	-	-	-
Amortisation of Intangible Assets	6,053,074	4,186,402	5,600,294	3,773,772
<b>Total</b>	<b>239,699,913</b>	<b>219,411,305</b>	<b>234,108,880</b>	<b>213,905,277</b>

**Non Operating Income**
**Note 4.39**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Recovery of loan written off	-	-	-	-
Other income	-	-	-	-
<b>Total</b>	-	-	-	-

**Non Operating Expenses**
**Note 4.40**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Loan Written off	10,256,102	2,281,822	10,256,102	2,281,822
Redundancy Provision	-	-	-	-
Expense of Restructuring	-	-	-	-
Other Expense	-	-	-	-
<b>Total</b>	<b>10,256,102</b>	<b>2,281,822</b>	<b>10,256,102</b>	<b>2,281,822</b>

**Income Tax Expenses**
**Note 4.41**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Current tax expense	589,775,311	602,937,303	587,938,885	600,303,236
Current year	577,219,308	601,168,292	575,288,765	598,534,225
Adjustments for prior years	12,556,003	1,769,011	12,650,120	1,769,011
Deferred tax expense	(17,370,062)	(20,417,532)	(25,848,480)	(11,016,873)
Origination and reversal of temporary differences	(17,370,062)	(20,417,532)	(25,848,480)	(11,016,873)
Changes in tax rate	-	-	-	-
Recognition of previously unrecognised tax losses	-	-	-	-
<b>Total income tax expense</b>	<b>572,405,249</b>	<b>582,519,771</b>	<b>562,090,406</b>	<b>589,286,363</b>

**4.41.1: Reconciliation of tax expense and accounting profit**

Particulars	Group		Bank	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Profit before tax	1,846,992,269	1,859,417,420	1,810,316,674	1,931,091,650
Tax amount at tax rate of 30%	554,097,680.67	557,825,226	543,095,002	579,327,495
Add: Tax effect of expenses that are not deductible for tax purpose	23,424,549	46,492,810	31,804,423	25,768,618
Less: Tax effect on exempt income	940,985	3,248,861	248,724	6,561,887
Add/less: Tax effect on other items	638,064	99,117	638,064	-
Total income tax expense	577,219,308	601,168,292	575,288,765	598,534,225
<b>Effective tax rate</b>	<b>31.25%</b>	<b>32.33%</b>	<b>31.78%</b>	<b>30.99%</b>

## Statement of Distributable Profit or Loss

For the year ended 31st Asar 2080 (As per NRB Regulation)

Figures in NPR

Particulars	Bank	
	31st Asar 2080	32nd Asar 2079
<b>Net profit or (loss) as per Statement of Profit or Loss</b>	<b>1,248,226,268</b>	<b>1,341,805,287</b>
Realized gain on sale of equity instruments classified under OCI	1,488,816	3,602,397
<b>Appropriations:</b>		
a. General Reserve	(249,943,017)	(271,935,967)
b. Foreign Exchange Fluctuation Fund	(697,020)	-
c. Capital Redemption Reserve	-	-
d. Corporate Social Responsibility Fund	(12,482,263)	(13,418,053)
e. Staff Skill Development Fund	(3,293,722)	(13,829,392)
f. Other		
- Investment Adjustment Reserve	-	(50,000,000)
- CSR Expenses routed through Statement of Profit & Loss	12,623,067	11,027,021
<b>Profit or (loss) before regulatory adjustment</b>	<b>995,922,130</b>	<b>1,007,251,294</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	(240,172,918)	(104,968,201)
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 (+)	(129,168,856)	(32,162,036)
e. Deferred tax assets recognised (-)/ reversal (+)	7,767,264	(37,432,584)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-)		
- Gains/(losses) from investments in equity instruments	37,983,389	(47,617,146)
<b>Net profit for the year ended available for distribution</b>	<b>672,331,008</b>	<b>785,071,327</b>
<b>Opening Retained Earnings as on Shrawan 1 2079</b>	<b>805,522,228</b>	<b>896,315,651</b>
Adjustment (+/-)	-	14,272,149
<b>Distribution:</b>	<b>(803,915,175)</b>	<b>(890,136,899)</b>
Bonus shares Issued	(763,719,416)	(845,630,054)
Cash dividend paid	(40,195,760)	(44,506,845)
<b>Total Distributable profit or (loss) as on Year end</b>	<b>673,938,061</b>	<b>805,522,228</b>
Annualised Distributable Profit/Loss per share	10.47	13.88

## Note 5

### 5.1 Risk Management

The robust risk management capabilities is imperative in order to achieve an effective risk management framework and contain the risks associated with the business, a fully functional Risk Management Committee is responsible for identifying reporting, controlling and managing credit risk, operational risk, market risk & liquidity risk. The Risk Management Committee oversees global, macro, micro and departmental level risk that arise out of daily business operation as well as on periodic basis and are put to the oversight of Senior Management, Risk Management Committee and the Board committee to discuss the reports thereon and issue instructions as appropriate.

#### Risk Management Committee:

The Risk Management Committee is an independent committee of the Directors that has, as its sole and exclusive function, responsibility for the risk management policies of the Bank and oversight of implementation of risk management framework of Bank. The committee assists the Board of Directors in fulfilling its oversight responsibilities with regard to risk appetite that the Bank is able and willing to assume in its exposures and business activities, risk management, compliance framework, and governance structure that supports it. It periodically reviews the risk management process to ensure its integrity, accuracy, and reasonableness. It also reviews whether the internal control and risk management system is adequate or not to ensure well-ordered and prudent conduct of business. The committee reviews the overall risk management structure and monitor the effectiveness of the risk management system.

#### Risk Governance

The Bank implemented policies and procedures to mitigate the risk at enterprises level arising to the Bank and has trained risk culture among the employees by establishing ownership mentality, capacity building programs, well defined job responsibilities and inhabiting good ethical culture. The Risk Management Committee is responsible for the establishment of, and compliance with, policies relating to Operation risk & Credit risk.

The Bank's risk governance structure is such that the responsibility for maintaining risk within the Banks risk blanket is dropped down from the Board to the appropriate functional, client business, senior management and committees. The Board has set policies and procedures of risk identification, risk evaluation, risk mitigation, and control/ monitoring in line with NRB directives, and has effectively implemented the same at the Bank. The effectiveness of the Bank's internal control system is reviewed regularly by the Board, its committees, senior management, and internal audit committee.

#### Credit Risk

Credit risk management strategies include effectively managing the risk of financial losses arising out of booking an exposure on counterparty and also ensuring independence of the credit risk function from the origination, trading and sales function. Credit

risk is managed through a defined framework which sets out policies, procedures and standards covering the measurement and management of credit risk. Clear segregation of duties has been established between transaction originator in the business and the approvers in the risk function.

#### Credit Risk Mitigation (CRM)

The Bank follows the well defined procedures to manage and mitigate the credit related risk at the various level:

- » The credit applications are initially reviewed at the branch where the branch assess the credit worthiness of the proposed borrower and the quality of the security offered.
- » As a second level of defense the Business Development Officers have been appointed at the regional level to independently oversee whether the proceeding of the loan approval, creditworthiness and collateral offered complies with the Bank's and central Bank's norms.
- » The credit proposal, if exceeds the prescribed threshold are then reviewed by the Risk Management Department which evaluates the underlying risk of the proposal and decides whether the proposal is within the risk appetite of the Bank. This department is independent of the business unit and reports directly to the Board level committee, Risk Management Committee.
- » After due review and identification of the underlying risk by the Integrated Risk Management Department, the proposal passes through different approving authorities depending upon the type of the proposal(funded or unfunded), level of underlying risk and amount of the proposal.
- » Once the proposal is approved by the prescribed approving authority, the execution of security documents, post approval proceeding are initiated and completed at the branch level. The Credit Administration Department reviews the security documents to ensure compliance with the Bank's and Central Bank's norms before disbursement of the credit facilities.
- » As a measure to mitigate the risk after disbursal, the Bank monitors and reviews on quarterly to annual basis depending upon the type of the facilities. The separate Enforcement Unit under the Risk Management Department has been stabilised to check the post disbursal compliances. The level of risk and early warning signals (EWS) are identified on every review and necessary actions are taken if required.
- » The internal audit function of the Bank on the periodic basis independently observes the compliance and the status of the borrowers and recommends the management with the best practices that has to be adopted. The internal audit department directly reports the Audit Committee which is a board level committee.
- » On the portfolio level, the Bank's risk management strategies includes diversifying the borrowing pool, risk based pricing, establishing the suitable exposure limits for borrowers and group of borrowers to ensure the risk exposure is under the risk appetite expressed by the Risk Management Policy of the Bank.

### Operational Risk

Operational risk stems from the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk is recognized as a separate risk category which the Bank manages through Risk Management Policy approved by the Board. The primary oversight body for the management of operational risk is the Risk Management Committee. The Bank has also in place the dedicated Integrated Risk Management Department for monitoring and reporting the operational risk faced by the Bank. The Bank have "Operational Risk Monitoring & Reporting Framework 2079" to identify and mitigate the operational risk at Bank as a whole, implementing control points and creating measures for any hostile circumstances.

Risk management generally encompasses the process of identifying risks to the Bank, measuring exposures to those risks, ensuring that the risk is below the risk appetite of the Bank and monitoring program is in place, monitoring risk exposures and corresponding capital needs on an ongoing basis, taking steps to control or mitigate risk exposures and reporting to Risk Management Committee and the Board on the Bank's risk exposures and capital positions. Internal controls are typically embedded in a Bank's day-to-day business and are designed to ensure, to the extent possible, that Bank activities are efficient and effective, information is reliable, timely and complete and the Bank is compliant with applicable laws and regulation.

Risk	Potential Risk	Risk Mitigants
Internal Process Risks	Overriding the implemented standard operating procedures and processes.	The Bank has implemented the well defined set of polices and processes for the execution of the every type of task in branch and department The compliance to the same is examined by Internal Audit Department on an ongoing basis.
People Risks	Untrained or underdeveloped staffs	Ensure employees are well trained on the basis of their functions.
	Poor HR management	Ensuring right and adequate staff at the right place.
	Fraud and Misappropriations	Regular internal check and reconciliations.
	Absenteeism and late attendance	Checked through the implementation of bio metric attendance device and human resource software.
"Information System Risks"	Attrition Risk	Formal process are in place for succession planning. Further the various staffs facilities have been extended to the employees to retain, motivate and reduce the attrition risks.
	Physical Threats	CCTV, access door, panic alarm is placed in various places.
	Cyber Attacks	Use of firewall, antivirus, other software and regular monitoring.
	Infrastructure failures	Separate disaster recovery site (near site and far site) has been set up.
	Loss of Data	Data back up is kept on regular basis.
The Bank has in place the "Business Continuity and Disaster Recovery Policy" which set outs the contingency and alternative plans in case system failure due to external and internal events and ensure minimum down time. The Bank's systems is regularly updated to keep pace with information requirement		
Compliance Risks	Breach of laws and regulations.	To ensure the compliance with all regulatory requirements including reporting impact of regulatory changes separate Compliance Department has been set up.
External Events	Theft or Destruction of Bank's Assets	Physical security of the Bank is under 24 hour surveillance both vide CCTV and security guard.
	Natural Disaster Risk	"Business Continuity and Disaster Recovery Policy" are followed in case of the unfavourable circumstances due to natural disasters.

### Market Risk

Market risk refers to the risk to a Bank resulting from movements in market prices, in particular, changes in interest rates, foreign exchange rates, and equity and commodity prices. The main market risk factors include interest rates, foreign exchange rates and other market benchmarks. The main objective is to manage and control market risk exposures within acceptable levels in line with the Bank's risk appetite. The risks subject to this requirement are as follows:

The Bank has developed a comprehensive framework for market risk management which includes limits, KRIs and risk management tools. Moreover, the Bank conducts stress testing and sensitivity analysis to review the Bank's performance under

various stress conditions. The Treasury Department and the Chief Financial Officer monitors the asset and liability positions under the supervision of ALCO.

The Bank recognizes market risk as the possibility for loss of earnings or economic value to the Bank caused due to adverse changes in the market level of interest rates or prices of securities (equity), foreign exchange rates and volatilities of those prices. Bank has an Asset Liability Management Committee (ALCO) which meets periodically to discuss product pricing for deposits and advances and maturity profiles of assets and liabilities, articulating interest rate, view of Bank, funding policy, transfer pricing policy and balance sheet management



## Liquidity Risk

Liquidity risk is the risk that a company or Bank may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due, as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for liquid asset positions is not available to the Bank on acceptable terms.

The Bank measures the liquidity by the various financial ratios. The favourable liquidity ratios are the outcome of the effective

liquidity management policies of the Bank. The Bank monitor these ratios closely and determine whether the liquidity management strategies and policies adopted by are appropriate in circumstances. These ratios also function to fill the void that may exists between the changing economic environment vis-à-vis the Bank liquidity management policies. The liquidity risk is daily monitored by the Treasury Department and the liquidity ratio is also maintained above the regulatory requirement

The following table depicts the maturity profile of the assets and liabilities as at the closing date which is closely monitored to determine the liquidity level:

Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
<b>Assets</b>						
Cash and Cash Equivalent	5,268,540	-	-	-	-	5,268,540
Due from Nepal Rastra Bank	3,732,132	-	-	-	-	3,732,132
Loans and Advances	9,477,843	5,511,480	5,513,431	3,111,526	73,379,125	96,993,405
Investment Securities	-	-	-	-	22,084,609	22,084,609
Current Tax Assets	-	-	-	48,177	-	48,177
Investment in Subsidiaries	-	-	-	-	244,046	244,046
Investment in Associates	-	-	-	-	155,550	155,550
Investment Property	-	-	-	-	256,081	256,081
Property and Equipment	-	-	-	-	1,919,851	1,919,851
Goodwill and Intangible Assets	-	-	-	-	14,537	14,537
Deferred Tax Assets	-	-	-	-	84,683	84,683
Other Assets	2,910	62	-	-	806,623	809,595
<b>Total Assets</b>	<b>18,481,426</b>	<b>5,511,542</b>	<b>5,513,431</b>	<b>3,159,703</b>	<b>98,945,106</b>	<b>131,611,207</b>
<b>Liabilities</b>						
Due to BFIs	1,999,547	-	-	-	-	1,999,547
Due to Nepal Rastra Bank	-	-	-	-	215,875	215,875
Deposits from Customers	27,553,032	19,149,705	14,936,629	14,963,480	39,847,025	116,449,871
Provisions	-	-	-	-	14,806	14,806
Debt Securities Issued	-	-	-	-	1,246,918	1,246,918
Other Liabilities	109,465	201,146	-	-	2,010,521	2,321,132
<b>Total Liabilities</b>	<b>29,662,044</b>	<b>19,350,851</b>	<b>14,936,629</b>	<b>14,963,480</b>	<b>43,335,145</b>	<b>122,248,149</b>
<b>Net Assets</b>	<b>(11,180,618)</b>	<b>(13,839,309)</b>	<b>(9,423,198)</b>	<b>(11,803,778)</b>	<b>55,609,961</b>	<b>9,363,058</b>
<b>Cumulative Assets</b>	<b>(11,180,618)</b>	<b>(25,019,927)</b>	<b>(34,443,125)</b>	<b>(46,246,902)</b>	<b>9,363,058</b>	<b>0.00</b>

## Reputational Risk

Reputational risk is the risk of potential harm to the Bank's name and reputation as well as the risk to earnings, capital, or liquidity resulting from any associations, actions, or inactions that may be viewed as inappropriate, unethical, or at inconsistent with the Bank's values and principles. The Operational Risk Management unit of the Bank evaluates reputational risks using data obtained through procedures like loss event and near-miss identification, peer group comparison, and assessments of issues like employee conduct and competency, customer service and grievances. The Integrated Risk Management Department keeps track of reputational risk using a risk framework and mitigating measures. The Bank makes an ongoing effort to maintain and raise the calibre of its services.

## Money Laundering and Terrorism Financing Risk

Both money laundering and terrorism financing can have serious consequences for banks and financial institutions, including reputational damage, financial losses, and legal and regulatory penalties.

To mitigate these risks, the Bank has implemented a range of measures, such as customer due diligence, transaction monitoring, and suspicious activity reporting. These measures are designed to identify and prevent the flow of illicit funds through the financial system. The Bank also have the robust and effective programs in place to identify and prevent money laundering and terrorism financing. This includes ongoing training for employees, regular assessments of the effectiveness of their programs, and the development of strong relationships with regulatory authorities and law enforcement agencies.



## 5.2 Capital Management

- i. The Bank manages its capital to meet regulatory norms and current and future business needs considering the risks in its business. For the purpose of effective management of the capital the bank has formulated and implemented the Internal Capital Adequacy Assessment Procedure (ICAAP) which encompasses policies, processes and methodologies to determine the adequate level of capitalisation for the Bank to meet regulatory norms and current and future business needs under normal as well and under stress scenarios. The board of directors on the frequent interval monitor the capital adequacy position and the risk weighted assets and take a necessary steps as appropriate.

The Bank capital comprise of the fully paid equity shares, statutory reserves and other reserves. During the reporting period the bank has not raised the capital through the hybrid capital instrument

- ii. Capital Structure and Capital Adequacy

1. Tier 1 Capital and a breakdown of its components is as follows:

Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Paid up Equity Share Capital	6,420,900	5,657,181
ii.	Share Premium	-	-
iii.	Statutory General Reserves	1,477,131	1,227,188
iv.	Retained Earnings	673,938	805,522
v.	Un-audited current year cumulative profit/(loss)	-	-
vi.	Capital Redemption Reserve	-	-
vii.	Capital Adjustment Reserve	-	-
viii.	Dividend Equalization Reserves	-	-
ix.	Other Free Reserve	-	-
x.	Less: Goodwill	-	-
xi.	Less: Deferred Tax Assets	-	-
xii.	Less: Intangible Assets	(14,537)	(19,938)
xiii.	Less: Investment in equity in licensed Financial Institutions	-	-
xiv.	Less: Investment in equity of institutions with financial interests	(399,596)	(217,500)
xv.	Less: Investment in equity of institutions in excess of limits	-	-
xvi.	Less: Investments arising out of underwriting commitments	-	-
xvii.	Less: Reciprocal crossholdings	-	-
xviii.	Less: Purchase of land & building in excess of limit and unutilized	-	-
xix.	Less: Other Deductions	-	-
<b>Total Tier 1 Capital</b>		<b>8,157,836</b>	<b>7,452,454</b>

2. Tier 2 Capital and a breakdown of its components is as follows:

Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Cumulative and/or Redeemable Preference Share	-	-
ii.	Subordinated Term Debt	1,250,000	1,250,000
iii.	Hybrid Capital Instruments	-	-
iv.	General loan loss provision	1,409,296	1,200,657
v.	Exchange Equalization Reserve	2,614	1,917
vi.	Investment Adjustment Reserve	50,000	50,000
vii.	Asset Revaluation Reserve	-	-
viii.	Other Reserves	-	-
<b>Total Tier 2 Capital</b>		<b>2,711,910</b>	<b>2,502,574</b>

3. Details of Subordinated Term Debt including Hybrid Capital Instruments.

Following is the details of subordinate term debts raised by the Bank:

Rs. in '000

S.N.	Particulars	Maturity Period	Outstanding Amount	Amount recognised as Capital Fund
i.	8.75% Muktinath Debenture/ Rinpatra 2084/85	7 Years	1250000	1250000
<b>Total Tier 2 Capital</b>			<b>1250000</b>	<b>1250000</b>

The Bank has not raised any funds through the hybrid capital instruments.

4. Deductions from Capital: Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Investment in equity of institutions with financial interests*	399,596	217,500
iii.	Intangible Assets	14,537	19,938
<b>Total Deductions</b>		<b>414,133</b>	<b>237,438</b>

\* Investment made in Bank's subsidiary, Muktinath Capital Limited and Bank's associate company, Muktinath Krishi Company Limited.

5. Total Qualifying Capital: Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Core Capital (Tier 1)	8,157,836	7,452,454
ii.	Supplementary Capital (Tier 2)	2,711,910	2,502,574
<b>Total Capital Fund</b>		<b>10,869,746</b>	<b>9,955,027</b>

6. Capital Adequacy Ratio: Rs. in '000

S.N.	Particulars	Regulatory Requirement	31st Asar 2080	32nd Asar 2079
i.	8.75% Muktinath Debenture/ Rinpatra 2084/85	6.00%	8.84%	8.83%
ii.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.00%	11.77%	<b>11.80%</b>

iii. Risk Exposure

1. Risk Weighted Exposures and Capital Adequacy Table Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
<b>1. Risk Exposures:</b>			
	Risk Weighted Exposure for Credit Risk	87,024,959	79,790,403
	Risk Weighted Exposure for Operational Risk	5,257,813	4,582,400
	Risk Weighted Exposure for Market Risk	34,158	13,774
<b>Risk Weighted Exposures under Credit, Operational and Market Risk</b>		<b>92,316,929</b>	<b>84,386,577</b>
<b>Adjustments under Pillar II</b>		-	-
<b>Total Risk Weighted Exposures</b>		<b>92,316,929</b>	<b>84,386,577</b>
<b>2. Capital Fund</b>			
	Core Capital (Tier 1)	8,157,836	7,452,454
	Supplementary Capital (Tier 2)	2,711,910	2,502,574
<b>Total Capital Fund</b>		<b>10,869,746</b>	<b>9,955,027</b>
<b>3. Capital Adequacy Ratios</b>			
	Total Core Capital to Total Risk Weighted Exposures	8.84%	8.83%
	Total Capital Fund to Total Risk Weighted Exposures	<b>11.77%</b>	<b>11.80%</b>

2. Risk weighted exposures under each of 11 categories of Credit Risk Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Claims on Government and Central Bank	-	-
ii.	Claims on Other Official Entities	-	-
iii.	Claims on Banks	1,265,067	1,862,897
iv.	Claims on Domestic Corporates and Securities Firms	15,127,089	13,269,363
v.	Claims on Regulatory Retail Portfolio	35,092,569	32,193,566
vi.	Claims Secured by Residential Properties	8,682,711	7,123,297
vii.	Claims Secured by Commercial Real Estate	440,714	1,590,240
viii.	Past Due Claims	2,127,362	460,765
ix.	High Risk Claims	20,245,747	20,124,252
x.	Other Assets	3,111,375	2,098,373
xi.	Off Balance Sheet Items	932,323	851,104
<b>Total Credit Risk</b>		<b>87,024,959</b>	<b>79,573,857</b>



3. Types of eligible credit risk mitigants used and the benefits availed under CRM:

Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Deposits with Banks	1,697,652	2,922,671
ii.	Deposits with other banks/financial institutions	-	-
iii.	Gold	643,077	534,451
iv.	Government and NRB Securities	-	-
v.	Guarantee of Government of Nepal	-	-
vi.	Securities/Guarantee of other Sovereigns	-	-
vii.	Guarantee of Domestic Banks	-	-
viii.	Guarantee of Multilateral Development Banks	-	-
ix.	Guarantee of Foreign Banks	-	-
<b>Total Credit Risk Mitigants</b>		<b>2,340,729</b>	<b>3,457,122</b>

4. Amount of Performing and Non Performing Loans & Advances and Provisions

Rs. in '000

S.N.	Particulars	31st Asar 2080		32nd Asar 2079	
		Gross Amount	Provision	Gross Amount	Provision
<b>A. Performing Loans</b>					
i.	Good Loans	91,292,721	1,157,786	87,533,342	1,104,702.96
ii.	Restructured Loans classified as Good	1,577,552	78,878	1,151,085	57,554.24
iii.	Watchlist	3,515,140	172,632	778,170	38,399.51
<b>Sub -Total</b>		<b>96,385,412</b>	<b>1,409,296</b>	<b>89,462,596</b>	<b>1,200,657</b>
<b>B. Non-performing Loans</b>					
i.	Restructure/Reschedule Loan	-	-	-	-
ii.	Substandard Loan	260,548.20	64,587.60	127,330	31,833
iii.	Doubtful Loan	348,783.13	171,672.29	13,872	6,876
iv.	Loss Loan	344,502.06	343,025.65	50,540	50,540
<b>Sub -Total</b>		<b>953,833.39</b>	<b>579,285.54</b>	<b>191,741.85</b>	<b>89,248.88</b>
<b>Total</b>		<b>97,339,246</b>	<b>1,988,581</b>	<b>89,654,338</b>	<b>1,289,906</b>

5. Non Performing Assets Ratios:

in %

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
<b>As per Revised Assets Classification norms of NRB</b>			
i.	Gross NPA to Gross Loan and Advances	0.98%	0.21%
ii.	Net NPA to Net Loan and Advances	0.38%	0.11%

6. Movement on Provision for Good and Non Performance Loans:

Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079	Change in %
<b>For loan classifies as Good</b>				
i.	Pass	1,236,664	1,162,257	6.40%
ii.	Watchlist	172,632	38,400	349.57%
<b>For loan classifies as NPA</b>				
i.	Substandard Loan	64,588	31,833	102.90%
ii.	Doubtful Loan	171,672	6,876	2396.55%
iii.	Loss Loan	343,026	50,540	578.72%
<b>Total</b>		<b>1,988,581</b>	<b>1,289,906</b>	<b>54.16%</b>

7. Write off of Loans

Rs. in '000

S.N.	Particulars	31st Asar 2080	32nd Asar 2079
i.	Write Off of Loans	10,256,102	2,281,822
<b>Total Credit Risk Mitigants</b>		<b>10,256,102</b>	<b>2,281,822</b>

## 8 Risk Weighted Exposure for Credit Risk

Rs. in '000

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Cash Balance	1,497,590	-	-	1,497,590	0%	-
Balance With Nepal Rastra Bank	3,732,224	-	-	3,732,224	0%	-
Gold	-	-	-	-	0%	-
Investment in Nepalese Government Securities	21,303,475	-	-	21,303,475	0%	-
All Claims on Government of Nepal	-	-	-	-	0%	-
Investment in Nepal Rastra Bank securities	-	-	-	-	0%	-
All claims on Nepal Rastra Bank	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	100%	-
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	-	-	-	-	0%	-
Claims on Other Multilateral Development Banks	-	-	-	-	100%	-
Claims on Domestic Public Sector Entities	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	150%	-
Claims on domestic banks that meet capital adequacy requirements	6,325,337	-	-	6,325,337	20%	1,265,067
Claims on domestic banks that do not meet capital adequacy requirements	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 0-1)	-	-	-	-	20%	-
Claims on foreign bank (ECA Rating 2)	-	-	-	-	50%	-
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 7)	-	-	-	-	150%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)	-	-	-	-	80%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	85%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	-	-	-	-	90%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	-	-	-	-	100%	-
Claims on Domestic Corporates (Unrated)	15,253,089	-	126,000	15,127,089	100%	15,127,089
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	50%	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	150%	-
Regulatory Retail Portfolio (Not Overdue)	48,540,562	-	1,750,469	46,790,093	75%	35,092,569
Claims fulfilling all criterion of regularity retail except granularity	-	-	-	-	100%	-
Claims secured by residential properties	14,164,011	-	-	14,164,011	60%	8,498,406
Claims not fully secured by residential properties	-	-	-	-	150%	-
Claims secured by residential properties (Overdue)	229,967	45,662	-	184,305	100%	184,305
Claims secured by Commercial real estate	440,714	-	-	440,714	100%	440,714
Past due claims (except for claims secured by residential properties)	1,822,621	404,380	-	1,418,241	150%	2,127,362
High Risk claims	13,961,424	-	464,260	13,497,165	150%	20,245,747



A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Lending Against Securities (Bonds)	-	-	-	-	100%	-
Lending Against Shares (upto Rs. 2.5 Million)	364,019	-	-	364,019	100%	364,019
Investments in equity and other capital instruments of institutions listed in stock exchange	381,674	-	-	381,674	100%	381,674
Investments in equity and other capital instruments of institutions not listed in the stock exchange	27,086	-	-	27,086	150%	40,629
Staff loan secured by residential property	1,177,727	-	-	1,177,727	50%	588,863
Interest Receivable/claim on government securities	394,353	-	-	394,353	0%	-
Cash in transit and other cash items in the process of collection	-	-	-	-	20%	-
Other Assets	2,612,907	876,717	-	1,736,190	100%	1,736,190
<b>Total (A)</b>	<b>132,228,780</b>	<b>1,326,759</b>	<b>2,340,729</b>	<b>128,561,292</b>		<b>86,092,635</b>
B. Off Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Revocable Commitments	-	-	-	-	0%	-
Bills Under Collection	-	-	-	-	0%	-
Forward Exchange Contract Liabilities	-	-	-	-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	133,662	-	-	133,662	20%	26,732
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	93,328	-	-	93,328	50%	46,664
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	302,670	-	14,290	288,380	40%	115,352
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Underwriting commitments	-	-	-	-	50%	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	100%	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	100%	-
Advance Payment Guarantee	386,009	-	7,168	378,841	100%	378,841
Financial Guarantee	-	-	-	-	100%	-
Acceptances and Endorsements	-	-	-	-	100%	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	100%	-
Irrevocable Credit commitments (short term)	1,823,672	-	-	1,823,672	20%	364,734
Irrevocable Credit commitments (long term)	-	-	-	-	50%	-
" Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement"	-	-	-	-	20%	-
Other Contingent Liabilities	-	-	-	-	100%	-
Unpaid Guarantee Claims	-	-	-	-	200%	-
<b>Total (B)</b>	<b>2,739,340</b>	<b>-</b>	<b>21,458</b>	<b>2,717,882</b>		<b>932,323</b>
<b>Total RWE for Credit Risk (A) +(B)</b>	<b>134,968,120</b>	<b>1,326,759</b>	<b>2,362,187</b>	<b>131,279,174</b>		<b>87,024,959</b>

9 Eligible Credit Risk Mitigants

Rs. in '000

A. Balance Sheet Exposures		Deposits with Bank	Deposits with other banks/FI	Gold	Govt & NRB Securities	Guarantee of Govt. of Nepal	Sec/ Guarantee of Other Sovereigns	Guarantee of domestic banks	Guarantee of MDBs	Sec/ Guarantee of Foreign Banks	Total
Claims on Foreign government and Central Bank (ECA -2)											
Claims on Foreign government and Central Bank (ECA -3)											
Claims on Foreign government and Central Bank (ECA-4-6)											
Claims on Foreign government and Central Bank (ECA -7)											
Claims on Other Multilateral Development Banks											
Claims on Domestic Public Sector Entities											
Claims on Public Sector Entity (ECA 0-1)											
Claims on Public Sector Entity (ECA 2)											
Claims on Public Sector Entity (ECA 3-6)											
Claims on Public Sector Entity (ECA 7)											
Claims on domestic banks that meet capital adequacy requirements											
Claims on domestic banks that do not meet capital adequacy requirements											
Claims on foreign bank (ECA Rating 0-1)											
Claims on foreign bank (ECA Rating 2)											
Claims on foreign bank (ECA Rating 3-6)											
Claims on foreign bank (ECA Rating 7)											
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement											
Claims on Domestic Corporates (Credit rating score equivalent to AAA)											
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)											
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)											
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)		126,000.00									126,000
Claims on Domestic Corporates (Unrated)											
Claims on Foreign Corporates (ECA 0-1)											
Claims on Foreign Corporates (ECA 2)											
Claims on Foreign Corporates (ECA 3-6)											
Claims on Foreign Corporates (ECA 7)											
Regulatory Retail Portfolio (Not Overdue)		1,120,596		629,873.66							1,750,469
Claims fulfilling all criterion of regularity retail except granularity											
Claims secured by residential properties											
Claims not fully secured by residential properties											
Claims secured by residential properties (Overdue)											
Claims secured by Commercial Real Estate											
Past due claims (except for claims secured by residential properties)											
High Risk claims		451,056		13,203							464,260
Lending Against Securities (Bonds)											
Lending Against Shares (upto Rs. 2.5 Million)											
Investments in equity and other capital instruments of institutions listed in stock exchange											
Investments in equity and other capital instruments of institutions not listed in the stock exchange											
Other Assets											
<b>Total (A)</b>		<b>1,697,652</b>		<b>643,077</b>							<b>2,340,729</b>



B. Off Balance Sheet Exposures	Deposits with Bank	Deposits with other banks/FI	Gold	Govt. & NRB Securities	Guarantee of Govt. of Nepal	Sec/ Guarantee of Other Sovereigns	Guarantee of domestic banks	Guarantee of MDBs	Sec/ Guarantee of Foreign Banks	Total
Forward Exchange Contract Liabilities	-	-	-	-	-	-	-	-	-	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	14,290,46	-	-	-	-	-	-	-	-	14,290
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Underwriting commitments	-	-	-	-	-	-	-	-	-	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	-	-	-	-	-	-
Advance Payment Guarantee	7,167,90	-	-	-	-	-	-	-	-	7,168
Financial Guarantee	-	-	-	-	-	-	-	-	-	-
Acceptances and Endorsements	-	-	-	-	-	-	-	-	-	-
Unpaid portion of Party paid shares and Securities	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments (short term)	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments (long term)	-	-	-	-	-	-	-	-	-	-
Other Contingent Liabilities	-	-	-	-	-	-	-	-	-	-
Unpaid Guarantee Claims	-	-	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>21,458</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,458</b>
<b>Total Credit Risk Mitigants (B)</b>	<b>1,719,110</b>	<b>-</b>	<b>643,077</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,362,187</b>



## 10. Movement on Provision for Good and Non Performance Loans:

Rs. in '000

Particulars	2076-77	2077-78	2078-79
Net Interest Income	2,259,384	2,788,641	3,329,779
Commission and Discount Income	509,630	605,019	497,493
Other Operating Income	35,657	422,197	46,879
Exchange Fluctuation Income	6,259	6,243	8,445
Addition/Deduction in Interest Suspense during the period	-	-	-
<b>Gross income (a)</b>	<b>2,810,930</b>	<b>3,822,099</b>	<b>3,882,596</b>
<b>Alfa (b)</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
<b>Fixed Percentage of Gross Income [c=(a*b)]</b>	<b>421,640</b>	<b>573,315</b>	<b>582,389</b>
<b>Capital Requirement for operational risk (d) (average of c)</b>			<b>525,781</b>
<b>Risk Weight (reciprocal of capital requirement of 10%) in times (e)</b>			<b>10</b>
<b>Equivalent Operational Risk Weight Exposure [f=(d*e)]</b>			<b>5,257,813</b>

## 11. Risk Weighted Exposure for Market Risk

Rs. in '000

Particulars	Open Position (FCY)	Exchange Rate	Open Position (NPR)	Relevant Open Position
Indian Rupee			-	-
United States Dollar	63.84	131.30	8,382	8,382
Great Britain Pound	10.93	166.21	1,816	1,816
Euro	219.18	142.16	31,158	31,158
Thai Baht	200.91	3.77	757	757
Swiss Franc	4.13	145.29	600	600
Australian Dollar	8.27	90.00	744	744
Canadian Dollar	5.95	98.72	587	587
Singapore Dollar	1.65	97.78	161	161
Japanese Yen	2,000.00	0.93	1,867	1,867
Hong Kong Dollar	1.24	16.77	21	21
Danish Kroner	4.40	19.07	84	84
Swedish Kroner	-	-	-	-
Saudi Arabian Riyal	403.97	35.00	14,137	14,137
Qatari Riyal	172.45	36.04	6,215	6,215
Emirati Dirham	1.99	35.78	71	71
Malaysian Ringgit	3.91	28.31	111	111
South Korean Won	575.00	0.10	59	59
Chinese Yuan	5.85	18.32	107	107
Kuwaiti Dinar	1.89	427.31	808	808
Bahraini Dinar	1.81	349.03	631	631
<b>(a) Total Open Position</b>			<b>68,316</b>	<b>68,316</b>
<b>(b) Fixed Percentage</b>				<b>5%</b>
<b>(c) Capital Charge for Market Risk (=a*b)</b>				<b>3,416</b>
<b>(d) Risk Weight (reciprocal of capital requirement of 10%) in times</b>				<b>10</b>
<b>(e) Equivalent Market Risk Weight Exposure (=c*d)</b>				<b>34,158</b>



### 5.3 Classification of financial assets and financial liabilities

The financial assets and liabilities are classified in Amortised Cost, fair value through profit and loss and fair value through other comprehensive income. The following table exhibit the the classification of financial assets and liabilities:

Particulars	Group			
	31st Asar 2080			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	5,326,084,785	-	-	5,326,084,785
Due from Nepal Rastra Bank	3,732,132,133	-	-	3,732,132,133
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	48,618,603	-	48,618,603
Loans and Advances to BFIs	2,536,439,270	-	-	2,536,439,270
Loans and Advances to Customers	94,456,965,952	-	-	94,456,965,952
Investment Securities	21,883,725,127	-	386,113,821	22,269,838,948
Other Assets	807,641,638	-	-	807,641,638
<b>Total Financial Assets</b>	<b>128,742,988,905</b>	<b>48,618,603</b>	<b>386,113,821</b>	<b>129,177,721,329</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	1,999,547,189	-	-	1,999,547,189
Due to Nepal Rastra Bank	215,874,848	-	-	215,874,848
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	116,297,178,932	-	-	116,297,178,932
Borrowings	18,750,000	-	-	18,750,000
Other Liabilities	1,363,908,223	217,293,996	(55,663,614)	1,525,538,605
Debt Securities Issued	1,246,917,782	-	-	1,246,917,782
<b>Total Financial Liabilities</b>	<b>121,142,176,974</b>	<b>217,293,996</b>	<b>(55,663,614)</b>	<b>121,303,807,355</b>

Particulars	Bank			
	31st Asar 2080			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	5,268,539,748	-	-	5,268,539,748
Due from Nepal Rastra Bank	3,732,132,133	-	-	3,732,132,133
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	2,536,439,270	-	-	2,536,439,270
Loans and Advances to Customers	94,456,965,952	-	-	94,456,965,952
Investment Securities	21,698,495,679	-	386,113,821	22,084,609,500
Other Assets	760,822,253	-	-	760,822,253
<b>Total Financial Assets</b>	<b>128,453,395,035</b>	<b>-</b>	<b>386,113,821</b>	<b>128,839,508,856</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	1,999,547,189	-	-	1,999,547,189
Due to Nepal Rastra Bank	215,874,848	-	-	215,874,848
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	116,449,870,954	-	-	116,449,870,954
Borrowings	18,750,000	-	-	18,750,000
Other Liabilities	1,244,617,478	215,712,318	(55,663,614)	1,404,666,181
Debt Securities Issued	1,246,917,782	-	-	1,246,917,782
<b>Total Financial Liabilities</b>	<b>121,175,578,250</b>	<b>215,712,318</b>	<b>(55,663,614)</b>	<b>121,335,626,954</b>

Particulars	Group			
	32nd Asar 2079			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	8,145,516,992	-	-	8,145,516,992
Due from Nepal Rastra Bank	2,865,440,399	-	-	2,865,440,399
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	63,796,298	-	63,796,298
Loans and Advances to BFIs	2,726,799,773	-	-	2,726,799,773
Loans and Advances to Customers	86,811,948,415	-	-	86,811,948,415
Investment Securities	17,698,746,464	-	262,635,195	17,961,381,659
Other Assets	338,300,380	-	-	338,300,380
<b>Total Financial Assets</b>	<b>118,586,752,423</b>	<b>63,796,298</b>	<b>262,635,195</b>	<b>118,913,183,917</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	3,750,284,110	-	-	3,750,284,110
Due to Nepal Rastra Bank	1,032,979,556	-	-	1,032,979,556
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	104,667,788,144	-	-	104,667,788,144
Borrowings	25,016,438	-	-	25,016,438
Other Liabilities	1,261,826,790	136,225,756	13,680,493	1,411,733,039
Debt Securities Issued	1,246,489,292	-	-	1,246,489,292
<b>Total Financial Liabilities</b>	<b>111,984,384,330</b>	<b>136,225,756</b>	<b>13,680,493</b>	<b>112,134,290,578</b>

Particulars	Bank			
	32nd Asar 2079			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	8,101,009,812	-	-	8,101,009,812
Due from Nepal Rastra Bank	2,865,440,399	-	-	2,865,440,399
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	2,726,799,773	-	-	2,726,799,773
Loans and Advances to Customers	86,811,948,415	-	-	86,811,948,415
Investment Securities	17,673,746,464	-	262,635,195	17,936,381,659
Other Assets	314,810,890	-	-	314,810,890
<b>Total Financial Assets</b>	<b>118,493,755,753</b>	<b>-</b>	<b>262,635,195</b>	<b>118,756,390,949</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	3,750,284,110	-	-	3,750,284,110
Due to Nepal Rastra Bank	1,032,979,556	-	-	1,032,979,556
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	104,675,072,263	-	-	104,675,072,263
Borrowings	25,016,438	-	-	25,016,438
Other Liabilities	1,235,609,904	135,019,951	13,680,493	1,384,310,348
Debt Securities Issued	1,246,489,291	-	-	1,246,489,291
<b>Total Financial Liabilities</b>	<b>111,965,451,562</b>	<b>135,019,951</b>	<b>13,680,493</b>	<b>112,114,152,007</b>

## 5.4 Operating Segment Information

### 1. General information

#### Factors that management used to identify the entity's reportable segments

An operating segment is a component of the Bank that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Bank's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

Based on the nature of the business, transactions, products and services, the management have identified three reporting segment for the purpose of financial reporting:

#### i. Banking Operation

The banking of the Bank provides the customer with the services like personal and corporate banking, corporate and retail credit, project financing, hire purchase financing, trade financing, foreign currency operations, issuing of debit cards, internet banking, mobile banking, money remittance facilities and other incidental services. The income includes all the revenue generated for providing aforesaid services while expenses includes interest income, personnel expenses and operating expenses including the impairment charges created on the assets of the segment

#### ii. Treasury Operation

Treasury function of the bank manages the liquidity on the branch level and of the banks as a whole. This segment encompasses the incomes derived from government securities, treasury bills, dividend on investment securities, forex trading and revaluation gain/loss. The interest cost of borrowing, personnel expenses, depreciation, provisions on the securities and other operating expenses are the cost included in this segment

#### iii. Digital Banking Operation

Digital Banking Operation encompasses the revenue generated through the mobile banking, internet banking, different wallets, remittances and processing of digital transactions.

### 2. Information about profit or loss, assets and liabilities

Particulars	Banking	Treasury	Digital Banking	Total
Revenues from external customers	14,620,928,660	1,346,359,307	123,604,466	16,090,892,433
Inter Segment Expenses/revenues	-	-	-	-
<b>Net Revenue</b>	<b>14,620,928,660</b>	<b>1,346,359,307</b>	<b>123,604,466</b>	<b>16,090,892,433</b>
Interest Revenue	14,147,250,220	1,327,986,092	-	15,475,236,312
Interest Expense	11,143,667,804	227,474,549	-	11,371,142,353
<b>Net interest expenses/revenue</b>	<b>3,003,582,417</b>	<b>1,100,511,543</b>	<b>-</b>	<b>4,104,093,960</b>
<b>Depreciation and Amortisation</b>	<b>233,840,671</b>	<b>31,318</b>	<b>236,891</b>	<b>234,108,880</b>
<b>Segment Profit /(Loss)</b>	<b>586,231,983</b>	<b>1,100,480,225</b>	<b>123,604,466</b>	<b>1,810,316,674</b>
Impairment of Assets	1,988,581,396	-	-	1,988,581,396
<b>Segment Assets</b>	<b>101,623,920,172</b>	<b>29,987,286,883</b>	<b>-</b>	<b>131,611,207,055</b>
<b>Segment Liabilities</b>	<b>120,766,606,107</b>	<b>1,481,542,630</b>	<b>-</b>	<b>122,248,148,737</b>

### 3. Measurement of operating segment profit or loss, assets and liabilities

Revenues from external customers comprise of gross interest revenue, gross fee and commission revenue, net trading revenue, other operating incomes and intersegment revenue.

The transaction between the department are recorded using the interbranch and interdepartmental account These accounts are reconciled and interdepartmental balances are cancelled out at each reporting date. The interdepartmental revenue and expenses are the transfer pricing of the funds which is calculated using the bank's policy.

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

Revenues from external customers comprise of gross interest revenue, gross fee and commission revenue, net trading revenue, other operating incomes and intersegment revenue.

##### a. Revenue

Particulars	Amount in NPR
Total revenues for reportable segments	16,090,892,433
Other revenues	-
Elimination of intersegment revenues	-
<b>Entity's revenues</b>	<b>16,090,892,433</b>

##### b. Profit or loss

Particulars	Amount in NPR
Total profit or loss for reportable segments	1,810,316,674
Other profit or loss	-
Elimination of intersegment profits	-
Unallocated amount	-
<b>Profit before income tax</b>	<b>1,810,316,674</b>

##### c. Assets

Particulars	Amount in NPR
Total assets for reportable segments	131,611,207,055
Other assets	-
Unallocated amounts	-
<b>Entity's assets</b>	<b>131,611,207,055</b>

##### d. Liabilities

Particulars	Amount in NPR
Total liabilities for reportable segments	122,248,148,737
Other liabilities	-
Unallocated liabilities	-
<b>Entity's liabilities</b>	<b>122,248,148,737</b>

#### 5. Information about products and services

Particulars	Amount in NPR
Funded and Non Funded Credit Facilities	14,521,067,546
Treasury Operations	1,346,359,307
Remittance	19,912,560
Service Fees	162,608,019
Digital Banking Services	32,392,568
Other Allied Products and Services	8,552,432
<b>Total Revenue</b>	<b>16,090,892,433</b>

#### 6. Information about geographical areas

Revenue from following geographical areas

Particulars	Amount in NPR
Koshi Province	943,092,818
Madesh Pradesh	713,718,472
Bagmati Pradesh	7,463,995,688
Gandaki Pradesh	5,016,872,703
Lumbini Pradesh	1,599,805,025
Karnali Pradesh	130,456,103
Sudur Paschim Pradesh	222,951,623
<b>Total</b>	<b>16,090,892,433</b>

#### 7. Information about major customers

The Bank do not have any customer, which generate more than 10% of the entity's revenue.



## 5.5 Share options and share based payment

A share-based payment is a transaction in which the bank receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the entity's shares or other equity instruments of the entity. The Bank do not extend the share options and share based payment to any of its employees. Thus, during the reporting period the bank does not have any transactions that are to be accounted as per NFRS 2 "Share based payments".

## 5.6 Contingent liabilities and commitment

Comprehensive disclosure of the contingent liabilities and commitments are made on Note 4.28.

## 5.7 Related Party Disclosures

A related party is a person or entity that is related to the reporting entity ("the Bank") by virtue of having control or joint control, significant influence or being key managerial personnel of the entity as defined in "NAS 24 Related Party Disclosures". The Bank has identified the following related parties and transactions with them.

### i. List of related party

The following parties have been identified as the related party transaction as per NAS 24:

Name of the Related Party	Relationship
Muktinath Capital Limited	Subsidiary Company
Muktinath Krishi Company Limited	Associate Company
Bharat Raj Dhakal	Chairman
Gajendra Man Shrestha	Director
Rabindra Man Shrestha (retired w.e.f 31st Bhadra 2080)	Director
Shalikgram Mishra	Director
Nirmala Kumari KC Karki	Female Director
Shyam Sundar Sharma	Independent Director
Pradyuman Pokharel, Chief Executive Officer	Key Managerial Personnel
Samir Sekhar Bajracharya, Deputy Chief Executive Officer	Key Managerial Personnel
Til Bahadur Gurung, Assistant Deputy Chief Executive Officer	Key Managerial Personnel
Govinda Bahadur Raut, Assistant Chief Executive Officer	Key Managerial Personnel

### ii. Related Party Transactions

#### Board of Directors Allowances and Facilities

Particulars	No of Meetings	Sitting Fees
Board Meeting	22	1,438,000
Audit Committee Meeting	8	116,000
Risk Management Committee	4	58,000
Assets Money Laundering Prevention Committee	5	37,500
Employees Facilities Committee	2	15,000
Building Construction Committee	12	65,000
<b>Total</b>		<b>1,729,500</b>

In addition to above meeting allowance, the following amount have been paid to directors:

Nature	Chairman	Other Directors	Total Amt. Paid
Reimbursement for Mobile Expenses	4,000 per month	4,000 per month	480,000
Reimbursement for Newspaper & Magazines	2,500 per month	2,500 per month	360,000

#### Key Managerial Personnel's Emoluments and Facilities

Particulars	Assistant Chief Executive Officer	Asst. Deputy Chief Executive Officer	Deputy Chief Executive Officer	Chief Executive Officer
Salary and Allowances	1,534,900	4,716,600	6,071,400	9,500,000
Provident Fund	28,140	213,840	300,960	600,000
Leave and Gratuity	-	143,100	201,400	375,000
Statutory Bonus	766,942	908,175	1,278,918	2,614,907
<b>Total</b>	<b>2,329,982</b>	<b>5,981,715</b>	<b>7,852,678</b>	<b>13,089,907</b>

In addition to above, the key managerial personnel are entitled to other benefits as per the policy of the Bank.

### Subsidiary and Associate Company

The transaction with the subsidiary and associate company during the year are as follows:

Particulars	No of Meetings	Sitting Fees
Muktinath Capital Limited	Deposits outstanding	152,692,022
Muktinath Capital Limited	Interest paid on deposits	7,655,746
Muktinath Capital Limited	Service fees for acting as Registrar to Shares & Debentures	450,000
Muktinath Capital Limited	Corporate Action fees	155,860
Muktinath Capital Limited	Addition of Capital	126,545,905
Muktinath Krishi Company Limited	Deposits outstanding in current, call & fixed accounts	4,737,668
Muktinath Krishi Company Limited	Interest paid on deposits	2,425,629
Muktinath Krishi Company Limited	Addition of Capital	55,550,000

Apart from the above transactions the Muktinath Capital Limited has been managing the portfolio of NPR 200 Millions on behalf of the Bank.

## 5.8 Merger and Acquisition

The bank has neither entered into merger not acquired any bank and financials institutions during the reporting period.

## 5.9 Additional disclosure of non consolidated entities

The group financials includes the figures of the Muktinath Bikas Bank Limited and its subsidiary Muktinath Capital Limited as per the provisions of NFRS 10 : Consolidated Financial Statements. There are no such entities which are required to be consolidated but not done during the year.

## 5.10 Events after reporting date

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. The Bank follows NAS-10 "Events after the Reporting Period" to account for and report the events that have occurred after the reporting period. Such events may be adjusting and non-adjusting and are disclosed below.

### a. Adjusting Events

#### Recovery of Interest after reporting date and up to Shrawan 15, 2080

The Nepal Rastra Bank Directive requires the Bank and Financial Institutions to transfer the equivalent amount of interest on loans and advances accounted as an interest income under the accrual basis of accounting but not recovered up to the end of reporting period to the Regulatory Reserve from the Retained Earnings. However, the same directives has relaxed this provision with which Bank may not appropriate such amount in case it is recovered within the 15 days after the year end, i.e. 15th Shrawan.

In line with the aforesaid relaxation the gross amount of NPR 225,634,203 which was otherwise required to be appropriated to the Regulatory Reserves has not been so appropriated. The details are as follows:

Particulars	31st Asar 2080	32nd Asar 2079
Accrued interest receivable (except for the staff loans)	998,691,247	442,506,776
Less: Cessation of the interest on loan (Refer Notes 5.17)	122,098,462	24,272,803
Less: Interest recovered up to 15th Shrawan as per Directives No. 4	225,634,203	148,502,246
Amount required to be appropriated to Regulatory Reserves (before staff bonus & tax)	650,958,582	269,731,728
Amount already appropriated to Regulatory Reserves (before staff bonus & tax)	269,731,728	103,115,536
Gross appropriations to the Regulatory Reserves (before staff bonus & taxes)	381,226,854	166,616,192
<b>Net appropriations to the Regulatory Reserves for unrecovered interest</b>	<b>240,172,918</b>	<b>104,968,201</b>



## b. Non Adjusting Events

### Dividend Declaration

Subsequent to the reporting date, the Board of Directors of the Bank has proposed the distribution of 9.75% of the existing paid up capital as Bonus Shares amounting NPR 626,037,777. and 0.5132% of the existing paid up capital as cash dividend for tax purpose amounting NPR 32,949,357 vide 311th Board meeting dated 5th Poush 2080 from the retained earnings up to F.Y 2079/80. The proposed distribution is subject to the approval by Annual General Meeting of the shareholders.

The amount of the dividend proposed in current year and previous year is as follows:

Particulars	31st Asar 2080		32nd Asar 2079	
	Percentage	Amount	Percentage	Amount
Stock Dividend	9.75	626,037,777	13.50	763,719,416
Cash Dividend	0.5132	32,949,357	0.71	40,195,759
<b>Total</b>	<b>10.2632</b>	<b>658,987,133</b>	<b>14.21</b>	<b>803,915,174</b>

## 5.11 Additional Disclosures

### a. Loans and Advances extended to Promoters:

The Bank has not extended any loans to promoters during the year.

### b. Staff Skill Development Fund

The Bank and Financial Institution are required to allocate and spent at least 3% of the previous year salary and allowances for the staff skill development as per Directive 6 of the Nepal Rastra Bank Directives. In case the allocated amount isn't spent, the same has to be carried forward to the next financial year in a Staff Skill Development Fund. In line of this requirement, the movement on the Skill Development Fund is as follows:

Particulars	31st Asar 2080	32nd Asar 2079
Opening Staff Skill Development Fund	13,829,392	-
3% of the previous year salary and allowances	24,458,212	22,030,987
Total amount incurred for employee training and skill development program	21,164,489	8,201,596
Excess/(Deficit) amount incurred for employee training and skill development program	3,293,722	13,829,392
<b>Staff Skill Development Fund carried forward to next year</b>	<b>17,123,114</b>	<b>13,829,392</b>

### c. Corporate Social Responsibility Fund

Clause 13 of the NRB Directive No.6. requires the Bank to allocate 1% of its net profit to the corporate social responsibility fund and spent the same for the social causes. The details of the movement of the Corporate Social Responsibility Fund is presented below:

Particulars	31st Asar 2080	32nd Asar 2079
Opening Corporate Social Responsibility Fund	13,955,382	11,564,350
Less: Expenses incurred from CSR Fund during the year	12,623,067	11,027,021
Add: Amount allocated to CSR Fund from current year net profit	12,482,263	13,418,053
<b>CSR Fund available for next financial year</b>	<b>13,814,578</b>	<b>13,955,382</b>

Province wise and Sectorwise Corporate Social Responsibility Fund spending is as follows:

Province Wise		Sector Wise	
Province	32nd Asar 2080	Particulars	32nd Asar 2080
Koshi Province	1,618,574	Social Projects and Literacy Program	4,304,911
Madesh Pradesh	755,730	Direct Donation	35,000
Bagmati Pradesh	6,202,179	Sustainable Development Goals	7,134,808
Gandaki Pradesh	2,410,912	Expenses against COVID	322,494
Lumbini Pradesh	792,577	Donation to Orphanage & Old Age Home	488,793
Karnali Pradesh	232,625	Kholau Khata Abhiyan, 2076	-
Sudur Paschim Pradesh	610,470	Others	337,061
<b>Total</b>	<b>12,623,067</b>	<b>Total</b>	<b>12,623,067</b>



#### d. Unpaid Dividend

The total cash dividend of NPR 15,390,944 which was approved by AGM of the bank during various previous years is still payable to shareholders as at reporting date. The details are as follows:

Particulars	31st Asar 2080	32nd Asar 2079
Total dividend payable in the books of Bank outstanding for more than 5 years	1,124,484	1,421,296
Total dividend payable with Bank's RTS Muktinath Capital Limited outstanding for less than 5 years	14,266,460	16,301,366
<b>Total Unpaid Dividend</b>	<b>15,390,944</b>	<b>17,722,663</b>

#### 5.12 Earning Per Share

The earnings per share calculated on the basis of the provision of NAS 33, Earnings per Share is as follows:

Particulars	31st Asar 2080	32nd Asar 2079
Profit attributable to ordinary shareholders	1,248,226,268	1,341,805,287
Number of ordinary shares as at year end (Face Value NPR 100/-)	64,209,003	64,209,003
Weighted average number of ordinary shares for computing EPS	64,209,003	64,209,003
Basic earnings per equity share	19.44	20.9 (Restated)
Diluted earning per share	19.44	20.9 (Restated)

#### 5.13 Non-Banking Assets

Non-Banking Assets (NBA) are the assets obtained as security for loans & advances and subsequently taken over by the Bank. The following are the list of properties assumed by the Bank as the non banking assets during the course of debt recovery :

Particulars	Date of assuming NBA	31st Asar 2080	32nd Asar 2079
Oshon Fancy Stores	26/06/2022	14,032,658	14,032,658
Ramji Poudel	12/04/2022	6,988,004	6,988,004
Shree Laxmi Bag Store	04/07/2022	7,333,470	7,333,470
Dilliram Oli	07/07/2022	10,716,273	10,716,273
Dipesh Guragain	15/07/2022	8,234,476	8,234,476
Laxmi & Naitik Enterprises	15/07/2022	3,745,970	3,745,970
K.C. Falful Tatha Tarkari Pasal	16/11/2022	3,959,876	-
Dhanraj Pakhrin	27/11/2022	10,410,095	-
Gyan Sarathi Vidhyapitha Pvt Ltd.	27/12/2022	53,362,590	-
Chaudhary Trade And Investment Pvt Ltd	05/04/2023	50,762,338	-
Sita Didi Fancy Stores	13/04/2023	6,020,751	-
Sita Kumari Kunwar	13/04/2023	8,643,968	-
Sita Agro Farm	13/04/2023	750,760	-
Saraswati Timilsina	13/04/2023	174,521	-
New Karan Arjun Sunchadi Gargahana Udhyog	06/07/2023	14,105,347	-
Kalpana Shrestha	06/07/2023	111,115	-
Bageshwari Trade Concern PvtLtd	11/07/2023	56,728,569	-
<b>Total</b>		<b>256,080,782</b>	<b>51,050,852</b>

Non-Banking assets (NBA) as disclosed above is reported under Investment Property in Notes 4.12 and is carried at the cost

#### 5.14 Loan written off

The Bank has written off the following loans pertaining to unrecoverable bad debts during the year.

Name of the Borrower	Written off Amount
Biru Bhai Traders and Construction	335,779
Sita Didi Fancy Stores	1,078,300
Rojina Shrestha	8,119,187
Pramila Devkota	294,088
Goma Devkota	143,641
Bharat Bahadur B.K.	285,107
<b>Total</b>	<b>10,256,102</b>

## 5.15 Fair Value Hierarchy

The fair value hierarchy that the Bank has applied in measuring its financial assets and financial liabilities is as follows:

Particulars	Level	Group		Bank	
		31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
<b>Financial Assets</b>					
<b>i. Through FVTPL</b>					
Other Trading Assets	Level 1	48,619	63,796	-	-
<b>ii. Through FVTOCI</b>					
Investment Securities - Quoted	Level 1	19,646,168	16,124,454	19,460,938	16,099,454
Investment Securities - Unquoted	Level 2	2,623,671	1,836,928	2,623,671	1,836,928
<b>iii. At Amortised Cost</b>					
Cash and Cash Equivalent	Level 3	5,326,085	8,145,517	5,268,540	8,101,010
Due from Nepal Rastra Bank	Level 3	3,732,132	2,865,440	3,732,132	2,865,440
Placement with B&FIs	Level 3	-	-	-	-
Derivative Financial Instruments	Level 3	-	-	-	-
Loans and Advances to BFIs	Level 3	2,536,439	2,726,800	2,536,439	2,726,800
Loans and Advances to Customers	Level 3	94,456,966	86,811,948	94,456,966	86,811,948
Other Assets	Level 3	807,642	338,300	760,822	314,811
<b>Total Financial Assets</b>		<b>129,177,721</b>	<b>118,913,184</b>	<b>128,839,509</b>	<b>118,756,391</b>
<b>Financial Liabilities</b>					
<b>i. Through FVTPL/FVTOCI</b>					
Liability for employees DBO	Level 3	161,630.38	149,906.25	160,048.70	148,700.44
<b>ii. At Amortised Cost</b>					
Due to B&FIs	Level 3	1,999,547	3,750,284	1,999,547	3,750,284
Due to Nepal Rastra Bank	Level 3	215,875	1,032,980	215,875	1,032,980
Derivative Financial Instruments	Level 3	-	-	-	-
Deposits from Customers	Level 3	116,297,179	104,667,788	116,449,871	104,675,072
Borrowings	Level 3	18,750	25,016	18,750	25,016
Other Liabilities	Level 3	1,363,908	1,261,827	1,244,617	1,235,610
Debt Securities Issued	Level 3	1,246,918	1,246,489	1,246,918	1,246,489
<b>Total Financial Liabilities</b>		<b>121,303,807</b>	<b>112,134,291</b>	<b>121,335,627</b>	<b>112,114,152</b>

## 5.16 Disclosure on Government Grants and Disclosure of Government Assistance

### MoU with iDE Nepal

The Bank has entered into agreement with iDE Nepal, a global organization that advances market-based approaches in agriculture; access to finance; and water, sanitation, and hygiene (WASH) to increase household income by provided easy access to finance in climate-smart agriculture technologies, with a focus on women and disadvantaged/marginalized groups, made possible through a bundled service offering that combined non-traditional financial service (NTFS) loan and crop insurance products to stimulate commercial vegetable production. The program included development and distribution of small-farmer, climate-smart agricultural loans from Muktinath Bikas Bank through two mechanisms, one known as Business Correspondent/Wholesale Loan Model and Rural Aggregation/Direct-to-Farmer Loan Model.

In pursuant to the terms of the agreement of iDE Nepal, the Bank has received the grant as the reimbursement of the expenses incurred for the project and has accounted the grant received as per NAS 20, Accounting for Government Grants and Disclosure of Government Assistance The following amount has been recognised in Statement of Profit and Loss Account as the grant income:

Name of the Borrower	Amount
iDE Nepal	695,738
<b>Total</b>	<b>695,738</b>

## 5.17 Disclosure pursuant to Guideline on Recognition of Interest Income, 2019

In line with the NRB's Guideline on Recognition of Interest Income, 2019 which provides for the cessation of the the interest on loan, in case where contractual payments of principal and/or interest of the loan are due for more than 12 months the Bank has suspended to recognize the following amount as the interest income:

Particulars	31st Asar 2080	32nd Asar 2079
Interest Income Suspended	122,098,462	24,272,803

## 5.18 Concentration of Deposits and Loans & Advances

Particulars	Loans and Advances		Deposits	
	31st Asar 2080	32nd Asar 2079	31st Asar 2080	32nd Asar 2079
Total Amount Outstanding (Gross)	97,339,245,583	89,654,338,236	117,926,646,126	107,897,679,363
Highest exposure of single customers	859,256,200	839,256,200	2,681,577,428	3,029,922,454
<b>Concentration of exposure to single customers</b>	<b>0.88%</b>	<b>0.94%</b>	<b>2.27%</b>	<b>2.81%</b>
Total exposures to twenty largest borrowers	5,886,163,660	5,617,560,827	13,507,256,602	14,612,168,419
<b>Concentration of exposure to twenty largest customers</b>	<b>6.05%</b>	<b>6.27%</b>	<b>11.45%</b>	<b>13.54%</b>

## 5.19 Additional Disclosures on Loans and Advances

### i. COVID Relaxations Related

The Bank has extended various COVID related relaxations in line with NRB Directions and the internal product paper. The outstanding and number of customers facilitated are as follows:

Particulars	Loans and Advances		Deposits	
	No. of Customers	Amount	No. of Customers	Amount
Accrued Interest Received after Asar end 2080 till 15 Shrawan 80	43,026	225,634,203	41,277	148,502,246
Extension of moratorium period of loan provided to industry or project under construction	-	-	-	-
Restructured/Rescheduled Loan with 5% Loan Loss Provision	266	1,577,551,823	1,566	1,151,084,848
Enhancement of Working Capital Loan by 20% to COVID affected borrowers	-	-	266	143,494,118
Enhancement of Term Loan by 10% to COVID affected borrowers	-	-	70	23,694,557
Expiry Date of Additional 20% Workings Capital Loan(COVID Loan) extended for up to 1 year with 5% provisioning	-	-	266	143,494,118
Time Extension provided for repayment of principal and interest for up to two years as per Clause 41 of NRB Directives 2	-	-	-	-

The refinance and business continuity loan detail is as follows:

Particulars	Loans and Advances		Deposits	
	No. of Customers	Amount	No. of Customers	Amount
Refinance Loan	-	-	206	944,079,032
Business Continuity Loan	-	-	-	-

The subsidized loans details are as follows:

Particulars	Loans and Advances		Deposits	
	No. of Customers	Amount	No. of Customers	Amount
Subsidized Loan	5,783	5,116,732,777	6,086	6,401,524,299

## 5.20 Comparative Figures

Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

**Sanjiv Poudel**  
Chief Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

As per our report of even date

**Bikesh Madhikarmi**  
Partner  
CSC & Co.

Chartered Accountants

**Gajendra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Date : 5th Poush 2080  
Place: Kathmandu, Nepal

## Principal Indicators of last 5 Financial Year

SN	32nd Asar 2079	Unit	FY 2075-76	FY 2076-77	FY 2077-78	FY 2078-79	FY 2079-80
1.	Net Profit/ Gross Income	%	34.00	25.37	30.51	35.01	26.83
2.	Earnings Per Share	NPR	2794	16.56	24.03	23.72	19.44
3.	Market Value Per Share	NPR	370	312	657	440	407
4.	Price Earning Ratio	Times	13.24	18.84	27.34	18.55	20.94
5.	Stock Dividend	%	17.60	11.25	17.58	13.50	9.75
6.	Cash Dividend	%	0.93	4.26	0.93	0.711	0.5132
7.	Interest Income/ Total Interest Earning Assets	%	10.86	12.08	8.37	10.79	13.04
8.	Staff Expenses/ Total Operating Expenses	%	59.32	61.25	65.92	64.89	65.36
9.	Interest Expenses/ Total Interest Bearing Liabilities	%	6.89	7.56	5.52	7.86	9.76
10.	Exchange Gain/ Total Income	%	0.13	0.49	0.14	0.21	0.30
11.	Staff Bonus/Total Staff Expenses	%	19.78	14.31	16.56	17.64	13.99
12.	Net Profit/Total Loans & Advances	%	2.24	1.47	1.51	1.50	1.29
13.	Net Profit/ Total Assets	%	1.65	1.07	1.14	1.11	0.95
14.	Total Loans & Advances/Total Deposits	%	82.61	80.94	82.76	82.58	81.89
15.	Total Operating Expenses/Total Assets	%	2.22	2.20	1.63	1.51	1.62
16.	Capital Adequacy (On Risk Weighted Assets)						
	a. Core Capital	%	12.29	11.97	9.94	8.83	8.84
	b. Supplementary Capital	%	1.15	1.26	1.25	2.97	2.94
	c. Total Capital Fund	%	13.44	13.23	11.19	11.80	11.77
17.	Liquidity Ratio	%	25.88	27.83	24.07	26.32	25.67
18.	Non-Performing Loan/ Total Credit (as per NRB Directives)	%	0.07	0.259	0.23	0.21	0.98
19.	Base Rate	%	11.36	9.98	8.05	11.15	11.68
20.	Cost of Fund	%	8.69	7.52	6.26	9.24	9.52
21.	Interest Yield on Loans	%	13.67	12.51	10.78	13.76	14.18
22.	Weighted Average Interest Rate Spread	%	4.98	4.99	4.48	4.51	4.59
23.	Number of Shares	Nos.	30,647,601	43,249,895	48,115,508	56,571,809	64,209,003
24.	Net Worth Per Share	NPR	145.18	134.53	141.98	142.77	145.82
26.	Return on Total Assets	%	1.65	1.07	1.14	1.11	0.95
27.	Return on Equity	%	19.24	12.16	16.94	16.61	13.33
28.	Number of Employees	Nos.	1,223	1,436	1,547	1,555	1,663
29.	Number of Branch including extension counters	Nos.	119	135	158	177	178

## Comparison of Unaudited Interim Financial Statement & Audited Financial Statement

Particulars	Unaudited Financial Statement	Audited Financial Statement	Variance		Reasons for Variance
			Amount	%	
<b>Assets</b>					
Cash and Cash Equivalent	5,260,233,619	5,268,539,748	8,306,128	0.00	Nostro Reconciliation and reclassification related adjustments.
Due from Nepal Rastra Bank	3,752,132,132	3,752,132,133	-	-	-
Placement with Bank and Financial Institutions	-	-	-	-	-
Derivative Financial Instruments	-	-	-	-	-
Other Trading Assets	-	-	-	-	-
Loans and Advances to BFIs	2,564,609,476	2,536,439,270	(28,170,206)	(0.01)	Reclassification of loans between loans to BFIs and Customers, staff loan amortization and additional impairment
Loans and Advances to Customers	94,755,258,340	94,456,965,952	(298,292,388)	(0.00)	Investment Securities having maturity less than 90 days reclassified to Cash and Cash Equivalent
Investment Securities	22,094,116,097	22,084,609,500	(9,506,597)	(0.00)	Due to change in tax liability with the change in profit
Current Tax Assets	33,528,985	48,176,787	14,647,801	0.44	-
Investment in Subsidiaries	244,045,905	244,045,905	-	-	-
Investment in Associates	155,550,000	155,550,000	-	-	-
Investment Property	256,080,782	256,080,782	-	-	-
Property and Equipment	1,815,219,890	1,919,851,163	104,631,273	0.06	Inclusion of the right of use assets as per NFRS-16.
Goodwill and Intangible Assets	14,537,316	14,537,316	-	-	-
Deferred Tax Assets	75,985,061	84,683,324	8,698,263	0.11	Final calculation of current year deferred tax.
Other Assets	653,491,831	809,595,176	156,103,344	0.24	Change in assumption in calculating deferred employee expenses.
<b>Total Assets</b>	<b>131,654,789,436</b>	<b>131,611,207,055</b>	<b>(43,582,381)</b>	<b>(0.00)</b>	
<b>Liabilities</b>					
Due to Banks and Financial Institutions	1,999,508,834	1,999,547,189	38,355	0.00	Petty adjustments.
Due to Nepal Rastra Bank	216,446,046	215,874,848	(571,198)	(0.26)	Petty adjustments of accrued interest payable.
Derivative Financials Instrument	-	-	-	-	-
Deposits from Customers	116,449,870,954	116,449,870,954	-	-	-
Borrowings	18,749,772	18,750,000	228	0.00	Petty adjustments of accrued interest payable.
Current Tax Liabilities	-	-	-	-	-
Provisions	3,506,030	14,806,030	11,300,000	322.30	Provision made for pending litigation.
Deferred Tax Liabilities	-	-	-	-	-
Other Liabilities	2,281,107,624	2,302,381,934	21,274,310	0.93	Impact of lease liability under NFRS 16 and other petty adjustments.
Debt Securities Issued	1,246,917,782	1,246,917,782	-	-	-
Subordinated Liabilities	-	-	-	-	-
<b>Total Liabilities</b>	<b>122,216,107,039</b>	<b>122,248,148,736</b>	<b>32,041,695</b>	<b>0.03</b>	
<b>Equity</b>					
Share Capital	6,420,900,273	6,420,900,273	-	-	-
Share Premium	-	-	-	-	-
Retained Earnings	644,072,634	673,938,061	29,865,427	4.64	Change in profit and regulatory reserve adjustment
Reserves	2,373,709,490	2,268,219,984	(105,489,506)	(4.44)	Transfer to Regulatory reserves.
<b>Total Equity Attributable to Equity Shareholders</b>	<b>9,438,682,397</b>	<b>9,363,058,318</b>	<b>(75,624,079)</b>	<b>(0.80)</b>	<b>Change in Profit.</b>
<b>Non Controlling Interest</b>	-	-	-	-	-
<b>Total Equity</b>	<b>9,438,682,397</b>	<b>9,363,058,318</b>	<b>(75,624,079)</b>	<b>(0.80)</b>	
<b>Total Equity and Liabilities</b>	<b>131,654,789,436</b>	<b>131,611,207,054</b>	<b>(43,582,382)</b>	<b>(0.03)</b>	



Particulars	Unaudited Financial Statement	Audited Financial Statement	Variance		Reasons for Variance
			Amount	%	
Interest Income	15,394,080,917	15,475,236,312	81,155,395	0.53	Revised staff amortisation calculation.
Interest Expense	11,279,338,595	11,371,142,353	91,803,757	0.81	Interest cost under NFRS 16
<b>Net Interest Income</b>	<b>4,114,742,322</b>	<b>4,104,093,960</b>	<b>(10,648,362)</b>	<b>(0.26)</b>	-
Fees and Commission Income	590,957,940	592,895,444	1,937,505	0.33	Petty adjustment
Fees and Commission Expense	66,732,310	67,198,619	466,310	0.70	Petty adjustment
<b>Net Fee and Commission Income</b>	<b>524,225,630</b>	<b>525,696,825</b>	<b>1,471,195</b>	<b>0.28</b>	-
<b>Net Interest, Fee and Commission Income</b>	<b>4,638,967,952</b>	<b>4,629,790,785</b>	<b>(9,177,168)</b>	<b>(0.20)</b>	-
Net Trading Income	11,340,911	11,340,911	-	-	-
Other Operating Income	13,678,487	11,419,765	(2,258,722)	(16.51)	Realized gain on sale of shares routed through OCI and other Petty adjustment
<b>Total Operating Income</b>	<b>4,663,987,350</b>	<b>4,652,551,461</b>	<b>(11,435,889)</b>	<b>(0.25)</b>	-
Impairment charge/(reversal) for loans and other losses	552,216,786	698,675,809	146,459,024	26.52	Impairment added by the Statutory Auditors and NRB.
<b>Net Operating Income</b>	<b>4,111,770,564</b>	<b>3,953,875,651</b>	<b>(157,894,913)</b>	<b>(3.84)</b>	-
Operating Expense					
Personnel Expenses	1,362,953,946	1,438,159,358	75,205,412	5.52	Change in assumption in calculating finance charge under NFRS and staff bonus.
Other Operating Expenses	511,692,011	461,034,637	(50,657,374)	(9.90)	Change in Lease expenses, litigation provision and other petty adjustment
Depreciation and Amortisation	260,414,734	234,108,880	(26,305,853)	(10.10)	Impact of depreciation of Right to use assets under NFRS 16
<b>Operating Profit</b>	<b>1,976,709,873</b>	<b>1,820,572,776</b>	<b>156,137,097</b>	<b>7.90</b>	-
Non Operating Income	-	-	-	-	-
Non Operating Expense	10,256,102	10,256,102	-	-	-
<b>Profit before Income Tax</b>	<b>1,966,453,772</b>	<b>1,810,316,675</b>	<b>(156,137,097)</b>	<b>(7.94)</b>	-
Income Tax Expense					
Current Tax	602,586,252	587,938,885	(14,647,366)	(2.43)	Due to change in profit before tax and revised computation of income tax under Income Tax Act
Deferred Tax	-	(25,848,480)	(25,848,480)	-	-
<b>Profit for the Period</b>	<b>1,363,867,520</b>	<b>1,248,226,268</b>	<b>(115,641,252)</b>	<b>(8.48)</b>	-



**मुक्तिनाथ क्यापिटल लिमिटेडको  
लेखापरीक्षकको प्रतिवेदन  
र वित्तीय विवरण**

---

**Muktinath Capital Limited's  
Auditor's Report &  
Financial Statements**

**INDEPENDENT AUDITOR'S REPORT**  
**The Shareholders of Muktinath Capital Limited**

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying financial statements of M/s. Muktinath Capital Limited, Kathmandu, Nepal (hereinafter referred to as "the company"), which comprises the statement of financial position as at Ashad 31, 2080 [July 16, 2023] and statement of profit or loss, statement of cash flow & statement of changes in equity for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes (hereinafter referred to as "the financial statements").

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at Ashad 31, 2080 (July 16, 2023) and its financial performance and its cash flows for the year then ended on that date in accordance with Nepal Financial Reporting Standards (NFRSs).

**Basis of Opinion**

We conducted our audit in accordance with Nepal Standards on Auditing (NSA's). 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 company in accordance with the Institute of Chartered Accountant of Nepal's code for professional accountants (ICAN Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN Code. 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 judgment, 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.





We have determined the matters described below to be the key audit matters to be communicated in our report.

## Key Audit Matters

## Our Audit Approach and Responses

### 1. Valuation of Investment

Investment of the company comprises of investments in listed Shares, Initial Public Offerings, Mutual Funds and Fixed Deposits.

The classifications, valuations and disclosures of the aforesaid investment shall be done in line with NFRS 9 financial instruments; NFRS 13 Fair Value Measurements; NFRS 7 Financial Instruments: Disclosure. Investment made in listed securities and mutual fund has been treated as Investment held for trading and recognised as Fair Value Through Profit and Loss. And investment in fixed deposits have been measured at amortised cost.

### 2. Revenue Recognition:

Revenue comprises of Income from Merchant Banking Activities, Interest Income from fixed deposit, Other Income, and Net Gain/ (loss) due to fair value change on financial instruments held for trading.

In view of primary business of the company being the merchant banking we have considered merchant banking income and portfolio management service income as key audit matters in our audit.

Our audit approach regarding valuation of investment, impairment, its accounting includes:

a. We ensured classifications and accounting of investments made by company and its valuation were in accordance to NFRS 9 and NFRS 13 Issued by Accounting Standards Board of Nepal.

b. We ensured the correctness of the valuation of investment valued at amortised cost through sample verification of effective interest rate and amortization schedule.

c. For the investment made on quoted equity instruments & units of mutual fund, we ensured that fair value has been done at the closing transaction rate in NEPSE as on 31.03.2080. Investment in promoters shares has been recorded at cost and seperately disclosed.

Our audit approach regarding revenue recognition with respect to merchant banking income and portfolio management service income includes the following among other things:

a. Ensured the portfolio management service revenue has been recognised on the basis of pms contract agreed with the client at the time of agreement.

b. Ensured the related fees like performance fees, exit fees has been calculated and recorded as per the agreement in the timley manner.

## **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 Nepal Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company'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 company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company'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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our 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 judgment 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 evidences 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the company 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

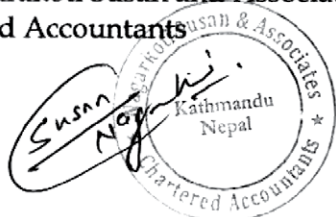
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

We have obtained information and explanations asked for, which, to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, proper books of account as required by law have been kept by the organization in so far as it appears from our examination of those books of account of the company. In our opinion the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity & statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes have been prepared in accordance with the requirements of Companies Act, 2063 and are in agreement with the books of accounts maintained by the company. In our opinion and to the best of information and according to the explanation given to us and from the examination of the books of accounts of the company, we have not come across any case where the board of directors or any employee of the company have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused any loss or damage to the company.

For Nagarakoti Susan and Associates  
Chartered Accountants



CA. Susan Nagarkoti

Proprietor

Date: 2080/06/19

Place: Kathmandu, Nepal

UDIN: 230231009CA01708ESZHj

## MUKTINATH CAPITAL LIMITED

### Statement of Financial Position

As on Ashad 31, 2080 (16 July 2023)

Figures in NPR

Particulars	Notes	31st Asar 2080	32nd Asar 2079
<b>Assets</b>			
Cash and Cash Equivalents	4.1	373,637,058.32	56,791,298.57
Investment Securities- Investment Securities through FVTPL	4.2	48,618,602.55	63,796,297.95
Investment Securities- Investment Securities through FVTOCI	4.3	-	-
Financial Investment-Held for Maturity	4.4	21,607,000.00	20,000,000.00
Other Financial Assets	4.5	46,059,367.20	22,745,906.62
Other Assets	4.6	1,093,564.37	823,230.81
Current Tax Assets	4.7	4,579,371.01	-
Investment Property	4.8	33,115,680.00	33,115,680.00
Property and Equipment	4.9	7,174,328.48	10,250,495.90
Right of Use Asset	4.9.1	7,386,958.89	8,665,042.57
Intangible Assets	4.11	672,467.22	969,081.12
Deferred Tax Assets	4.11	1,311,657.20	9,790,074.44
<b>Total Assets</b>		<b>545,256,055.24</b>	<b>226,947,107.98</b>
<b>Liabilities</b>			
Due to Public/Refundable to Investors	4.12	-	-
Other Financial Liabilities	4.13	115,424,291.17	28,439,866.35
Other Liabilities	4.14	8,234,355.38	7,546,163.71
Current Tax Liabilities	4.70	-	193,164.11
Other Provisions	4.15	4,898,305.24	817,975.00
Deferred Tax Liabilities	4.11	-	-
<b>Total Liabilities</b>		<b>128,556,951.79</b>	<b>36,997,169.17</b>
<b>Equity</b>			
Share Capital	4.16	405,000,000.00	202,500,000.00
Share Premium		40,404.50	-
Retained Earning		4,662,439.08	(16,908,208.38)
Reserves	4.17	6,996,259.87	4,358,147.18
<b>Total Equity</b>		<b>416,699,103.45</b>	<b>189,949,938.80</b>
<b>Total Liability and Equity</b>		<b>545,256,055.24</b>	<b>226,947,107.98</b>

Contingent liabilities and commitment

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For Nagarkoti Susan & Associates  
Chartered Accountants

**Sitaram Kaphle**  
(Chairman/ Director)

**Dandapani Dhakal**  
(Director)

**Umesh Regmi**  
(Director)

**Adarsha Raj Pandey**  
(Director)

**CA. Susan Nagarkoti**  
Proprietor

**Deepanjali Khakurel**  
(Director)

**Suman Koirala**  
(Director)

**Kabindra Bikram Dhoj Joshi**  
(CEO)

**Kamala Karki**  
(Accounts Officer)

Date : 2080/06/17

Place: Kathmandu, Nepal

# MUKTINATH CAPITAL LIMITED

## Statement of Profit or Loss

For the Period commencing on Shrawan 1, 2079 and ending on Ashad 31, 2080

Figures in NPR

Particulars	Notes	31st Asar 2080	32nd Asar 2079
<b>Revenue</b>			
Revenue from Operation	4.18	26,949,018.82	31,628,430.70
Net Gain/(Loss) on Financial Investments-HFT	4.19	3,356,465.10	(28,522,040.12)
Other Income	4.20	46,517,668.64	11,581,291.20
<b>Total Revenue</b>		<b>76,823,152.56</b>	<b>14,687,681.78</b>
<b>Expenses</b>			
Employee Benefit Expenses	4.21	21,802,157.80	16,113,643.06
Operating Expenses	4.22	14,829,639.56	16,114,311.21
Depreciation and Amortization	4.23	5,591,033.07	5,506,027.87
<b>Total Expenses</b>		<b>42,222,830.42</b>	<b>37,733,982.13</b>
<b>Profit before Tax from Continuing Operations</b>		<b>34,600,322.14</b>	<b>(23,046,300.35)</b>
<b>Income Tax</b>			
Current Year Tax	4.24	1,836,425.87	2,634,067.19
Deferred Tax (Income)/Expenses	4.24	8,478,417.24	(9,400,659.41)
<b>Profit for the Year</b>		<b>24,285,479.03</b>	<b>(16,279,708.14)</b>
Earning Per Share		6.00	(8.04)

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For Nagarkoti Susan & Associates  
Chartered Accountants

**Sitaram Kaphle**  
(Chairman/ Director)

**Dandapani Dhakal**  
(Director)

**Umesh Regmi**  
(Director)

**Adarsha Raj Pandey**  
(Director)

**CA. Susan Nagarkoti**  
Proprietor

**Deepanjali Khakurel**  
(Director)

**Suman Koirala**  
(Director)

**Kabindra Bikram Dhoj Joshi**  
(CEO)

**Kamala Karki**  
(Accounts Officer)

Date : 2080/06/17

Place: Kathmandu, Nepal



## MUKTINATH CAPITAL LIMITED

### Statement of Cash Flow

For the Period commencing on Shrawan 1, 2079 and ending on Ashad 31, 2080

Figures in NPR

Particulars	For the Period Ended Ashad 31, 2080	For the Period Ended Ashad 32, 2079
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Merchant Banking Income	12,549,616.80	11,605,008.00
Mero Share Online Income	3,448,550.00	4,190,750.00
Underwriting Income	4,699,729.00	797,120.00
Portfolio Management Income	2,997,049.13	12,613,123.89
Advisory Income	651,764.71	-
IPO/FPO Issue Income	500,000.00	-
Pledge Income	233,300.00	202,400.00
Auction Income	25,000.00	285,000.00
Issue Management Income	100,000.00	500,000.00
RTS Income	1,744,009.18	1,435,028.81
Other Income	8,909,617.00	5,644,529.50
Less: Personnel Expenses	(21,802,157.80)	(16,113,643.06)
Less: Operating Expenses	(14,786,716.10)	(14,256,538.23)
<b>Operating Cash Flows Before Changes in Operating Assets and Liabilities</b>	<b>(730,238.08)</b>	<b>6,902,778.91</b>
(Increase)/Decrease In Operating Assets		
(Increase)/Decrease In Financial Assets	(23,313,460.58)	28,464,163.93
(Increase)/Decrease In Other Assets	(270,333.56)	(645,688.69)
Increase/(Decrease) In Operating Liabilities		
Increase/(Decrease) In due to Public/Investor	-	-
Increase/(Decrease) In Financial Liabilities	86,984,424.82	(72,197,415.20)
Increase/(Decrease) In Provisions	4,080,330.24	(6,482,416.00)
Increase/(Decrease) In Tax Provision	(4,772,535.12)	-
Increase/(Decrease) In Other Liabilities	688,191.67	934,630.04
<b>Net Cash Flow from Operating Activities Before Tax Paid</b>	<b>62,666,379.38</b>	<b>(43,023,947.00)</b>
Income Taxes Paid	(1,836,425.87)	(2,634,067.19)
<b>Net Cash Flow from Operating Activities</b>	<b>60,829,953.51</b>	<b>(45,658,014.19)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investment Securities - Quoted	(43,467,585.78)	(56,060,991.22)
Sale of Investment Securities - Quoted	84,501,746.27	48,924,232.15
Purchase of Investment Securities - Unquoted	(20,000,000.00)	-
Sale of Investment Securities - Unquoted	-	-
Purchase of Investment Securities - Mutual Fund	(2,500,000.00)	-
Sale of Investment Securities - Mutual Fund	-	-
Liquidation from Fixed deposit	-	7,500,000.00
Investment in Debenture	(16,607,000.00)	-
Investment in Fixed Deposit	15,000,000.00	-
Purchase of Property and Equipment	(94,169.62)	(6,584,230.17)
Receipt from the Sale of Property and Equipment	35,000.00	-
Purchase of Intangible Assets	(156,166.00)	(352,560.00)
Receipt from the Sale of Intangible Assets	-	-
Purchase of Investment Properties	-	-
Receipt from the Sale of Investment Properties	-	-
Increase/Decrease in ROU	(811,184.80)	(11,390,403.21)
Interest Received	37,375,785.41	5,246,704.37
Dividend Received	232,266.23	690,057.33
<b>Net Cash used In Investing Activities</b>	<b>53,508,691.71</b>	<b>(12,027,190.75)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt from Issue of Shares	202,500,000.00	-
Share Premium	40,404.50	-
Expenditure from corporate social responsibility	(33,290.00)	-
Dividends Paid	-	(36,450,000.00)
Interest Paid	-	-
<b>Net Cash from Financing Activities</b>	<b>202,507,114.50</b>	<b>(36,450,000.00)</b>
Net Increase (Decrease) In Cash And Cash Equivalents	316,845,759.73	(94,135,204.94)
Cash and Cash Equivalents at Shrawan 1, 2079	56,791,298.57	150,926,503.49
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents Held	-	-
<b>Cash and Cash Equivalents at Ashad end 2080</b>	<b>373,637,058.32</b>	<b>56,791,298.57</b>

Notes 1 to 6.5 Forms integral part of Financial Statements  
As per our attached report of even date

For Nagarkoti Susan & Associates  
Chartered Accountants

**Sitaram Kaphle**  
(Chairman/ Director)

**Dandapani Dhakal**  
(Director)

**Umesh Regmi**  
(Director)

**Adarsha Raj Pandey**  
(Director)

**CA. Susan Nagarkoti**  
Proprietor

**Deepanjali Khakurel**  
(Director)

**Suman Koirala**  
(Director)

**Kabindra Bikram Dhoj Joshi**  
(CEO)

**Kamala Karki**  
(Accounts Officer)

Date : 2080/06/17

Place: Kathmandu, Nepal

# MUKTINATH CAPITAL LIMITED

## Statement of Other Comprehensive Income

For the Period commencing on Shrawan 1, 2079 and ending on Ashad 31, 2080

Figures in NPR

Particulars	Notes	For the Period Ended Ashad 31, 2080	For the Period Ended Ashad 32, 2079
<b>Profit for the Year</b>		<b>24,285,479.03</b>	<b>(16,279,708.14)</b>
Gains/(Losses) on Remeasuring Available for Sale Financial Assets		-	-
Gains/(Losses) on Actuarial Valuation of Defined Benefit Liability		-	-
Total Other Comprehensive Income/(Loss)		24,285,479.03	(16,279,708.14)
Income Tax Income/(Expense) relating to components of other comprehensive income		-	-
<b>Total Comprehensive Income for the Year, Net of Tax</b>		<b>24,285,479.03</b>	<b>(16,279,708.14)</b>

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For Nagarkoti Susan & Associates  
Chartered Accountants

**Sitaram Kaphle**  
(Chairman/ Director)

**Dandapani Dhakal**  
(Director)

**Umesh Regmi**  
(Director)

**Adarsha Raj Pandey**  
(Director)

**CA. Susan Nagarkoti**  
Proprietor

**Deepanjali Khakurel**  
(Director)

**Suman Koirala**  
(Director)

**Kabindra Bikram Dhoj Joshi**  
(CEO)

**Kamala Karki**  
(Accounts Officer)

Date : 2080/06/17

Place: Kathmandu, Nepal



## MUKTINATH CAPITAL LIMITED

### Statement of Change in Equity

For the Period commencing on Shrawan 1, 2079 and ending on Ashad 31, 2080

Figures in NPR

Particulars	Share Capital	Share Premium	General Reserve	Available for Sale	Fair Value Reserve	CSR Reserve	Retained Earnings	Total
<b>Balance as at Shrawan 1, 2078</b>	<b>202,500,000</b>	-	<b>4,167,191</b>	-	-	<b>465,031</b>	<b>35,821,500</b>	<b>242,953,722</b>
Profit for the Year							(16,279,708)	(16,279,708)
Change in Fair Value					-		-	-
Apportion to General Reserve			-				-	-
Distribution of Dividend (including Tax)	-		-	-	-	-	(36,450,000)	(36,450,000)
Apportion to CSR Reserve						-	-	-
Expenses out of CSR Reserve	-		-	-	-	(274,075)	-	(274,075)
<b>Balance as at Ashad 32, 2079</b>	<b>202,500,000</b>	-	<b>4,167,191</b>	-	-	<b>190,956</b>	<b>(16,908,208)</b>	<b>189,949,939</b>
<b>Balance as at Shrawan 1, 2079</b>	<b>202,500,000</b>	-	<b>4,167,191</b>	-	-	<b>190,956</b>	<b>(16,908,208)</b>	<b>189,949,939</b>
Prior Period Adjustments	-	-	-	-	-	-	(43,429)	(43,429)
<b>Restated Balance as at Shrawan 1, 2079</b>	<b>202,500,000</b>	-	<b>4,167,191</b>	-	-	<b>190,956</b>	<b>(16,951,637)</b>	<b>189,906,510</b>
Profit for the Year	-		-	-	-	-	24,285,479	24,285,479
Change in Fair Value	-		-	-	-	-	-	-
Apportion to General Reserve	-		2,428,548	-	-	-	(2,428,548)	-
Issue of Share Capital: Right Share Issued	202,500,000	40,405	-	-	-	-	-	202,540,405
Corporate Social Responsibility Reserve	-		-	-	-	242,855	(242,855)	-
Expenses out of CSR Reserve	-		-	-	-	(33,290)	-	(33,290)
Distribution of Dividend (including Tax)	-		-	-	-	-	-	-
<b>Balance as at Ashad 31, 2080</b>	<b>405,000,000</b>	<b>40,405</b>	<b>6,595,739</b>	-	-	<b>400,521</b>	<b>4,662,439</b>	<b>416,699,103</b>

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For Nagarkoti Susan & Associates  
Chartered Accountants

**Sitaram Kaphle**  
(Chairman/ Director)

**Dandapani Dhakal**  
(Director)

**Umesh Regmi**  
(Director)

**Adarsha Raj Pandey**  
(Director)

**CA. Susan Nagarkoti**  
Proprietor

**Deepanjali Khakurel**  
(Director)

**Suman Koirala**  
(Director)

**Kabindra Bikram Dhoj Joshi**  
(CEO)

**Kamala Karki**  
(Accounts Officer)

Date : 2080/06/17

Place: Kathmandu, Nepal



## प्रबन्धपत्रमा प्रस्तवित संशोधन सम्बन्धी तीन महले विवरण

- काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३१, कमलादी, काठमाण्डौ स्थित केन्द्रीय कार्यालयलाई काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३ लाजिम्पाट, काठमाण्डौमा स्थानान्तरण गर्नका लागि प्रबन्धपत्रमा आवश्यक संशोधन गर्ने ।
- विकास बैंकको चुक्ता पूँजी रु. ६,४२,०९,००,२७२.५१ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) को ९.७५ प्रतिशतले हुन आउने रकम रु. ६२,६०,३७,७७६.५७ (अक्षरेपी बैसठ्ठी करोड साठी लाख सैंतीस हजार सात सय छयहतर रुपैयाँ सन्ताउन्न पैसा) बोनस सेयर वितरण पश्चात जारी तथा चुक्ता पूँजी रु. ७,०४,६९,३८,०४९.०८ (अक्षरेपी सात अर्ब चार करोड उनन्सतरी लाख अठ्तीस हजार उनन्पचास रुपैयाँ आठ पैसा मात्र) पुन्याउने प्रस्ताव पारित गर्ने र सोही बमोजिम प्रबन्धपत्रको सम्बन्धित दफा संशोधन गर्ने ।

साविकको व्यवस्था	संशोधित व्यवस्था	संशोधन गर्नुपर्ने कारण
<p><b>प्रबन्धपत्रको दफा २(१) मा :</b> वित्तीय संस्थाको रजिष्टर्ड (केन्द्रीय) कार्यालय काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३१, कमलादिमा रहने छ ।</p>	<p><b>प्रबन्धपत्रको दफा २(१) मा :</b> विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३, लाजिम्पाटमा रहनेछ ।</p>	<p>यस विकास बैंकले काठमाण्डौ महानगरपालिका वडा नं.-३, लाजिम्पाटमा आफ्नै भवनमा केन्द्रीय कार्यालय स्थानान्तरण गर्नुपर्ने भएकोले ।</p>
<p><b>दफा ५ को उपदफा (ख) मा:</b> विकास बैंकको जारी पूँजी रु. ६,४२०,९००,२७२.५१ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) हुनेछ । जसलाई प्रति सेयर रु. १००/- का दरले ६४,२०९,००२.७२ (छ करोड बयालीस लाख नौ हजार दुई दशमलव सात दुई थान साधारण सेयरमा विभाजन गरिएको छ ।</p>	<p><b>दफा ५ को उपदफा (ख) मा:</b> विकास बैंकको जारी पूँजी रु. ७,०४६,९३८,०४९.०८ (अक्षरेपी सात अर्ब चार करोड उनन्सतरी लाख अठ्तीस हजार उनन्पचास रुपैयाँ आठ पैसा मात्र) हुनेछ । जसलाई प्रति सेयर रु.१००/- का दरले ७०,४६९,३८०.४९ (सात करोड चार लाख उनन्सतरी हजार तीन सय असी दशमलव चार नौ थान साधारण सेयरमा विभाजन गरिएको छ ।</p>	<p>सत्रौं वार्षिक साधारण सभाबाट हाल कायम जारी तथा चुक्ता पूँजी रु. ६,४२०,९००,२७२.५१ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) को ९.७५ प्रतिशतका दरले बोनस सेयर जारी गरे पश्चात कायम हुन आउने चुक्ता पूँजी ७,०४६,९३८,०४९.०८ (अक्षरेपी सात अर्ब चार करोड उनन्सतरी लाख अठ्तीस हजार उनन्पचास रुपैयाँ आठ पैसा मात्र) पुग्ने भएकोले ।</p>
<p><b>दफा ५ को उपदफा (ग) मा:</b> विकास बैंकको चुक्ता पूँजी रु. ६,४२०,९००,२७२.५१ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) हुनेछ ।</p>	<p><b>दफा ५ को उपदफा (ग) मा:</b> विकास बैंकको चुक्ता पूँजी रु. ७,०४६,९३८,०४९.०८ (अक्षरेपी सात अर्ब चार करोड उनन्सतरी लाख अठ्तीस हजार उनन्पचास रुपैयाँ आठ पैसा मात्र) हुनेछ ।</p>	

## नियमावलीमा प्रस्तुत संशोधन सम्बन्धी तीन महले विवरण

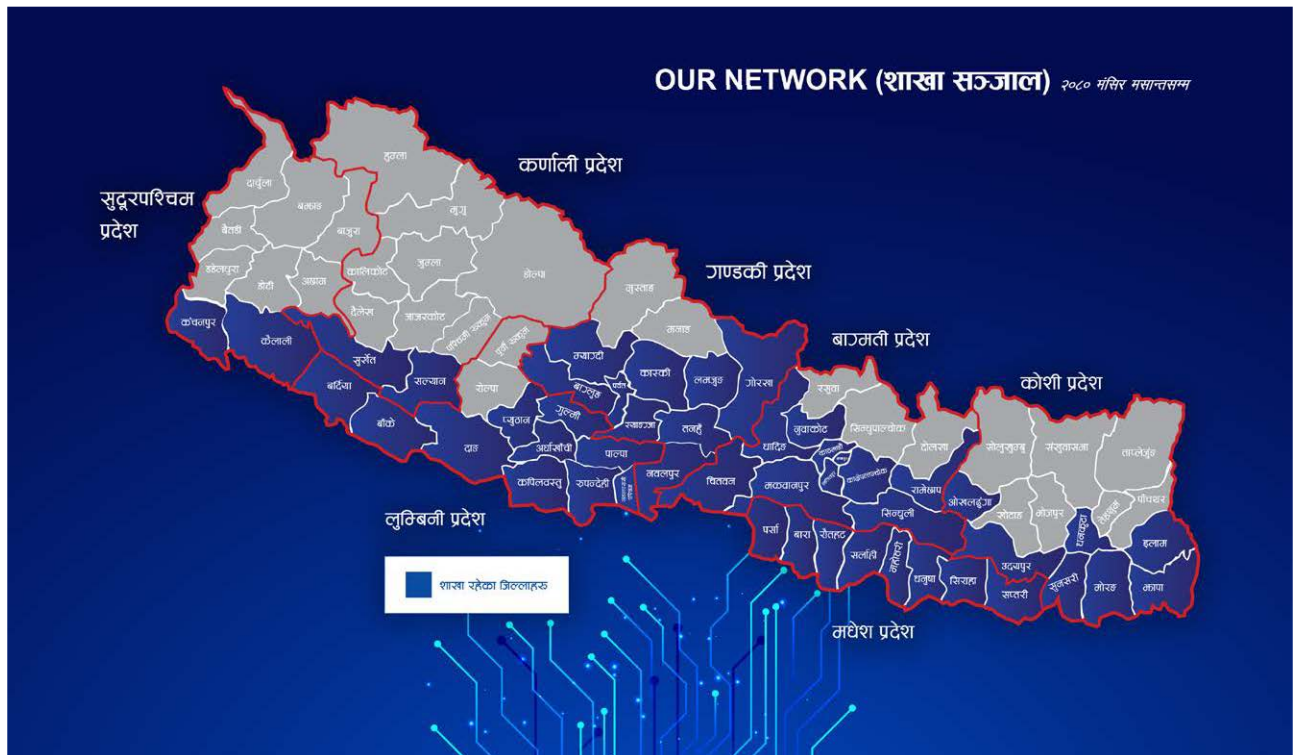
- काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३१, कमलादी, काठमाण्डौ स्थित केन्द्रीय कार्यालयलाई काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३, लाजिम्पाट, काठमाण्डौमा स्थानान्तरण गर्नका लागि नियमावलीमा आवश्यक संशोधन गर्ने ।
- सञ्चालक समितिका अध्यक्ष तथा सञ्चालकहरूको सेवा सुविधा पुनरावलोकन गरी सोही बमोजिम नियमावलीको सम्बन्धित दफा संशोधन गर्ने ।

साविकको व्यवस्था	संशोधित व्यवस्था	संशोधन गर्नुपर्ने कारण
<p><b>नियमावलीको दफा २(१) मा :</b>                      वित्तीय संस्थाको रजिष्टर्ड (केन्द्रीय) कार्यालय काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३१, कमलादीमा रहने छ ।</p>	<p><b>नियमावलीको दफा २ मा :</b>                      विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं.-३, लाजिम्पाटमा रहने छ ।</p>	<p>यस विकास बैंकले काठमाण्डौ महानगरपालिका वडा नं.-३, लाजिम्पाटमा आफ्नै भवनमा केन्द्रीय कार्यालय स्थानान्तरण गर्नुपर्ने भएकाले ।</p>
<p><b>नियमावलीको दफा २२ (स) मा :</b>                      सञ्चालक समितिको बैठकमा उपस्थित भए वापत अध्यक्ष र सञ्चालकले पाउने बैठक भत्ता क्रमशः रु. १३,०००/- (अक्षरेपी तेह्र हजार मात्र) र रु. १२,०००/- (अक्षरेपी बाह्र हजार मात्र) हुनेछ । सञ्चालकहरूलाई टेलिफोन इन्टरनेट सुविधा वापत मासिक रु. ४,०००/- (अक्षरेपी चार हजार मात्र) र पत्रपत्रिका सुबिधा वापत मासिक रु. २,५००/- (अक्षरेपी दुई हजार पाँच सय मात्र) प्रदान गरिनेछ ।</p>	<p><b>नियमावलीको दफा २२ (स) मा :</b>                      सञ्चालक समितिको बैठकमा उपस्थित भए वापत अध्यक्ष र सञ्चालकले पाउने बैठक भत्ता क्रमशः रु. २०,०००/- (अक्षरेपी बीस हजार मात्र) र रु. १८,०००/- (अक्षरेपी अठार हजार मात्र) हुनेछ । अध्यक्ष र सञ्चालकहरूलाई पत्रपत्रिका, टेलिफोन, इन्टरनेट र इन्धन सुविधा वापत मासिक रु. १५,०००/- (अक्षरेपी पन्ध्र हजार मात्र) प्रदान गरिनेछ ।</p>	
<p><b>नियमावलीको दफा २२ (ग) मा :</b>                      वित्तीय संस्थाको कामको सिलसिलामा सञ्चालकहरूलाई प्रदान गरिने दैनिक भत्ता तथा भ्रमण खर्च देहाय बमोजिम हुनेछ :</p> <p><b>(अ) दैनिक भत्ता :</b></p> <ol style="list-style-type: none"> <li>स्वदेशमा दैनिक भत्ता रु. ६,०००/- (अक्षरेपी छ हजार मात्र)</li> <li>भारतमा दैनिक भत्ता मा.रु. ६,०००/- (अक्षरेपी छ हजार मात्र)</li> <li>भारत बाहेक अन्य सार्क राष्ट्रहरूमा दैनिक भत्ता अमेरिकी डलर २००/- (अक्षरेपी दुई सय मात्र)</li> <li>सार्क राष्ट्र बाहेक अन्य राष्ट्रहरूमा दैनिक भत्ता अमेरिकी डलर ३००/- (अक्षरेपी तीन सय मात्र)</li> </ol> <p><b>(आ) भ्रमण खर्च :</b>                      परिवहन खर्च, हवाई टिकट तथा भिषा शुल्क वास्तविक बिल बमोजिमको रकम हुनेछ ।</p>	<p><b>नियमावलीको दफा २२ (ग) मा :</b>                      वित्तीय संस्थाको कामको सिलसिलामा सञ्चालकहरूलाई प्रदान गरिने दैनिक भत्ता तथा भ्रमण खर्च देहाय बमोजिम हुनेछ :</p> <p><b>(अ) दैनिक भत्ता :</b></p> <ol style="list-style-type: none"> <li>स्वदेशमा दैनिक भत्ता नं. रु. १०,०००/- (अक्षरेपी दश हजार मात्र)</li> <li>भारतमा दैनिक भत्ता मा.रु. १०,०००/- (अक्षरेपी दश हजार मात्र)</li> <li>भारत बाहेक अन्य सार्क राष्ट्रहरूमा दैनिक भत्ता अमेरिकी डलर २५०/- (अक्षरेपी दुई सय पचास मात्र)</li> <li>सार्क राष्ट्र बाहेक अन्य राष्ट्रहरूमा दैनिक भत्ता अमेरिकी डलर ४००/- (चार सय मात्र)</li> </ol> <p><b>(आ) भ्रमण खर्च :</b>                      परिवहन खर्च, हवाई टिकट तथा भिषा शुल्क वास्तविक बिल बमोजिमको रकम हुनेछ । साथै सञ्चालकहरूको भ्रमणमा खाने/बस्ने व्यवस्था बैंकले नै गरेको अवस्थामा दैनिक भ्रमण भत्ता प्रदान गरिने छैन ।</p>	<p>सञ्चालक समितिको जिम्मेवारी अनुरूप सञ्चालकहरूको भत्ता तथा अन्य सुविधाहरूमा समसामयिक समायोजन गर्न आवश्यक देखिएकोले ।</p>

# OUR NETWORK (शाखा सञ्जाल)

प्रदेश १			गण्डकी प्रदेश					
१	सिद्धिचरण शाखा	२८०२३०६०३१	३८	सितापाईला शाखा	२८०२३०६०४०	७८	बसुन्धारा शाखा	२८०२३०६१३६
२	मानेगञ्ज्याङ्ग शाखा	२८०२३०६०४५	३९	नयाँ बानेश्वर शाखा	२८०२३०६०४८	७९	लगनटोल शाखा	२८०२३०६१३५
३	रामपुर शाखा	२८०२३०६०३२	४०	न्यूरोड शाखा	२८०२३०६०४२	८०	जमल शाखा	२८०२३०६१३२
४	कठारी शाखा	२८०२३०६०४६	४१	कुलेश्वर शाखा	२८०२३०६०५०	८१	मन्थली शाखा	२८०२३०६१५४
५	धनकुटा शाखा	२८०२३०६१२२	४२	चावहिल शाखा	२८०२३०६०५२	८२	पाँचखाल शाखा	२८०२३०६१४६
६	इटहरी शाखा	२८०२३०६०६३	४३	कोटेश्वर शाखा	२८०२३०६०६१	८३	पनौती शाखा	२८०२३०६१५७
७	इनरुवा शाखा	२८०२३०६०६४	४४	माछापौर शाखा	२८०२३०६०६०	८४	गणेश चोक शाखा	२८०२३३६१६२
८	धरान शाखा	२८०२३०६०६५	४५	ठमेल शाखा	२८०२३०६०७०	८५	सातदोबाटो शाखा	२८०२३३६१५२
९	दुहवी शाखा	२८०२३०६१२३	४६	जोरपाटी शाखा	२८०२३०६०७१	८६	लोकन्थली शाखा	२८०२३३६१६३
१०	बिराटनगर शाखा	२८०२३०६०५१	४७	बतिसपुतली शाखा	२८०२३०६०८४	८७	बौद्ध शाखा	२८०२३३६१६१
११	उर्लाबारी शाखा	२८०२३०६०६८	४८	ढुंगेअड्डा शाखा	२८०२३०६०९५	८८	त्रिपुरेश्वर शाखा	२८०२३३६१६०
१२	इलाम शाखा	२८०२३०६१३२	४९	कीर्तिपुर शाखा	२८०२३०६०९६	८९	वनस्थली शाखा	२८०२३३६१६५
१३	दमक शाखा	२८०२३०६०५८	५०	टोखा शाखा	२८०२३०६०९९	९०	कलंकी शाखा	२८०२३३६१६६
१४	बिर्तामोड शाखा	२८०२३०६०७६	५१	कुमारीपाटी शाखा	२८०२३०६०५५	९१	गुन्जु एक्सटेन्सन काउन्टर	२८०२३३६१६९
१५	पथरी शाखा	२८०२३३६१५३	५२	कुपण्डोल शाखा	२८०२३०६०८०	९२	रामकोट एक्सटेन्सन काउन्टर	२८०२३३६१७४
१६	बेलवारी शाखा	२८०२३०६१४०	५३	मैसेपाटी शाखा	२८०२३०६०८१	९३	स्यूघाट एक्सटेन्सन काउन्टर	२८०२३३६१७३
१७	रङ्गेली शाखा	२८०२३०६१४१	५४	इमाडोल शाखा	२८०२३०६०८८	९४	साँखु एक्सटेन्सन काउन्टर	२८०२३३६१७७
१८	गाइघाट शाखा	२८०२३०६१४२	५५	बाडेगाउँ शाखा	२८०२३०६०९७	<b>गण्डकी प्रदेश</b>		
१९	कञ्चनबारी शाखा	२८०२३३६१७०	५६	कमलबिनायक शाखा	२८०२३०६०५४	९५	रयाङ्जा शाखा	२८०२३०६००१
२०	काकडमिट्टा शाखा	२८०२३०६१३३	५७	सुर्यविनायक शाखा	२८०२३०६०९८	९६	वालिङ शाखा	२८०२३०६००२
<b>मधेश प्रदेश</b>			५८	ठिमी शाखा	२८०२३०६०८६	९७	गल्याङ्ग शाखा	२८०२३०६००३
२१	बिराज शाखा	२८०२३०६०३३	५९	गोठारा शाखा	२८०२३०६१००	९८	बचरघारी शाखा	२८०२३०६००६
२२	चन्द्रपुर शाखा	२८०२३०६०५२	६०	घादिङ्गेशी शाखा	२८०२३०६०२७	९९	चापाकोट शाखा	२८०२३०६०१८
२३	लालबन्दी शाखा	२८०२३०६०६६	६१	गल्छी शाखा	२८०२३०६०२८	१००	फेदिसोला शाखा	२८०२३०६१०१
२४	बर्दिया शाखा	२८०२३०६०६७	६२	पुच्छारबजार एक्सटेन्सन काउन्टर	२८०२३०६११२	१०१	अर्जुनचौपारी शाखा	२८०२३०६१०२
२५	जनकपुर शाखा	२८०२३०६०६२	६३	आदमघाट शाखा	२८०२३०६११३	१०२	बिरुवा शाखा	२८०२३०६१०३
२६	मिर्चैया शाखा	२८०२३०६०७३	६४	सल्यानटार शाखा	२८०२३०६११४	१०३	मिर्भि शाखा	२८०२३०६१०४
२७	गोलबजार शाखा	२८०२३०६०७५	६५	घार्क शाखा	२८०२३०६११५	१०४	जुले शाखा	२८०२३०६१०५
२८	लाहान शाखा	२८०२३०६०७४	६६	बेनिघाट शाखा	२८०२३०६११६	१०५	महेन्द्रपुर शाखा	२८०२३३६१३८
२९	पिडारीचोक शाखा	२८०२३०६१३७	६७	आरुघाट शाखा	२८०२३०६०२९	१०६	गजानगौडा शाखा	२८०२३०६००५
३०	राजविराज शाखा	२८०२३०६१५८	६८	नारायणगढ शाखा	२८०२३०६०१५	१०७	वैदाम शाखा	२८०२३०६००८
३१	बरहथवा शाखा	२८०२३०६१४५	६९	खोलेसिमल शाखा	२८०२३०६११०	१०८	हरीचोक शाखा	२८०२३०६०११
३२	गरुडा शाखा	२८०२३०६१४४	७०	पार्वतीपुर शाखा	२८०२३०६०३२	१०९	हेठजा शाखा	२८०२३०६०२३
३३	कोल्हवी शाखा	२८०२३०६१४३	७१	पर्सा शाखा	२८०२३०६०४१	११०	नयाँपुल शाखा	२८०२३०६०१४
३४	आदर्शनगर शाखा	२८०२३०६१२६	७२	हाकिमचोक शाखा	२८०२३०६०८३	१११	छोरेपाटन शाखा	२८०२३०६०२२
<b>बागमती प्रदेश</b>			७३	ठाँडी शाखा	२८०२३०६१२५	११२	बुढिबजार शाखा	२८०२३०६०२४
३५	बनेपा शाखा	२८०२३०६०८९	७४	हेठौडा शाखा	२८०२३०६०३७	११३	काहुँखोला शाखा	२८०२३०६०२६
३६	महाराजगञ्ज शाखा	२८०२३०६०३०	७५	मनहरी शाखा	२८०२३०६०३८	११४	अमरसिंह चोक शाखा	२८०२३०६०७८
३७	कमलादी शाखा	२८०२३०६०३५	७६	बट्टार शाखा	२८०२३०६१२४			
			७७	कमलामाई शाखा	२८०२३०६०३२			

११५	जिरो कि.मि. शाखा	२८०२३०६०७२	१३७	विरौटा शाखा	२८०२३०६१७५	१५८	कोहलपुर शाखा	२८०२३०६१२०
११६	लामाचौर शाखा	२८०२३०६०८२	१३८	रामबजार शाखा	२८०२३०६१७६	१५९	गुलरिया शाखा	२८०२३३६०२०
११७	चिलेढुंगा शाखा	२८०२३०६०२०	१३९	बजार शाखा	२८०२३०६१७८	१६०	सन्धिखर्क शाखा	२८०२३३६१५५
११८	नदीपुर शाखा	२८०२३०६१२१	<b>लुम्बिनी प्रदेश</b>			१६१	सिसहनिया शाखा	२८०२३३६१५६
११९	वेगनास ताल शाखा	२८०२३०६१२२	१४०	रामपुर शाखा	२८०२३०६१३४	१६२	विजुवार शाखा	२८०२३०६१४८
१२०	दमौली शाखा	२८०२३०६००७	१४१	पाल्पा शाखा	२८०२३०६०२५	१६३	चौराहा चोक शाखा	२८०२३०६१६४
१२१	मिमाद शाखा	२८०२३०६००२	१४२	ताँहु शाखा	२८०२३०६१०८	१६४	जितपुर शाखा	२८०२३०६१४२
१२२	डुम्रे शाखा	२८०२३०६०१०	१४३	सर्राई शाखा	२८०२३०६१०९	१६५	बर्दघाट शाखा	२८०२३३६१६८
१२३	दुलेगौडा शाखा	२८०२३०६०१२	१४४	बुढवल शाखा	२८०२३०६०१७	१६६	सेमलार शाखा	२८०२३३६१७६
१२४	बेशीशाहर शाखा	२८०२३०६१३०	१४५	मैरहवा शाखा	२८०२३०६०१९	१६७	चन्द्रौटा शाखा	२८०२३३६१७२
१२५	अँबुसैरेनी शाखा	२८०२३०६१३१	१४६	हरैया शाखा	२८०२३०६१०६	<b>कर्णाली प्रदेश</b>		
१२६	कार्कावेटा शाखा	२८०२३०६०२१	१४७	रामापुर कोलोनी शाखा	२८०२३०६११७	१६८	श्रीनगर शाखा	२८०२३०६०४२
१२७	कुरुमा शाखा	२८०२३०६०७७	१४८	झाईमरटोल शाखा	२८०२३०६०५६	१६९	थारमारे शाखा	२८०२३०६०४३
१२८	बेनी शाखा	२८०२३०६०२३	१४९	कोठीहवा शाखा	२८०२३०६०५७	१७०	लुहाम शाखा	२८०२३०६०४४
१२९	गोरखा शाखा	२८०२३०६०२२	१५०	रिडी शाखा	२८०२३०६१११	१७१	बिरेन्द्रनगर शाखा	२८०२३०६०८७
१३०	बाजुलुङ शाखा	२८०२३०६०१६	१५१	तमघास शाखा	२८०२३०६०२१	<b>सुदूरपश्चिम प्रदेश</b>		
१३१	जैकाकोट शाखा	२८०२३०६१२६	१५२	मुमही शाखा	२८०२३०६०३४	१७२	धनगढी शाखा	२८०२३०६०७२
१३२	गिरुबारी शाखा	२८०२३०६१०७	१५३	गोपिगंज शाखा	२८०२३०६११२	१७३	लम्की शाखा	२८०२३०६१२८
१३३	डेढागाउँ शाखा	२८०२३०६११८	१५४	घोराही शाखा	२८०२३०६०८४	१७४	महेन्द्रनगर शाखा	२८०२३०६०२४
१३४	दलदले शाखा	२८०२३०६०३६	१५५	लमही शाखा	२८०२३०६१२७	१७५	सुरङ शाखा	२८०२३०६१५१
१३५	नागाढुंगा शाखा	२८०२३०६००४	१५६	तुल्सीपुर शाखा	२८०२३०६०४७	१७६	मलारी शाखा	२८०२३३६१५२
१३६	कावासोती शाखा	२८०२३०६१४७	१५७	नेपालगञ्ज शाखा	२८०२३०६०५३	१७७	राजीपुर शाखा	२८०२३०६१५०



## प्रोक्सी फारम

### दफा ७१ को उपदफा (३) संग सम्बन्धित

श्री सञ्चालक समिति  
मुक्तिनाथ विकास बैंक लिमिटेड  
केन्द्रीय कार्यालय,  
हात्तीसार, काठमाण्डौ

विषय : प्रतिनिधी नियुक्त गरेको बारे ।

महाशय,

..... जिल्ला ..... महा/उप/न.पा./गा.पा. वडा नं. .... बस्ने म/हामी  
..... त्यस बैंकको सेयरधनीको हैसियतले मिति २०८० साल पुष २८ गते शनिबारका दिन हुने **सत्रौं वार्षिक साधारण सभामा**, म/हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले, उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि ..... जिल्ला ..... महा/उप/न.पा./गा.पा. वडा नं. .... बस्ने श्री ..... लाई प्रतिनिधी नियुक्त गरी पठाएको छु / छौं ।

#### प्रोक्सी पाउनेको:

दस्तखत:

नाम:

ठेगाना :

सेयरधनी नं./डिम्याट नं.:

सेयर संख्या:

मिति:

#### निवेदक:

दस्तखत:

नाम:

ठेगाना:

सेयरधनी नं./डिम्याट नं.:

सेयर संख्या:

#### द्रष्टव्य:

यो निवेदन साधारणसभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै बैंकको केन्द्रीय कार्यालय, हात्तीसार, काठमाण्डौमा पेश गरी सक्नुपर्नेछ । सेयरधनी वाहेक अन्य व्यक्तिलाई प्रतिनिधी नियुक्त गर्न पाइने छैन ।



सेयरधनीको नाम: श्री ..... सेयरधनी परिचय नं./डिम्याट नं.: .....  
सेयर संख्या: .....

मिति २०८० साल पुष २८ गते शनिबारका दिन हुने, मुक्तिनाथ विकास बैंक लिमिटेडको सत्रौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको ।

## प्रवेश-पत्र

सेयरधनीको दस्तखत

कम्पनी सचिव

सभामा भाग लिन आउँदा यो प्रवेश-पत्रमा अनिवार्य रूपमा नाम, दस्तखत, सेयरधनी परिचय नं. /डिम्याट नं.: तथा कुल सेयर संख्या उल्लेख गरी, साथमा लिई आउनु पर्नेछ ।



टिपोटः

A series of horizontal dotted lines for writing the report content.



टिपोटः

Ruled area with horizontal dotted lines for text entry.





टिपोटः

Ruled area for report content with horizontal blue dotted lines.

# धन्यवाद !!



मुक्तिनाथ विकास बैंक  
MUKTINATH BIKAS BANK





निर्माणाधिन केन्द्रीय कार्यालय भवन  
लाजिम्पाट, काठमाण्डौ

Central Office Building Under Construction  
Lazimpat, Kathmandu



**मुक्तिनाथ विकास बैंक लि.**  
**MUKTINATH BIKAS BANK LTD.**

"नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्र प्राप्त राष्ट्रिय स्तरको विकास बैंक"

केन्द्रीय कार्यालय, हात्तीसार, काठमाण्डौ

फोन: ०१-४५४६१३६, ४५३७३२४

टेल फ्रि नं. १६६६-०१४-२२२२

✉ : [info@muktinathbank.com.np](mailto:info@muktinathbank.com.np)

🌐 : [www.muktinathbank.com.np](http://www.muktinathbank.com.np)