

श्री इन्वेस्टमेंट एंड फाइनेंस कंपनी लि.
SHREE INVESTMENT & FINANCE CO. LTD.
सिडको इन्व्हेस्टमेंट, भारतनाथी
फोन नं.: 01-8344031, 01-8844286 फॅक्स: 70010, पत्ता नं. 52-1 8841527
*श्री इन्वेस्टमेंट एंड फाइनेंस कंपनी लि. का चार्टर्डेड एकाउंटेंट्स एंड टैक्स एडवाइसर्स द्वारा प्रमाणित किया गया है।

ANNUAL REPORT AND ACCOUNTS

पच्चिसौ वार्षिक प्रतिवेदन तथा लेखा

२०१८/२०१९

(2018/2019)



श्री इन्वेस्टमेंट एंड फाइनेंस कं. लि.
Shree Investment and Finance Co. Ltd.

श्री इन्व्हेस्टमेन्ट एण्ड फाइनान्स कं. लि.
सञ्चालक समिति



श्री शशिराज पाण्डे
अध्यक्ष
(संस्थापक शेयरधनी)



श्री स्यामसन ज.व. राणा
सञ्चालक
(संस्थापक शेयरधनी)



श्री उमेश भगत प्रधानाङ्ग
सञ्चालक
(साधारण शेयरधनी)



श्री रामकृष्ण शर्मा वागले
सञ्चालक
(साधारण शेयरधनी)



श्री महेश प्रसाद अधिकारी
सञ्चालक
(साधारण शेयरधनी)



कुसेश्वर प्र. अधिकारी
कम्पनी सचिव



सिताराम तिवारी
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Chartered Accountants
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पचिसौ वार्षिक प्रतिवेदन तथा लेखा TWENTY FIFTH ANNUAL REPORT AND ACCOUNTS

२०७५/२०७६
(2018/2019)

श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि.
Shree Investment and Finance Co. Ltd.

केन्द्रीय कार्यालय :

डिल्लीबजार, गुरुजुको चौर
पोष्ट बक्स नं. १०७१७ काठमाण्डौं
फोन: ४४२२०३८, ४४२६१४६, ४४१५३४४
फ्याक्स: ९७७-१-४४२१७७९
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शाखा कार्यालयहरू :

बिराटनगर, मोरङ	- ०२१ ५२३०९२	हर्कपुर, जौडाकोट	- ०७८-४०३१०३
मैरहवा, सिद्धार्थनगर	- ०७१ ५२६५०७	श्रीनगर, सल्यान	- ०८८-४००११५
तौलिहवा, कपिलबस्तु	- ०७६ ५६११२७	सोलावाङ्ग, रुकुम (पश्चिम)	- ०८८-४२००३८
रजहर, देवचुली	- ०७८ ५४५३७२	बुढानिलकण्ठ-८, हात्तीजौडा	- ०१-४३७९१३८
डण्डा, कावासोती	- ०७८ ४१८००२	इमाडोल, महालक्ष्मी-४	- ०१-५२०११४७
ओदारी, बाणगांगा	- ०७६ ४१००३६	चाबहिल, काठमाण्डौं-७	- ०१-४४८७२२५



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श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कम्पनी लिमिटेडको पच्चिसौं वार्षिक साधारण-सभा बस्ने सूचना

यस कम्पनीको मिति २०७६ मंसिर ०५ गते बसेको सञ्चालक समितिको २८६औं बैठकको निर्णय अनुसार यस कम्पनीको २५औं वार्षिक साधारण सभा देहायका विषयहरूमा छलफल तथा निर्णय गर्न निम्न मिति, स्थान र समयमा बस्ने भएको हुदा सम्बन्धित शेयरधनी महानुभावहरूको जानकारी तथा उपस्थितीको लागि अनुरोध गर्दछौं ।

साधारणसभा बस्ने मिति, स्थान तथा समय

मिति :- वि.स. २०७६ साल पौष ११ गते शुक्रवार (तदनुसार डिसेम्बर २७, २०१९) ।

स्थान :- आम्रपाली ब्याङ्कवेट, भाटभटेनी, काठमाण्डौं ।

समय :- बिहान १० :०० बजे (उपस्थिती पुस्तिका विहान ९ :३० बजे देखी खुला रहनेछ)

छलफलका विषयहरू :-

(क) साधारण प्रस्ताव

- १) आ.व. २०७५/७६ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरि पारित गर्ने ।
- २) लेखापरीक्षकको प्रतिवेदन सहित २०७६ आषाढ मसान्तको बासलात तथा मिति २०७५।०४।०१ देखि २०७६।०३।३१ सम्मको नाफा नोक्सान हिसाव तथा सोहि अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरू र नेपाल वित्तीय प्रतिवेदन मान (NFRS) बमोजिम तयार गरिएको वार्षिक वित्तीय विवरणहरू उपर छलफल गरि पारित गर्ने ।
- ३) लेखापरीक्षण समितिको सिफारिश बमोजिम आ.व. २०७६/०७७ को लागि लेखापरीक्षकको नियुक्ती तथा निजको पारिश्रमिक निर्धारण गर्ने । (वर्तमान लेखापरीक्षक T.R. Upadhy & Co. पुनः नियुक्तीका लागि योग्य रहनु भएको जानकारी गराईन्छ) ।
- ४) सञ्चालक समितिबाट प्रस्ताव गरिएको हालको चुक्ता पूँजीको १०.६५% ले हुन आउने रु. ८,६२,६५,०००/- बराबरको नगद लाभांश (लाभांश कर प्रयोजनार्थ समेत) वितरण गर्न स्वीकृत गर्ने ।

(ख) विशेष प्रस्ताव

- १) सञ्चालक समितिबाट प्रस्ताव गरे अनुसार हालको चुक्ता पूँजीको २.३५% ले हुन आउने रु. १,९०,३५,०००/- बराबरको बोनश शेयर वितरण गर्न स्वीकृती प्रदान गर्ने ।
- २) बोनश शेयर वितरणबाट कम्पनीको साविक जारी तथा चुक्ता पूँजी रु. ८१,००,००,०००/- लाई वृद्धि गरि रु. ८२,९०,३५,०००/- (अक्षरेपी बयासी करोड नव्वे लाख पैतिस हजार मात्र) कायम हुने गरि प्रवन्धपत्रको सम्बन्धित दफामा संशोधन गर्न स्विकृत गर्ने ।
- ३) उपरोक्त प्रस्ताव बमोजिम कम्पनीको प्रवन्धपत्रमा संशोधन गर्न नियमनकारी निकायबाट कुनै फेरबदलको सुझाव भएमा तदनुसार समावेस गरि संशोधन गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने ।
- ४) यस वित्तीय संस्था अन्य कुनै उपयुक्त बैंक/वित्तीय संस्थासंग एक आपसमा गाभ्ने/गाभिने (Merger) वा यस संस्थाले अन्य कुनै उपयुक्त संस्थालाई प्राप्ती (Acquisition) गर्ने सम्बन्धमा संस्थाको चल अचल सम्पत्ती र दायित्व तथा कारोबारको मूल्यांकन (Due Diligence Audit-DDA) गर्न मान्यता प्राप्त मूल्यांकनकर्ता नियुक्त गर्ने, निजको पारिश्रमिक तोक्ने, गाभ्ने/गाभिने वा प्राप्ती गर्ने सम्बन्धि समझदारी पत्र (Memorandum of Understanding) तर्जुमा गर्ने र अन्य आवश्यक प्रकृया पुरा गरि सोमा हस्ताक्षर गर्ने लगायत गाभ्ने/गाभिने वा प्राप्ती गर्ने सम्बन्धी कार्य गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने ।

(ग) विविध

द्रष्टव्य : कम्पनीको पच्चिसौं वार्षिक साधारण सभालाई ध्यानमा राखी कम्पनीको शेयर दाखिल खारेजको काम मिति २०७६।०९।०१ देखि २०७६।०९।१० सम्म बन्द रहने व्यहोरा यसै सूचनाबाट जानकारी गराईन्छ ।

सञ्चालक समितिको आज्ञाले
कम्पनी सचिव



साधारण सभा सम्बन्धी सामान्य जानकारीहरु

- १) शेयरधनी महानुभावहरुलाई शेयर लगत कितावमा कायम रहेको ठेगानामा संक्षिप्त वार्षिक आर्थिक विवरण पठाईने छ ।
- २) वार्षिक साधारणसभामा भाग लिन/मतदान गर्न ईच्छुक शेयरधनी महानुभावहरुले शेयर प्रमाणपत्रमा उल्लेखित परिचय पत्र नम्बर/हितग्राही (DEMAT) खाता खोलिएको प्रमाण वा परिचय खुल्ने अन्य कुनै प्रमाण साथ लिई सभामा भाग लिन आउनु हुन अनुरोध गरिन्छ ।
- ३) साधारणसभामा भाग लिन र मतदान गर्नकालागी प्रोक्सी ल्याउने व्यक्ति यस कम्पनीको शेयरधनी मध्येबाटै हुनु पर्नेछ । प्रोक्सी (प्रतिनिधीपत्र) साधारणसभा हुनुभन्दा ७२ घण्टा अगावै यस कम्पनीको केन्द्रीय कार्यालयमा दाखिल भैसकेको हुनु पर्नेछ ।
- ४) कुनै ब्यक्तिले एक भन्दा बढी ब्यक्तिलाई प्रोक्सी दिएको भए रितपूर्वकको पहिलो दर्ता हुन आएको प्रोक्सी सदर गरी अरु प्रोक्सी रद्द हुनेछ ।
- ५) प्रतिनिधी नियुक्त गरी सक्नु भएको शेयरधनी साधारणसभामा आफै उपस्थित भए निजले दिएको प्रोक्सी (प्रतिनिधीपत्र) स्वतः बदर हुनेछ ।
- ६) छलफलको विषय अन्तर्गत विविध शीर्षक सम्बन्धमा शेयरधनी महानुभावहरुले छलफल गर्न चाहनु भएको विषयवारे साधारणसभा हुनुभन्दा कम्तिमा सात दिन पहिले कम्पनीको केन्द्रीय कार्यालय मार्फत कम्पनीको अध्यक्षलाई लिखित रुपमा जानकारी दिनु पर्नेछ ।
- ७) शेयरधनीहरुबाट उठेका प्रश्न, जिज्ञासा वा मन्तव्यहरुको सम्बन्धमा सञ्चालक समितिको तर्फबाट अध्यक्ष वा अध्यक्षबाट अनुमति प्राप्त ब्यक्तिले जवाफ दिनु हुनेछ ।
- ८) अन्य आवश्यक जानकारीकोलागि यस कम्पनीको केन्द्रिय कार्यालय, डिल्लीबजार काठमाण्डौमा सम्पर्क राख्नु हुन अनुरोध गरिन्छ ।

द्रष्टव्य : कम्पनी ऐन २०६३ अनुसारको वार्षिक आर्थिक विवरण, सञ्चालक समितिको प्रतिवेदन र लेखापरीक्षण प्रतिवेदन शेयरधनीहरुले निरीक्षण गर्न वा प्राप्त गर्न चाहनु भएमा कम्पनीको केन्द्रीय कार्यालयबाट उपलब्ध गराउन सकिने लगायत कम्पनीको वेबसाइट www.shreefinance.com.np मा समेत राखिएको व्यहोरा जानकारी गराईन्छ ।



प्रोक्सी फाराम (प्रतिनिधी पत्र)

श्री सञ्चालक समिति

श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कम्पनी लिमिटेड

डिल्लीबजार, काठमाडौं

बिषय: प्रतिनिधी नियुक्त गरेको सम्बन्धमा ।

महोदय,

..... जिल्ला महा/उप-महा/नगरपालिका/गा.पा. वडा नं. बस्ने म/हामी
..... त्यस वित्तीय संस्थाको शेयरधनीको हैसियतले मिति २०७६/०९/११ गते शुक्रवारका दिन हुन
लागेको पच्चिसौं वार्षिक साधारण सभामा स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागि हुन नसक्ने भएकोले उक्त
सभामा मेरो/हाम्रो तर्फबाट सभामा भाग लिनका लागि जिल्ला..... महा/उप-महा/नगर
पालिका/गा.पा. वडा नं. बस्ने त्यस वित्तीय संस्थाका शेयरधनी श्री शेयर
धनी नं./हितग्राही खाता नं लाई मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

प्रतिनिधी नियुक्त भएको व्यक्तिको

नाम:

हस्ताक्षर नमुना

शेयर प्रमाण-पत्र वा परिचय नं.:

निवेदकको नाम :

दस्तखत:

ठेगाना:

हितग्राही खाता नं./शेयर धनी नं.:

मिति: २०७६/...../.....

(द्रष्टव्य: यो निवेदन सभा शुरु हुनु भन्दा कम्तिमा ७२ घण्टा अगावै यस वित्तीय संस्थाको केन्द्रिय कार्यालय
डिल्लीबजार, काठमाडौंमा पेश गरिसक्नु पर्नेछ ।)

श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि. प्रवेश पत्र

शेयरधनीको नाम: डिम्याट नं./ शेयरधनी नं:

शेयर प्रमाण पत्र नम्बर शेयर सख्या

शेयरधनीको दस्तखत:

(मिति २०७६ पौष ११ गते शुक्रवार हुने श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कम्पनी लिमिटेडको पच्चिसौं वार्षिक साधारण
सभामा उपस्थित हुन जारी गरिएको प्रवेश पत्र)

द्रष्टव्य:

१. शेयरधनीहरुले माथि उल्लेखित सम्पूर्ण विवरण अनिवार्य रुपमा भर्नुहोला ।
२. सभा कक्षमा प्रवेशपत्र प्रस्तुत गर्न अनिवार्य छ ।

कम्पनी सचिव



अध्यक्षज्यूको मन्तव्य

यस वित्तीय संस्थाको पच्चिसौं वार्षिक साधारण सभामा उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरु, प्रतिनिधीहरु, पर्यवेक्षकहरु तथा अतिथिज्यूहरुमा हार्दिक स्वागत गर्दछु। आज चौबिस बर्ष पुरा गरि हामी यस कम्पनीको पच्चिसौं वार्षिक साधारण सभा सम्पन्न गर्न यहाँ भेला भएका छौं। हाम्रो यात्राको यति लामो समय आरोह अवरोधका बावजुद हामीले संस्थालाई सक्षम र नाफामुलक बनाउदै लगानीकर्ताहरुलाई निरन्तर प्रतिफल दिन सक्नु पनि हाम्रोलागी गौरवको विषय रहि आएको छ।

शेयरधनी महानुभावहरु

गत बर्षको चौबिसौं वार्षिक साधारणसभाबाट नियुक्त बाह्य लेखापरीक्षकको प्रतिवेदन सहितको आर्थिक बर्ष २०७५।०७६ का वित्तीय अवस्थाको विवरण (वासलात), नाफा नोक्सान हिसाव लगायत कम्पनीको संक्षिप्त वार्षिक आर्थिक विवरण यहाँहरुबाट अध्ययन भएकै हुनु पर्छ भन्ने मैले विश्वास लिएको छु। यस बर्ष पनि कम्पनीको समग्र वित्तीय परिसूचकहरु विगत बर्षहरुभै सकारात्मक रहेको जानकारी गराउदै New business Age and the Board of Jury ले यस बर्ष सम्पन्न गरेको 6th NEWBIZ BUSINESS CONCLAVE & Award 2019 को *Best managed Finance Company Award* यस संस्थालाई प्रदान गरिएको जानकारी यस सभालाई गराउन पाउदा मलाई खुशि लागेको छ।

नेपाल राष्ट्र बैंकको निर्देशन अनुरूपको कम्पनीको चुक्ता पूँजी पुगी सकेको तथा आर्थिक बर्षको अन्त्यमा कम्पनीको जगेडा तथा कोषहरु (प्रस्तावित लाभांश अघिको) रु. ३१ करोड ११ लाख पुगेको छ। अघिल्लो आ.व.को तुलनामा यस बर्ष पनि कम्पनीको निक्षेप तथा कर्जा सापट दुबैमा वृद्धि भएको छ। यस बर्ष कम्पनीको कुल आम्दानी अघिल्लो बर्षको तुलनामा २८.०६ प्रतिशतले तथा कुल खर्च २५.१९ प्रतिशतले बढेको छ र कम्पनीको सम्पूर्ण कारोबार समावेश पछिको संचालन मुनाफा ३८.८५ प्रतिशतको वृद्धिले रु. १८.८१ करोड भएको छ। कम्पनीको कुल गैर बैङ्किग सम्पत्तिमा कुनै वृद्धि नभएको तथा यस बर्ष कूल कर्जामा यसको अंश ०.०२ प्रतिशत मात्र रहेको छ।

कम्पनीबाट यस अवधिमा भएका खर्चहरु संचालक समितिले स्विकृत गरेको बजेट परिधि भित्र रहेको र कर्जाको किस्ता तथा ब्याज असुलीमा नियमित एवं प्रभावकारी अनुगमन गर्ने गरेको लगायत कारोबार समेत वृद्धि हुदै गएकोले खुद मुनाफा बढेको जानकारी यस सभालाई गराउन चाहन्छु।

यस बर्ष पनि नेपाल राष्ट्र बैंकबाट यस कम्पनीको स्थलगत निरीक्षण सम्पन्न भएको तथा उक्त बैंकबाट भएको निरीक्षणको क्रममा कम्पनीको पूँजीकोष लगायत अन्य नीतिगत व्यवस्था सम्बन्धि निर्देशनहरु पालना भएको जानकारी गराउन चाहन्छु। यस आर्थिक बर्षको प्रस्तावित लाभांशको रुपमा चुक्ता पूँजीको १३.००% ले हुने रु.१० करोड ५३ लाख (बोनश शेयर २.३५% तथा नगद लाभांश १०.६५%) वितरण गर्न नेपाल राष्ट्र बैंक समक्ष स्विकृतीको लागी वित्तीय विवरण सहितको कागजात पेश गरिएकोमा उक्त बैंकबाट मिति २०७६।०८।०२ मा वित्तीय विवरण लगायत प्रस्तावित लाभांश सम्बन्धि प्रस्तावको स्विकृती प्राप्त भएको जानकारी गराउन चाहन्छु।

शेयरधनी महानुभावहरु,

राष्ट्रिय तथा अन्तरराष्ट्रिय परिस्थितिले सिर्जना गरेको कतिपय प्रतिकूल अवस्थाले बर्तमान समयमा आर्थिक क्षेत्रले गति लिन नसक्नु, तरलताको कमि लगायत धितोपत्र बजारमा भई रहने उतार चढाव एवं अनुत्पादक क्षेत्रमा कर्जाको माग अत्यधिक भई रहने जस्ता समस्याका विच बैकिंग कारोबार भनै चुनौतीपूर्ण बन्दै गएको भए पनि केहि प्रतिफल उपलब्ध गराउन सक्नुमा हाम्रो अविरल प्रयास रहेको जानकारी गराउदै यस सन्दर्भमा हामी हाम्रा सम्पूर्ण ग्राहक तथा शेयरधनी महानुभावहरुको सदा भै सहयोग एवं सद्भावको अपेक्षा समेत राख्छौं।

विगतको राजनैतिक अस्थिरता हाल समाधान भए पनि राष्ट्रले अपेक्षा गरे अनुरूपको आर्थिक उपलब्धि हासिल हुन नसकेको साथै आर्थिक समस्याहरु यथावत रहि रहदा लगानीको नयां अवसरहरु श्रृजना हुन नसकेको लगायत बैंक तथा वित्तीय संस्था विच भई रहने प्रतिस्पर्धा जस्ता समस्या यस बर्ष पनि कायम रहेको कारण वित्तीय कारोबार अपेक्षा गरिए अनुरूप बढाउन सकिने देखिदैन।



राष्ट्रिय तथा अन्तरराष्ट्रिय क्षेत्रमा देखिएको मन्दीको प्रत्यक्ष असर बैंकिंग क्षेत्रमा समेत पर्दा राष्ट्रले आर्थिक विकासको गति अभै लिन नसकेको तथ्य नकार्न सकिदैन। यस्तो विषम परिस्थितीमा बैंकिंग कारोवार भन्ने चुनौतीपूर्ण बन्दै गएको भएपनि राजनैतिक क्षेत्रमा आएको स्थिरताका कारण आउदा समयमा यसतर्फ सुधार हुन सक्ने अपेक्षा गर्न सकिन्छ र हामी यस संस्थाका शेयरधनीहरूलाई नियमित रूपमा एक निश्चित प्रतिशत प्रतिफल दिन सक्ने संस्थाका रूपमा विकसित गरि काम गर्दै जाने व्यहोरा यस सभालाई जानकारी गराउन चाहन्छु।

शेयरधनी महानुभावहरु,

यस कम्पनीले हाल केन्द्रीय कार्यालय ढिल्लीबजार लगायत १३ वटा शाखा कार्यालयबाट वित्तीय कारोवार संचालन गरि रहेको र भविष्यमा आवश्यकता अनुरूप यसलाई अभै विस्तार गर्दै लैजाने कम्पनीको नीति रहेको छ। कम्पनीबाट Connect IPS जस्ता सेवा समेत शुरु भएको जानकारी गराउन चाहन्छु।

संस्थागत शुशासन पालना गर्ने सम्बन्धमा कम्पनीले नेपाल राष्ट्र बैंक, नेपाल धितोपत्र बोर्ड लगायत कम्पनी रजिष्ट्रारको कार्यालयबाट प्राप्त हुने निर्देशन लगायत सञ्चालक तथा कर्मचारीहरूले पालना गर्नु पर्ने आचार संहिताको पूर्णपालना गरिएको छ। कम्पनीलाई संस्थागत शुशासन पालना गर्ने गराउने सन्दर्भमा सञ्चालकहरूको संयोजकत्वमा गठित विभिन्न समितिहरूबाट प्राप्त हुने प्रतिवेदन उपर सञ्चालक समितिमा विस्तृत छलफल गरि सम्बन्धित निकायलाई समयमै जानकारी गराउने गरिएको छ। आन्तरिक नियन्त्रण प्रणालीलाई प्रभावकारी बनाउन विभिन्न विनियम, नीति तथा कार्यविधिहरू तर्जुमा गरि लागु गरिएको छ। बाह्य लेखापरीक्षणको कार्य कम्पनीको साधारणसभाबाट नियुक्त भएका लेखापरीक्षकबाट तथा आन्तरिक लेखापरीक्षण त्रयमासिक रूपमा सम्पन्न गर्ने गराउने गरि चार्टर्ड एकाउन्टेन्ट फर्म A.R. Joshi & Co. बाट सम्पादन भई रहेको जानकारी समेत यस सभालाई गराउन चाहन्छु।

संस्थागत उत्तरदायीत्व अन्तरगत यस आर्थिक वर्षमा केन्द्रीय कार्यालय लगायत शाखा कार्यालयहरूबाट उक्त क्षेत्र अन्तरगतका विद्यालयमा अध्ययनरत भाई बहिनिहरूकालागी Cancer Awareness को सचेतना कार्यक्रम, स्टेशनरी उपलब्ध गराईएको, डिष्टबिन वितरण गरिएको लगायत स्वास्थ्य शिविर जस्ता विभिन्न किसिमका कार्यहरू सम्पन्न गरिएको छ। साथै यस कार्यलाई आउदा वर्षहरूमा समेत निरन्तरता दिईने छ। मानव संशाधन विकास अन्तरगत संस्थामा कार्यरत कर्मचारीहरूको वृत्ती विकासकालागी तालिम, गोष्ठीमा सहभागी गराइएको लगायत तलव भत्ता सुविधामा समेत समयानुकूल वृद्धि गर्दै लगीएको छ। २०७६ आषाढ मसान्तसम्म यस कम्पनीमा कुल ८२ जना कर्मचारीहरू कार्यरत रहेको जसमध्ये पुरुष ५३ जना महिला २९ जना रहेका छन्।

अन्त्यमा संस्था सञ्चालनमा गहिरो अभिरुचि लिई कम्पनीलाई समय समयमा अमूल्य सहयोग एवं सुझाव प्रदान गर्नु हुने सञ्चालक समितिका पदाधिकारीहरू, शेयरधनी महानुभावहरू प्रति कम्पनी तथा व्यक्तिगत मेरो तर्फबाट समेत हार्दिक कृतज्ञता व्यक्त गर्दछु। यहाँहरूको सहयोग एवं सदभावका कारण आज यस स्थानसम्म आई पुगेको यस कम्पनीले अभै प्रगति गर्दै जानेछ भन्ने आशा तथा विश्वास दिलाउँदै आफ्ना समस्त ग्राहक समक्ष गुणस्तरिय एवं सुरक्षित सेवा पुऱ्याउने प्रणकासाथ नियमनकारी निकायहरू लगायत हाम्रा सम्पूर्ण शुभचिन्तकहरूमा यस अवसरमा म हार्दिक आभार प्रकट गर्दै विदा चाहन्छु। धन्यवाद।

मिति : २०७६।०९।११

(शशि राज पाण्डे)

अध्यक्ष



कम्पनी ऐन, २०६३ को दफा १०९ बमोजिमको

सञ्चालक समितिको प्रतिवेदन

कम्पनी ऐन, २०६३ को दफा १०९ (१) अनुसारको आर्थिक विवरणको हकमा आर्थिक वर्ष २०७५/०७६को अन्तिम लेखापरीक्षण भई नेपाल राष्ट्र बैंकबाट स्वीकृत भएको वासलात, नाफा-नोक्सान हिसाव तथा नगद प्रवाहको आधारमा तयार गरिएको तथा सञ्चालक समितिको प्रतिवेदन दफा १०९(४) अनुसारको खुलाउनु पर्ने विवरणहरुलाई आधार मानि यो प्रतिवेदन तयार गरिएको छ ।

१. आर्थिक विवरण

यस आर्थिक वर्षमा कम्पनीको मुख्य मुख्य कारोवारहरुको वित्तीय परिसुचकहरु देहाय अनुसार रहेको छ ।

क. वासलात

आर्थिक वर्ष २०७५/०७६को अन्त्यमा कम्पनीको कुल शेयर पूँजी रु. ८१ करोड रहेको छ । यस वर्षको अन्त्यमा कम्पनीको कुल निक्षेप रु. ४ अर्ब ६३ करोड र कर्जा सापट तथा बिल खरिद रु. ४ अर्ब २८ करोड रहको छ । आर्थिक वर्षको अन्त्यमा गैर बैकिङ्ग सम्पत्ती रु. १० लाख (कुल कर्जा सापटको ०.०२ प्रतिशत) मात्र रहेको एवं जगोडा तथा अन्य कोष (प्रस्तावित लाभाँश अधिको) रु. ३१ करोड ११ लाख पुगेको छ ।

ख. नाफा नोक्सान

आर्थिक वर्ष २०७५/०७६मा कम्पनीको कुल आम्दानी अघिल्लो वर्षको तुलनामा २८.०६ प्रतिशतको बृद्धिले रु. ७० करोड ६५ लाख तथा कुल खर्च २५.१९ प्रतिशतको बृद्धिले रु. ५२ करोड ११ लाख भएको छ । यस आर्थिक वर्षमा सम्पूर्ण कारोवार पछिको कम्पनीको खुद मुनाफा (बोनश तथा कर व्यवस्था पछि) रु. १२ करोड ९९ लाख रहेको छ ।

ग. नगद प्रवाह

यस आर्थिक वर्षको अन्त्यमा कम्पनीको सम्पूर्ण गतिविधिबाट नगद प्रवाह रु. १८ करोड ६ लाख भएको छ । अघिल्लो अवधिमा नगद प्रवाह रु. १ करोड २ लाख रहेको थियो ।

(आर्थिक वर्ष २०७५/०७६को वित्तीय कारोवारको लेखापरीक्षण भएको विवरण तथा अनुसूचिहरु यसै प्रतिवेदनमा समावेश रहेको छ)

२. सञ्चालक समितिको प्रतिवेदन:

क. कम्पनीको विगत तीन वर्षको कारोवार स्थिति देहाय अनुसार रहेको छ

(रु. लाखमा)

विवरण	आ.व २०७५/०७६	आ.व २०७४/०७५	आ.व २०७३/०७४
शेयर पूँजी	८१,००	८१,००	५१,३४
निक्षेप	४,६३,६९	३,७१,९५	३,३३,५४
कर्जा सापट	४,२८,८९	३,५६,२१	२,८५,११
कुल आम्दानी	७०,६५	५५,१७	४७,१३
कुल खर्च	५२,११	४१,६२	२६,५७
सम्पूर्ण कारोवार पछिको खुद मुनाफा	१२,९९	९,६६	१३,०६
लाभाँश वितरण (प्रस्तावित)*	१०,५३ *	८,००	१६,७९
गैर बैकिङ्ग सम्पत्ती	१०	१०	१०



आर्थिक वर्ष ०७५/०७६ मा कम्पनीको निक्षेप लगायत कर्जा सापट दुबैमा वृद्धि भएको छ। यस वर्ष खुद मुनाफा ३४.४७ प्रतिशतले बढेको छ। गैर बैंकिंग सम्पत्ती गत वर्ष अनुसार नै रहि कुल कर्जा सापटको ०.०२ प्रतिशत रहेको छ।

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

विश्व अर्थतन्त्रमा देखिएको आर्थिक मन्दीको असर खासगरि पेट्रोलियम पदार्थमा भई रहने मुख्य वृद्धि, डलरको तुलनामा नेपाली मुद्रा कमजोर हुदै जानु लगायत आयातको तुलनामा निर्यात व्यापार खुम्चिदै जानुले पनि अर्थतन्त्रमा जोखिम तथा चुनौतीहरु अझै यथावत रहेको छ। विकसित मुलुकहरु समेतको आर्थिक प्रगतिदर विगतमा भन्दा सुस्त रहेको तथा खुला सिमानाका कारण आर्थिक निर्भरता बढेसंगै उत्पादनशिल क्षेत्रको लगानी समेत अपेक्षा गरिए अनुरूप बढन नसक्दा बैंकिंग कारोबारमा जोखिम थपिदै गएको देखिन्छ। यदाकदा बजारमा देखिने तरलता अभावका कारण व्याजदरमा हुने वृद्धि एवं धितोपत्र बजारमा भई रहने उतार चढाव जस्ता मुख्य कारणले आन्तरिक रुपमा बैंक तथा वित्तीय संस्थाको कारोबारलाई समेत असर पुऱ्याएको देखिन्छ। निक्षेपको व्याजदर बढ्ने तथा सो अनुरूप लगानी हुने बातावरण बन्न नसक्दा Cost of Fund मा वृद्धि भइ यसले संस्थाको लागत बढाएको अवस्था रहन पुगेको छ। देश विद्यमान अस्थिर राजनीतिबाट हाल स्थिरताको अवस्थामा प्रवेश गर्दै गरेको अहिलेको परिवर्तनले भविष्य प्रति केही आशावादी हुने संकेत भने देखिएको छ।

माथी उल्लेखित यीनै राष्ट्रिय तथा अन्तराष्ट्रिय रुपमा श्रृजीत समस्याले कम्पनीको कारोबारलाई केहि असर पारेको नकार्न सकिदैन। तथापी आगामी समयमा मुलुकमा स्थायी राजनैतिक वातावरण कायम भई आर्थिक विकास र उन्नतीका साथै लगानीको लागी अझै सकारात्मक तथा उपयुक्त वातावरण सृजना हुनेछ भन्ने आशा गर्न सकिन्छ।

ग. प्रतिवेदन तयार भएको मितिसम्ममा चालू वर्षको उपलब्धी र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा

चालू आर्थिक वर्ष २०७६/०७७ को कात्तिक मसान्तसम्म कम्पनीको निक्षेप ४ अर्ब ७४ करोड तथा कर्जा सापट ४ अर्ब ४४ करोड भई आषाढ मसान्तको तुलनामा क्रमश २.२२ प्रतिशत तथा ३.५५ प्रतिशतले बढेको छ।

कर्जाको नियमित किस्ता असुलीलाई प्रभावकारी बनाउदै उत्पादनशिल क्षेत्र लगायत विपन्न वर्ग लगानीमा विशेष ध्यान दिई रियल स्टेट कर्जालाई क्रमशः कम गर्दै कृषि, घरेलु तथा साना उद्योग, व्यापार व्यवसाय, वैदेशिक रोजगार, आवास जस्ता क्षेत्रमा लगानीको मात्रा बढाउदै लगिएको छ। कम्पनीले ठुला ठुला परियोजना भन्दा पनि ससाना व्यवसायिक तथा उत्पादनमुलक क्षेत्रतर्फ केन्द्रीत रही कर्जा प्रवाह गर्ने नीति अपनाएको छ। समष्टिगतरुपमा कम्पनीले प्रदान गर्ने वित्तीय सेवालाई अझै ग्राहकमुखी बनाउदै लैजान र सुरक्षित एवं गुणस्तरीय सेवा प्रदान गर्ने तर्फ केन्द्रीत रहि वित्तीय कारोबार संचालन गर्ने कम्पनीको नीति रहि आएको छ।

कम्पनीले हालसम्म गरेको उपलब्धि तथा आगामि चुनौतिहरु समेत दृष्टिगत गरि आगामि आर्थिक वर्ष २०७६/०७७ को लागि निम्न अनुसारको योजना तथा कार्यक्रम रहेको छ।

(१) शाखा सञ्जालमा विस्तार

शाखा विस्तार गर्दै लैजाने नीति अनुरूप आर्थिक वर्ष २०७५/०७६ मा बुढानिलकण्ठ नगरपालिका-८, हात्तीगौडा तथा काठमाडौं महानगरपालिका-७ चावहिल एवं ललितपुर जिल्लाको महालक्ष्मी नगरपालिका-४ इमाडोलमा शाखा स्थापना गरी बैकिङ्ग कारोबार शुरु गरिएको छ। भविष्यमा उपयुक्त अन्य स्थानहरुमा अझै केहि थप शाखा स्थापना गर्ने कार्यक्रम रहेको छ।



(२) संस्थागत सुशासन तथा अनुपालना

संस्थागत सुशासन तथा अनुपालना (Corporate Governance and Compliance) लाई संस्थाले उच्च प्राथमिकतामा राखी यसलाई कार्यान्वयन गर्ने सन्दर्भमा नियमनकारी निकायहरू कम्पनी रजिष्ट्रारको कार्यालय, नेपाल राष्ट्र बैंक, नेपाल धितोपत्र बोर्डबाट जारी नीति निर्देशनलाई पूर्ण पालना गरि काम गर्दै आईएको छ। नेपाल राष्ट्र बैंकको एकिकृत निर्देशनको संस्थागत सुशासन सम्बन्धि व्यवस्थाको बुंदा १ मा निर्देशन गरिए अनुसार संस्थाका सञ्चालक तथा कर्मचारीहरूले पालना गर्नु पर्ने आचरण सम्बन्धि व्यवस्था पूर्णरूपमा पालना गरिएको र आगामी दिनमा पनि संस्थागत सुशासन सम्बन्धमा नियमनकारी निकायहरूबाट जारी गरिएका नीति निर्देशनहरू प्रभावकारी एवं पारदर्शी रूपमा पालन गरिने छ।

(३) सूचना प्रविधी

आफ्ना ग्राहकहरूलाई गुणस्तरिय एवं सुरक्षित बैंकिङ्ग सेवा प्रदान गर्ने उद्देश्यले सूचना प्रविधीको विकासलाई अद्यावधिक गर्दै लैजान कम्पनीमा एक बेग्लै IT विभाग गठन गरि यसलाई समयानुकुल बिकाश गर्दै लगेको छ। SMS Banking, Free ABBS, C-ASBA जस्ता सेवा शुरु भई सकेको छ भने Connect IPS तथा ATM Application तर्फ पनि कार्य भई रहेको छ। चालू आ.व. २०७६/०७७ मा थप अत्याधुनिक बैंकिङ्ग सेवा प्रदान गर्ने तर्फ कम्पनी प्रयत्नशिल रहेको छ।

विभिन्न रेमिटेन्स सेवा प्रदायक संस्था तथा वाणिज्य बैंकहरूसंग रेमिटेन्स सम्बन्धि कार्यमा सहकार्य गर्दै ग्राहकहरूलाई यससंग सम्बन्धित सेवा प्रदान गर्ने गरिएको एवं नेपाल क्लीयरिङ हाउस मार्फत Clearing तथा IPS सुविधा उपलब्ध गराइ सकिएको र यसलाई समयानुकुल बिकाश एवं विस्तार गरिदै लगिने छ।

(४) आन्तरिक नियन्त्रण प्रणाली

बैंकिङ्ग व्यवसायमा निहित जोखीमहरूलाई दृष्टिगत गरी यस सम्बन्धमा आवश्यक विनियम, नीति तथा कार्यविधिहरू बनाई कार्यान्वयनमा ल्याइएको छ। संस्थाको काम कारवाहीहरू प्रचलित नेपाल कानून बमोजिम भए-नभएको यकिनका लागि A. R. Joshi & Co., Chartered Accountants लाई आन्तरिक लेखापरीक्षकमा नियुक्त गरि त्रयमासिक रूपमा कम्पनीको आन्तरिक लेखापरीक्षणको कार्य सम्पन्न गराई सो प्रतिवेदन सम्बन्धित निकायमा समेत पठाउने गरिएको छ। उक्त कार्यकालागी सञ्चालक समितिका गैह्र-कार्यकारी सञ्चालकको संयोजकत्वमा गठित लेखापरीक्षण समितिले प्राप्त प्रतिवेदन उपर विस्तृत छलफल तथा व्यवस्थापनसंग सोबारे आवश्यक जानकारी लिई आफ्नो राय सुझावहरू सहित कार्यान्वयनकालागी सञ्चालक समितिमा पेश गर्ने गरेको छ।

(५) भविष्यमा संचालन हुने कार्यक्रम तथा योजनाहरू

- क. निक्षेप संकलनका लागि नयाँ-नयाँ योजना तर्जुमा गरी कार्यान्वयनमा ल्याउने।
- ख. थप नयाँ स्थानहरूमा शाखा कार्यालय स्थापनाकोलागी सम्भाव्यता अध्ययन गर्ने गराउने।
- ग. उत्पादनमुलक क्षेत्रमा कर्जा विस्तारलाई अझै प्रभावकारी बनाउने।
- घ. आन्तरिक नियन्त्रण प्रणाली र सुशासनलाई अझ बढि मजबुत बनाउने।
- ङ. कर्मचारीहरूको दक्षता अभिवृद्धिकोलागी आवश्यक तालिम तथा गोष्ठीहरूमा सहभागीता बढाउदै लैजाने।
- च. निक्षेपकर्ताको रकम सुरक्षाकालागी IT विभागलाई अझै प्रभावकारी रूपमा संचालन गर्ने गराउने।



घ. कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्धमा

औद्योगिक तथा व्यावसायिक कारोवारतर्फ संस्थागत मुल्य र मान्यताको आधारमा आफ्नो सहभागीता बढाउदै लगी कम्पनीले ससाना व्यावसायिक कृयाकलापतर्फ आफुलाई केन्द्रित गर्दै लगेको छ। वित्त कम्पनीको सानो पूँजीले प्रति ग्राहक कर्जा सिमालाई एक निश्चित दायरा भित्र राख्ने भएकोले लगानीलाई यसै अनुरूप मध्यनजर राखी कम्पनीले स्वयं वा सहवित्तीयकरणको माध्यमबाट उत्पादनशिल क्षेत्रमा लगानी गर्ने हुदा कम्पनीको औद्योगिक व्यवसायिक क्षेत्रको लगानी पनि बृहत नभई साना तथा मझौला स्तरमा सिमित रहि आएको छ। "Together We Deliver" भन्ने कम्पनीको मुल नारालाई आत्मसात गर्दै कारोवारका सिलसिलामा आवद्ध ग्राहक, व्यवसायिक एव औद्योगिक प्रतिष्ठान, संघ-संस्था, शेयरधनी, नियमनकारी निकायहरूसँग सुमधुर सम्बन्ध राखिदै आएको छ।

ङ. सञ्चालक समितिमा भएको हेरफेर र सो को कारण

वित्तीय संस्थाको नियमावलिमा व्यवस्था भए अनुसार एक जना महिला सहित सञ्चालक समितिमा ७ जना सञ्चालक रहने व्यवस्था छ। कम्पनीको मिति २०७५ आषाढ २२ गते सम्पन्न तेईसौं वार्षिक साधारण सभाबाट निर्वाचन भए अनुसार सञ्चालक समितिमा संस्थापकतर्फ (एक जना महिला सहित) ३ जना तथा सर्वसाधारणतर्फ ३ जना गरि ६ जना सञ्चालकहरूको प्रतिनिधित्व रहेकोमा नेपाल राष्ट्र बैंकबाट मिति २०७६।०४।२० मा जारी भएको परिपत्र अनुसार एक जना सञ्चालकको उमेरको हदका कारण उक्त पद रिक्त हुन गई हाल सञ्चालक समितिमा ५ जना सञ्चालकहरूको मात्र प्रतिनिधित्व रहेको तथा स्वतन्त्र सञ्चालक १ जना भने मनोनित गर्न बाँकि रहेको अवस्था छ।

च. कारोवारलाई असर पार्ने मुख्य कुराहरु

विगत वर्षहरूको राजनैतिक अस्थिरताका कारण समग्र आर्थिक क्रियाकलाप र विकाश निर्माणका कार्यहरु समेत अवरुद्ध हुन गएकाले यसबाट वित्तीय क्षेत्र पनि प्रभावित हुन गएको कुरा नकार्न सकिदैन। यस्ता संक्रमण एवं अस्थिरताको अवस्थामा केहि वित्तीय संस्थाहरु भित्र देखिएको आर्थिक अनियमितताका कारण पनि वित्त कम्पनी प्रतिको जनधारणामा केहि नकारात्मक सन्देश फैलिएको, घरजग्गा कारोवार तर्फको अत्यधिक लगानीले तरलताको अभाव सृजना भएको लगायत पूँजीबजारमा देखिने उतार चढावका कारण उत्पन्न हुने जोखिमले कर्जा लगानी, असुली तथा निक्षेप संकलन प्रकृत्यामा असर पार्न सक्ने देखिन्छ।

यस बाहेक यदाकदा अधिक तथा न्यून तरलता एवं राष्ट्रिय तथा अन्तराष्ट्रिय परिस्थितीले श्रृजना गर्न सक्ने जोखिमका कारण समेत वित्तीय कारोवारलाई असर पार्ने मुख्य कारकको रुपमा रहि आएको छ।

छ. लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सोउपर सञ्चालक समितिको प्रतिकृया

नेपाल राष्ट्र बैंकबाट यस आर्थिक वर्षमा समष्टिगत स्थलगत निरीक्षण सम्पन्न भएको तथा यस वर्ष आन्तरिक तथा बाह्य लेखापरीक्षकबाट भएको लेखापरीक्षणको क्रममा नीतिगत तथा कम्पनीको कारोवारमा असर पार्ने खालका कुनै कैफियतहरु उल्लेख भएका छैनन्।

ज. लाभांश वाडफाँड गर्न सिफारिस गरिएको रकम

यस वर्ष सञ्चालक समितिले बाह्य लेखापरीक्षण पश्चात तयार पारिएको वित्तीय विवरण स्वीकृत गरि रु. ८१ करोड शेयर पूँजीको १३% लाभांश (२.३५% बोनश तथा १०.६५% नगद लाभांश) शेयरधनीहरूलाई वितरणका लागि प्रस्ताव गरि आ.व. २०७५/०७६को लेखापरीक्षण प्रतिवेदन स्वीकृतिको लागि नेपाल राष्ट्र बैंकमा पेश गरिएको थियो। उक्त लाभांश वितरण सम्बन्धि प्रस्तावलाई मिति २०७६।०८।०२ मा नेपाल राष्ट्र बैंकबाट स्वीकृत प्राप्त भएको छ।



भ. शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अङ्कित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सोबापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयरबापत रकम फिर्ता गरेको भए सोको विवरण

यस आर्थिक बर्ष यस प्रकार कुनै शेयर जफत गरिएको छैन ।

न. विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन

यस कम्पनीको कुनै सहायक कम्पनी रहेको छैन । वित्तीय संस्थाले आर्थिक वर्षमा सम्पन्न गरेका प्रमुख कारोबार र कारोबारमा आएको परिवर्तन संलग्न वासलात, नाफा नोक्सान हिसाव, नगद प्रवाह विवरण तथा वित्तीय विवरणहरूले प्रष्ट गरेको छ ।

ट. कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन

यस कम्पनीको कुनै अन्य सहायक कम्पनी नरहेको हुदा यसले कम्पनीको कारोबारमा कुनै महत्वपूर्ण परिवर्तन आएको छैन ।

ठ. विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी

यस कम्पनीका आधारभूत शेयरधनीहरूले कम्पनीलाई कुनै लिखित वा मौखिक जानकारी उपलब्ध गराएका छैनन् ।

ड. विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी

कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण (२०७६ आषाढ मसान्तको अन्त्यमा) देहाय अनुसारको रहेको छ । साथै, निज सञ्चालक एवं पदाधिकारीहरू यस कम्पनीको शेयर कारोबारमा संलग्न रहेका छैनन् ।

क्र.सं.	सञ्चालक तथा पदाधिकारीहरूको नाम	शेयर संख्या
१	अध्यक्ष श्री शशि राज पाण्डे (संस्थापक शेयरधनी)	८,१२,३७८
२	सञ्चालक श्री स्यामसन ज.व.राणा (संस्थापक शेयरधनी)	३,३४,००६
३	सञ्चालक श्री महेश प्रसाद अधिकारी (सर्व-साधारण शेयरधनी)	६४०
४	सञ्चालक श्री उमेश भगत प्रधानाङ्ग (सर्व-साधारण शेयरधनी)	४९६
५	सञ्चालक श्री रामकृष्ण शर्मा वाग्ले (सर्व-साधारण शेयरधनी)	७,९९६
६	प्रमुख कार्यकारी अधिकृत श्री लिलामणि न्यौपाने	३,१४९

ड. विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा

सञ्चालक तथा निजको नजिकको कुनै नातेदारको व्यक्तिगत स्वार्थ हुने गरी कम्पनीसँग सम्बन्धित कुनै किसिमका सम्भौताहरू भएको छैन ।



ण. कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अङ्कित मूल्य तथा त्यसरी शेयर खरिद गरेबापत कम्पनीले भुक्तानी गरेको रकम कम्पनीले आफ्नो शेयर आफैले खरीद गरेको छैन ।

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

कम्पनीको आन्तरिक नियन्त्रण प्रणालीकालागि गैर कार्यकारी सञ्चालकको संयोजकत्वमा गठन भएको लेखापरीक्षण समितिले नेपाल राष्ट्र बैंक लगायत बाह्य तथा आन्तरिक लेखापरीक्षकबाट प्राप्त प्रतिवेदन उपर विस्तृत छलफल एवं अनुगमन गरि सोको आवश्यक सुधारका लागि आफ्नो राय सुझाव सहित सञ्चालक समितिमा प्रस्तुत गर्ने गरेको छ । यसैगरि सञ्चालकको संयोजकत्वमा गठन भएको जोखिम व्यवस्थापन समितिबाट समेत कम्पनीको जोखिम सम्बन्धमा विभिन्न पक्षहरु समेटिएको प्रतिवेदन त्रयमासिक रुपमा तयार गरि सञ्चालक समितिमा पेश गर्ने गरेको छ । यस बाहेक कम्पनीले आन्तरिक नियन्त्रण प्रणालीलाई चुस्त दुरुस्त बनाउन सस्थासंग सम्बन्धित विभिन्न विनियम तथा नीति एवं कार्यविधिहरु तर्जुमा गरी लागू गरेको छ र यसले आन्तरिक नियन्त्रण प्रणालीलाई मजबुत बनाउन थप मद्दत पुऱ्याएको छ । साथै कम्पनीको त्रयमासिक रुपमा हुने आन्तरिक लेखापरीक्षण कार्यले यसलाई अभै मजबुत बनाएको छ ।

थ. विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण

आ.व २०७५/०७६ मा कम्पनीको कर्मचारी खर्च रु.४,१५,१०,०६२/- तथा कार्यालय सञ्चालन खर्च रु.४,१०,६०,५६३/- गरि कुल रु.८,२५,७०,६२५/- व्यवस्थापन खर्च भएको छ ।

द. लेखापरीक्षण समितिका सदस्यहरुको नामावली, नीजहरुले प्राप्त गरेको पारिश्रमीक, भत्ता तथा सुविधा, सो समितिले गरेका काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरण:

कम्पनीमा गैर कार्यकारी सञ्चालकको संयोजकत्वमा हाल देहाय बमोजिमका सदस्यहरु रहेको एक लेखापरीक्षण समिति रहेको छ ।

क्र.सं.	नाम	पद
१	सञ्चालक श्री रामकृष्ण शर्मा बाग्ले	संयोजक
२	सञ्चालक श्री स्यामसन ज.व.राणा	सदस्य
३	कम्पनी सचिव श्री कुसेश्वर प्रसाद अधिकारी	सदस्य सचिव

लेखापरीक्षण समितिले नेपाल राष्ट्र बैंक लगायत बाह्य तथा आन्तरिक लेखापरीक्षकबाट प्राप्त निरीक्षण प्रतिवेदन उपर विस्तृत अध्ययन तथा छलफल गरि सोको सुधार एवं कार्यान्वयनका लागि सञ्चालक समिति समक्ष आफ्नो राय सुझाव सहित उक्त प्रतिवेदन पेश गर्ने गरेको छ । लेखापरीक्षण समितिका संयोजक तथा सदस्यलाई बैठक भत्ता बापत रु.८,०००/- तथा पदाधिकारी (सदस्य सचिव) लाई खर्चको रुपमा रु.६,९००/- प्रदान गर्ने बाहेक अन्य कुनै किसिमको भत्ता तथा सुविधा प्रदान गरिएको छैन ।

ध. सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा

सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकको नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई बुझाउन कुनै पनि किसिमको रकम बाँकि रहेको छैन ।



न. संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम

यस आर्थिक वर्षमा सञ्चालक समितिका सदस्यलाई बैठक भत्ता रु.४,६८,०००/- (चार लाख अडसठ्ठि हजार मात्र) तथा लेखापरीक्षण समिति, जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति एवं सम्पत्ती शुद्धीकरण निवारण सम्बन्धी समितिका सदस्यहरूलाई बैठक भत्ता रु.३,१७,८००/- (तीन लाख सत्र हजार आठ सय मात्र) बाहेक अन्य कुनै भत्ता सुविधा एवं पारिश्रमीक प्रदान गरिएको छैन। कार्यकारी प्रमुखलाई यस वर्ष तलव भत्ता, अन्य सुविधा तथा बोनस समेत गरि कुल रु.६०,६०,६३२/- (साठी लाख साठी हजार छ सय बत्तिस मात्र) प्रदान भएको छ।

प. शेयरधनीहरूले बुझिलिन बाँकि रहेको लाभांशको रकम

यस आर्थिक वर्षको अन्त्य २०७६ आषाढ मसान्तमा कम्पनीका शेयरधनीहरूले लाभांश रकम रु.७,५१,८५३/- बुझि लिन बाँकि रहेको छ।

फ. दफा १४१ बमोजिम सम्पत्ती खरीद वा विक्री गरेको कुराको विवरण

यस वर्ष कम्पनीले कुनै प्रकारको अचल सम्पत्ती खरीद वा विक्री गरेको छैन।

ब. दफा १७५ बमोजिम सम्बद्ध कम्पनी विच भएको कारोवारको विवरण

अन्य कुनै कम्पनीसंग सम्बद्ध रहि यस कम्पनीले कुनै कारोवार गरेको छैन।

भ. यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा
सञ्चालक समितिले कम्पनी ऐन तथा अन्य प्रचलित कानून बमोजिम खुलाउनु पर्ने अन्य कुरा हाललाई नरहेको।

म. अन्य आवश्यक कुराहरु

अन्य आवश्यक खुलाउनु पर्ने कुरा हाललाई केही नभएको।

उमेश भगत प्रधानाङ्ग
सञ्चालक

स्यामसन ज.व.राणा
सञ्चालक

रामकृष्ण शर्मा वाग्ले
सञ्चालक

महेश प्रसाद अधिकारी
सञ्चालक

शशिराज पाण्डे
अध्यक्ष

मिति : २०७६ मंसिर ५



धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ नियम २६ को उप-नियम (२) सँग सम्बन्धित अनुसूचि-१५ अनुसारको विवरण ।

१. सञ्चालक समितिको प्रतिवेदन

- यसै पुस्तिकामा प्रकाशित गरिएको छ ।

२. लेखापरीक्षकको प्रतिवेदन

- यसै पुस्तिकामा प्रकाशित गरिएको छ ।

३. लेखापरीक्षण भएको वित्तीय विवरण

- यस आ.ब.को लेखापरीक्षण भएको बासलात, नाफा नोक्सान हिसाव, नगद प्रवाह विवरण लगायत सम्बन्धित अनुसूचीहरू एवं NFRS अनुसारको वित्तीय विवरण समेत यसै प्रतिवेदनमा प्रकाशित गरिएको छ ।

४. कानुनी कारवाही सम्बन्धि विवरण

- (क) यस आर्थिक वर्षमा संस्थाले वा संस्थाको विरुद्ध कुनै प्रकारको मुद्दा दायर भएको छैन
(ख) संस्थाको संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै प्रकारको मुद्दा दायर गरेको वा भएको छैन ।
(ग) संस्थाको कुनै संस्थापक वा संचालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै प्रकारको मुद्दा दायर भएको छैन ।

५. संगठित संस्थाको शेयर कारोवार तथा प्रगतिको विश्लेषण

- (क) धितोपत्र बजारमा संस्थाको शेयर कारोवार सकारात्मक रूपमा रहेको बुझिएको तथा यस संस्थाको शेयर खरिद बिक्री समेत न्यून रूपमा हुने गरेको तलको विवरणबाट समेत हुने देखिन्छ ।
(ख) यस आर्थिक वर्षको त्रयमासिक अवधिमा संस्था शेयरको कारोवार देहाय अनुसार भएको छ ।
(श्रोत : नेपाल स्टक एक्सचेंज लि. को website)

त्रयमासिक अवधि	शेयरको अधिकतम मूल्य	शेयरको न्यूनतम मूल्य	शेयरको अन्तिम मूल्य	शेयर कारो बार संख्या	कूल कारोबार दिन
प्रथम त्रयमास	१५४	१४२	१४८	७८,२२६	५१
दोश्रो त्रयमास	१५३	१२९	१३२	३९,२४५	४९
तेश्रो त्रयमास	१४१	१२८	१३३	१६५	४९
चौथो त्रयमास	१६९	१३५	१५७	४७१	६३



६. समस्या र चुनौती

यस संस्थामा आन्तरिक समस्या खासै नरहेको तथा बाह्य समस्या/चुनौतिको रूपमा मुख्यतया लगानीको लागी उपयुक्त बातावरण हुन नसक्नु प्रमुख देखिन्छ। कर्जा माग समेत अनुत्पादक क्षेत्रका लागी बढी हुने र यसले असुलीमा समेत कठिनाई उत्पन्न हुने हुदा बैकिंग कारोवारमा केहि समस्या देखिएको छ। कर्जा असुलीको क्रममा धितो सुरक्षणलाई लिलामी प्रकृयाबाट असुल उपर गर्नु पर्ने अवस्थामा भने बर्तमान परिस्थितीमा यो एउटा समस्या तथा चुनौतीकै रूपमा रहेको साथै दक्ष एवं प्रतिस्पर्धि कर्मचारीहरुको अस्थिरता लगायत बैक तथा वित्तीय संस्थाहरुको निक्षेप तथा कर्जाको व्याजदरमा भई रहने परिवर्तन पनि केहि मात्रामा समस्या तथा चुनौतीको रूपमा रहि आएको छ।

नेपाल राष्ट्र बैंकद्वारा ल्याइएको पूँजी वृद्धिको प्रस्ताव बमोजिम कम्पनीको चुक्ता पूँजी पुगीसकेको अवस्था रहेको छ। हाल यस संस्थाको केन्द्रीय कार्यालय सहित १३ वटा शाखा मार्फत ग्रामिण बैकिङको अवधारणालाई आत्मसात गर्दै कम्पनी अघि बढिरहेको छ। चालू आ.व. २०७६/०७७ को पहिलो त्रयमासमा पनि कम्पनीको वित्तीय कारोवारमा वृद्धि भएको छ। संस्थाका शाखाहरु पूर्ण क्षमतामा संचालनमा आइसकेका छन् र यसले भविष्यमा आशा गरे अनुरूप नाफामा वृद्धि भई शेयरधनीहरुले आशा गरे अनुरूप प्रतिफल दिन सकिने देखिन्छ।

७. संस्थागत सुशासन

संस्थागत सुशासन कायम राख्न नेपाल राष्ट्र बैंक तथा अन्य नियमनकारी निकायहरुबाट प्राप्त निर्देशनहरुलाई उच्च प्राथमिकताका साथ पालना गर्दै आइएको छ। वित्तीय संस्थालाई नियम संगत संचालनका लागि लेखापरीक्षण समिति, जोखीम व्यवस्थापन समिति, सम्पत्ती शुद्धिकरण निवारण सम्बन्धि समिति, कर्मचारी सेवा सुविधा समिति तथा विभिन्न तहका कर्जा समिति लगायतका अन्य आवश्यक समिति तथा उप समितिहरु गठन गरिएको छ। वित्तीय कारोवारलाई व्यवस्थित तथा नियमित गर्न संस्थाबाट विभिन्न विनियम तथा नीति नियम एवं कार्यविधिहरु तर्जुमा गरि लागु गरिएको छ जसले संस्थागत सुशासन कायम निकै सहयोग पुगेको छ।

यस बाहेक लेखापरीक्षण समितिबाट संस्थाको लेखापरीक्षणको क्रममा प्राप्त हुने आन्तरिक तथा बाह्य लेखापरीक्षकका प्रतिवेदन लगायत नेपाल राष्ट्र बैंकको स्थलगत निरीक्षण प्रतिवेदन उपर व्यवस्थापनसंग आवश्यक छलफल एवं जानकारी लिई सो सुधार गर्न गराउन संचालक समितिमा पेश गरि संस्थागत सुशासन सम्बन्धमा संस्था सक्रिय रूपमा कृयाशिल रहि आएको छ।



PKF T. R. Upadhy & Co.

PKF

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Shree Investment & Finance Co. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Shree Investment & Finance Co. Ltd. (referred to as the "Company"), which comprise the statement of financial position as at 31 Ashad 2076 (16 July 2019), and the statement of profit or loss, statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended and notes to the financial statements, including summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ICAN's Handbook of Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with 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.

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

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

In preparing the financial statements, management is responsible for assessing the 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 Responsibility for Audit of the Financial Statements

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

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.

Report on the 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, statement of financial position, statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows, have been prepared in accordance with the requirements of the Companies Act, 2063 and are in agreement with the books of account maintained by the Company and proper books of account as required by law maintained by the Company including relevant records relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and records of the Company.

In our opinion, so far as appeared from our examination of the books, the Company has maintained adequate capital funds and adequate provisions for possible impairment of assets in accordance with the directives of Nepal Rastra Bank.

To the best of our information and according to explanations given to us and so far appeared from our examination of the books of account of the Company, we have not come across cases where Board of Directors or any employees of the Company have acted contrary to the provisions of law relating to the accounts, or committed any misappropriation or caused loss or damage to the Company and violated any directives of Nepal Rastra Bank or acted in a manner to jeopardize the interest and security of the Company, its depositors and investors.

Sanjeev Kumar Mishra
Partner



T R Upadhyaya & Co.
Chartered Accountants

124 Lal Colony Marg, Lal Durbar, Kathmandu, Nepal
Date: 3 October 2019



श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि.
वित्तीय अवस्थाको विवरण (वासलात)
२०७६ आषाढ ३१ (सन् २०१९ जुलाई १६)

	नोट	आषाढ मसान्त २०७६	आषाढ मसान्त २०७५	आषाढ मसान्त २०७४
सम्पत्ति				
नगद तथा नगद समान	४.१	१,०९२,६३४,१०४	१,०१२,२७५,९११	१,०२०,५७८,५४४
नेपाल राष्ट्र बैंकमा रहेको मौज्जात तथा लिनु पर्ने रकम	४.२	१८७,०८९,२४५	८६,७८१,३३६	६८,२२८,१८६
बैंक तथा वित्तीय संस्थामा मौज्जात	४.३	-	-	-
व्युत्पन्न (डेरिभेटिभ) वित्तीय उपकरण	४.४	-	-	-
अन्य व्यापारिक सम्पत्तिहरु	४.५	-	-	-
बैंक तथा वित्तीय संस्थालाई दिएको कर्जा तथा सापटी	४.६	१८३,६४५,०००	१२९,९९५,०००	८४,६४५,०००
ग्राहकलाई दिएको कर्जा तथा सापटी	४.७	४,०९२,५५८,३३९	३,४२३,९८२,३४१	२,७४४,५०९,९११
धितोपत्रमा लगानी	४.८	३९९,०३०,०७२	२९८,६७३,८९५	१,५२३,९३८,३९९
चालु कर सम्पत्ति	४.९	३९८,७९१	६०,१७६	६५६,८१८
सहायक संस्थामा लगानी	४.१०	-	-	-
सम्बद्ध संस्थामा लगानी	४.११	-	-	-
सम्पत्तिमा लगानी	४.१२	-	-	-
सम्पत्ति तथा उपकरण	४.१३	११२,४६५,१७१	१०१,२१५,७३३	९७,९९८,६९१
गुडविल (ख्याती) तथा अर्मुत सम्पत्ति	४.१४	१,६२९,४५८	१,९५६,६६२	-
स्थगन कर सम्पत्ति	४.१५	-	-	-
अन्य सम्पत्तिहरु	४.१६	६,९०८,२२४	९,७४९,२९७	९,४७६,८३१
कुल सम्पत्ति		५,९९६,२७८,४०५	४,९८३,८९०,३५१	४,९७८,३२८,९९०

	नोट	आषाढ मसान्त २०७६	आषाढ मसान्त २०७५	आषाढ मसान्त २०७४
दायित्व				
बैंक तथा वित्तीय संस्थालाई तिर्ने बाँकी	४.१७	४२०,४७३,८६७	२७७,००४,२०१	२६९,४९६,७१६
नेपाल राष्ट्र बैंकलाई तिर्ने बाँकी	४.१८	६६,८३५,१५४	१८,५९५,३५३	-
व्युत्पन्न (डेरिभेटिभ) वित्तीय उपकरण	४.१९	-	-	-
ग्राहकको निक्षेप	४.२०	४,३१५,२८८,६९६	३,५७८,५२५,४८३	३,१९०,६१८,६०३
तिर्ने बाँकी सापटी	४.२१	-	-	-
चालु कर दायित्व	४.२२	-	-	-
व्यवस्था	४.२३	-	-	-
स्थगन कर दायित्व	४.२४	६,०७२,४६९	७,१४३,३६८	३,५०७,९९०
अन्य दायित्व	४.२५	६६,४४८,६७९	३७,९८४,२४६	४८,९९२,७४२
जारी गरिएको ऋणपत्र	४.२६	-	-	-
सुरक्षण नराखिएको सहायक आवधिक दायित्व	४.२७	-	-	-
कुल दायित्व		४,८७५,११८,८६५	३,९९९,२५२,५५२	३,५१२,६१६,०५०

इन्विटी				
शेयर पूँजी	४.२८	८१०,०००,०००	८००,१५०,०००	३४५,४४८,८७०
शेयर प्रिमियम		-	-	-
संचित मुनाफा		१०६,३४०,२९१	८९,३९६,३९०	१७६,२४२,७५१
जगेडा कोषहरु	४.२९	२०४,८१९,२४८	१७५,१७९,४०९	१४४,०२९,३२०
शेयरधनीहरुलाई बाँडफाँड योग्य कुल इन्विटी		१,१२१,१५९,५४०	१,०६४,६३७,७९९	६६५,७९२,९४०
गैर नियन्त्रित स्वार्थ		-	-	-
कुल इन्विटी		१,१२१,१५९,५४०	१,०६४,६३७,७९९	६६५,७९२,९४०
कुल दायित्व तथा इन्विटी		५,९९६,२७८,४०५	४,९८३,८९०,३५१	४,९७८,३२८,९९०
संभावित दायित्व तथा प्रतिबद्धता	४.३०	३७,३२३,६९४	४४,९८२,६१९	३,५५४,२०३
प्रति शेयर बुद्ध सम्पत्ति		१३८.४१	१३३.०५	१९२.७१

रमेश कठायत
वित्त प्रमुख

लिलामणि न्यौपाने
प्रमुख कार्यकारी अधिकृत

रामकृष्ण शर्मा वाले
सञ्चालक

महेश प्रसाद अधिकारी
सञ्चालक

सन्जीव कुमार मिश्र
साभेदार

उमेश भगत प्रधानाङ्ग
सञ्चालक

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शशिराज पाण्डे
अध्यक्ष

टि आर उपाध्याय एण्ड कम्पनी
चार्टर्ड एकाउन्टेन्ट्स



श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि.

नाफा नोक्सान विवरण

१ श्रावण २०७५ देखि ३१ आषाढ २०७६ सम्म (१७ जुलाई २०१८ देखि १६ जुलाई २०१९ सम्म)

	नोट	यस वर्ष	गत वर्ष
ब्याज आम्दानी	४.२९	६६६,३४६,४९८	५०९,१७१,७३७
ब्याज खर्च	४.३०	४०७,८१८,९९८	३१९,९००,८३५
खुद ब्याज आम्दानी		२५८,५२७,५००	१८९,२७०,९०२
शूल्क तथा कमिसन आम्दानी	४.३१	३७,०३२,२७६	३९,१५२,९००
शूल्क तथा कमिसन खर्च	४.३२	४०,२९५	२२,५२५
खुद शुल्क र कमिसन आम्दानी		३६,९९१,९८१	३९,१३०,३७५
खुद ब्याज, शुल्क र कमिसन आम्दानी		२९५,५१९,४८०	२२८,४०१,२७७
खुद कारोबार आम्दानी	४.३३	-	-
अन्य सञ्चालन आम्दानी	४.३४	३,१३९,४०१	३,४००,५१९
कुल सञ्चालन आम्दानी		२९८,६५८,८८१	२३१,८०१,७९६
कर्जा तथा अन्य हानीको नोक्सानी व्यवस्था/(फिर्ता)	४.३५	७,३८७,०५९	५,५५६,२५९
खुद सञ्चालन आम्दानी		२९१,२७०,९२२	२२६,२४५,५३७
सञ्चालन खर्च			
कर्मचारी खर्च	४.३६	६२,१०९,२३८	५३,९९०,३०७
अन्य सञ्चालन खर्च	४.३७	३४,२९६,५१८	२८,६५६,५३७
ह्यास कट्टी/परिशोधन	४.३८	६,७६४,०४५	८,१३२,३५६
सञ्चालन मुनाफा		१८८,१०१,१२१	१३५,४६६,३३६
गैर सञ्चालन आम्दानी	४.३९	-	-
गैर सञ्चालन नोक्सानी	४.४०	२,७०८,५३९	-
आयकर अधिको मुनाफा		१८५,३९२,५८२	१३५,४६६,३३६
आयकर खर्च	४.४१		
चालु कर		५५,३९०,७५२	३९,७४३,६६८
स्थगन कर		७५,५६१	(८८१,६४०)
यस अवधिको नाफा		१२९,९२६,२६९	९६,६०४,३०९
नाफा बाँडफाँड			
संस्थाको शेयरधनी		१२९,९२६,२६९	९६,६०४,३०९
गैर नियन्त्रित स्वार्थ		-	-
यस अवधिको लागि मुनाफा		१२९,९२६,२६९	९६,६०४,३०९
प्रति सेयर आम्दानी			
प्रति सेयर आधारभूत आम्दानी		१६.०४	१२.८०
प्रति सेयर डाइलुटेड आम्दानी		१६.०४	१२.८०

रमेश कठायत
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लिलामणि न्यौपाने
प्रमुख कार्यकारी अधिकृत

रामकृष्ण शर्मा वाग्ले
सञ्चालक

महेश प्रसाद अधिकारी
सञ्चालक

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साम्भेदार

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सञ्चालक

स्यामसन ज.व.राणा
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शशिराज पाण्डे
अध्यक्ष

टि आर उपाध्याय एण्ड कम्पनी
चार्टर्ड एकाउन्टेन्ट्स

ठेगाना : काठमाडौं
मिति : अक्टोबर ३, २०१९



श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि.

अन्य विस्तृत आम्दानीको विवरण

१ श्रावण २०७५ देखि ३१ आषाढ २०७६ सम्म (१७ जुलाई २०१८ देखि १६ जुलाई २०१९ सम्म)

	यस वर्ष रु.	गत वर्ष रु.
यस वर्षको मुनाफा	१२९,९२६,२६९	९६,६०४,३०९
आयकर पछिको अन्य विस्तृत आम्दानी	-	-
क) नाफा/नोक्सान मा पुनः वर्गिकरण नगरिने बुदाँहरु		
फेयर मुल्यमा मुल्याङ्कन गरिएका इक्विटी उपकरणका लगानी भएका नाफा/(नोक्सान)	(३,८२१,२०२)	५,८६८,७५७
पुनःमुल्याङ्कनबाट भएका नाफा/(नोक्सान)	-	-
परिभाषित लाभ योजनाबाट विमाङ्किक नाफा/(नोक्सान)	-	९,१८७,६३८
माथि उल्लेख गरिएका बुँदाहरुको आयकर	१,१४६,३६१	(४,५१६,९१९)
नाफा/नोक्सानमा पुनःवर्गिकरण नगरिएका अन्य खुद विस्तृत आम्दानी	(२,६७४,८४१)	१०,५३९,४७७
ख) नाफा/नोक्सानमा पुनःवर्गिकरण गरिएका वा गर्न सकिने बुदाँहरु		
नगद प्रवाहको हेजिङ्गबाट भएको नाफा/(नोक्सान)	-	-
विदेशी विनिमय संचालनको वित्तिय सम्पत्ति विनिमयबाट भएको सटही नाफा/(नोक्सान)	-	-
माथि उल्लेख गरिएका बुँदाहरुको आयकर	-	-
नाफा/नोक्सानमा पुनःवर्गिकरण	-	-
नाफा/नोक्सानमा पुनःवर्गिकरण गरिएका वा गर्न सकिने अन्य खुद विस्तृत आम्दानी	-	-
ग) इक्विटी विधीबाट मुल्याङ्कन गरिएको सम्बद्ध कम्पनीको अन्य विस्तृत आम्दानीमा हिस्सा	-	-
यस वर्षको आयकर पछिको अन्य विस्तृत आम्दानी	(२,६७४,८४१)	१०,५३९,४७७
यस वर्षको कूल विस्तृत आम्दानी	१२७,२५१,४२७	१०७,१४३,७८५
कूल विस्तृत आम्दानीको बाँडफाँड		
संस्थाको इक्विटी शेयरधनी	१२७,२५१,४२७	१०७,१४३,७८५
गैर नियन्त्रित स्वार्थ	-	-
कूल विस्तृत आम्दानी	१२७,२५१,४२७	१०७,१४३,७८५

रमेश कठायत
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लिलामणि न्यौपाने
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रामकृष्ण शर्मा वाग्ले
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सन्जीव कुमार मिश्र
साम्भेदार

उमेश भगत प्रधानाङ्ग
सञ्चालक

स्यामसन ज.व.राणा
सञ्चालक

शशिराज पाण्डे
अध्यक्ष

टि आर उपाध्याय एण्ड कम्पनी
चार्टर्ड एकाउन्टेन्ट्स

ठेगाना : काठमाडौं
मिति : अक्टोबर ३, २०१९



श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि.
इक्विटीमा भएको परिवर्तनको विवरण
२०७६ अषाढ मसान्त सम्म (सन् २०१९ जुलाई १६ सम्म)

विवरण	शेयर वृद्धि	शेयर प्रिमियम	साधारण जोडा कोष	सट्टी घटबढ कोष	नियमकारी कोष	फेरर मूल्य कोष	पुनःमुल्याङ्कन कोष	संचित मुनाफा	अन्य कोष	जम्मा	ने. नियन्त्रित स्वार्थ	जम्मा इक्विटी
श्रावण १, २०७४ मौज्जात	५१३,४२७.४३८	-	१३४,४२३.३८८	-	-	-	-	१,२०९,८२२	३,२०५,०९२	६४३,२५७,७४०	-	६४३,२५७,७४०
पुनः स्थापना	-	-	-	-	-	१३,६५५,९३९	-	७,०६१,३६१	(८,२६१,३००)	१२,४५५,२००	-	१२,४५५,२००
समायोजन	(१६७,९७८.५६८)	-	-	-	-	-	-	१६७,९७८.५६८	-	-	-	-
श्रावण १, २०७४ समाप्तोत्तर/पुनः स्थापित मौज्जात	३४५,४४८.८७०	-	१३४,४२३.३८८	-	-	१३,६५५,९३९	-	१,०७६,२४२,७५१	(४,०५६,२०७)	६६५,७०२,९४०	-	६६५,७०२,९४०
यस वर्षको विस्तृत आम्दानी	-	-	-	-	-	-	-	-	-	-	-	-
यस वर्षको मुनाफा	-	-	-	-	-	-	-	९६,६०४,३०९	-	९६,६०४,३०९	-	९६,६०४,३०९
कर परचातको अन्य विस्तृत आम्दानी	-	-	-	-	-	-	-	-	-	-	-	-
फेरर मूल्यमा मापन गरिएका इक्विटी उपकरणका लगानी बाट भएको नाफा / (नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
पुनः मूल्याङ्कनबाट भएको नाफा / (नोक्सान)	-	-	-	-	-	४,९०८,९३०	-	-	-	४,९०८,९३०	-	४,९०८,९३०
परिभाषित लाभ योजनाबाट (विभाङ्कित नाफा / (नोक्सान))	-	-	-	-	-	-	-	-	-	-	-	-
नगद प्रवाहको हेजिङबाट भएको नाफा / (नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
विदेशी विनिमय बजारको विलय सम्पत्ति विनिमयबाट भएको सट्टी नाफा / (नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
यस वर्षको विस्तृत आम्दानी	-	-	-	-	-	४,९०८,९३०	-	९६,६०४,३०९	-	१००,५१३,२६९	-	१००,५१३,२६९
जोडा कोषमा सारिएको रकम	-	(९,२३०,९५२)	१८,३३३,९०६	-	-	-	-	५,८०३,४३४	३,००१,६३०	२७,९५८,९७२	-	२७,९५८,९७२
जोडा कोषबाट स्वातन्त्र भएको रकम	-	-	-	-	-	-	-	-	५,६८६,४२३	(१४,८९९,२६७)	-	(१४,८९९,२६७)
इक्विटीमा सिधै देबाइएको शेयरधनी सँगको कारोबार	-	-	-	-	-	-	-	-	-	-	-	-
शेयर निष्काशन	२८६,७२२,५६२	९,२३०,९५२	-	-	-	-	-	-	-	२९५,९५३,५१४	-	२९५,९५३,५१४
शेयरमा अघाडित भुक्तानी	-	-	-	-	-	-	-	-	-	-	-	-
शेयरधनीलाई लाभंश वितरण	१६७,९७८.५६८	-	-	-	-	-	-	(१६७,९७८.५६८)	-	-	-	-
बोनाश शेयर निष्काशन	-	-	-	-	-	-	-	-	-	-	-	-
नगद लाभंश भुक्तानी	-	-	-	-	-	-	-	-	-	-	-	-
अन्य	-	-	-	-	-	-	-	-	-	-	-	-
जम्मा योगदान	४४५,७०९,९३०	९,२३०,९५२	-	-	-	-	-	(१६७,९७८.५६८)	-	२९५,९५३,५१४	-	२९५,९५३,५१४
अषाढ मसान्त २०७५ को मौज्जात	८००,९५०,०००	-	१५३,७७६,२९५	-	-	१७,७६३,२६९	-	८९,३९६,३९०	३,६३१,८४६	१,०६४,६३७,७९९	-	१,०६४,६३७,७९९
श्रावण १, २०७५ सालको मौज्जात	८००,९५०,०००	-	१५३,७७६,२९५	-	-	१७,७६३,२६९	-	८९,३९६,३९०	३,६३१,८४६	१,०६४,६३७,७९९	-	१,०६४,६३७,७९९
समायोजन / पुनः स्थापना	-	-	-	-	-	-	-	-	-	-	-	-
श्रावण १, २०७५ समाप्तोत्तर/पुनः स्थापना मौज्जात	८००,९५०,०००	-	१५३,७७६,२९५	-	-	१७,७६३,२६९	-	८९,३९६,३९०	३,६३१,८४६	१,०६४,६३७,७९९	-	१,०६४,६३७,७९९
यस वर्षको विस्तृत आम्दानी	-	-	-	-	-	-	-	-	-	-	-	-
यस वर्षको मुनाफा	-	-	-	-	-	-	-	१२९,९२६,२६९	-	१२९,९२६,२६९	-	१२९,९२६,२६९
कर परचातको अन्य विस्तृत आम्दानी	-	-	-	-	-	-	-	-	-	-	-	-



विवरण	शेयर पूँजी	शेयर प्रिमियम	साधारण जगेडा कोष	सट्टी घटबढ कोष	नियमनकारी कोष	फेयर मूल्य कोष	पुनःमुल्याङ्कन कोष	संचित मुनाफा	अन्य कोष	जम्मा	नेर नियोजित स्वरूप	जम्मा इन्स्टी
फेयर मूल्यमा मापन गरिएका इन्भेस्टी उपकरणका लगानी बाट भएको नाफा/(नोक्सान)	-	-	-	-	-	(२,६७४,८४१)	-	-	-	(२,६७४,८४१)	-	(२,६७४,८४१)
पुनः मूल्याङ्कनबाट भएको नाफा/(नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
परिभाषित लाभ योजनाबाट विमाधिक्र नाफा/(नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
नाद प्रवाहको हेजिङबाट भएको नाफा/(नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
विदेशी विनिमय संचालनको वित्तिय सम्पत्ति विनिमयबाध भएको सरुही नाफा/(नोक्सान)	-	-	-	-	-	-	-	-	-	-	-	-
नियमनकारी कोषका लागी समायोजन	-	-	-	-	-	-	-	-	-	-	-	-
यस वर्षको निस्तृत आस्वानी	-	-	-	-	-	(२,६७४,८४१)	-	१२९,६९६,२६९	-	१२७,०२१,४२७	-	१२७,०२१,४२७
जगेडा कोषमा सारिएको रकम	-	-	२५,९८५,२४४	-	७,३३३,३८४	-	-	(३२,८८७,३६७)	१,८१४,३४४	२,२४५,६१४	-	२,२४५,६१४
जगेडा कोषबाट स्थान्तरण भएको रकम	-	-	-	-	-	-	-	(२,८१०,३०१)	-	(२,८१०,३०१)	-	(२,८१०,३०१)
इन्भेस्टीमा सिधै देखाइएको शेयरधनी संघको कारोवार	-	-	-	-	-	-	-	-	-	-	-	-
शेयर निष्काशन	-	-	-	-	-	-	-	-	-	-	-	-
शेयरमा आधारित भुक्तानी	-	-	-	-	-	-	-	-	-	-	-	-
शेयरधनीलाई लाभांश वितरण	-	-	-	-	-	-	-	-	-	-	-	-
बोनस शेयर निष्काशन	१,८४०,०००	-	-	-	-	-	-	(६,८४०,०००)	-	-	-	-
नाद लाभांश भुक्तानी	-	-	-	-	-	-	-	(७०,९६४,०००)	-	(७०,९६४,०००)	-	(७०,९६४,०००)
अन्य	-	-	-	-	-	-	-	-	-	-	-	-
जम्मा योगदान	१,८४०,०००	-	-	-	-	-	-	(८०,०९४,०००)	-	(७८,२५४,०००)	-	(७८,२५४,०००)
असाढ मसाल २०७६ को नौबत	८१०,०००,०००	-	१७९,७६९,४४९	-	७,३३३,३८४	१५,०८८,४२७	-	१०६,३४०,२९१	२,६३४,८८९	१,१२९,९४९,४४०	-	१,१२९,९४९,४४०

रमेश कठायत
वित्त प्रमुख

विलामणि न्यौपाने
प्रमुख कार्यकारी अधिकृत

रामकृष्ण शर्मा वग्ले
सञ्चालक

महेश प्रसाद अधिकारी
सञ्चालक

सन्धीव कुमार मिश्र
सामुहिक

उमेश भगत प्रधानाङ्ग
सञ्चालक

स्यामसन ज.ब.राणा
सञ्चालक

शशिराज पाण्डे
अध्यक्ष

टि आर उपाध्याय एण्ड कम्पनी
चार्टर्ड एकाउन्टेन्ट्स

ठेगाना : काठमाडौं
मिति : अक्टोबर ३, २०१९



श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि.

नगद प्रवाहको विवरण

१ श्रावण २०७५ देखि ३१ आषाढ २०७६ सम्म (१७ जुलाई २०१८ देखि १६ जुलाई २०१९ सम्म) रकम रु. मा

विवरण	यस वर्ष	गत वर्ष
कारोबार सम्बालनबाट नगद प्रवाह		
व्याज आम्दानी	५९३,९६७,१३०	४४४,४९५,७७६
शुल्क तथा अन्य आम्दानी	३७,०३२,२७६	३९,१५२,९००
लाभांश आम्दानी	-	-
अन्य संचालन कारोबार बाट आम्दानी	१,७४३,१४६	२,३१६,३८८
व्याज खर्च	(४१८,८६८,५४१)	(३२९,८३४,६४१)
कमिसन तथा शुल्क खर्च	(४०,२९५)	(२२,५२५)
कर्मचारी खर्च	-	-
अन्य खर्च	(९६,७५५,७३३)	(८२,७३८,६९१)
सम्बालन सम्पत्ति र दायित्वको परिवर्तन अधिको सम्बालन नगद प्रवाह	११७,११७,९८३	७३,३६९,२०६
सम्बालन सम्बन्धि चालू सम्पत्तिमा कमी / (बृद्धि)	(८२६,५०९,७८७)	(७४७,३९८,७७०)
नेपाल राष्ट्र बैंकमा रहेको मौज्जात	(१००,३०७,९०९)	(१८,५५३,१५१)
बैंक तथा वित्तीय संस्थामा रहेको मौज्जात	-	-
अन्य व्यापारिक सम्पत्ति	-	-
बैंक तथा वित्तीय संस्थाहरूलाई दिइएको कर्जा तथा सापटी	(५५,०००,०००)	(४५,०००,०००)
ग्राहकलाई दिइएको कर्जा तथा सापटी	(६७४,०४२,९५१)	(६८३,५७३,१५४)
अन्य सम्पत्ति	२,८४१,०७३	(२७२,४६६)
सम्बालन सम्बन्धि चालू दायित्वमा कमी / (बृद्धि)	९६७,८५३,५१५	४१९,१२७,७०७
बैंक तथा वित्तीय संस्थाहरूलाई दिनु पर्ने बाँकी रकम	१४३,४६९,६६६	७,५०७,४८५
नेपाल राष्ट्र बैंकलाई दिनु पर्ने बाँकी रकम	४८,२३९,८०२	१८,५९५,३५३
ग्राहकको निक्षेप	७४७,८१२,७५६	३९७,८४०,६८७
ऋण तथा सापटी	-	-
अन्य दायित्व	२८,३३१,२९१	(४,८१५,८१७)
आयकर अधिको कारोबार सम्बालनबाट खुद नगद प्रवाह	२५८,४६१,७१०	(२५४,९०१,८५७)
आयकर भुक्तानी	(५५,६४९,३६८)	(३९,१४७,०२५)
संचालन गतिविधिबाट खुद नगद प्रवाह	२०२,८१२,३४३	(२९४,०४८,८८२)
सगानी कारोबारबाट नगद प्रवाह		
धितोपत्र लगानी खरीद	(१०३,४७०,८८१)	(६०,०९३,८६२)
धितोपत्र लगानी विक्रीबाट प्राप्ती	-	(५४३,९२०)
स्थिर सम्पत्तिको खरीद	(२०,७९३,४६२)	(११,९२९,२३४)
स्थिर सम्पत्तिको विक्रीबाट प्राप्ती	४६३,१८०	५९२,०९५
अमूर्त सम्पत्तिको खरीद	(१६९,५००)	(२,०४७,७५०)
अमूर्त सम्पत्तिको विक्रीबाट प्राप्ती	-	-
लगानी सम्पत्तिमा खरीद	-	-
लगानी सम्पत्तिको विक्रीबाट प्राप्ती	-	-
व्याज आम्दानी	७०,३०१,८६३	६३,२७२,९८९
लाभांश आम्दानी	१,४२१,२१९	१,६२८,०५१
सगानी कारोबारमा भएको खुद नगद प्रवाह	(५२,१६७,५८१)	(९,१२१,६३१)
वित्तीय श्रोत कारोबारबाट नगद प्रवाह		
ऋणपत्र निश्कासनबाट प्राप्ती	-	-
ऋणपत्रको भुक्तानी	-	-
सुरक्षण नराखिएको सहायक आवधिक दायित्व निष्कासनबाट प्राप्ती	-	-
सुरक्षण नराखिएको सहायक आवधिक दायित्वको भुक्तानी	-	-
शेयर निश्कासनबाट प्राप्त	-	२९५,९५२,७९४
लाभांश खर्च	(७०,२८६,५६९)	(१,०८४,८३४)
व्याज खर्च	-	-
अन्य प्राप्ती/भुक्तानी	-	-
वित्तीय श्रोत कारोबारबाट खुद नगद प्रवाह	(७०,२८६,५६९)	२९४,८६७,८८१
नगद प्रवाहमा भएको खुद कमी / (बृद्धि)	८०,३५८,१९३	(८,३०२,६३३)
नगद तथा नगद समानमा रहेको शुरूवाती मौज्जात (२०७५ श्रावण १)	१,०१२,२७५,९११	१,०२०,५७८,५४४
नगद तथा नगद समानमा विनिमय दर परिवर्तनको असर	-	-
नगद तथा नगद समानमा रहेको अन्तिम मौज्जात (२०७६ अषाढ ३१)	१,०९२,६३४,१०४	१,०१२,२७५,९११

रमेश कठायत
वित्त प्रमुख

लिलामणि न्यौपाने
प्रमुख कार्यकारी अधिकृत

रामकृष्ण शर्मा वाग्ले
सञ्चालक

महेश प्रसाद अधिकारी
सञ्चालक

सन्जीव कुमार मिश्र
साम्भेदार

उमेश भगत प्रधानाङ्ग
सञ्चालक

स्यामसन ज.व.राणा
सञ्चालक

शशिराज पाण्डे
अध्यक्ष

टि आर उपाध्याय एण्ड कम्पनी
चार्टर्ड एकाउन्टेन्ट्स

ठेगाना : काठमाडौं

मिति : अक्टोबर ३, २०१९



Shree Investment & Finance Co. Ltd.

Explanatory Notes, Disclosures and Additional Information: FY 2075-76

1. Reporting Entity

Shree Investment & Finance Co Ltd. (SIFCO) or the “company” was incorporated in the year 1994 (2051 BS), as a Financial Services Company and a Merchant Bank under the Nepal Finance Company Act, 1985 and the Nepal Company Act, 1964. The Company has been licensed by the Nepal Rastra Bank as “C” class Financial Institution to undertake financial services and merchant banking activities in the country.

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements were prepared on an accrual basis of accounting in accordance with Nepal Financial Reporting Standards (NFRS) read along with the approved carve-outs and in the format as per Directive No. 4 of NRB Directives, 2075. Historical cost convention was used for financial statement recognition and measurement except otherwise required by NFRS. Where, other method(s), other than historical costs, such as fair value has been applied, and these have been disclosed in accordance with the applicable reporting framework. The adoption of NFRS for preparation of financial statements was brought in effect from fiscal year 2075/76.

The amounts of financial statements were presented in Nepalese Rupees (NPR) being the functional currency of the company. The figures were rounded off to the nearest rupee except where indicated otherwise.

The financial statements comprise the Statement of Financial Position, Statement of Profit or Loss, Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Accounts.

2.2 Reporting period and approval of financial statements

The following dates were considered for the relevant financial statement in terms of first-time adoption.

Opening NFRS SFP* date	1 Shrawan 2074 (16 July 2017)
Comparative SFP* Date	32 Ashad 2075 (16 July 2018)
Comparative reporting period	1 Shrawan 2074 – 32 Ashad 2075 (16 July 2017– 16 July 2018)
First NFRS SFP* Date	31 Ashad 2076 (16 July 2019)
First NFRS reporting period	1 Shrawan 2075 – 31 Ashad 2076 (17 July 2018 – 16 July 2019)

*SFP- Statement of Financial Position

The approval of financial statements of the Company along with the accompanied notes to the financial statements were adopted by the Board of Directors in its meeting held on 3rd October 2019 and the Board acknowledges its responsibility of preparation of the financial statements. The approved financial statements have been recommended for approval of the shareholders in the 25th annual general meeting of the Company.

2.3 Functional and Presentation Currency

The financial statements are presented in Nepalese Rupees (NPR) which is also the company's functional currency. All financial information presented in NPR has been rounded off to the nearest rupee except where indicated otherwise.

2.4 Use of Estimates, Assumptions and Judgments

The Company, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the Company is required to make judgments in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate. It is also required to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements. The Company applies estimates in preparing and presenting the financial statements and such estimates and underlying assumptions are reviewed periodically. The revision to accounting estimates are recognized in the period in which the estimates are revised, and are applied prospectively.

The accounting policies as explained in Note 3 herein were consistently applied to all the years presented except otherwise stated. They were further included in the relevant notes for each item of the financial statements, and the effect and nature of the changes, if any, were disclosed. The accounting estimates were appropriately disclosed in the relevant sections of the Notes to Accounts wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.



The accounting policies are to be applied consistently. Changes in accounting policies, if any, are to be disclosed with the financial impact to the extent possible. When policies are not guided by the reporting framework, NFRS, other reporting standards and generally accepted accounting principles are to be followed.

2.4.1 Going Concern

The financial statements were prepared on a going concern basis as the Company has adequate resources to continue in business for the foreseeable future. In making this assessment, a wide range of information was considered, which were relevant to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.5 Changes in Accounting Policies

The company has applied several amendments to standards for the first time during the year ended 31 Ashad 2076. The company has prepared the opening statement of financial position as per Nepal Financial Reporting Standard (NFRS) as at 15 July 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by NFRS, not recognising the items of assets or liabilities which are not permitted by NFRS, by reclassifying items from previous GAAP to NFRS as required by NFRS and applying NFRS in measurement of recognised assets and liabilities.

2.6 Reporting Pronouncements

The Company has, for the preparation of financial statements, adopted the NFRS pronounced by ASB as effective on September 13, 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 September 20, 2018 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). Details of carve out provided are as follows:

2.6.1 NFRS 10: Consolidated Financial Statements

In para 19 of NFRS 10, a parent shall prepare consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances unless it is impracticable to do so.

The carve out is optional and has been provided for the FY 2017-18 to 2019-20. However, this particular carve out is not applicable to the company for FY 2018-19

2.6.2 NAS 34: Interim Financial Reporting

In para 2, if an entity's interim financial report is described as complying with NFRSs, it must comply with all of the requirements of this Standard. Paragraph 19 requires certain disclosures in that regard. However, an entity shall not require to restate its corresponding previous interim period balance if it is impracticable to restate.

The carve out is optional and has been provided for the FY 2017-18 and 2018-19. Accordingly, the company has opted the same. Company will avail this option to report the comparative figures in the interim financial statements for the non-availability of NFRS information for the previous periods.

2.6.3 NAS 39: Financial Instruments: Recognition and Measurement

a) Impairment

In para 58, an entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, the entity shall apply paragraph 63 to determine the amount of any impairment loss unless the entity is bank or financial institutions registered as per Bank and Financial Institutions Act, 2073. Such entities shall measure 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; and shall apply paragraph 63 to measure the impairment loss on financial assets other than loan and advances. The entity shall disclose the impairment loss as per this carve-out and the amount of impairment loss determined as per paragraph 63.

The carve out is not optional and has been provided for the FY 2017-18 to 2018-19. Company will measure the impairment of loan and advances to customers as higher of the impairment as assessed under NFRS or as per the norms prescribed by Nepal Rastra Bank. The provision is mandatory where impairment under NFRS and impairment under NRB norms has been disclosed for comparison and the higher of the two is charged as impairment and recognized in the financial statements.

b) Impracticability to determine transaction cost of all previous years which is the part of effective interest rate

In para 9, The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount



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

The carve out is optional and has been provided for the FY 2017-18 and 2018-19. Accordingly, the company has opted the same.

c) Impracticability to determine interest income on amortized cost

In para AG 93, once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Interest income shall be calculated by applying effective interest rate to the gross carrying amount of a financial asset unless the financial asset is written off either partially or fully.

The carve out is optional and has been provided for the FY 2018-19 and 2019-20. Accordingly, the company has opted the same.

2.7 New Standards in issue but not yet effective

For the reporting of financial instruments, NAS 32 Financial Instruments, Presentation, NAS 39 Financial Instruments Recognition and Measurements and NFRS 7 Financial Instruments – Disclosures have been applied. NFRS 9 has been complied for the classification of Financial Instruments.

A number of new standards and amendments to the existing standards and interpretations have been issued by IASB after the pronouncements of NFRS with varying effective dates. Those become applicable when ASB Nepal incorporates them within NFRS.

2.8 New Standards and Interpretations Not adapted

The following amendments are not mandatory for 2019 and have not been early adopted by the company. The Company is still currently assessing the detailed impact of these amendments –

2.8.1 IFRS 9 ‘Financial Instruments’-Impairment

IFRS 9 ‘Financial Instruments’ was issued by the IASB in July 2014 and effective internationally for the financials beginning on or after 1 January 2018. Accounting Standard Board of Nepal endorsed NFRS 9 Financial Instruments with some exceptions, mainly in the Impairment. Currently, Incurred Loss Model as specified in NAS 39 is used.

2.8.2 IFRS-15: Revenue from contract with customers:

The IASB issued a new standard for revenue recognition which overhauls the existing revenue recognition standards. The standard requires the following five step model framework to be followed for revenue recognition:

- Identification of the contracts with the customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract (as identified in step ii)
- Recognition of revenue when the entity satisfies a performance obligation.

The new standard would be effective for annual periods starting from 1 January 2018 and early application is allowed. The management is assessing the potential impact on its financial statements resulting from application of IFRS 15.

IFRS 15 Revenue from contract with customers has not yet been adopted by the Accounting Standard Board of Nepal hence not applicable to the Company.

2.8.3 IFRS 16 ‘Leases’

IFRS 16 ‘Leases’ is effective for annual periods beginning on or after 1 January 2019. IFRS 16 is the new accounting standard for leases and will replace IAS 17 ‘Leases’ and IFRIC 4 ‘Determining whether an Arrangement contains a Lease’. The new standard removes the distinction between operating or finance leases for lessee accounting, resulting in all leases being treated as finance leases. All leases will be recognized on the statement of financial position with the optional exceptions for short-term leases with a lease term of less than 12 months and leases of low-value assets (for example mobile phones or laptops). A lessee is required to recognize a right-of-use asset representing its right to use



the underlying leased asset and a lease liability representing its obligation to make lease payments. The main reason for this change is that this approach will result in a more comparable representation of a lessee's assets and liabilities in relation to other companies and, together with enhanced disclosures, will provide greater transparency of a lessee's financial leverage and capital employed. The standard permits a lessee to choose either a full retrospective or a modified retrospective transition approach.

IFRS 16 Leases has not yet been adopted by the Accounting Standard Board of Nepal hence not applicable to the Company.

2.9 Discounting

Discounting has been applied where assets and liabilities are non-current and the impact of the discounting is material.

2.10 Limitation of NFRS implementation

Wherever the information is not adequately available and the cost to develop the same would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective sections.

3. Significant Accounting Policies

3.1 Basis of Measurement

The financial statements are prepared on a historical cost basis except for the following items which were measured or recognized as stated:

- 1) Financial assets and liabilities are measured at fair value at its initial recognition. Subsequent recognition of FVTOCI and FVTPL financial instruments are measured at fair value.
- 2) Liabilities for defined benefit obligations are recognized at the present value of the defined benefit obligation after deducting the net of the plan assets, plus unrecognized actuarial gains, less unrecognized past service cost and unrecognized actuarial losses.

3.2 Basis of Consolidation

a. Business Combination

Business combinations are accounted for using the acquisition method as at the acquisition date i.e. when control is transferred to the Company. Control is the power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Company measures goodwill at the acquisition date as;

- the fair value of the consideration transferred, plus
- the recognized amount of any non-controlling interests in the acquire, plus
- if the business combination is achieved in stages, the fair value of the preexisting equity interest in the acquire, less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.
- When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.
- The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.
- Transaction costs, other than those associated with the issue of debt or equity securities, that the Bank incurs in connection with a business combination are expensed as incurred.
- Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration 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 recognized in profit or loss except for measurement period adjustment.

There is no business combination during the fiscal year 2075-76.

b. Non-Controlling Interest (NCI)

For each business combination, the Company elects to measure any non-controlling interests in the acquiree either at fair value; or at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

The Company does not have any NCI as on reporting date.

c. Subsidiaries

Subsidiaries are the entities controlled by the Company. The Company 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 Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

The Company reassesses whether it has control if there are changes to one or more of the elements of control. In preparing the consolidated financial statements, the financial statements are combined line by line by adding the like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. The carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary are eliminated in full. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (such as interest income and technical fee) are eliminated in full while preparing the consolidated financial statements.

The Company does not have any subsidiary as on reporting date.

d. Loss of Control

Upon the loss of control, the Company derecognizes the assets and liabilities of the subsidiary, carrying amount of non-controlling interests and the cumulative translation differences recorded in equity related to the subsidiary. Further parent's share of components previously recognized in Other Comprehensive Income (OCI) is reclassified to profit or loss or retained earnings as appropriate. Any surplus or deficit arising on the loss of control is recognized in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments depending on the level of influence retained

e. Transaction Elimination on Consolidation

All intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions should be eliminated in preparing the consolidated financial statements. Unrealized losses should be eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment

3.3 Cash and Cash equivalent

Cash and cash equivalents include notes and coins on hand and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

3.4 Financial Assets and Financial Liabilities

3.4.1 Recognition

The Company initially recognizes a financial asset or a financial liability in its statement of financial position when, and only when, it becomes party to the contractual provisions of the instrument. The Company initially recognize loans and advances, deposits and debt securities/ subordinated liabilities issued on the date that they are originated which is the date that the Company becomes party to the contractual provisions of the instruments. Investments in equity instruments, bonds, debenture, Government securities, NRB bond or deposit auction, reverse repos, outright purchase are recognized on trade date at which the Company commits to purchase/ acquire the financial assets. Regular way purchase and sale of financial assets are recognized on trade date at which the Company commits to purchase or sell the asset.

3.4.2 Classification

Financial Assets

The Company classifies the financial assets as subsequently measured at amortized cost or fair value on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The two classes of financial assets are as follows;

- a) Financial assets measured at amortized cost: a financial asset is measured at amortized cost if the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and if the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- b) Financial assets measured at fair value: a financial asset other than those measured at amortized cost are measured at fair value. They are further classified into two categories as below:
 - Financial assets are measured at fair value through profit or loss if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction cost is directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are subsequently measured at fair value and changes in fair value are recognized in Statement of Profit or Loss.
 - Financial assets are measured at fair value through other comprehensive income if the Investment in



an equity instrument that is not held for trading and at the initial recognition, the Company makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value though other comprehensive ncome. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

Financial Liabilities

The Company classifies its financial liabilities, other than financial guarantees and loan commitments, as follows:

- Financial Liabilities at Fair Value through Profit or Loss: Financial liabilities are classified at fair value through profit or loss if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction cost is 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.
- Financial Liabilities measured at amortized cost: Financial liabilities other than those measured at fair value though profit or loss are classified as subsequently measured at amortized cost using effective interest method.

3.4.3 Measurement

Initial Measurement

A financial asset or financial liability is measured initially at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction cost in relation to financial assets and liabilities at fair value through profit or loss are recognized in Statement of Profit or Loss.

Subsequent Measurement

A financial asset or financial liability is subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability. Financial asset or liability classified as measured at amortized cost is subsequently measured at amortized cost using effective interest rate method.

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

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

3.4.4 De-recognition

De-recognition of Financial Assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit and loss account.

In transactions in which the company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the company continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

De-recognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in Statement of Profit or Loss.

3.4.5 Determination of Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. The fair value of a liability reflects its non-performance risk. The fair values are determined according to the following hierarchy:

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.



Level 2 valuations are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 portfolios are those where at least one input, which could have a significant effect on the instrument's valuation, is not based on observable market data.

When available, the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. If a market for a financial instrument is not active, the Company establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognized in profit or loss on initial recognition of the instrument. In other cases, the difference is not recognized in profit or loss immediately but is recognized over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

All unquoted equity instruments are recorded at cost Entities of which no data is whatsoever available, valuation has been done at cost net of impairment if any

3.4.6 Impairment

At each reporting date the Company assesses whether there is any indication that an asset may have been impaired. If such indication exists, the recoverable amount is determined. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the asset (a loss event), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company 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 Company initiates legal recourse of recovery in respect of a credit obligation of the counterpart.
- Where the Company 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.

The Company considers evidence of impairment for loans and advances and amortized cost investment securities at both a specific asset and collective level. All individually significant loans and advances and amortized cost investment securities are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Loans and advances and amortized cost investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and advances and amortized cost investment securities with similar risk characteristics. Impairment test is done on annual basis for trade receivables and other financial assets based on the internal and external indication observed.

In assessing collective impairment, the Company uses statistical modelling of historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

a) Impairment losses on assets measured at amortised cost

As per NAS 39

Financial assets carried at amortised cost (such as amounts due from Banks, loans and advances to customers as well as held-to-maturity investments) are impaired, and impairment losses are recognized, only if there is objective evidence as a result of one or more events that occurred after the initial recognition of the asset. The amount of the loss is measured as the difference between the asset's carrying amount and the deemed recoverable value of loan.



Loans and advances to customers with significant value (Top 50 borrowers and borrowers classified as Non-Performing as per Nepal Rastra Bank Directive) are assessed for individual impairment test. The recoverable value of loan is estimated on the basis of realizable value of collateral and the conduct of the borrower/past experience of the Company. Assets that are individually assessed and for which no impairment exists are grouped with financial assets with similar credit risk characteristics and collectively assessed for impairment. The credit risk statistics for each group of the loan and advances are determined by management prudently being based on the past experience. For the purpose of collective assessment of impairment, the assets are categorized in to the following six broad products as follows:

1. Term Loan
2. Auto Loan
3. Home Loan
4. Personal Loan
5. Short Term Loan
6. Other Loans

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the income statement. If a future write-off is later recovered, the recovery is credited to the 'Income Statement'.

As per Loan Loss Provision of Nepal Rastra Bank

Loan loss provisions in respect of non-performing loans and advances are based on management's assessment of the degree of impairment of the loans and advances, subject to the minimum provisioning level prescribed in relevant NRB guidelines. Provision is made for possible losses on loans and advances including bills purchased at 1% to 100% on the basis of classification of loans and advances, overdraft and bills purchased in accordance with NRB directives.

Policies Adopted

As per the NFRS Carve out, the Company measured impairment loss on loan & 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.

3.5 Trading Assets and Liabilities

Trading assets and liabilities are those assets and liabilities that the Company acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking. They are initially recognized at fair value and subsequently measured at fair value in the statement of financial position, with transaction costs recognized in profit or loss. All changes in fair value are recognized as part of net trading income in profit or loss as regarded as fair value through profit & loss account.

3.6 Derivatives Assets and Derivative Liabilities

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value in the statement of financial position. Hedge accounting is not adopted for certain derivatives held for risk managementsuch as Forward Exchange contracts.

3.7 Property and Equipment

a. Recognition and Measurement

The cost of an item of property and equipment shall be recognized as an asset, initially recognized at cost, if, and only if it is probable that future economic benefits associated with the item will flow to the entity; and if the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- Capitalized borrowing costs.

The Company adopts cost model for entire class of property and equipment. Neither, class of the property and equipment are measured at revaluation model nor is their fair value measured at the reporting date. The items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.



Subsequent expenditure is capitalized if it is probable that the future economic benefits from the expenditure will flow to the Company. Ongoing repairs and maintenance to keep the assets in working condition are expensed as incurred. Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized within other income in profit or loss.

b. Capital Work in Progress

Fixed assets under construction and cost of assets not ready for use are shown as capital work in progress.

c. Depreciation

Straight line method of depreciation on fixed assets is applied to allocate their cost to their residual values over their estimated useful life as per management judgment, as follows:

Class of assets	Revised useful life
Computer	5 Years
Furniture and Fixture	10 Years
Office Equipment	5 years
Other Fixed Assets	10 years
Vehicle	10 Years
Building	50 Years
Leasehold	15 years or lease period whichever is lower
Software	Over the contract period (5 years if contract period not available)

Assets costing less than Rs 2,000 are fully charged to profit loss account in the year of purchase.

Effect of Change in Depreciation Method in Existing Assets:

During the fiscal year, the Company has changed its method of depreciation from the Written-down Method (WDV) into Straight Line method based on useful life of the assets and detailed disclosures has been provided under notes 5.19 in disclosure. Depreciation method, useful lives and residual value are reviewed at each reporting date and adjusted, if any.

d. De-recognition

The carrying amount of Property and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property and equipment is included in profit or loss when the item is derecognized (unless on a sale and lease back). The gain shall be classified as revenue.

3.8 Goodwill and Intangible Assets

Acquired Intangible Assets

Intangible assets are initially measured at fair value, which reflects market expectations of the probability that the future economic benefits embodied in the asset will flow to the Company, and are amortized on the basis of their expected useful lives.

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with the development of software are capitalized where it is probable that it will generate future economic benefits in excess of its cost. Computer software costs are amortized on the basis of expected useful life. Costs associated with maintaining software are recognized as an expense as incurred.

At each reporting date, these assets are assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.9 Investment Property/Non-Current Assets Held for Sale

Investment Property

Investment properties includes land or land and buildings other than those classified as property and equipment and non-current assets held for sale. Generally, it includes land, land and building acquired by the Company as non-banking assets but not sold as on the reporting date.

The Company holds investment property that has been acquired through enforcement of security over the loans and advances.

Non-Current Assets Held for Sale

Non-current assets (such as property) and disposal groups (including both the assets and liabilities of the disposal groups) are classified as held for sale and measured at the lower of their carrying amount and fair value less cost to sell when:



- (i) their carrying amounts will be recovered principally through sale;
- (ii) they are FVTOCI in their present condition; and
- (iii) their sale is highly probable.

Immediately before the initial classification as held for sale, the carrying amounts of the assets (or assets and liabilities in a disposal group) are measured in accordance with the applicable accounting policies described above.

3.10 Income Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

a. Current Tax

Current tax is the expected tax payable or recoverable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

b. Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rate applicable to the Company as at the reporting date which is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the temporary differences can be utilized.

3.11 Deposits, Debts Securities issued and subordinated liabilities

a. Deposits

The Company accepts deposits from its customers under savings account, current account and term deposits which allows money to be deposited and withdrawn by the account holder. These transactions are recorded on the company's books, and the resulting balance is recorded as a liability for the Company and represents the amount owed by the Company to the customer.

b. Debt Securities

Deposits, debt securities issued and subordinated liabilities are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Company designates liabilities at fair value through profit or loss. The company has not issued any of such debt securities.

c. Subordinated Liabilities

Subordinated liabilities are those liabilities which at the event of winding up are subordinate to the claims of depositors, debt securities issued and other creditors. The bank does not have any of such subordinated liabilities.

3.12 Provisions

The Company recognizes a provision if, as a result of past event, the Company has a present constructive or legal obligation that can be reliability measured and it is probable that an outflow of economic benefit will be required to settle the obligation.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

3.13 Revenue Recognition

Revenue is the gross inflow of economic benefits during the period arising from the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is not recognized during the period in which its recoverability of income is not probable. The Company's revenue comprises of interest income, fees and commission, remittance income, service fee, etc. and the bases of incomes recognition are as follows:



a. Interest Income

Interest income on FVTOCI assets and financial assets held at amortised cost shall be recognized using the Company's normal interest rate which is very close to effective interest rate using effective interest rate method.

For income from loans and advances to customers, initial charges are not amortised over the life of the loan and advances as the income so recognized closely approximates the income that would have been derived under effective interest rate method. The difference is not considered material. The Company considers that the cost of exact calculation of effective interest rate method exceeds the benefit that would be derived from such compliance.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Gains and losses arising from changes in the fair value of financial instruments held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise. Contractual interest income and expense on financial instruments held at fair value through profit or loss is recognized within net interest income.

The Company recognizes the interest income on loans and advances as per Guideline on Recognition of Interest Income, 2019 issued by Nepal Rastra Bank. The Company has derecognized the interest income amounting to NPR 2,531,843 in case of loan where contractual payments of principal and/or interest are more than 12 months in arrears, irrespective of the net realizable value of collateral. Further, the Company has not recognized interest income in case of 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.

b. Fees & Commission

Fees and commissions are recognized on an accrual basis when the service has been provided or significant act performed whenever the benefit exceeds cost in determining such value. Whenever, the cost of recognizing fees and commissions on an accrual basis exceeds the benefit in determining such value, the fees and commissions are charged off during the year.

c. Dividend Income

Dividend income are recognized when right to receive such dividend is established. Usually this is the ex-dividend date for equity securities. Dividends are presented in net trading income, net income from other financial instruments at fair value through profit or loss or other revenue based on the underlying classification of the equity investment.

d. Net Trading Income

Net trading income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes, interest, dividends and foreign exchange differences.

e. Net Income from other financial instrument at fair value through Profit or Loss

Net income from other financial instruments at fair value through profit or loss relates to non-trading derivatives held for risk management purposes that do not form part of qualifying hedge relationships and financial assets and liabilities designated at fair value through profit or loss. It includes all realized and unrealized fair value changes, interest, dividends and foreign exchange differences.

3.14 Interest expense

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

3.15 Employees Benefits

a. Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is also recognized for the amount expected to be paid under bonus required by the Bonus Act, 2030 to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably under short term employee benefits. The Company provides bonus at 10% of Net Profit before tax.

Short-term employee benefits include all the following items (if payable within 12 months after the end of the reporting period):

- wages, salaries and social security contributions,
- paid annual leave and paid sick leave,



- profit-sharing and bonuses and
- non-monetary benefits

b. Post-Employment Benefits

Post-employment benefit plan includes the followings;

i. Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as personnel expenses in profit or loss in the periods during which related services are rendered.

Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value.

All employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both the employee and the Company contribute monthly at a pre-determined rate of 10% of the basic salary. The Company does not assume any future liability for provident fund benefits other than its annual contribution.

ii. Defined Benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company'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 the current and prior periods. That benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The Company recognises all actuarial gains and losses net of deferred tax arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefit expense in profit or loss.

The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on curtailment or settlement comprises any resulting change in the fair value of plan assets, any change in the present value of the defined benefit obligation, any related actuarial gains and losses and any past service cost that had not previously been recognised.

iii. Termination Benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

3.16 Leases

Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the lease term unless either:

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

Majority of lease agreements entered by the Company are with the clause of normal increment of around 5% p.a. which the management assumes are in line with the lessor's expected inflationary cost increases.

3.17 Foreign Currency Translation

The financial statements are presented in Nepalese Rupees (NPR).

Transactions in foreign currencies are initially recorded at the functional currency rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange at the statement of financial position date.

Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Non-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, or year-end exchange rates if held at fair value, and the resulting foreign exchange gains and losses are recognized in either the statement of profit



or loss or shareholders' equity depending on the treatment of the gain or loss on the asset or liability.

3.18 Financial guarantee and loan commitment

Financial guarantees are contracts that require the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of agreement.

Loan commitments are firm commitments to provide credit under pre-specified terms and conditions. Loan commitment is the commitment where the Company 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 Company has not made payments at the reporting date, those instruments are included in these financial statement as commitments.

3.19 Share Capital and Reserves

The Company classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. Equity is defined as residual interest in total assets of the Company after deducting all its liabilities. Common shares are classified as equity of the Company and distributions thereon are presented in statement of changes in equity.

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

The reserves include retained earnings and other statutory reserves such as general reserve, corporate social responsibility reserve, investment adjustment reserve, regulatory reserve etc.

Regulatory reserve includes any amount derived as result of NFRS convergence with effect in retained earning computed as per NRB Directive No. 4.

3.20 Earnings per share including diluted

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. The basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.21 Segment Reporting

The Company's segmental reporting is in accordance with NFRS 8 Operating Segments. Operating segments are reported in a manner consistent with the internal reporting provided to the company's management committee, which is responsible for allocating resources and assessing performance of the operating segments. Company has no practice of accounting intra segment revenue or expenses. Geographical segments are considered for the purpose of segment reporting. Income and expenses directly associated with each segment are included in determining business segment performance. The Company is organized for management and Head Office and branches. The segment results that are reported include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly common assets, head office expenses, and tax assets and liabilities.



Amount in NPR

4.1 Cash and Cash Equivalent

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Cash In Hand	75,785,848	51,384,066	48,244,345
Balances with BFIs	1,016,848,256	960,891,845	972,334,199
Money at Call and Short Notice	-	-	-
Other	-	-	-
	1,092,634,104	1,012,275,911	1,020,578,544

The fair value of cash and cash equivalent is carrying value. Cash at vault is adequately insured for physical and financial risks. The amount of cash at vault is maintained on the basis of the liquidity and requirements. Balance with BFIs includes balance maintained at various banks and financial institutions.

4.2 Due from Nepal Rastra Bank

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Statutory Balances with NRB	186,993,841	86,675,932	68,097,781
Securities purchased under Resale Agreement	-	-	-
Other deposit and receivable from NRB	95,405	105,405	130,405
	187,089,245	86,781,336	68,228,186

The fair value of balance with the Nepal Rastra Bank (NRB) is its carrying amount itself. Balance with the NRB is principally maintained as a part of the regulatory cash reserve ratio required by the NRB. Other deposit and receivable from NRB includes NRB account balance maintained at Bhairahawa Branch and Biratnagar Branch.

4.3 Placement with Banks & Financial Institutions

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Placement with Domestic B/FIs	-	-	-
Placement with Foreign B/FIs	-	-	-
Less: Allowances for Impairment	-	-	-
	-	-	-

4.4 Derivative financial instruments

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Held for Trading			
Interest Rate Swap	-	-	-
Currency Swap	-	-	-
Forward exchange Contract.	-	-	-
Others	-	-	-
Held for risk management			
Interest Rate Swap	-	-	-
Currency Swap	-	-	-
Forward exchange Contract	-	-	-
Others	-	-	-



Amount in NPR

4.5 Other Trading Assets

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Treasury bills	-	-	-
Government Bonds	-	-	-
NRB Bonds	-	-	-
Domestic Corporate bonds	-	-	-
Equities	-	-	-
Other	-	-	-
Total	-	-	-
Pledged	-	-	-
Non-Pledged	-	-	-

4.6 Loans and Advances to BFIs

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Loans to Microfinance Institutions	185,500,000	130,500,000	85,500,000
Other			
Less: Allowances for impairment	1,855,000	1,305,000	855,000
Total	183,645,000	129,195,000	84,645,000

Impairment allowance on Loans and advances to BFIs have been considered as per NRB directive. All the loans to BFIs have been classified in pass category as per the requirement of NRB directive 02/2075.

4.6.1 Allowances for Impairment

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Balance at Shrawan 1	1,305,000	855,000	
Impairment loss for the year:			
Charge for the year	550,000	450,000	
Recoveries/reversal			
Amount written off			
Balances at Ashad end	1,855,000	1,305,000	855,000

No individual loans to micro finance has terms and conditions that significantly affect the amount, timing or certainty of consolidated cash flows of the company. These assets have been classified as loans and receivables and are subsequently measured at amortized costs. Risks associated with these assets are regularly assessed. These are interest bearing advances and the income on these assets is credited to statement of profit or loss under interest income.



Amount in NPR

4.7 Loans and advances to customers

	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Loans and advances to customers at amortised cost	4,139,983,575	3,464,569,618	2,779,990,928
Less: Impairment Allowances			
Collective Impairment	41,721,719	35,176,747	28,304,793
Individual Impairment	5,703,517	5,410,530	7,176,224
Net amount	4,092,558,339	3,423,982,341	2,744,509,911
Loan and advance measured at FVTPL	-	-	-
Total	4,092,558,339	3,423,982,341	2,744,509,911

Above impairment is as per NRB directive no.2 which is higher than total impairment as per NAS 39 which is NPR 6,805,552, NPR 5,890,934 & NPR 8,879,897 for FY 2018/19, 2017/18 & FY 2016/17 respectively.

Particulars	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Loans and advances to Customer	4,056,030,603	3,391,090,334	2,730,157,327
Loans and advances to staff	35,235,582	30,228,849	10,683,889
Accrued Interest	1,292,153	2,663,158	3,668,695
Total	4,092,558,339	3,423,982,341	2,744,509,911

Impariment			
As per NRB Directive No. 2	47,425,236	40,587,277	35,481,018
AS per NAS 39	6,805,552	5,890,934	8,879,897

4.7.1 Analysis of loans and advances- By Product

	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Product			
Term loans	756,955,220	820,856,050	569,720,510
Overdraft	-	-	-
Trust receipt/Import loans	-	-	-
Demand and Other Working Capital loans	679,376,570	426,428,060	403,134,010
Personal residential loans	773,900,360	709,383,110	507,719,180
Real estate loans	653,151,520	459,009,700	353,140,930
Margin lending loans	160,941,790	81,357,680	63,987,500
Hire purchase loans	127,304,640	170,780,840	204,075,880
Deprived sector loans	37,656,670	21,889,266	32,140,980
Bills Purchased	-	-	-
Staff loans	35,235,582	30,228,849	10,683,889
Other	914,169,070	741,972,905	631,719,354
Sub Total	4,138,691,422	3,461,906,460	2,776,322,233
Interest Receivable	1,292,153	2,663,158	3,668,695
Grand Total	4,139,983,575	3,464,569,618	2,779,990,928



Amount in NPR

4.7.2 Analysis of loans & advances- By Currency

	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Nepalese rupee	4,139,983,575	3,464,569,618	2,779,990,928
Indian rupee	-	-	-
United State Dollar	-	-	-
Great Britain Pound	-	-	-
Euro	-	-	-
Japanese Yen	-	-	-
Chinese Yuan	-	-	-
Other	-	-	-
Total	4,139,983,575	3,464,569,618	2,779,990,928

4.7.3 Analysis of loans & advances- By Collateral

	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Secured			
Movable/ Immovable Assets	3,919,514,801	3,336,503,184	2,574,792,711
Gold and silver	-	-	-
Guarantee of domestic B/Fis	-	-	-
Government Guarantee	-	-	-
Guarantee of international rated bank	-	-	-
Collateral of export document	-	-	-
Collateral of fixed deposit receipts	58,234,831	44,045,596	137,542,022
Collateral of Government securities / bonds Counter guarantee	-	-	-
Counter guarantee	-	-	-
Personal guarantee	-	-	-
Other collateral	162,233,943	84,020,838	67,656,195
Subtotal	4,139,983,575	3,464,569,618	2,779,990,928
Unsecured			
Grand Total	4,139,983,575	3,464,569,618	2,779,990,928



Amount in NPR

4.7.4 Allowances for Impairment

	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Specific allowances for impairment			
Balance at Shrawan 1	5,410,530	7,176,224	1,224,481
Impairment loss for the year:			
Charge for the year	7,354,261	614,684	5,106,259
Recoveries/reversal during the year	(7,061,274)	(2,380,379)	(2,710,366)
Write-offs			
Exchange rate variance on foreign currency			
Other movement			
Balance at Ashad end	5,703,517	5,410,530	7,176,224
Collective allowances for impairment			
Balance at Shrawan 1			
Impairment loss for the year:	35,176,747	28,304,793	14,543,019
Charge/(reversal) for the year	6,544,972	6,871,954	13,761,775
Exchange rate variance on foreign currency			
Other movement			
Balance at Ashad end	41,721,719	35,176,747	28,304,793
Total allowances for impairment	47,425,236	40,587,277	35,481,018

Above impairment is as per NRB directive no.2 which is higher than total impairment as per NAS 39 which is NPR 6,805,552, NPR 5,890,934 & NPR 8,879,897 for FY 2018/19, 2017/18 & FY 2016/17 respectively.

4.8 Investment Securities

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Investment securities measured at amortized cost	253,507,158	150,100,660	128,603,223
Investment in equity measure at FVTOCI	65,522,914	68,573,235	23,710,616
	319,030,072	218,673,895	152,313,839

Investment made by the Company in financial instruments has been presented under this account head in two categories i.e. investment securities measured at amortized cost and investment in equity measured at fair value through other comprehensive income. Investment other than those measured at amortized cost is measured at fair value and changes in fair value has been recognized in other comprehensive income. Where income from the investment is received in the form of bonus shares, the valuation of investment is made by increasing the number of shares without changing in the cost of investment.

4.8.1 Investment securities measured at amortized Cost

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Debt securities	-	-	-
Government bonds	253,507,158	150,100,660	128,603,223
Government treasury bills	-	-	-
Nepal Rastra Bank bonds	-	-	-
Nepal Rastra Bank deposits instruments	-	-	-
Other	-	-	-
Less: specific allowances for impairment	-	-	-
Total	253,507,158	150,100,660	128,603,223



Amount in NPR

4.8.2 Investment securities measured at fair value through other comprehensive Income

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Equity instruments			
Quoted equity securities	64,770,414	67,820,735	22,958,116
Unquoted equity securities	752,500	752,500	752,500
Total	65,522,914	68,573,235	23,710,616

4.8.3 Information relating to investment in equities

	"As at 16 July 2019"		"As at 16 July 2018"	
	Cost	Fair Value	Cost	Fair Value
Investment in quoted equity securities				
National Microfinance Co. Limited				
37,721 ordinary shares of Rs. 100 each fully Paid (including 12,721 Bonus shares)	2,500,000	27,913,540	2,500,000	33,308,523
Barun Hydropower Company Ltd				
10 ordinary shares of Rs 100 each fully Paid	1,000	900	1,000	1,500
Vijaya Laghubitta Bittiya Sanstha				
12 ordinary shares of Rs. 100 each fully Paid (including 4 Bonus shares)	1,200	7,760	1,200	11,475
Civil Laghubitta Bittiya Sanstha Ltd				
15 ordinary shares of Rs 100 each fully Paid	1,500	8,325	1,500	11,055
Hydropower Investment & Development Company				
1,592 ordinary shares of Rs. 100 each fully Paid (including 144 Bonus shares)	144,800	256,312	144,800	224,440
Nepal Life Insurance Co. Ltd.				
1,248 ordinary shares (563 shares @ 1,425 per share + 685 bonus share) of Rs. 100 each fully Paid	802,275	1,124,448	802,275	1,036,962
Soaltee Hotel Limited				
104,605 ordinary shares (82,691 shares @ 353 per share + 21,914 bonus shares) of Rs. 10 each fully Paid	29,191,595	25,523,620	29,191,595	23,108,085
Nepal Doorsanchar Company Ltd				
6,220 ordinary shares @ 704 per share of Rs 100 each fully paid	4,379,833	4,310,460	4,379,833	4,484,620
Chilime Hydropower Company				
6,419 ordinary shares (4,675 shares @ 798 per share + 1,744 bonus share) of Rs. 100 each fully Paid	3,732,669	3,344,299	3,622,893	4,009,075
Sanimamai Hydropower Ltd.				
2,200 ordinary shares (2,000 shares @ 399 per share + 200 bonus shares) of Rs. 100 each fully paid	799,542	539,000	799,542	656,000
Rastriya Beema Co. Ltd.				
73 ordinary shares @9,056 per share of Rs 100 each fully paid	661,104	675,250	-	-
Siddhartha Equity Fund				
100,000 ordinary shares of Rs 10 each fully paid	1,000,000	1,066,500	1,000,000	969,000
Total (A)	43,215,518	64,770,414	42,444,637	67,820,735
Investment in Unquoted equity securities				
Karja Suchana Kendra Ltd				
20,061 ordinary shares of Rs. 100 each fully paid (including 17,051 Bonus shares)	301,000	301,000	301,000	301,000
Nepal Clearing House limited				
5,418 ordinary shares of Rs. 100 each fully paid (including 903 Bonus shares)	451,500	451,500	451,500	451,500
Total (B)	752,500	752,500	752,500	752,500
Total (A+B)	43,968,018	65,522,914	43,197,137	68,573,235

Investment in unquoted equity are valued at cost considering net worth of invested equity are not less than cost.



Amount in NPR

4.9 Current Tax Assets

	" As at 16 July 2019 "	" As at 16 July 2018 "	"As at 15 July 2017"
Current income tax assets	55,649,368	39,147,025	58,514,878
Tax Assets of prior periods	160,169,199	121,022,174	62,507,296
Total	215,818,567	160,169,199	121,022,174
Current income tax liabilities	55,390,752	39,743,668	58,109,567
Tax Liabilities of prior periods	160,109,024	120,365,356	62,255,789
Total	215,499,776	160,109,024	120,365,356
Net Current Tax Assets/(Liabilities)	318,791	60,176	656,818

Current Tax Assets

Current Tax Assets includes advance income tax paid by the Company under self assessment tax returns filed as per the Income Tax Act 2058 and tax deducted at source (TDS) on behalf of the Company. Similarly, the current income tax liabilities includes the tax payable to the government computed as per the provision of the Income Tax Act 2058.

4.10 Investment in subsidiaries

	" As at 16 July 2019 "	" As at 16 July 2018 "	"As at 15 July 2017"
Investment in quoted subsidiaries	-	-	-
Investment in unquoted subsidiaries	-	-	-
Total Investment	-	-	-
Less: Impairment allowances	-	-	-
Net Carrying amount	-	-	-

4.10.1 Investment in Quoted Subsidiaries

	"As at 16 July 2019"		"As at 16 July 2018"		"As at 15 July 2017"	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Vale
Total	-	-	-	-	-	-

4.10.2 Investment in Unquoted Subsidiaries

	"As at 16 July 2019"		"As at 16 July 2018"		"As at 15 July 2017"	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Vale
Total	-	-	-	-	-	-

4.10.3 Information relating to subsidiaries of the company

Percentage of Ownership by company

	" As at 16 July 2019 "	" As at 16 July 2018 "	"As at 15 July 2017"
	-	-	-



Amount in NPR

4.10.4 Non Controlling Interest of the subsidiaries

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Equity interest held by NCI (%)	-	-	-
Profit/(loss) allocated during the year	-	-	-
Accumulated balance of NCI as on ashar end	-	-	-
Dividend paid to NCI	-	-	-

4.11 Investment in Associates

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Investment in quoted associates	-	-	-
Investment in unquoted associates	-	-	-
Total Investment	-	-	-
Less Impairment	-	-	-
Net Carrying amount	-	-	-

The Company does not have any associate as on the reporting date.

4.11.1 Investment in quoted associates

	"As at 16 July 2019"		"As at 16 July 2018"		"As at 15 July 2017"	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Vale
Total	-	-	-	-	-	-

4.11.2 Investment in Unquoted associates

	"As at 16 July 2019"		"As at 16 July 2018"		"As at 15 July 2017"	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Vale
Total	-	-	-	-	-	-

4.11.3 Information relating to associates of the company

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
	0%	0%	0%
	0%	0%	0%

4.11.4 Equity value of associates

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
	-	-	-



Amount in NPR

4.12 Investment Properties

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Investment properties measured at fair value			
Balance as on Sharwan 1	-	-	-
Addition/disposal during the year	-	-	-
Net changes in fair value during the year	-	-	-
Adjustment/transfer	-	-	-
Net amount	-	-	-
Investment properties measured at cost			
Balance as on Sharwan 1,	-	-	-
Addition/disposal during the year	-	-	-
Adjustment/transfer			
Accumulated Depreciation			
Accumulated Impairment Loss	-	-	-
Net amount	-	-	-
Total	-	-	-

Refer note 5.10 for partywise details of Non Banking Assets as at 16 July 2019.



4.13 Property and Equipment (PE)

Amount in NPR

	Land	Buildings	Leasehold Properties	"Computer & Accessories"	Vehicles	Furniture & Fixtures	Machinery	Equipment & Others	Total Ashad end 2076	Total Ashad end 2075
Cost or deemed cost										
Balance at Ashad 31 2074	66,463,560	-	4,380,877	5,534,734	26,904,674	2,883,249	-	15,176,675		121,343,768
Addition during the year	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	104,653	189,614	9,445,160	1,032,786	-	1,157,022		11,929,236
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(2,269,788)	-	-	-		(2,269,788)
Adjustment/ Revaluation	-	-	-	-	-	-	-	-	-	-
Balance at Ashad 31 2075	66,463,560	-	4,485,530	5,724,348	34,080,046	3,916,035	-	16,333,697	131,003,216	131,003,216
Addition during the year	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	4,026,639	413,655	7,141,600	1,239,307	-	4,053,580	16,874,781	
Capitalization	3,838,679	-	-	-	-	-	-	-	3,838,679	
Disposals	-	-	-	-	(2,324,300)	-	-	(170,416)	(2,494,716)	
Adjustment/ Revaluation	-	-	(2,108,523)	(4,084,969)	(226,800)	(932,856)	-	(3,874,301)	(11,227,449)	
Balance at Ashad 32 2076	70,302,239	-	6,403,645	2,053,034	38,670,546	4,222,486	-	16,342,560	137,994,512	
Freehold land										
Accumulated depreciation and impairment										
Balance at Ashad 31 2074	-	-	10,592	3,791,383	9,893,345	1,789,309	-	7,939,279		23,423,907
Depreciation Charge for the Year	-	-	218,180	471,066	5,172,879	411,870	-	1,767,276		8,041,269
Impairment for the Year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(1,677,693)	-	-	-		(1,677,693)
Others	-	-	-	-	-	-	-	-	-	-
Balance at Ashad 31 2075	-	-	228,772	4,262,448	13,388,530	2,201,179	-	9,706,554	29,787,483	
Depreciation Charge for the Year	-	-	503,320	393,779	3,437,555	395,362	-	1,537,324	6,267,340	
Impairment for the Year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(1,901,062)	-	-	(105,511)	(2,006,573)	
Others	-	-	(103,269)	(3,616,968)	(211,214)	(906,438)	-	(3,681,020)	(8,518,910)	
Balance at Ashad 32 2076	-	-	628,823	1,039,259	14,713,809	1,690,103	-	7,457,347	25,529,340	
Net Book Value										
As on Ashad 31 2074	66,463,560	-	4,370,284	1,743,352	17,011,329	1,093,940	-	7,237,396	97,919,861	
As on Ashad 31 2075	66,463,560	-	4,256,758	1,461,900	20,691,516	1,714,857	-	6,627,143	101,215,733	
As on Ashad 32 2076	70,302,239	-	5,774,823	1,013,775	23,956,737	2,532,384	-	8,885,213	112,465,171	

Notes

During the FY 2016/17 and FY 2017/18 Written Down Value Method (with rates provided in Income Tax Act, 2058) had been followed to calculate the depreciation of property and equipment. However, from FY 2018/19, Straight Line Method (with useful life of plant, property and equipment) was followed for calculation of depreciation. Assets with WDV of Rs 2,708,539 (cost of Rs 11,277,499 and accumulated depreciation of Rs 8,518,910) whose useful life has already expired have been written off from books and charged to other non-operating expenses. As per para 61 of NAS 16, change in useful life of assets has been accounted as change in accounting estimate and treated prospectively as per NAS 8.



Amount in NPR

4.14 Goodwill & Intangible Assets

Particulars	Software			Others	Total Ashad end 2076	Total Ashad end 2075
	Goodwill	Purchased	Developed			
Cost						
As on Shrawan 1, 2074		-			-	
Additions:					-	
Acquisition		2,047,750				2,047,750
Capitalization					-	
Disposal during the year					-	
Adjustment/Revaluation					-	
Balance as on Ashad end 2075		2,047,750			2,047,750	-
Additions					-	
Acquisition		169,500			169,500	-
Capitalization					-	
Disposal during the year					-	
Adjustment/Revaluation					-	
Balance as on Ashad end 2076		2,217,250			2,217,250	2,047,750
Amortization and Impairment						
As on Shrawan 1, 2074		-			-	
Amortization charge for the Year		91,088			91,088	
Impairment for the year						
Disposals						
Adjustment		-			-	
As on Ashad end 2075		91,088			91,088	
Amortization charge for the Year		496,705			496,705	
Impairment for the year						
Disposals					-	
Adjustment						
As on Ashad end 2076		587,792			587,792	91,088
Capital Work in Progress						
Net Book Value						
As on Ashad end 2074		-			-	
As on Ashad end 2075		1,956,662			1,956,662	
As on Ashad end 2076		1,629,458			1,629,458	



Amount in NPR

4.15 Deferred tax

Deferred Tax Assets/Liabilities	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Deferred tax assets	-	-	-
Deferred tax liabilities	(6,072,469)	(7,143,268)	(3,507,990)
Net Amount	6,072,469	7,143,268	3,507,990
			Current Year
2018-19	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/(Liabilities)
Deferred tax on temporary differences on following items			
Loan and advance to BFIs			
Loan and advance to customers	-	-	-
Investment Properties	-	-	-
Investment Securities	-	(6,466,469)	(6,466,469)
Property & Equipment	-	(580,656)	(580,656)
Employees' defined benefit plan	799,589	-	799,589
Lease Liabilities	175,067	-	175,067
Provisions	-	-	-
Other temporary differences	-	-	-
Deferred tax on temporary differences	974,656	(7,047,125)	(6,072,469)
Deferred tax on carry forward of unused tax losses	-	-	-
Deferred tax due to changes in tax rate	-	-	-
Net Deferred tax asset/liabilities as on Ashadh 31 2076			6,072,469
Deferred tax (asset)/liabilities as on Sawan 1 2075			7,143,269
Origination/(Reversal) during the year			(1,070,800)
Deferred tax expense/(income) recognised in profit or loss			75,561
"Deferred tax expense/(income) recognised in other comprehensive income"			(1,146,361)
Deferred tax expense/(income recognised in directly in equity			-
			Previous Year
2017-18	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/(Liabilities)
Deferred tax on temporary differences on following items			
Loan and advance to BFIs			
Loan and advance to customers		(798,948)	(798,948)
Investment Properties		-	-
Investment Securities		(7,612,829)	(7,612,829)
Property & Equipment	-	(323,060)	(323,060)
Employees' defined benefit plan	680,325	-	680,325
Lease Liabilities	57,836	-	57,836
Provisions	-	-	-
Other temporary differences	853,407	-	853,407
Deferred tax on temporary differences	1,591,568	(8,734,837)	(7,143,269)
Deferred tax on carry forward of unused tax losses	-	-	-
Deferred tax due to changes in tax rate	-	-	-
"Net Deferred tax asset/liabilities as on year end of 32nd Ashad, 2075 (Closing)"	-	-	7,143,269
Deferred tax (asset)/liabilities as on Sawan 1, 2074 (Opening)			3,507,990
Origination/(Reversal) during the year			3,635,279
Deferred tax expense/(income) recognised in profit or loss			(881,640)
Deferred tax expense/(income) recognised in other comprehensive income			4,516,919
Deferred tax expense/(income recognised in directly in equity			-



Amount in NPR

4.16 Other Assets

Other Assets	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Assets held for sale	-	-	-
Other non banking assets	-	-	-
Bills receivable	-	-	-
Accounts receivable	1,556,540	4,490,180	5,989,299
Accrued Income	-	-	-
Prepayments and Deposit	849,789	1,237,317	1,119,353
Income Tax Deposit	-	-	-
Deferred Employee expenditure	3,493,596	3,242,096	1,386,978
Other			
Stationery stock	193,440	203,955	401,452
Others	814,860	575,750	579,750
Total	6,908,224	9,749,297	9,476,831

4.17 Due to Bank and financial Institutions

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Money Market Deposit	-	-	-
Interbank Borrowing	100,000,000	100,000,000	80,000,000
Other deposits from BFIs	320,473,867	177,004,201	189,496,716
Settlement and clearing accounts	-	-	-
Other deposits from BFIs	-	-	-
Total	420,473,867	277,004,201	269,496,716

The balances in accounts maintained with the Company by other local financial institution have been presented under this head. Interbank borrowing, interbank deposit, balances on settlement and clearing accounts as well as other amount due to bank and financial institution is presented under due to bank and financial institutions.

4.18 Due to Nepal Rastra Bank

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Refinance from NRB	-	-	-
Standing Liquidity Facility	-	-	-
Lender of last resort facility from NRB	-	-	-
Securities sold under repurchase agreement	-	-	-
Other payable to Nepal Rastra Bank	66,835,154	18,595,353	-
Total	66,835,154	18,595,352.55	-

"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."



Amount in NPR

4.19 Derivative financial instruments

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Held for Trading			
Interest Rate Swap	-	-	-
Currency Swap	-	-	-
Forward exchange Contract.	-	-	-
Others	-	-	-
Held for risk management			
Interest Rate Swap	-	-	-
Currency Swap	-	-	-
Forward exchange Contract	-	-	-
Others	-	-	-
	-	-	-

4.20 Deposit from Customers

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Institutional Customers			
Term Deposit	373,275,900	286,450,460	227,868,706
Call Deposit	400,792,538	389,490,723	109,494,091
Current Deposit	2,646,413	-	-
Other	65,698,049	54,648,506	44,714,700
Individual Customers			
Term Deposit	2,288,926,328	1,888,999,166	1,705,120,653
Saving Deposit	1,183,949,467	958,936,628	1,103,420,452
Current Deposit	-	-	-
Other	-	-	-
Total	4,315,288,696	3,578,525,483	3,190,618,603

Deposit from customer includes accrued interest payable as on reporting date for the particular deposit portfolio.

4.20.1 Currency wise analysis of deposit from customers

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Nepalese rupee	4,315,288,696	3,578,525,483	3,190,618,603
Indian rupee	-	-	-
United State Dollar	-	-	-
Great Britian Pound	-	-	-
Euro	-	-	-
Japanese Yen	-	-	-
Chinese yuan	-	-	-
Other	-	-	-
Total	4,315,288,696	3,578,525,483	3,190,618,603



Amount in NPR

4.21 Borrowing

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Domestic Borrowing			
Nepal Government	-	-	-
Other Institution	-	-	-
Other	-	-	-
Sub total	-	-	-
Foreign Borrowing			
Foreign B/FIs	-	-	-
Multilateral Development Banks	-	-	-
Other Institutions	-	-	-
Sub total	-	-	-
Total	-	-	-

4.22 Provisions

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Provisions for redundancy	-	-	-
Provision for restructuring	-	-	-
Pending legal issues and tax litigation	-	-	-
Onerous contracts	-	-	-
Other	-	-	-
Total	-	-	-

4.22.1 Movement in provision

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Balance at Sharwan 1			
Provisions made during the year	-	-	-
Provisions used during the year	-	-	-
Provisions reversed during the year	-	-	-
Unwind of discount	-	-	-
Balance at Ashad end	-	-	-



Amount in NPR

4.23 Other Liabilities

Particulars	" As at 16 July 2019 "	" As at 16 July 2018 "	" As at 15 July 2017 "
Liability for employees defined benefit obligations	-	2,045,091	11,777,194
Liability for long-service leave	2,665,296	2,267,750	1,917,080
Short-term employee benefits	-	-	-
Bills Payable	-	-	-
Creditors and accruals	7,848,797	6,676,047	5,387,830
Interest payable on deposit	-	-	-
Interest payable on borrowing	-	-	-
Liabilities on deferred grant income	-	-	-
Unpaid Dividend	751,853	873,422	1,958,255
Liabilities under Finance Lease			
Employee bonus payable	20,599,176	14,467,682	20,710,323
Others	34,583,557	11,654,254	7,242,059
Total	66,448,679	37,984,246	48,992,742

"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. Long service leave consists of sick leave and annual leave."

4.23.1 The amount Recognised in Statement of Financial Position:

Particulars	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Present value of unfunded defined benefit obligation	2,665,296	2,267,750	36,192,622
Present value of funded defined benefit obligation	-	-	-
Total Present value of obligations	2,665,296	2,267,750	36,192,622
Fair value of plan assets	-	-	22,498,348
Present Value of Net Obligation	2,665,296	2,267,750	13,694,274
Recognised Liability for defined benefit obligations	2,665,296	2,267,750	13,694,274

4.23.2 Plan Assets

Particulars	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Equity Securities	-	-	-
Government Bonds	-	-	-
Bank Deposit	-	-	-
Other	-	-	22,498,348
Total	-	-	22,498,348
Actual Return on Plan assets			

Long Service Leave Liability of the company is unfunded so the company does not have any plan assets.



Amount in NPR

4.23.3 Movement in Present Value of defined benefits Obligation

Particulars	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Defined benefits obligation at Shrawan 1	2,267,750	1,917,080	22,661,243
Acturial (gain)/loss	254,710	230,659	9,674,773
Benefits paid by the plan	(367,141)	(347,244)	-
Current Service Cost and Interest	509,977	467,255	3,856,606
Defined benefits obligation at Asadh end	2,665,296	2,267,750	36,192,622

4.23.4 Movement in Present Value of Plan Assets

Particulars	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Fair Value of Plan Assets at Shrawan 1	-	-	20,303,023
Contributions paid into plan	-	-	1,180,012
Benefits paid by the plan	-	-	-
Acturial (Losses)/gains	-	-	(608,929)
Expected return on plan assets	-	-	1,624,242
Fair Value of Plan Assets at Asadh end	-	-	22,498,348

4.23.5 Amount recognized in profit or loss

Particulars	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Current service cost	187,576	327,778	2,043,707
Interest cost	322,401	139,477	1,812,899
Expected Return on Plan Assets	-	-	(1,624,242)
Acturial (gain)/loss of Leave Liability	254,710	230,659	1,096,064
Expenses Recognized in Profit or Loss	764,687	697,914	3,328,428

4.23.6 Amount recognized in other comprehensive income

Particulars	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Acturial (gain)/loss	-	(9,187,638)	9,187,638
Expenses Recognized in Other Comprehensive Income	-	(9,187,638)	9,187,638

4.23.7 Actuarial Assumptions

Actuarial Assumptions	" As at 16 July 2019 "	"As at 16 July 2018"	"As at 15 July 2017"
Discount rate	9.00%	9.00%	8.00%
Expected return on Plan Assets	0.00%	0.00%	0.00%
Future Salay Increase	8.00%	8.00%	8.00%
Withdrawal rate	10.00%	10.00%	10.00%

Expected Return on Plan Assets for gratuity as at 16 July 2017 was 10%.



Amount in NPR

4.24 Debt Securities Issued

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Debt Securities issued designated at fair value through profit or loss	-	-	-
Debt Securities issued at amortized cost	-	-	-
Total	-	-	-

The company does not have any kind of debt securities as on the reporting date.

4.25 Subordinated Liabilities

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Redeemable preference shares	-	-	-
Irredeemable cumulative preference shares (liability component)	-	-	-
Other	-	-	-
Total	-	-	-

The company does not have any kind of subordinated liabilities as on the reporting date.

4.26 Share Capital

	"As at 16 July 2019"	"As at 16 July 2018 "	"As at 15 July 2017 "
Share Capital			
Ordinary Shares	810,000,000	800,150,000	345,448,870
Convertible Preference Shares (equity component only)	-	-	-
Irredeemable Preference Shares (equity component only)	-	-	-
Perpetual debt (equity component only)	-	-	-
Total	810,000,000	800,150,000	345,448,870

4.26.1 Ordinary Shares

	"As at 16 July 2019"	"As at 16 July 2018 "	"As at 15 July 2017 "
Authorised capital			
10,000,000 Ordinary Shares of Rs 100 each	1,000,000,000	1,000,000,000	1,000,000,000
Issued capital			
"3,454,488 Ordinary Shares of Rs. 100 each (2016-17) 8,001,500 Ordinary Shares of Rs 100 each (2017-18) 8,100,000 Ordinary Shares of Rs 100 each (2018-19)"	810,000,000	800,150,000	345,448,870
Subscribed and Paid up capital			
"3,454,488 Ordinary Shares of Rs. 100 each (2016-17) 8,001,500 Ordinary Shares of Rs 100 each (2017-18) 8,100,000 Ordinary Shares of Rs 100 each (2018-19)"	810,000,000	800,150,000	345,448,870



Amount in NPR

4.26.2 Ordinary Share Ownership

	"As at 16 July 2019"		" As at 16 July 2018 "		" As at 15 July 2017 "	
	%	Amount	%	Amount	%	Amount
Domestic Ownership						
Nepal Government						
"A" Class licensed institutions						
Other licensed institutions						
Other institutions	1.1	8,968,967	1.1	8,859,900	1.7	6,010,810
Public	46.7	378,189,000	46.7	373,590,035	45.0	155,279,267
Other	52.2	422,842,033	52.2	417,700,065	53.3	184,158,793
Foreign Ownership						
Total	100	810,000,000	100	800,150,000	100	345,448,870

4.27 Reserves

Particulars	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Statutory General reserve	179,761,549	153,776,295	135,422,388
Exchange equalization reserve	-	-	-
Corporate social responsibility reserve	2,045,247	1,901,313	1,306,124
Capital redemption reserve	-	-	-
Regulatory reserve	7,333,384	-	-
Investment adjustment reserve	-	848,893	69,016
Capital reserve	-	-	-
Assets revaluation reserve	-	-	-
Fair value reserve	15,088,427	17,763,269	13,655,139
Dividend equalization reserve	-	-	-
Actuarial gain	-	-	(6,431,347)
Special reserve	-	-	-
Other reserve	590,642	881,640	-
Total	204,819,248	175,171,409	144,021,320

General Reserve

General Reserve maintained pertains to the regulatory requirement of the Bank and Financial Institutions Act, 2073. There is a regulatory requirement to set aside 20% of the net profit to the general reserve until the reserve is twice the paid up capital and thereafter minimum 10% of the net profit.

Corporate Social Responsibility Reserve

Corporate Social Responsibility reserve of 1% of net profit is maintained as per Nepal Rastra Bank Directive.

Regulatory Reserve

Regulatory reserve includes any amount derived as result of NFRS conversion with effect in retained earning computed as per Nepal Rastra Bank Directive no 4.

Investment Adjustment Reserve

Investment Adjustment Reserve is created against quoted and unquoted share investments as per Nepal Rastra Bank Directive.

Fair value Reserve

The fair value reserve comprises the cumulative net change in the fair value of financial assets that are measured at fair value and the changes in fair value is recognized in other comprehensive income, until the assets are derecognized. The cumulative amount of changes in fair value of those financial assets shall be presented under this account head.

Actuarial gain/(loss)

Actuarial Gains and Losses are the changes in the present value of the defined benefit obligation as a result of change in actuarial assumptions and experience adjustments.



Amount in NPR

4.28 Contingent liabilities and commitments

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Contingent liabilities	-	-	-
Undrawn and undisbursed facilities	100,000	3,300,000	3,300,000
Capital commitment	-	-	-
Lease Commitment	36,969,491	41,428,416	-
Litigation	254,203	254,203	254,203
Total	37,323,694	44,982,619	3,554,203

4.28.1 Contingent liabilities

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Acceptance and documentary credit	-	-	-
Bills for collection	-	-	-
Forward exchange contracts	-	-	-
Guarantees	-	-	-
Underwriting commitment	-	-	-
Other commitments	-	-	-
Total	-	-	-

4.28.2 Undrawn and undisbursed facilities

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Undisbursed amount of loans	-	-	-
Undrawn limits of overdrafts	-	-	-
Undrawn limits of credit cards	-	-	-
Undrawn limits of letter of credit	-	-	-
Undrawn limits of guarantee	100,000	3,300,000	3,300,000
Total	100,000	3,300,000	3,300,000

4.28.3 Capital Commitments

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

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
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	-	-	-
Total	-	-	-



Amount in NPR

4.28.4 Lease commitments

	"As at 16 July 2019"	"As at 16 July 2018"	"As at 15 July 2017"
Operating lease commitments			
Future minimum lease payments under non cancellable operating lease, where the company is lessee			
Not later than 1 year	4,937,520	4,458,925	-
Later than 1 year but not later than 5 years	15,892,829	16,947,651	-
Later than 5 years	16,139,142	20,021,840	-
Sub total	36,969,491	41,428,416	-
Finance lease commitments			
Future minimum lease payments under non cancellable operating lease, where the company is lessee			
Not later than 1 year			
Later than 1 year but not later than 5 years	-	-	-
Later than 5 years	-	-	-
Sub total	-	-	-
Grand total	36,969,491	41,428,416	-

All the operating lease entered by the company are cancellable by giving a notice period and the company do not have any finance lease commitments as on reporting date.

4.28.5 Litigation

The company's litigations are generally related to its ordinary course of business pending on various jurisdiction. Litigations are mainly in the nature of income tax which is explained in detail in Note 5.6.1.

4.29 Interest income

	Year Ended 16 July 2019	Year Ended 16 July 2018
Cash and cash equivalent	-	-
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	63,997,863	57,283,901
Loan and advances to bank and financial institutions	16,549,184	9,743,287
Loans and advances to customers	574,073,364	433,202,142
Investment securities	7,010,499	6,386,525
Loan and advances to staff	4,715,588	2,555,883
Other	-	-
Total interest income	666,346,498	509,171,737



Amount in NPR

4.30 Interest expense

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Due to bank and financial institutions	20,123,959	12,033,807
Due to Nepal Rastra Bank	6,318,465	195,353
Deposits from customers	381,376,574	307,671,676
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other	-	-
Total interest expense	407,818,998	319,900,835

4.31 Fees and Commission Income

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Loan administration fees	-	-
Service fees	35,991,786	37,775,784
Consortium fees	-	-
Commitment fees	-	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	-	-
Prepayment and swap fees	-	-
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	1,040,490	1,377,116
Commission on letter of credit	-	-
Commission on guarantee contracts issued	-	-
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	-	-
Total fees and Commission Income	37,032,276	39,152,900

4.32 Fees and commission expense

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees	-	-
Remittance fees and commission	-	-
Other fees and commission expense	40,295	22,525
Total fees and Commission Expense	40,295	22,525



Amount in NPR

4.33 Net trading income

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
Net trading income	-	-

4.34 Other operating income

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	-	(543,920)
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	1,421,219	1,628,051
Gain/loss on sale of property and equipment	(24,963)	-
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other	1,743,146	2,316,388
Total	3,139,401	3,400,519

4.35 Impairment charge/(reversal) for loan and other losses

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Impairment charge/(reversal) on loan and advances to B/FIs	550,000	450,000
Impairment charge/(reversal) on loan and advances to customer	6,837,959	5,106,259
Impairment charge/(reversal) on financial Investment	-	-
Impairment charge/(reversal) on placement with banks and financial institutions	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
Total	7,387,959	5,556,259



Amount in NPR

4.36 Personnel Expense

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Salary	23,991,231	22,876,858
Allowances	10,231,192	9,643,869
Gratuity expense	2,000,000	2,045,091
Provident fund	2,051,877	2,032,362
Uniform	-	-
Training & development expense	1,133,642	1,042,675
Leave encashment	764,687	844,617
Medical	-	-
Insurance	350,437	160,796
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	986,996	876,357
Other expenses related to staff	-	-
Sub total	41,510,062	39,522,625
Employees bonus	20,599,176	14,467,682
Grand total	62,109,238	53,990,307

Provision for staff bonus is a mandatory requirement under the requirement of the Bonus Act, 2030. All expenses related to employees has been included under this head. Expenses covered under this head include employees' salary, allowances, gratuity, contribution to provident fund, training expenses, insurance, staff bonus, finance expense under NFRS, etc. Staff Loans are fair valued using the market rates.

4.37 Other operating expense

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Directors' fee	468,000	612,000
Directors' expense	220,871	404,720
Auditors' remuneration	621,500	566,920
Other audit related expense	-	-
Professional and legal expense	371,300	872,717
Office administration expense	27,753,857	22,873,407
Operating lease expense	4,860,991	3,326,773
Operating expense of investment properties	-	-
Corporate social responsibility expense	-	-
Onerous lease provisions	-	-
Other	-	-
Total	34,296,518	28,656,537

All operating expenses other than those relating to personnel expense are recognized and presented under this account 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.



Amount in NPR

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
4.37.1 Office administration expense		
Electricity and Water	1,462,031	1,314,867
Repair & Maintenance	-	-
a. Building	8,155	39,199
b. Vehicle	323,410	293,969
c. Others	341,013	301,260
Insurance	774,182	876,660
Postage,Telex,Telephone,Fax	2,962,043	2,818,743
Office Equipment, Furniture and Repair	127,098	105,872
Travelling Allowance and Expenses	813,544	621,481
Stationary and Printing	988,442	735,173
Periodicals and Books	150,325	115,068
Advertisements	543,379	599,446
Entertainment	242,426	331,770
Amortisation	-	-
Security Expenses	10,705,570	5,312,650
Fuel & Lubricants	1,580,881	1,384,947
Rates & Taxes	383,206	336,802
Reward	-	-
Membership & Subscription	-	-
Cleaning Expenses	371,833	305,262
Local Conveyance Transportation	-	-
Service Charges	-	-
Others	5,976,319	7,380,239
Total	27,753,857	22,873,407

4.38 Depreciation & Amortisation

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Depreciation on property and equipment	6,267,340	8,041,269
Depreciation on investment property	-	-
Amortisation of intangible assets	496,705	91,088
Total	6,764,045	8,132,356

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. Amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life. Depreciation measured and recognized as per NFRS on property and equipment, and investment properties, and amortization of intangible assets is presented under this account head.

4.39 Non operating income

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Recovery of loan written off	-	-
Other income	-	-
Total	-	-



Amount in NPR

4.40 Non operating expense

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	2,708,539	-
Total	2,708,539	-

The expenses that have no direct relationship with the operation of transactions are presented under this head. The expense covered under this account head includes loan written off, recovery of loan, redundancy provision, expense of restructuring, plant property and equipment written off etc.

4.41 Income tax expense

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Current tax expense		
Current year	55,390,752	39,272,405
Adjustments for prior years		471,263
Deferred tax expense		
Origination and reversal of temporary differences	75,561	(881,640)
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
Total income tax expense	55,466,313	38,862,028

The amount of income tax on net taxable profit is recognized and presented under this account head. This account head includes current tax expense and deferred tax expense/deferred tax income.

4.41.1 Reconciliation of tax expense and accounting profit

	" Year Ended 16 July 2019 "	Year Ended 16 July 2018
Profit before tax	185,392,582	130,209,142
Tax amount at tax rate of 30 %	55,617,775	39,062,743
Add: Tax effect of expenses that are not deductible for tax purpose	199,343	698,078
Less: Tax effect on exempt income	(426,366)	(488,415)
Add/less: Tax effect on other items	-	-
Total income tax expense	55,390,752	39,272,405
Effective tax rate	29.9%	30.16%



श्री इन्भेष्टमेन्ट एण्ड फाइनेन्स कम्पनी लिमिटेड
वितरण योग्य नाफा / नोक्सान सम्बन्धी विवरण
२०७६ आषाढ मसान्त सम्म (सन् २०१९ जुलाई १६ सम्म)

विवरण	यस वर्ष रु.	गत वर्ष रु.
श्रावण १, २०७५ मा संचित मुनाफाको मौज्जात	८९,३१६,३९०	१७६,२४२,७५१
बोनश शेयर निष्काशन	(९,८५०,०००)	(१६७,९७८,५६८)
नगद लाभांश भुक्तानी	(७०,१६५,०००)	-
अन्य समायोजन	-	५,८०३,४३५
श्रावण १, २०७५ मा संचित मुनाफाको समायोजित/पुनः स्थापित मौज्जात	९,३०१,३९०	१४,०६७,६१८
नाफा नोक्सान विवरण अनुसार खुद नाफा/(नोक्सान)	१२९,९२६,२६९	९६,६०४,३०९
विनियोजन :		
क) साधारण जगेडा कोष	(२५,९८५,२५४)	(१८,३५३,९०६)
ख) सटही घटवढ कोष	-	-
ग) पूजी फिर्ता कोष	-	-
घ) संस्थागत सामाजिक उत्तरदायित्व कोष	(१,२९९,२६३)	(९१७,६९५)
ङ) कर्मचारी तालिम कोष	-	-
च) अन्य		
-स्थगन कर कोष	७५,५६१	(१,३०४,०५८)
-लगानी समायोजन कोष	-	(७७९,८७७)
-सेयर प्रिमियम	-	-
नियमकारी समायोजन अधिको नाफा/(नोक्सान)	११२,०१८,७०३	८९,३१६,३९०
नियमकारी समायोजन :		
क) प्राप्त हुने ब्याज(-)/अघिल्लो आर्जित ब्याज प्राप्त भएको (+)	(१,२९९,१५३)	-
ख) कम कर्जा जोखिम व्यवस्था (-)/फिर्ता (+)	-	-
ग) लगानीको सम्भावित जोखिम वापत व्यवस्था (-)/फिर्ता (+)	(४,३८६,२५९)	-
घ) गैर बैकिङ सम्पतिमा कर्जा जोखिम व्यवस्था (-)/फिर्ता (+)	-	-
ङ) स्थगन कर सम्पति पहिचान (-)/फिर्ता (+)	-	-
च) गुडविल पहिचान (-)/गुडविलको हानी (+)	-	-
छ) मोलतोल खरिद लाभ पहिचान (-)/फिर्ता (+)	-	-
ज) विमार्किक नोक्सान पहिचान (-)/फिर्ता (+)	-	-
झ) अन्य (+/-)	-	-
- ऋण धितोपत्रहरु परिसोधन लागतमा पहिचान	-	-
- अन्य जगेडा	-	-
- उचित मूल्य जगेडा	-	-
वितरण योग्य नाफा/नोक्सान	१०६,३४०,२९१	८९,३१६,३९०

5. Disclosures and Additional Information

5.1 Risk Management

Risk Management structure of the Company has set clear separation between business function and risk management function. Accordingly, the Company has set up a separate Risk Management Committee (RMC) headed by Director as Coordinator of RMC. The RMC evaluate overall risk faced and determined the level of risks which will be in the best interest of the Company. RMC 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 to discuss the reports thereon and issue instructions as appropriate. The RMC also develops the mechanism for assessing and reviewing its risk management policies, processes and procedures for individual risk elements, at a regular interval, based on the main findings of the monitoring reports and the results of analysis of developments from external market changes and other environmental factors.

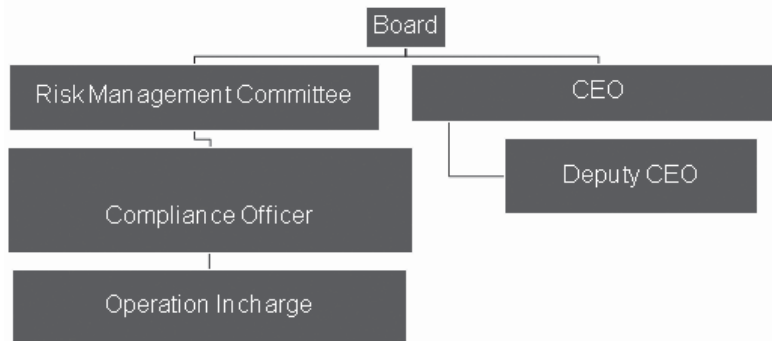


Figure: Risk Management – Structure

i. Risk Management Committee

Board of Directors is the apex and supreme authority of the Company and is responsible to frame and implement robust policies and framework for effective compliance of regulation and direction issued by the regulatory authority. BOD ensures the strategies, policies and procedure is in accordance with the risk appetite/tolerance limit for effective management of risk within the Company. The board understands the nature of risk of the company, and periodically reviews reports on risk management, including policies and standards, stress testing, liquidity and capital adequacy through the reporting by the Risk Management.

Pursuant to the NRB directive on corporate governance, the Company has established Risk Management Committee with well-defined terms of reference in line the NRB directive. At least four quarterly meeting is conducted on annual basis however number of meeting can be increased as per the requirement. The committee supervises overall risk management of the Company broadly classified as liquidity risk, market risk, operational risk, credit risk and residual risk.

ii. Risk Governance

Company has prepared and implemented policies and procedures to mitigate the risk at enterprises level arising to the company and has inculcated risk culture among the employees by establishing ownership mentality, capacity building programs, well defined job responsibilities and inhabiting good ethical culture.

Through its Risk Management Framework, the Company seeks to efficiently manage credit, market and liquidity risks which arise directly through the Company's commercial activities as well as operational, regulatory and reputational risks which arise as a normal consequence of any business undertaking.

The Risk Management Committee is responsible for the establishment of, and compliance with, policies relating to management risk, supply risk, production risk, demand risk and collection risk.

The company's risk governance structure is such that the responsibility for maintaining risk within the company's risk blanket is cascaded down from the Board to the appropriate functional, client business, senior management and committees. Information regarding material risk issues and compliance with policies and standards is communicated through the business, functional, senior management and committees.



iii. Risk Management Policy Guidelines

The Company does not have separate Risk Management Policy for overall risk management function. However, the Company follows Nepal Rastra Bank's Risk Management Guidelines, 2010 in order to provide a framework for ensuring setting up of systematic Risk Management function at Shree Investment and Finance Company limited. NRB's "Risk Management Guidelines, 2010" is a foundation stone towards identification, measurement, monitoring and control of all the major risks that the company is exposed. "Risk Management Guidelines, 2010" of the NRB provides guidance for designing the Risk Management Process and the same includes policies, standards, methodologies, procedures and limits for the implementation of the process.

iv. Internal Control

The Board is responsible for ensuring the Company has appropriate internal control framework in place that supports the achievement of the strategies and objectives. The various functions of the Company should be looked upon with a view to establish a proper control mechanism is in place during expansion and growth which enables it to maximize profitable business opportunities, avoid or reduce risks which can cause loss or reputational damage, ensure compliance with applicable laws and regulations and enhance resilience to external events.

The Board has set policies and procedures of risk identification, risk evaluation, risk mitigation and control/monitoring, in line with the NRB directives has effectively implemented the same at the Company.

The effectiveness of the Company's internal control system is reviewed regularly by the Board, its Committees, Management and Internal Audit (outsourced to external party).

The Internal Audit monitors compliance with policies/standards and the effectiveness of internal control structures across the Company through regular audit, Off Site review, AML/CFT/KYC audit and Risk based Internal Audit (RBIA) approach. The audits observations are reported to the Chief Executive Officer and Business Heads for initiating immediate corrective measures. Internal Audit reports are periodically forwarded to the Audit Committee for review and the committee issues appropriate corrective action in accordance with the issue involved to the respective department, regional offices or branch offices.

v. Risk Identified and its mitigation

■ Credit Risk

Credit risk is the probability of loss of principle and reward associated with it due to failure of counterparty to meet its contractual obligations to pay the Company in accordance with agreed terms. The Credit Policy Guideline have been prepared in order to mitigate/minimize the credit risk of the Company through appropriate monitoring and reporting framework established within the Company.

Company has implemented various System/ Policies/ Procedures/ Guidelines for the effective management of Credit Risk. For the purpose of assessment of credit risk of the company, following activities were carried out:

- Current system/policies/procedures/guidelines formulated were gone through;
- Actual Exposure of credit limit product wise, segment wise were checked against Risk Appetite, tolerance limit mentioned in Respective Product Paper Guidelines and Credit Policy;
- Review of various reports prepared by the Departments such as Monitoring Report, Loan Overdue Report, Loan Report, NRB reports and risk assessment reports.

Risk Management Committee (RMC) is ultimately the responsibility of the Board of Directors hence Overall strategy as well as significant policies has to be reviewed by the board regularly. Further, Senior Management is responsible for implementing the company's credit risk management strategies and policies and ensuring that procedures are put in place to manage and control credit risk and the quality of credit portfolio in accordance with these policies.

Company has following framework in place for the management of credit risk:

- Board of Directors of the Company has approved Credit Policy.
- The Board of Directors has approved product papers which need to be approved by the Board of Directors as per regulatory requirement.
- The Board level Risk Management Committee reviews various credit risks reported by the management and recommends the Board for management of identified credit risk.
- Credit Department directly manages accounts with sustained deterioration along with all collection related activities.

Following major policies and procedural guidelines has been reviewed/approved and implemented to manage the Credit Risk.

- Credit Policy, 2070
- Product paper for Financing in personal Housing Loan, SME loan, real estate loan and personal loan
- Loan Write off Bylaws, 2073
- Guidelines on Small and Medium Enterprises Loan



Further, the Company has Credit Departments in place which are responsible for performing prescribed activities related to credit. Primary responsibility for management of credit risk lies with the Credit departments. Department is also responsible to perform the activities as per existing internal control system established in line with the prescribed policies, guidelines and procedures for management of credit risk.

Credit Risk Management is ultimately the responsibility of the Board of Directors hence Overall strategy as well as significant policies has to be reviewed by the board regularly. Further, Senior Management is responsible for implementing the Company's credit risk management strategies and policies and ensuring that procedures are put in place to manage and control credit risk and the quality of credit portfolio in accordance with these policies.

i. Maximum exposure to credit risk

The company has financial assets consisting mainly of loans & advances and investments at amortized cost. In these cases, the maximum exposure to credit risk is the carrying amount of the related financial assets.

ii. Credit quality of neither past due nor impaired and past due or impaired

The table below shows the credit quality by class of asset for all financial assets exposed to credit risk, based on the Company's internal credit rating system.

NPR in million

Particulars	Neither past due	Past due less than	Past due	Past due	Individually	Total
	nor impaired	90 days	91 to 180 days	More than 180 days	impaired	
Financial Assets						
Assets carried at Amortised Cost						
Cash and cash equivalent	1,093	-	-	-	-	1,093
Due from Nepal Rastra Bank	187	-	-	-	-	187
Placement with Bank and Financial Institutions	-	-	-	-	-	-
Loans and advances	4,282	-	-	-	(6)	4,276
Fair Value through Profit and Loss (FVTPL)						
Derivative financial instruments.	-	-	-	-	-	-
Fair Value through Other						
Comprehensive Income (FVTOCI)						
Investment securities	319	-	-	-	-	319
Investment in subsidiaries	-	-	-	-	-	-
Total	5,881	-	-	-	(6)	5,875

Operational Risk

Operational Risk is defined as the risk of potential loss resulting from inadequate or failed internal processes, people and systems or from the impact of external events, including legal risks for the company. Operational Risk is pervasive across all the functions of the Company and is influenced by all resources, including human resource, systems and procedural designs, deployed by the Company to carry out those functions. Operational Risk can be caused by both internal and external sources such as fraud, business interruptions, system failures, damage to physical infrastructure, failure in execution and service delivery, inherent risks in products, customers, inadequacy in procedures or flawed process designs, and business practices. The risk can occur in any business function or the business supporting functions.

The Company is committed to be governed with a strong culture of risk management and ethical business practices and therefore to averse it from potentially damaging operational risk events and is in a sound position to deal effectively with those events that do occur. The actions of the board and senior management, and policies, processes and systems provide the foundation for a sound risk management culture

Company seek to minimize our exposure to operational risk by use of key control standards, key control self-assessments and key risk indicators as toolkits to identify, assess, monitor and control operational risk events through timely acknowledgement of emerging threats and underlying vulnerabilities. The Company shall also ensure highest level of governance standards and adherence to Code of Conduct and robust compliance to all regulatory as well as the Company's internal policy, procedures and guidelines.

Effective policies, procedural guidelines and standard operating procedure are crucial tools for sound risk management.



Therefore, adequacy and effectiveness of the policies and procedures and their effective implementation is closely monitored by the department to ensure that they have continuing relevance in line with regulatory requirement and adjusts to dynamic risk environment of the industry.

Following major existing Policies/ guiding documents having close bearing with management of operation risk has been reviewed/approved and implemented:

- ❖ Operating Manual for Cash Department, 2066
- ❖ Branch/ Department Establishment and Operation Policy, 2073
- ❖ KYC Policy and Manual, 2073
- ❖ Internal Audit Manual, 2065
- ❖ Investment Policy, 2070
- ❖ Financial Administration By-law, 2073
- ❖ Employee Service By-laws, 2074
- ❖ Vehicle Policy, 2067
- ❖ Election By Laws, 2064
- ❖ Computer and Information Policy and Manual, 2066
- ❖ Money laundering Policy and Manual, 2073
- ❖ Cash Management Manual, 2066
- ❖ Policy and Procedural guidelines for Anti-Money Laundering, 2076
- ❖ Operation Guidelines, 2076
- ❖ Operation Guidelines on Saving Account of each Nepali Citizens, 2076
- ❖ Internal Audit Directive 2065
- ❖ Corporate Social Responsibility Policy 2075

Market Risk & Liquidity Risk

Market risk refers to the risk to a Company resulting from movements in market prices, in particular, changes in interest rates, foreign exchange rates, and equity and commodity prices. Market risk is defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The risks subject to this requirement are:

- a. Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- b. Currency Risk: Foreign exchange risk is the potential for the Company to experience volatility in the value of its assets, liabilities and solvency and to suffer actual financial losses as a result of changes in value between the currencies of its assets and liabilities and its reporting currency.
- c. Equity Price Risk: Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The major sources of market risk for the company are interest rate risk, exchange rate risk and liquidity risk. Company identifies and manage these risks as per the laid down policies and procedures. The company regularly assess and monitor the financial position and transaction of the Company. Movement of Company's interest yield, cost and spread is calculated and analyzed on daily basis to identify, assess and mitigate possible risk exposure.

In order to evaluate the liquidity position, Company has been calculating and evaluating liquidity ratio. Major inflows/outflows having impact on the liquidity is monitored. Transactions which have material impact on the liquidity position of the Company are communicated without any delay to relevant department that manages fund. Also, regulatory limit of credit deposit position is also monitored.



The following table depicts the maturity profile of the investment portfolio on an undiscounted cash flow basis which is designed and managed to meet the required level of liquidity as and when liquidity outgo arises, taking into consideration the time horizon of the financial liabilities of the business.

Amount in NPR Million

Particulars	Less than 3 month	3 to 6 months	6 to 1 year	More than	Total
				1 year	
Assets					
Cash and cash equivalent	1,093	-	-	-	1,093
Due from Nepal Rastra Bank	187	-	-	-	187
Placement with Bank and Financial Institutions	-	-	-	-	-
Derivative financial instruments.	-	-	-	-	-
Other trading assets	-	-	-	-	-
Loans and advances	8	136	2,675	1,457	4,276
Investment Securities	319	-	-	-	319
Investment in subsidiaries	-	-	-	-	-
Investment in associates	-	-	-	-	-
Other assets	7	-	-	-	7
Total	1,613	136	2,675	1,457	5,882
Liabilities					
Due to Bank and Financial Institutions	420	-	-	-	420
Due to Nepal Rastra Bank	67	-	-	-	67
Derivative financial instruments	-	-	-	-	-
Deposits from customers	956	25	2,432	902	4,315
Borrowing	-	-	-	-	-
Other liabilities	66	-	-	-	66
Debt securities issued	-	-	-	-	-
Total	1,510	25	2,432	902	4,869

5.2 Capital Management

5.2.1 Qualitative disclosures

The Company assesses and maintains primary and secondary capital as per Form No 1.1 and 1.2 provided in NRB Directive 1.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Nepal Rastra Bank. The adequacy of the Company's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee and adopted by the Nepal Rastra Bank.

The Company's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and sustain the future development of the business.

The Company has complied with Capital Adequacy requirement of the Nepal Rastra Bank.

The Company's regulatory capital consists of the following elements

Tier 1 Capital or Core Capital, which includes Paid Up Capital, Statutory General Reserves, Capital Redemption Reserve, Retained Earnings and deductions of Deferred Tax Assets, Miscellaneous expenditure not written off, Investment in equity of institutions with financial interests

Tier 2 Capital or Supplementary Capital, which includes General Loan Loss Provision, Exchange Equalization Reserves, Subordinated Term Debt, Investment Adjustment Reserve, Other Reserve

Regulatory minimum paid up capital

Finance companies were required by the Monetary Policy 2015/16 to attain a stipulated minimum paid up capital of NPR 800million by mid-July 2017. As on the reporting date, the Company's paid up capital stood at NPR 810million (Previous Year 810 Million) and is in compliance with the requirement.



5.2.2 Quantitative disclosures

a) Capital Structure and Capital Adequacy

i. Tier 1 capital and a breakdown of its components

S.N	Particulars	Amount (in Rs '000')
A	Paid up Equity Share Capital	810,000
B	Equity Share Premium	-
C	Proposed Bonus Equity Shares	-
D	Statutory General Reserves	179,762
E	Retained Earnings	106,340
F	Unaudited current year cumulative profit/(loss)	-
G	Capital Redemption Reserve	-
H	Capital Adjustment Reserve	-
I	Dividend Equalization Reserves	-
J	Other Free Reserve	-
K	Less: Goodwill	-
L	Less: Intangible Assets	-
M	Less: Deferred Tax Assets	-
N	Less: Fictitious Assets	-
O	Less: Investment in equity in licensed Financial Institutions	-
P	Less: Investment in equity of institutions with financial interests	-
Q	Less: Investment in equity of institutions in excess of limits	-
R	Less: Investments arising out of underwriting commitments	-
S	Less: Reciprocal crossholdings	-
T	Less: Purchase of land & building in excess of limit and unutilized	70,302
U	Less: Cash Flow Hedge	-
V	Less: Defined Benefits Pension Assets	-
W	Less: Unrecognized Defined Benefit Pension Liabilities	-
X	Less: Other Deductions	-
	Core (Tier 1 Capital)	1,025,800

ii. Tier 2 capital and a breakdown of its components

S.N	Particulars	Amount (in '000)
A	Cumulative and/or Redeemable Preference Share	-
B	Subordinated Term Debt	-
C	Hybrid Capital Instruments	-
D	Stock Premium	-
E	General Loan Loss Provision	43,327
F	Exchange Equalization Reserve	-
G	Investment Adjustment Reserve	849
H	Assets Revaluation Reserve	-
I	Other Reserves	-
	Total Supplementary Capital	44,176

The Company has not issued any subordinated term debt.



iii. Total qualifying capital

S. N.	Particulars	Amount (in Rs. '000')
A	Core Capital	1,025,800
B	Supplementary Capital	44,176
	Total Qualifying Capital (Total Capital Fund)	1,069,976

iv. Capital Adequacy Ratio

S. N.	Particulars	Ratio (%)
A	Core Capital	20.76
B	Supplementary Capital	0.90
	Total Qualifying Capital (Total Capital Fund)	21.66

v. Summary of Company's internal approach to assess the adequacy of capital to support current and future activities, if applicable

The Company prepares Budget and Strategy and to achieve the long term plans the Company prepares annual Budgets/ Operating/ Tactical plans as stipulated in the Budget Policy and strategy Document of the Company. To ensure that the Company's capital adequacy commensurate to demand of the Company's capital required by the business planning, the Management and the Board prudently and proactively engage on ongoing process of capital and risk assessment, stress testing and scenarios testing, monitoring and reporting.

The Company follows Stress Testing Guidelines issued by Nepal Rastra Bank in order to assess the vulnerability of the Company under various stress situations typically, application of "what if" scenarios, especially in the problematic identification of low frequency but high severity events and identifying expected and unexpected losses. It focuses on capturing the impact of large, but still plausible events and understanding the overall risk profile in a coherent and consistent framework, including impact analysis on earnings, solvency and liquidity.

vi. Summary of the terms, conditions and main features of all capital instruments, especially in case of subordinated term debts including hybrid capital instruments

Ordinary share capital: The Company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Risk Exposures

i. Risk weighted exposures for Credit Risk, Market Risk and Operational Risk

S.N.	Risk Weighted Exposure	Amount in NPR '000'
A	Risk Weighted Exposure for On Balance Sheet Assets	4,638,792
B	Risk Weighted Exposure on Off Balance Sheet Items	354
C	Amount to be maintained for Operational Risk (5% of Total Assets)	301,344
	Total Risk Weighted Exposure	4,940,490

c) Amount of NPAs (both Gross and Net)

Particulars	FY 2018-19 Amount in NPR '000'		FY 2017-18 Amount in NPR '000'	
	Gross NPAs	Net NPAs	Gross NPAs	Net NPAs
Restructured / Reschedule Loans				
Sub Standard Loans	1,000.00	750	2,155	1,480
Doubtful Loans			833	354
Loss	5,704		4,626	
Total NPAs	6,704	750	7,614	1,834



5.3

Classification of financial assets and financial liabilities

Amount in NPR

Financial assets	Notes	As at 16 July 2019		As at 16 July 2018		As at 15 July 2017	
		Carrying Value	Fair value	Carrying Value	Fair value	Carrying Value	Fair value
Assets							
Assets carried at Amortised Cost							
Cash and cash equivalent	4.1	1,092,634,104	1,092,634,104	1,012,275,911	1,012,275,911	1,020,578,544	1,020,578,544
Due from Nepal Rastra Bank	4.2	187,089,245	187,089,245	86,781,336	86,781,336	68,228,186	68,228,186
Placement with Bank and Financial Institutions	4.3	-	-	-	-	-	-
Loans and advances to customers	4.7	4,092,558,339	4,092,558,339	3,423,982,341	3,423,982,341	2,744,509,911	2,744,509,911
		5,372,281,688	5,372,281,688	4,523,039,588	4,523,039,588	3,833,316,641	3,833,316,641
Fair Value through Profit and Loss (FVTPL)							
Derivative financial instruments.	4.4	-	-	-	-	-	-

Fair Value through Other Comprehensive Income (FVTOCI)

Investment securities	4.8	319,030,072	319,030,072	218,673,895	218,673,895	152,313,839	152,313,839
Investment in subsidiaries	4.1	-	-	-	-	-	-
		319,030,072	319,030,072	218,673,895	218,673,895	152,313,839	152,313,839
Liabilities							
Liabilities carried at Amortised Cost							
Due to Bank and Financial Institutions	4.17	420,473,867	420,473,867	277,004,201	277,004,201	269,496,716	269,496,716
Due to Nepal Rastra Bank	4.18	66,835,154	66,835,154	18,595,353	18,595,353	-	-
Deposits from customers	4.20	4,315,288,696	4,315,288,696	3,578,525,483	3,578,525,483	3,190,618,603	3,190,618,603
Debt securities issued	4.24	-	-	-	-	-	-
		4,802,597,718	4,802,597,718	3,874,125,037	3,874,125,037	3,460,115,319	3,460,115,319
Fair Value through Profit and Loss (FVTPL)							
Derivative financial instruments	4.19	-	-	-	-	-	-



5.3.1 Fair Value Hierarchy of Financial Assets and Financial Liabilities

Amount in NPR

	Fair value Hierarchy (Level)	As at 16 July 2019	As at 16 July 2018	As at 15 July 2017
Fair Value through profit and loss				
Financial Assets				
Forward exchange Contract held for trading		-	-	-
Financial Liabilities				
Forward exchange Contract held for trading		-	-	-
Fair Value through Other Comprehensive Income				
Financial assets				
Investment securities at OCI				
- Quoted equity securities	1	64,770,414	67,820,735	22,958,116
- Unquoted equity securities	3	752,500	752,500	752,500
Investment in subsidiaries		-	-	-
Total		65,522,914	68,573,235	23,710,616
Financial Instruments held at amortised cost				
		As at 16 July 2019	As at 16 July 2018	As at 15 July 2017
Financial assets				
Debt securities	3	-	-	-
Government bonds	3	253,507,158	150,100,660	128,603,223
Government treasury bills	3	-	-	-
Nepal Rastra Bank bonds	3	-	-	-
Loan and advances to B/FIs	3	183,645,000	129,195,000	84,645,000
Loans and advances to customers	3	4,092,558,339	3,423,982,341	2,744,509,911
Accounts receivable		1,556,540	4,490,180	5,989,299
Accrued Income		-	-	-
Total		4,531,267,037	3,707,768,181	2,963,747,432
Financial liabilities				
Due to Bank and Financial Institutions	3	420,473,867	277,004,201	269,496,716
Due to Nepal Rastra Bank	3	66,835,154	18,595,353	-
Deposits from customers	3	4,315,288,696	3,578,525,483	3,190,618,603
Borrowing	3	-	-	-
Provisions	3	-	-	-
Other liabilities	3	66,448,679	37,984,246	48,992,742
Debt securities issued	3	-	-	-
Subordinated Liabilities	3	-	-	-
Total		4,869,046,396	3,912,109,283	3,509,108,060

5.4 Segment Analysis

5.4.1 General Information

The Company's segmental reporting is in accordance with NFRS 8, Operating Segments. Operating segments are reported in a manner consistent with the internal reporting provided to the company's top level management, which is responsible for allocating resources and assessing performance of the operating segments.



5.4.2 Information about profit or loss, assets and liabilities

Amount in NPR

Particulars	Head Office	Branch Offices	Total
Revenue from external customers	377,613,535	328,904,640	706,518,175
Intersegment revenues	-	-	-
Net Revenue	377,613,535	328,904,640	706,518,175
Interest Revenue	356,511,264	309,835,234	666,346,498
Interest Expenses	224,202,536	183,616,462	407,818,998
Net Interest revenue	132,308,728	126,218,772	258,527,500
Depreciation and amortization	3,613,033	3,151,012	6,764,045
Segment profit/(loss)	93,734,183	91,658,399	185,392,582
Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-
Total Impairment of assets	26,832,536	22,447,700	49,280,236
Segment assets	3,595,093,398	2,401,185,007	5,996,278,405
Segment liabilities	2,630,880,499	2,244,238,367	4,875,118,865

5.4.3 Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

Amount in NPR

Revenue	
Total revenue for reportable segments	706,518,175
Other revenues	-
Elimination of intersegment revenues	-
Entity's revenues	706,518,175
Profit or loss	
Total profit or loss for reportable segment	185,392,582
Other profit or loss	-
Elimination of intersegment profits	-
Unallocated amount	-
Profit before income tax	185,392,582
Assets	
Total assets for reportable segments	5,996,278,405
Other assets	-
Unallocated amounts	-
Entity's assets	5,996,278,405
Liabilities	
Total liabilities for reportable segments	4,875,118,865
Other liabilities	-
Unallocated liabilities	-
Entity's liabilities	4,875,118,865

5.4.4 Information about major customers

The company does not have any major customers which accounts for more than 10% of entity's revenue.



5.5 Share Options and Share based Payment

The Company do not have a policy for share options to its employees. Similarly, during the year the Company has not made any payments or settlements by issuing new shares to its employees.

5.6 Contingent Liabilities and Capital Commitment

Details of contingent liabilities and commitments are given in note 4.28.

5.6.1 Income Tax Liability

The Company has received assessment order from Inland Revenue Department (IRD) on the income tax return filed under self-assessment for the financial year 2051/52, 2052/53, and 2053/54 assessing additional tax liability of Rs 1,070,247.98. The Company had appealed against assessment order received from tax office in Revenue Tribunal depositing Rs 816,045.23 as advance tax and security deposit. The case was decided in favor of the Company by Revenue Tribunal on Chaitra 2059 and in certain aspects by Supreme Court. Letter was sent to Inland Revenue Department, Babar Mahal for adjustment of remaining amount Rs 254,202.75 which has been disclosed as Contingent liability in Note 4.28.

The Company has filed tax returns to the IRD up to the financial years 2074/75 under self-assessment procedures and assessment up to FY 2072-73 has been completed by IRD.

5.7 Related Party Disclosures

The Company identifies the following as the related parties under the requirements of NAS 24.

Name	Relationship	Remarks
Lilamani Neupane, Chief Executive Office	Key Managerial Personnel	
Khim Bahadur Karki, Deputy Chief Executive Officer	Key Managerial Personnel	
Anil Joshi, Deputy Chief Executive Officer	Key Managerial Personnel	
Durga Lamsal, Manager	Key Managerial Personnel	
Durga Bahadur Rana Magar, Manager	Key Managerial Personnel	
Hari Bahadur Shrestha, Manager	Key Managerial Personnel	
Ramesh Kathayat, Account Department-Head	Key Managerial Personnel	
Bijaya Shrestha, Resource Department-Head	Key Managerial Personnel	
Baburam Thapa, Loan Department-Head	Key Managerial Personnel	
Rajiv Wona Shrestha- IT Department-Head	Key Managerial Personnel	

5.7.1 Board Member Allowances and Facilities

The Board of Directors have been paid meeting fees of NPR 468,000 during the fiscal year. There were 12 Board Meetings conducted during the fiscal year.

The Chairperson and other members of the Board are paid NPR 9,000 and NPR 8000 per meeting respectively for Board meeting.

The composition of Board of Directors is as follows:

Name of the Director	Position
Sashi Raj Pandey	Chairman
Chandra Lekha Pandey	Director
Samson J.B. Rana	Director
Umesh Bhagat Pradhananga	Director
Ram Krishna Sharma Wagle	Director
Mahesh Pd. Adhikari	Director

The Board Members have not been provided with any facilities other than meeting allowances.

5.7.2 Amount paid to Chief Executive Officer

The Board of Directors have appointed Mr. Lilamani Neupane as Chief Executive Officer of the Company with effect from 2072/12/29 for the period of 4 years. CEO has been paid a total of NPR. 6,060,631.79 during the year. CEO has been reimbursed with the communication expense and has been provided vehicle facility for official purposes.



The Salary and benefits paid to the CEO are as follow:

Amount in NPR

Basic Salary	Provident Fund	Allowance	Bonus & Welfare	Other Perquisites	Total Income
3,181,034	318,103.4	900,000	1,661,493.86		6,060,631.79

5.7.3 Compensation Details for Key Management Personnel

Key Management Personnel includes members of Management Committee of the Company and includes the following members;

Name	Designation
Lilamani Neupane	Chief Executive Officer
Khim Bahadur Karki	Deputy Chief Executive Officer/ Company Secretary
Anil Joshi	Deputy Chief Executive Officer
Durga Lamsal	Manager
Durga Bahadur Rana Magar	Manager
Hari Bahadur Shrestha	Manager
Ramesh Kathayat	Account Department – Head
Bijaya Shrestha	Resource Department – Head
Baburam Thapa	Loan Department – Head
Rajiv Wona Shrestha	IT Department – Head

The compensation paid to the Key Management Personnel other than the Chief Executive Officer has been showing table below;

#	Particulars	Amount in NPR
1	Short Term Employee Benefits	13,283,187.80
Total of Key Management Personnel Compensation		13,283,187.80

5.8 Events after reporting date

The Company monitors and assesses events that may have potential impact to qualify as adjusting and / or non-adjusting events after the end of the reporting period. All adjusting events are adjusted in the books with additional disclosures and non-adjusting material events are disclosed in the notes with possible financial impact, to the extent ascertainable.

There are no material events that have occurred subsequent to 16 July 2019 till the signing of this financial statement on 3rd October 2019.

5.9 Disclosure effect of transition from previous GAAP to NFRSs

NFRS 1 (First-time Adoption of Nepal Financials Reporting Standards) provides a suitable starting point for accounting in accordance with NFRS and is required to be mandatorily followed by first-time adopters.

The Company has prepared the opening Statement of Financial Position as per NFRS as of 1st Shrawan, 2074 (16 July 2017) (the transition date) by:

- recognizing all assets and liabilities whose recognition is required by NFRS,
- not recognizing items of assets or liabilities which are not permitted by NFRS,
- reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to NFRS as required under NFRS, and
- applying NFRS in measurement of recognized assets and liabilities.

5.9.1 Significant changes from the policies adopted in the past

Significant changes from the accounting policies adopted under previous GAAP (erstwhile Nepal Accounting Standards and directives issued by Nepal Rastra bank) and the adoption of NFRS has been disclosed in the respective segments, including the impact. The detailed impact disclosure is given below.



5.9.2 Reconciliation of equity

Amount in NPR

	Notes	As at 16 July 2018 (End of last period presented under previous GAAP)	As at 15 July 2017 (Date of Transition)
Total equity (shareholders' funds) under previous GAAP		970,492,481	653,257,740
Impairment on loans and advances			
Fair value and employees benefit accounting of staff loan			
Lease accounting	a	(192,787)	-
Measurement of investment securities at fair value	b	25,376,098	19,507,341
Revaluation of property and equipment			
Recognition of investment property		-	-
Amortization of debt securities issued			
Deferred tax		(10,277,279)	(5,337,943))
Defined benefit obligation of employees-gratuity	h	-	(5,338,503)
Defined benefit obligation of employees-leave	i	140,077	(44,389)
Interest income	c	2,663,158	3,668,695
Intangible Assets-Useful Life			
Property, Plant and equipment-Useful Life			
Proposed Dividend	e	70,165,000	-
Proposed Bonus Shares			
Reversal of provision on investment	d	6,271,051	-
Total adjustment to equity		94,145,319	12,455,201
Total Equity under NFRS		1,064,637,800	665,712,941

5.9.3 Reconciliation of profit or loss

Amount in NPR

	Notes	Year ended 16 July 2018
Profit as per previous GAAP		91,769,532
Adjustments under NFRS		
Interest income	c	(1,005,536)
Impairment on loans and advances		
Fair value and employees benefit accounting of staff loan		(876,357)
Interest Income in respect of staff loan		876,357
Defined benefit obligation of employees	i	184,466
Operating lease expense	a	(192,787)
Depreciation and amortization	f	-
Recognition of investment property		-
Reversal of provision on investment booked under GAAP	d	6,271,051
Deferred tax		(422,418)
Total Adjustment to profit or loss		4,834,776
Profit or loss under NFRS		96,604,309
Other Comprehensive Income		10,539,477
Total Comprehensive Income under NFRS		107,143,785



5.9.4 Reconciliation of Statement of Financial Position reported for 16 July 2018 (end of last period presented under previous GAAP) and 15 July 2017 (date of transition) due to the adoption of NFRS

Amount in NPR

Particulars	Explanatory Note	As at 01.04.2017 (Date of Transition)			As at 32.03.2018 (End of last period presented under previous GAAP)		
		Previous GAAP	Effect of transition to NFRS	Opening NFRSs statement of Financial Position	Previous GAAP	Cumulative effect of transition to NFRSs	Amount as per NFRSs
Assets							
Cash and cash equivalent		1,020,578,544	-	1,020,578,544	1,012,275,911	-	1,012,275,911
Due from Nepal Rastra Bank		68,228,186	-	68,228,186	86,781,336	-	86,781,336
Placement with Bank and Financial Institutions		-	-	-	-	-	-
Derivative financial instruments.		-	-	-	-	-	-
Other trading assets		-	-	-	-	-	-
Loan and advances to B/Fis	g	84,645,000	-	84,645,000	129,195,000	-	129,195,000
Loans and advances to customers	g	2,742,228,194	2,281,717	2,744,509,911	3,424,561,279	(578,937)	3,423,982,341
Investment securities	b	132,806,498	19,507,341	152,313,839	187,026,746	31,647,149	218,673,895
Current tax assets		656,818	-	656,818	60,176	-	60,176
Investment in subsidiaries		-	-	-	-	-	-
Investment in associates		-	-	-	-	-	-
Investment Properties		-	-	-	-	-	-
Property, Plant & Equipment (PPE)		97,919,861	-	97,919,861	101,215,733	-	101,215,733
Intangible Assets		-	-	-	1,956,662	-	1,956,662
Deferred tax	4.15	-	-	-	-	-	-
Other assets	g	8,089,853	1,386,978	9,476,831	6,507,202	3,242,096	9,749,297
Total Assets		4,155,152,954	23,176,036	4,178,328,990	4,949,580,044	34,310,307	4,983,890,351
Liabilities							
Due to Banks and financial Institution		269,496,716	-	269,496,716	277,004,201	-	277,004,201
Due to Nepal Rastra Bank		-	-	-	18,595,353	-	18,595,353
Derivative financial instruments		-	-	-	-	-	-
Deposit from Customers		3,190,618,603	-	3,190,618,603	3,578,525,483	-	3,578,525,483
Borrowing		-	-	-	-	-	-
Current Tax Liabilities		-	-	-	-	-	-
Provisions		-	-	-	-	-	-
Deferred tax liabilities	4.15	(1,829,953)	5,337,943	3,507,990	(3,134,011)	10,277,279	7,143,268
Other liabilities	j	43,609,849	5,382,892	48,992,742	108,096,537	(70,112,290)	37,984,246
Debt securities issued		-	-	-	-	-	-
Subordinated Liabilities		-	-	-	-	-	-
Total Liabilities		3,501,895,215	10,720,835	3,512,616,050	3,979,087,563	(59,835,011)	3,919,252,552
Equity							
Share capital		513,427,438	(167,978,568)	345,448,870	810,000,000	(9,850,000)	800,150,000
Share premium		-	-	-	-	-	-
Retained earnings		1,202,822	175,039,929	176,242,751	3,084,340	86,232,050	89,316,390
Reserves		138,627,480	5,393,839	144,021,320	157,408,141	17,763,269	175,171,409
Total equity		653,257,740	12,455,200	665,712,940	970,492,480	94,145,319	1,064,637,799
Total liabilities and equity		4,155,152,956	23,176,035	4,178,328,990	4,949,580,043	34,310,307	4,983,890,351



5.9.5 Reconciliation of statement of comprehensive income for the year ended 16 July 2018 due to the adoption of NFRS

Amount in NPR

Particulars	Explanatory Note	For the year ended		
		16 July 2018		
		(the latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to NFRS	Amount as per NFRS
Interest Income	k	509,300,917	(129,179)	509,171,737
Interest expense		319,900,835		319,900,835
Net interest income		189,400,082		189,270,902
Fees and Commission Income		39,152,900		39,152,900
Fees and commission expense		22,525		22,525
Net fee and commission income		39,130,375		39,130,375
Net Trading Income		-		-
Other Operating Income		3,400,519		3,400,519
Total operating income		231,930,975		231,801,796
Impairment charge/(reversal) for loan and other losses	d	11,827,310	(6,271,051)	5,556,259
Net Operating income		220,103,665		226,245,537
		-		-
Personnel Expense	k	53,298,417	691,891	53,990,307
Other operating expense	a	28,463,750	192,787	28,656,537
Depreciation & Amortization		8,132,356		8,132,356
Operating profit		130,209,142		135,466,336
		-		-
Non-operating income		-		-
Non-operating expense		-		-
Profit before income tax		130,209,142		135,466,336
Income Tax Expense		-		-
Current Tax		39,743,668		39,743,668
Deferred Tax	4.15	(1,304,058)	422,418	(881,640)
Profit for the Year		91,769,532	(5,093,135)	96,604,309
Other Comprehensive Income				
Other comprehensive income	g	-	(10,539,477)	10,539,477
Total comprehensive income		-	(15,632,612)	107,143,785



5.9.6 Reconciliation of cash flow statement

Amount in NPR

Particulars	For the year ended 16 July 2018		
	(the latest period presented under previous GAAP)		
	Previous GAAP	Effect of transition to NFRS	Amount as per NFRS
Net cash flows from operating activities	(214,814,413)	(79,234,470)	(294,048,882)
Net cash flows from investing activities	(69,802,951)	60,681,320	(9,121,631)
Net cash flows from financing activities	294,867,881	-	294,867,881
Net increase / (Decrease) in cash and cash equivalent	10,250,517	(18,553,150)	(8,302,633)
Cash and cash equivalent as 16 July 2017	1,088,806,730	(76,530,819)	1,012,275,911
Cash and cash equivalent at 16 July 2018	1,099,057,247	(95,083,968)	1,003,973,278

There is no cash inflow due to NFRS. However due to reclassification major adjustments are observed mainly due to reclassification of due from Nepal Rastra Bank (earlier classified as cash and cash equivalent), there is decrease in cash and cash equivalent by NPR 95.083 million.

Notes on first time adoption of NFRS

- a) Under previous GAAP, periodical minimum lease payment under operating lease booked as expense for actual cash obligation for the respective period. Under NAS 17, Lease payment under operating leases shall be recognized on a straight-line basis over the lease term.

Particulars	As at 16 July 2018	As at 15 July 2017
Lease expense as per Lease Equalisation	3,326,773	-
Lease expense booked as per local GAAP	3,133,986	-
Net Increase in rent expense each year due to lease equalisation	192,787	-
Cumulative change in equity	(192,787)	-

- b) Under previous GAAP, investments were measured at cost less diminution in value. Under NFRS, these financial assets have been classified as financial assets carried at Fair Value through Other Comprehensive Income (FVTOCI). On the date of transition to NFRS, these financial assets have been measured at their fair value which is higher than the cost as per previous GAAP, resulting in an increase in the carrying amount as explained in the table below. These changes do not affect profit before tax or total profit for the year ended 16 July 2019, 16 July 2018 and 15 July 2017 because the changes in fair value have been recognised under Other Comprehensive Income (OCI)

Particulars	As at 16 July 2018	As at 15 July 2017
Increase in carrying amount due to fair value	25,376,098	19,507,341
Deferred tax impact on the increased amount	7,612,829	5,852,202
Increment in fair value net of deferred tax	17,763,269	13,655,139
Reversal of provision on investment through profit and loss	6,271,051	-
Net increment in total equity	24,034,320	13,655,139
Movement in profit and loss during the year	6,271,051	

- c) Under previous GAAP, Interest income on Loans and Advances was recognized on cash basis as per Directive 4 of Nepal Rastra Bank (NRB). Under NFRS, Interest income is recognised on accrual basis using Effective Interest Rate (EIR) Method.



Particulars	As at 16 July 2018	As at 15 July 2017
Interest suspense required by NFRS	2,663,158	3,668,695
Interest suspense recognised under Local GAAP reversed	(2,663,158)	(3,668,695)
Net Increase in Equity	2,663,158	3,668,695
Movement in profit and loss during the year	(1,005,536)	

- d) Subsequent to measurement of Investments carried at FVTOCI in fair value, provision for investment recognised in local GAAP has been reversed in profit and loss and the resultant amount has been further transferred to regulatory reserve.

Particulars	As at 16 July 2018	As at 15 July 2017
Reversal of provision on investment recognised in local GAAP	6,271,051	-
Net Increase in Equity	(6,271,051)	-
Movement in profit and loss during the year	6,271,051	-

- e) Under previous GAAP, cash dividends on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements were approved for issue were recognised in the financial statements as a liability. Under NFRS, such cash dividends are recognised when declared by the equity holders in a general meeting. the effect of this change is an increase in total equity, but this does not affect profit before Tax and total profit for the respective years. The proposed dividend shown as liability under GAAP as at 16 July 2018 of NPR 70,165,000 was reversed resulting increase in equity as per NFRS.

- f) Movement of Other Comprehensive Income during the year

Particulars	As at 16 July 2018	As at 15 July 2017
Fair Value Reserve	25,376,098	19,507,341
Actuarial Loss	-	(9,187,638)
Cumulative OCI	25,376,098	10,319,703
Deferred Tax	(7,612,829)	(3,095,911)
Net OCI	17,763,269	7,223,792
Net movement in OCI	10,539,477	

- g) Under NFRS, accrued interest on loans and advances to customer has been shown along with loans and advances to customer which is carried at amortised cost. Similarly, the prepayment component on fair value of staff loan has reduced the staff loan amount. Such prepayment has been shown under other assets.

Particulars	As at 16 July 2018	As at 15 July 2017
Total loans and advances as per Local GAAP	3,553,756,278	2,826,873,194
Add: Accrual interest on loans and advances	2,663,158	3,668,695
Less: Prepayment component on fair value of staff loan	(3,242,096)	(1,386,978)
Net loans and Advances under NFRS	3,553,177,341	2,829,154,911
Amortization of prepaid benefits	876,357	
Interest income from loans to employees	876,357	

- h) Under NFRS, the actuarial gains and losses forms part of remeasurement of the net defined benefit liability/ asset which is recognised in Other Comprehensive Income (OCI). Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income (OCI) under NFRS instead of profit or loss.



Particulars	As at 16 July 2018	As at 15 July 2017
Liability as per local GAAP	2,045,091	6,438,691
Liability as per NFRS (A)	2,045,091	11,777,194
	-	(5,338,503)
Decrease in expense in gratuity liability	-	3,849,135
Actuarial Gains/(loss) in Gratuity	-	(9,187,638)
Deferred tax Impact on Actuarial Gain/Loss (B)	-	2,756,291
Net Increment in Total Equity (A)+(B)	-	5,338,503

- i) Under NFRS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognized in profit or loss for leave encashment as per NAS 19.

Particulars	As at 16 July 2018	As at 15 July 2017
Liability as per local GAAP	2,407,827	1,872,691
Liability as per NFRS (A)	2,267,750	1,917,080
Net Increment in Total Equity (A)+(B)	140,077	(44,389)
Movement in profit and loss during the year	184,466	-

- j) Reconciliation of Other Liabilities as per local GAAP and NFRS

Particulars	As at 16 July 2018	As at 15 July 2017
Liability as per local GAAP	108,096,537	43,609,849
Additional liability due to actuarial valuation- leave liability	(140,077)	44,389
Additional liability due to actuarial valuation- gratuity	-	5,338,503
Proposed Dividend	(70,165,000)	-
Lease Equalization	192,787	-
NFRS Adjustments	(70,112,290)	5,382,892
Liability as per NFRS (A)	37,984,246	48,992,742

- k) Reconciliation of employee benefit expenses

Particulars	As at 16 July 2018
Employee benefit expense as per Local GAAP	53,298,417
Amortisation of prepaid staff benefits (Refer note g above)	876,357
Additional expense/(reversal) of leave and gratuity expense due to actuarial valuation	(184,466)
Impact of NFRS	691,891
Employee benefit expense as per NFRS	53,990,307

- l) Reconciliation of interest income

Particulars	As at 16 July 2018
Interest Income as per Local GAAP	509,300,917
Additional Interest income of staff loans	876,357
Accrued Interest of current year	(1,005,536)
Impact of NFRS	(129,179)
Interest Income as per NFRS	509,171,737



5.10 Non-Banking Assets

Non-current assets (such as property) and disposal groups (including both the assets and liabilities of the disposal groups) are classified as held for sale and measured at the lower of their carrying amount and fair value less cost to sell when: (i) their carrying amounts will be recovered principally through sale; (ii) they are FVTOCI in their present condition; and (iii) their sale is highly probable. Non-Banking Assets (NBA) has been shown under investment property. It has been recognized at lower of fair value or amount due at the time of assumption of NBA.

Immediately before the initial classification as held for sale, the carrying amounts of the assets (or assets and liabilities in a disposal group) are measured in accordance with the applicable accounting policies described above.

Amount in NPR.

Name of Borrower	Date of assuming Non-Banking Assets	As at 16 July 2019	As at 16 July 2018	As at 16 July 2017
Kamal Khawas	13th July 2003	701,250	701,250	701,250
Shambhu Thapa	19th June 2008	300,000	300,000	300,000
		1,001,250	1,001,250	1,001,250

5.10.1 Movement of Non-Banking Assets

Particulars	2018/19	2017/18
Outstanding Balance as at 16 July 2018	-	-
Add: Assets accepted during the year	-	-
Less: Assets sold during the year	-	-
Less: Net Changes in fair value	-	-
Outstanding Balance as at 16 July 2019	-	-

Since the chances of recovery from disposal of NBA is very less, the provision created under GAAP has not been written back.

5.11 Maturity Analysis

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. Trading assets and liabilities including derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behavior as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

As at 16 July 2019

Amount in NPR.

	As at 16 July 2019		
	Within 12 months	After 12 months	Total
Assets			
Cash and cash equivalent	1,092,634,104	-	1,092,634,104
Due from Nepal Rastra Bank	187,089,245	-	187,089,245
Placement with Bank and Financial Institutions	-	-	-
Derivative financial instruments.	-	-	-
Other trading assets	-	-	-
Loan and advances to B/Fis	183,645,000	-	183,645,000
Loans and advances to customers	4,092,558,339	-	4,092,558,339
Investment securities	319,030,072	-	319,030,072
Current tax assets	318,791	-	318,791
Investment in subsidiaries		-	-
Investment in associates		-	-
Investment property		-	-
Property and equipment		112,465,171	112,465,171



Goodwill and Intangible assets		1,629,458	1,629,458
Deferred tax assets		-	-
Other assets		6,908,224	6,908,224
Total Assets	5,875,275,552	121,002,853	5,996,278,405
Liabilities			
Due to Bank and Financial Institutions	420,473,867	-	420,473,867
Due to Nepal Rastra Bank	66,835,154	-	66,835,154
Derivative financial instruments	-	-	-
Deposits from customers	3,413,520,366	901,768,330	4,315,288,696
Borrowing	-	-	-
Current Tax Liabilities	-	-	-
Provisions	-	-	-
Deferred tax liabilities	-	6,072,469	6,072,469
Other liabilities	-	66,448,679	66,448,679
Debt securities issued	-	-	-
Subordinated Liabilities	-	-	-
Total liabilities	3,900,829,388	974,289,478	4,875,118,865

As at 16 July 2018

Amount in NPR.

	As at 16 July 2018		
	Within 12 months	After 12 months	Total
Assets			
Cash and cash equivalent	1,012,275,911	-	1,012,275,911
Due from Nepal Rastra Bank	86,781,336	-	86,781,336
Placement with Bank and Financial Institutions	-	-	-
Derivative financial instruments.	-	-	-
Other trading assets	-	-	-
Loan and advances to B/Fis	129,195,000	-	129,195,000
Loans and advances to customers	3,423,982,341	-	3,423,982,341
Investment securities	218,673,895	-	218,673,895
Current tax assets	60,176	-	60,176
Investment in subsidiaries	-	-	-
Investment in associates	-	-	-
Investment property	-	-	-
Property and equipment	-	101,215,733	101,215,733
Goodwill and Intangible assets	-	1,956,662	1,956,662
Deferred tax assets	-	-	-
Other assets	-	9,749,297	9,749,297
Total Assets	4,870,968,659	112,921,693	4,983,890,351
Liabilities			
Due to Bank and Financial Institutions	277,004,201	-	277,004,201
Due to Nepal Rastra Bank	18,595,353	-	18,595,353
Derivative financial instruments	-	-	-



Deposits from customers	3,578,525,483	-	3,578,525,483
Borrowing	-	-	-
Current Tax Liabilities	-	-	-
Provisions	-	-	-
Deferred tax liabilities	-	7,143,268	7,143,268
Other liabilities	-	37,984,246	37,984,246
Debt securities issued	-	-	-
Subordinated Liabilities	-	-	-
Total liabilities	3,874,125,037	45,127,515	3,919,252,552

As at 16 July 2017

Amount in NPR.

	As at 15 July 2017		
	Within 12 months	After 12 months	Total
Assets			
Cash and cash equivalent	1,020,578,544	-	1,020,578,544
Due from Nepal Rastra Bank	68,228,186	-	68,228,186
Placement with Bank and Financial Institutions	-	-	-
Derivative financial instruments.	-	-	-
Other trading assets	-	-	-
Loan and advances to B/Fis	84,645,000	-	84,645,000
Loans and advances to customers	2,744,509,911	-	2,744,509,911
Investment securities	152,313,839	-	152,313,839
Current tax assets	656,818	-	656,818
Investment in subsidiaries	-	-	-
Investment in associates	-	-	-
Investment property	-	-	-
Property and equipment	-	97,919,861	97,919,861
Goodwill and Intangible assets	-	-	-
Deferred tax assets	-	-	-
Other assets	-	9,476,831	9,476,831
Total Assets	4,070,932,298	107,396,692	4,178,328,990
Liabilities			
Due to Bank and Financial Institutions	269,496,716	-	269,496,716
Due to Nepal Rastra Bank	-	-	-
Derivative financial instruments	-	-	-
Deposits from customers	3,190,618,603	-	3,190,618,603
Borrowing	-	-	-
Current Tax Liabilities	-	-	-
Provisions	-	-	-
Deferred tax liabilities	-	3,507,990	3,507,990
Other liabilities	-	48,992,742	48,992,742
Debt securities issued	-	-	-
Subordinated Liabilities	-	-	-
Total liabilities	3,460,115,319	52,500,731	3,512,616,050



5.12 Operating Lease Commitments

The Company leases a number of branch and office premises under operating leases. These leases have an average life of between three and ten years. Lease payments are increased every two years to reflect market rentals. No contingent rent is payable.

Future minimum lease payments under non-cancellable operating leases as at the reporting date are as follows:

Amount in NPR.

Particulars	Year ended 16 July 2019	Year ended 16 July 2018
Within 1 year	4,937,520	4,458,925
Later than 1 year and no later than 5 years	15,892,829	16,947,651
Later than 5 years	16,139,142	20,021,840
	36,969,491	41,428,416

The amount of operating lease expenses recognized in profit or loss amounts to NPR 4,860,991 and NPR 3,326,773 for the FY 2017/18 and FY 2018/19 respectively. Lease Equalization Reserve of NPR 583,557 and NPR 192,787 have been presented in other liabilities of FY 2018/19 and FY 2017/18 respectively.

5.13 Earnings per share

The Company measures earning per share on the basis of the earning attributable to the equity shareholders for the period. The number of shares is taken as the weighted average number of shares for the relevant period as required by NAS 33 Earnings per Share.

Particulars	Units	Year ended 16 July 2019	Year ended 16 July 2018
Profit attributable to equity shareholders (a)	NPR.	129,926,269	96,604,309
Weighted average of number of equity shares used in computing basic earnings per share (b)	Nos.	8,100,000	7,547,682
Basic and diluted earnings per equity share of Rs 100 each (a/b)	Rs	16.04	12.80

As there are no potential ordinary shares that would dilute current earning of equity holders, basic EPS and diluted EPS are equal for the period presented.

5.14 Unpaid Dividends

As at the reporting date, unpaid dividend over five years are as follows.

NPR. '000

Particulars	As at 16 July 2019	As at 16 July 2018	As at 16 July 2017
Not collected for more than 5 years	752	644	466
Not collected up to 5 years	-	229	1,492
Total	752	873	1,958

5.15 Weighted Average Interest Rate Spread

Particulars	2018/19	2017/18
Cost on deposit liabilities	9.54	8.84
Yield on loans and advances	14.44	13.45
Net spread	4.90	4.60

Above yield and cost is calculated based on the annual average volume of loans, investments, deposits and bonds/borrowings.

5.16 Employees Training and Development Fund

NRB Circular 10/073/74 requires banks and financial institutions to incur expenses towards employee training and development equivalent to at least 3% of the preceding year's total staff expenses. Such mandatory minimum amount to be



expensed in the reporting period was NPR 1,133,642, whereas the actual amount expensed was NPR1,342,598. The closing balance of employees training and development fund is 590,642. In the subsequent year, balance in this fund will be reclassified to Retained Earnings and recognized as Personnel Expense in the Statement of Profit or Loss.

Particulars	Amount (Rs.)
Opening Balance	799,598
Addition during the Year 3% of Employee Expenses of FY 2074-75	1,133,642
Less: Training Expenses for the year	1,342,598
Unutilized Amount	590,642

5.17 Corporate Social Responsibility

NRB Circular 11/073/74 requires banks and financial institutions to create Corporate Social Responsibility Fund and annually appropriate an amount equivalent to 1% of net profit into this fund. The fund is created towards covering the Company's expense in CSR activities in the subsequent year. Accordingly, the Company appropriated NPR 1,297,069 to this fund for the reported period. In subsequent year, balance in this fund will be reclassified to Retained Earning and recognized as CSR Expense in the Statement of Profit or Loss.

Corporate Social Responsibility Expense- The expenses for the period on Corporate Social Responsibility amounts to Rs 1,155,329.

Particulars	Amount (Rs.)
Opening Balance	1,901,313
Add: 1% of Net Profit of this year	1,299,263
Less: Expenses for this year	(1,155,329)
Closing Balance	2,045,247

5.18 Changes in useful life of Property and Equipment

During the FY 2016/17 and FY 2017/18 Written Down Value Method (with rates provided in Income Tax Act, 2058) had been followed to calculate the depreciation of property, plant and equipment. However, from FY 2018/19, Straight Line Method (with useful life of property and equipment) was followed for calculation of depreciation. Assets with WDV of Rs 2,708,539 (cost of Rs 11,277,499 and accumulated depreciation of Rs 8,518,910) whose useful life has already expired have been written off from books and charged to other non-operating expenses. As per para 61 of NAS 16, change in useful life of asset has been accounted as change in accounting estimate and treated prospectively as per NAS 8.

The details of previously applied depreciation rates / useful life are as follows:

Class of assets	Previous depreciation / amortization rate/useful life	Revised useful life
Computer	25%	5 Years
Furniture and Fixtures	25%	10 Years
Office Equipment	25%	10 Years
Vehicle	20%	10 Years
Building	5%	50 Years
Leasehold	5%	Lease Period or 15 years whichever is lower
Software	Straight line methods over useful life.	Over the contract period (5 years if contract period not available)

5.19 Provision for Employee Bonus

The Company has provided NPR 20,599,176 (Previous year NPR 14,467,682) as employee bonus computed at 10% of profit before tax.

5.20 Proposed Distributions (Dividends and Bonus Shares)

The Board of directors in its meeting dated October 03, 2019 has passed a resolution recommending for distribution of bonus shares (stock dividend) at 2.35% and cash dividend at 10.65% of paid up capital as at July 16, 2019.



Amount in NPR.

Particulars	31 Ashad 2076	32 Ashad 2075
Cash Dividend Declared	86,265,000	7,016,5000
Bonus Shares	1,903,5000	9,850,000
Total	105,300,000	8,0015,000

5.21 Tax liability due to change in accounting policy

Due to adoption of NFRS during the year, Company has changed its accounting policy in recognizing interest income on accrual basis from cash basis which has resulted into de-recognition of interest receivable of NPR 2,663,158 related to FY 2018-19 as interest income in the NFRS financial statements of the Company. Accordingly, the same has been considered for calculating taxable income of the Company. Also, a total of NPR 1,292,153 has been transferred to Regulatory Reserve as per the requirement of the Nepal Rastra Bank Directive No.4.

5.22 Regulatory Reserve

As required by NRB directive # 4, the Company has created Regulatory Reserve and movement of reserve during the year are as follows:

Particulars	Amount (Rs)	Amount (Rs)
Opening Balance		-
Transfer to Reserve		7,333,383.62
Investment Adjustment Reserve transferred to Regulatory Reserve	848,893	
Deferred Tax Reserve Transferred to Regulatory Reserve	806,079	
Interest receivable (-)/previous accrued interest received (+)	1,292,153	
Short provision for possible losses on investment (-)/reversal (+)	4,386,259	
Closing balance		7,333,383.62

Interest collected after Sharwan 1, 2076 has not been recognized as income irrespective of circular no. 27/075/76.

5.23 Details of shareholders holding more than 0.5%

Details of shareholders holding more than 0.5% of total shares during the year is as follows:

SN	Shareholder's Name	Number of shares	Percentage	Amount (Rs.)
Promoter Shareholders				
1	Shashi Raj Pandey	812,378	10.03	81,237,800
2	Dinesh Raj Joshi	812,378	10.03	81,237,800
3	Rabendra Raj Pandey	427,938	5.28	42,793,800
4	Chandra Lekha Pandey	384,439	4.75	38,443,900
5	Samson JB Rana	334,006	4.12	33,400,600
6	Saurav Pant	253,448	3.13	25,344,800
7	Nirmal Nath Pandey	156,592	1.93	15,659,200
8	Meeta Shah Rana	129,719	1.60	12,971,900
9	Dr. Govind Ballabh Bhatt	123,543	1.53	12,354,300
10	Rajesh Kumar Agrawal	98,054	1.21	9,805,400
11	Samakchya Nath Pant	95,858	1.18	9,585,800
12	Sujan Pant	92,808	1.15	9,280,800
13	Bimal Sentury	90,044	1.11	9,004,400
14	Dharma Raj Shrestha	81,979	1.01	8,197,900
15	Naba Durga Trading Concern	76,877	0.95	7,687,700
16	Jyoti kumari Sarawagi	66,627	0.82	6,662,700
17	Ran Bahadur Shah	61,877	0.76	6,187,700
18	Ambika Shah	56,291	0.69	5,629,100



19	Bishnu Prasad Upadhyay	56,032	0.69	5,603,200
20	Sanjaya Man Baishyat	42,446	0.52	4,244,600
Public Shareholders				
21	Gauri Shrestha	146,423	1.81	14,642,300
22	Citizen Investment Trust	114,002	1.41	11,400,200
23	Trishakti JB Rana	92,175	1.14	9,217,500
24	Amrita Upreti	74,923	0.92	7,492,300
25	Firoj KC Shrestha	64,968	0.80	6,496,800
26	Kamal Shrestha	64,160	0.79	6,416,000
27	Sabina Malla Shah	56,238	0.69	5,623,800
28	Shiva Saran KC	51,522	0.64	5,152,200
29	Shyam Sundar Agrawal	44,000	0.54	4,400,000
30	Amir Das Ranjit	42,819	0.53	4,281,900
31	Prudential Capital Management Co. Pvt Ltd.	41,761	0.52	4,176,100

5.24 Principal Indicators

Ratio	Indicators	FY	FY	FY	FY	FY
		2014/15	2015/16	2016/17	2017/18	2018/19
1. Net Profit/Gross Income	Percent	15.19	16.41	39.36	18.08	19.50
2. Earnings Per Share (as per NAS 33 - Earning per Share)	NPR	17.15	13.76	37.81	11.47	16.04
3. Market Value Per Share	NPR	327.00	311.00	383.00	383.00	157.00
4. Price Earnings Ratio	Ratio	19.06	22.60	10.13	33.39	9.79
5. Dividend (including bonus) on Share Capital	Percent	12.22	11.05	26.57	10.00	-
6. Cash Dividend on Share Capital	Percent	0.61	0.55	-	8.77	-
7. Interest Income/Loans and Advances	Percent	12.56	11.54	11.64	14.25	15.41
8. Staff Expenses/Total Operating Expenses	Percent	56.99	52.43	55.35	51.10	60.20
9. Interest Expenses/Total Deposits and Borrowings	Percent	7.70	6.58	5.97	8.60	8.80
10. Exchange Gain/Total Income	Percent	-	-	-	-	-
11. Staff Bonus/Total Staff Expenses	Percent	22.60	26.63	54.57	37.26	33.17
12. Net Profit / Total Loan	Percent	2.48	2.08	4.58	2.58	3.00
13. Net Profit / Total Assets	Percent	1.54	1.38	3.14	1.85	2.17
14. Loans / Deposits	Percent	75.81	80.02	85.48	95.77	93.31
15. Operating Expenses/ Total Assets	Percent	1.71	1.41	1.49	1.53	1.72
16. Capital Adequacy (On Risk Weighted Assets)						
Core Capital	Percent	19.51	12.53	17.97	21.62	20.76
Supplementary Capital	Percent	0.80	0.83	0.90	0.89	0.90
Total Capital Fund	Percent	20.32	13.37	18.79	22.51	21.66
17. Liquidity (CRR)	Percent	0.39	0.35	0.36	0.34	0.29
18. Net Non-Performing Credit/Total Credit	Ratio	0.12	0.08	0.25	0.17	0.16
19. Weighted Average Interest Rate Spread	Percent	4.86	4.96	4.96	4.60	4.90
20. Book Net Worth	NPR (in lakhs)	2,966.53	3,257.05	6,532.58	9,704.92	11,211.60
21. Book Net Worth per share	NPR	134.84	133.98	127.23	119.81	138.41
22. Number of Shares	No.	2,200,000	2,431,000	5,134,274	8,100,000	8,100,000
23. Number of Staff	No.	27.00	27.00	66.00	68.00	82.00



6 Comparison of Unaudited and Audited Financial Statements

NPR'000

Statement of Financial Position	As per unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In amount	In %	
Assets					
Cash and cash equivalent	1,092,634.10	1,092,634.10	0.00	0.00%	
Due from Nepal Rastra Bank	187,089.25	187,089.25	0.00	0.00%	
Placement with Bank and Financial Institutions	-	-	-		
Derivative financial instruments.	-	-	-		
Other trading assets	-	-	-		
Loan and advances to B/FIs	183,645.00	183,645.00	-	0.00%	
Loans and advances to customers	4,093,514.55	4,092,558.34	(956.22)	-0.02%	Adjustment of interest receivables
Investment securities	316,722.91	319,030.07	2,307.16	0.73%	NFRS adjustments (interest receivables)
Current tax assets	-	318.79	318.79		
Investment in subsidiaries	-	-	-		
Investment in associates	-	-	-		
Investment property	-	-	-		
Property and equipment	114,578.12	112,465.17	(2,112.95)	-1.84%	Change in method of depreciation
Goodwill and Intangible assets	-	1,629.46	1,629.46		Reclassification adjustments
Deferred tax assets	3,134.01	-	(3,134.01)	-100.00%	Not calculated in unaudited financials
Other assets	8,707.33	6,908.22	(1,799.11)	-20.66%	Reclassification adjustments
Total Assets	6,000,025	5,996,278	(5,417)		
Liabilities					
Due to Bank and Financial Institutions	388,880.88	420,473.87	31,592.99	8.12%	Reclassification adjustments
Due to Nepal Rastra Bank	66,835.15	66,835.15	-	0.00%	
Derivative financial instruments	-	-	-		
Deposits from customers	4,346,881.68	4,315,288.70	(31,592.99)	-0.73%	Reclassification adjustments
Borrowing	-	-	-		
Current Tax Liabilities	1,383.88	-	(1,383.88)	-100.00%	Adjustment in provision for taxation
Provisions	-	-	-		
Deferred tax liabilities	7,782.35	6,072.47	(1,709.88)	-21.97%	Not calculated in unaudited financials
Other liabilities	67,009.35	66,448.68	(560.67)	-0.84%	Reclassification adjustments
Debt securities issued	-	-	-		
Subordinated Liabilities	-	-	-		
Total Liabilities	4,878,773	4,875,119	(35,247)		
Equity					
Share capital	810000	810,000.00	-	0.00%	
Share premium	-	-	-		
Retained earnings	105112.7	106,340.29	1,227.59	1.17%	Change in net profit and NFRS adjustments
Reserves	206139.285	204,819.25	(1,320.04)	-0.64%	Change in net profit and NFRS adjustments
Total equity attributable to equity holders	6,067,035	1,121,160	(35,901)		
Total liabilities and equity	12,067,060	5,996,278	(71,240)		



NPR'000

Statement of profit or loss	As per unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In amount	In %	
Interest income	668,979	666,346	(2,632)	-0.39%	Interest income recognized on accrual basis
Interest expense	407,819	407,819	-	0.00%	
Net interest income	261,160	258,527	(2,632)	-1.01%	
Fee and commission income	37,010	37,032	23	0.06%	Reclassification adjustment
Fee and commission expense	-	40	40	-	Reclassification adjustment
Net fee and commission income	37,010	36,992	(18)	100.00%	
Other operating income	1,743	3,139	1,396	80.10%	Reclassification adjustment
Total operating income	299,913	298,659	(1,254)	-0.42%	
Impairment charge/(reversal) for loans and other losses	5,503	7,388	1,885	34.25%	Reversal of provision on investment written back
Net operating income	294,410	291,271	(3,139)	-1.07%	
Personnel expenses	62,149	62,109	(39)	-0.06%	Actuarial Adjustments
Depreciation	8,989	6,764	(2,225)	-24.75%	Change in method of depreciation calculation from WDV to SLM
Other operating expenses	34,474	34,297	(178)	-0.52%	Reclassification adjustments
Operating profit	188,798	188,101	(696)	-0.37%	
Non-operating income/expense	1,439	(2,709)	(4,147)	-288.26%	Reclassification adjustment and property and equipment written off due to change in method of depreciation
Profit before tax	190,236	185,393	(4,844)	-2.55%	
Income tax	57,071	55,466	(1,605)	-2.81%	Impact of change in profit before tax
Profit /(loss) for the period	133,165	129,926	(3,239)	-2.43%	

Ramesh Kathayat
Chief Financial Officer

Lilamani Neupane
Chief Executive Officer

Ram Krishna Sharma Wagle
Director

Mahesh Pd. Adhikari
Director

Umesh Bhagat Pradhananga
Director

Samson JB Rana
Director

Sashi Raj Pandey
Chairman

As per our report of even date
Sanjeev Kumar Mishra
Partner
TR Upadhya & Co.
Chartered Accountants

Place: Kathmandu
Date: 3 October 2019



नेपाल राष्ट्र बैंक
वित्त कम्पनी सुपरिवेक्षण विभाग
गैर-स्थलगत सुपरिवेक्षण इकाई

केन्द्रीय कार्यालय
वासुवाटार, काठमाडौं
फोन : ४४१९८०४/४४१९२५०
फ्याक्स : ४४१५१५८
इमेल : fsidreportsfc@nrb.org.np
Web : www.nrb.org.np
पोस्ट बक्स : ७३

पत्रसंख्या:- वि.कं.सु.वि./अफसाइट/एजिएम/०१/२०७६-७७/१९९
श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लिमिटेड
डिल्लीवजार, काठमाडौं।

मिति २०७६/०८/०२

विषय: लाभांश घोषणा/वितरण तथा वित्तीय विवरण प्रकाशन सम्बन्धमा ।

महाशय,

तर्हावाट पेश गरिएका वित्तीय विवरण तथा अन्य कागजातका आधारमा आ.व. २०७५/७६ को वार्षिक हिसाब वार्षिक साधारण सभामा स्वीकृतिको लागि पेश गरी सार्वजनिक गर्न र प्रस्तावित नगद लाभांश रु. ८,६२,६५,०००/- र बोनस शेयर रु. १,९०,३५,०००/- प्रचलित कानुनी व्यवस्थाको पालना गरी वार्षिक साधारण सभाबाट स्वीकृत भए पश्चात् मात्रै वितरण गर्न देहायको निर्देशन सहित सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध गर्दछु ।

१. यस बैंकले दिएका निर्देशन पालना गर्न तथा लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरु सुधार गर्न तथा त्यस्ता कैफियतहरु पुनः दोहोरिन नदिने व्यवस्था गर्नुहुन ।
२. नियमित रुपमा Sytem Audit गर्ने व्यवस्था मिलाउनु हुन ।
३. सम्पत्ति शुद्धीकरण (सनी लाउण्डरिङ्ग) निवारण ऐन, २०६४(दोस्रो संशोधन, २०७०) , सम्पत्ति शुद्धीकरण (मति लाउण्डरिङ्ग) निवारण नियमावली, २०७३ तथा नेपाल राष्ट्र बैंकबाट जारी भएको एकीकृत निर्देशन तथा परिपत्रको व्यवस्थाहरुको पूर्ण पालना गर्न संचालक समिति र प्रमुख कार्यकारी अधिकृतको ध्यानकोषण गराइन्छ ।
४. कम्पनी ऐन, २०६३ को दफा १८२(९) बमोजिम साधारणसभाबाट स्वीकृत भई ५ वर्षसम्म पनि दावी नपरेको भुक्तानी दित्त बाँकी लाभांशबाट लगानीकर्ता संरक्षण कोषमा दाखिला गर्नुहुन ।

उपर्युक्त निर्देशनलाई त्यस संस्थाको वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्नु हुन अनुरोध गर्दछु ।

भवदीय,

A. Subedi

(अपिल सुबेदी)
सहायक निर्देशक

बोधार्थ :

१. नेपाल राष्ट्र बैंक बैंक तथा वित्तीय संस्था नियमन विभाग ।
२. वित्त कम्पनी सुपरिवेक्षण विभाग, प्रतिवेदन कार्यान्वयन इकाई, श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लिमिटेड



(नेपाल राष्ट्र बैंकबाट 'ग' वर्गको इजाजत पत्र प्राप्त संस्था)

श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कं. लि. Shree Investment and Finance Co. Ltd.

Dilli Bazar, P.O. Box: 10717, Kathmandu, Nepal, Tel: 4422038, 4426146, 4415344, 4417558, Fax: 977-1-4421779, Email: info@shreefinance.com.np

च.नं. ४२०-०७६/७७



मिति : २०७६/०८/१२

श्री नेपाल राष्ट्र बैंक,
केन्द्रीय कार्यालय,
वित्त कम्पनी सुपरिवेक्षण विभाग,
बालुवाटार, काठमाण्डौं ।

विषय: वित्तीय विवरण प्रकाशन सम्बन्धमा ।

महाशय,

तहांको पत्रसंख्या: वि.कं.सु.वि./अफसाइट/एजिएम/०१/२०७६-७७/१६९ मिति २०७६/०८/०२को पत्रबाट यस कम्पनीलाई आर्थिक वर्ष २०७५/०७६को वार्षिक साधारणसभा सम्पन्न गर्न स्विकृती प्रदान गर्ने सम्बन्धमा प्राप्त निर्देशन बारे यस कम्पनीको मिति २०७६ मार्ग ५ गते बसेको सञ्चालक समितिको २८६औं बैठकबाट देहाय अनुसार गर्ने गराउने निर्णय भई कम्पनीको वार्षिक प्रतिवेदनमा समेत उक्त निर्देशन प्रकाशन गरिने व्यहोरा अनुरोध गर्दछु ।

- १) तहांको निर्देशन पालना गर्ने लगायत लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरु सुधार गरि त्यस्ता कैफियतहरु पुनः दोहरिन नदिने व्यवस्था मिलाईएको अनुरोध छ ।
- २) निर्देशन अनुसार *System Audit* गरिने व्यहोरा अनुरोध छ ।
- ३) सम्पत्ती शुद्धिकरण तथा त्यस बैंकको एकिकृत निर्देशन एवं परिपत्रका व्यवस्थाहरुको पूर्ण पालना सम्बन्धमा सञ्चालक समिति तथा प्रमुख कार्यकारी अधिकृतको ध्यानाकर्षण गराईएको व्यहोरा अवगत गरियो ।
- ४) साधारणसभाबाट स्विकृत भई ५ वर्षसम्म पनि दावी नपरेको भुक्तानी दिन बाँकी लाभांशलाई लगानीकर्ता संरक्षणकोषमा दाखिला गरिने व्यहोरा अनुरोध छ ।

बोधार्थ :

श्री नेपाल राष्ट्र बैंक,
केन्द्रीय कार्यालय,
बैंक तथा वित्तीय संस्था नियमन विभाग,
बालुवाटार, काठमाण्डौं ।

भवदीय

(लिलामणी न्यौपाने)
कार्यकारी प्रमुख

Together we deliver

Biratnagar Branch Tel: 021-523092 | Bhairahawa Branch Tel: 071-526507 | Taulihawa Branch Tel: 076-561197 | Rajahar Branch Tel: 078-545372
Danda Branch Tel: 078-418002 | Odari Branch Tel: 076-410036 | Harkapur Branch Tel: 078-403103 | Salyan Branch Tel: 088-400115
Rukum Branch Tel: 088-420038 | Budhanilkanta Branch Tel: 01-4379138 | Imadol Branch Tel: 01-5201147 | Chabahil Branch Tel: 01-4487225



श्री इन्भेष्टमेन्ट एण्ड फाइनान्स कम्पनी लिमिटेडको प्रवन्ध पत्रमा हुने शंसोधन

हालको व्यवस्था	संसोधन प्रस्ताव	संसोधन गर्नु पर्ने कारण
दफा ५ खण्ड (ख) वित्तीय संस्थाको जारी पूँजी रु. ८१,००,००,०००/(अक्षरेपी एकासी करोड मात्र) हुनेछ। सो पूँजीलाई प्रति शेयर रु.१००/- दरका ८१,००,००० (एकासी लाख) थान साधारण शेयरमा विभाजन गरिएको छ।	दफा ५ खण्ड (ख) वित्तीय संस्थाको जारी पूँजी रु. ८२,९०,३५,०००/(अक्षरेपी बयासी करोड नव्वे लाख पैतिस हजार मात्र) हुनेछ। सो पूँजीलाई प्रति शेयर रु.१००/- दरका ८२,९०,३५० (बयासी लाख नव्वे हजार तिनसय पचास) थान साधारण शेयरमा विभाजन गरिएको छ।	बोनश शेयर वितरण पश्चात वित्तीय संस्थाको जारी पूँजी बृद्धि हुने भएकोले।
दफा ५ खण्ड (ग) वित्तीय संस्थाको चुक्ता पूँजी रु. ८१,००,००,०००/(अक्षरेपी एकासी करोड मात्र) हुनेछ।	दफा ५ खण्ड (ग) वित्तीय संस्थाको चुक्ता पूँजी रु. ८२,९०,३५,०००/- (अक्षरेपी बयासी करोड नव्वे लाख पैतिस हजार मात्र) हुनेछ।	बोनश शेयर वितरण पश्चात वित्तीय संस्थाको चुक्ता पूँजी बृद्धि हुने भएकोले।

उच्च व्यवस्थापन तह



लिलामणि न्यौपाने
कार्यकारी प्रमुख



अनिल जोशी
नायव कार्यकारी प्रमुख



खिम बहादुर कार्की
नायव कार्यकारी प्रमुख



कुसेश्वर प्र. अधिकारी
कम्पनी सचिव

व्यवस्थापन तह



दुर्गा लम्साल
प्रमुख, अनुपालन तथा संस्थागत सुशासन



दुर्गा बहादुर राना मगर
प्रमुख, जनशक्ति व्यवस्थापन



रमेश कठायत
प्रमुख, लेखा तथा वित्त



विजया श्रेष्ठ
प्रमुख, निक्षेप तथा श्रोत परिचालन



बाबुराम थापा
प्रमुख, कर्जा तथा लगानी



राजिव वन श्रेष्ठ
प्रमुख, सूचना तथा प्रविधी

शाखा प्रमुखहरु



हरि बहादुर श्रेष्ठ
बिराटनगर शाखा



विकाश श्रेष्ठ
सिद्धार्थनगर शाखा



निसान अधिकारी
ओदारी शाखा



हरि प्रसाद सापकोटा
रजहर शाखा



सुरज बहादुर कुँवर
डण्डा शाखा



मनोज बोहरा
बुढानिलकण्ठ शाखा



राजिव श्रीवास्तव
तौलिहवा शाखा



सुभेश श्रेष्ठ
इमाडोल शाखा



बिनिता शर्मा
चाबहिल शाखा



रोशन सुवेदी
हर्कपुर शाखा



कैलाश चन्द्र
सोलावाङ्ग(रुकुम) शाखा



कुमार हमाल
श्रीनगर(सल्यान) शाखा

समृद्ध नेपाल, सुखी नेपाली



सबै नेपालीको बचत खाता

😊 श्री समृद्धि बचत खाता : ८.००%*

कृषि तथा मकौला उद्योग कर्जा

हात्मा विशेषता :

- ✘ सरल कर्जा प्रक्रिया
- ✘ तीन कार्यदिन भित्र
- ✘ न्यूनतम कर्जा रकम

केन्द्रीय कार्यालय:

डिल्लीबजार, गुरुजुको चौर
पोष्ट बक्स नं. १०७१७ काठमाण्डौं
फोन: ४४२२०३८, ४४२६१४६, ४४१५३४४
फ्याक्स: ९७७-१-४४२१७७९, E-mail : info@shreefinance.com.np
www.shreefinance.com.np

शाखा कार्यालयहरू :

बिराटनगर, मोरङ	- ०२१-५२३०९२	हर्कपुर, गैडाकोट	- ०७८-४०३१०३
भैरहवा, सिद्धार्थनगर	- ०७१-५२६५०७	श्रीनगर, सल्यान	- ०८८-४००११५
तौलिहवा, कपिलबस्तु	- ०७६-५६११९७	सोलावाङ्ग, रुकुम(पश्चिम)	- ०८८-४२००३८
रजहर, देवचुली	- ०७८-५४५३७२	बुढानिलकण्ठ-८, हात्तीगौडा	- ०१-४३७९१३८
डण्डा, कावासोती	- ०७८-४९८००२	इमाडोल, महालक्ष्मी-४	- ०१-५२०११४७
ओदारी, बाणगंगा	- ०७६-४१००३६	चाबहिल, काठमाण्डौं-७	- ०१-४४८७२२५