



मुक्तिनाथ विकास बैंक लि.  
MUKTINATH BIKAS BANK LTD.

जनता बैंकमा होइन, बैंक जनतामा जानु पर्दछ



Member of  
Global Alliance for  
Banking on Values

*We extend our sincere gratitude to our valued investors for choosing to invest in our Bank and wish to reassure you that we are committed to optimize returns on your investments through a sustainable growth. We present to you our 16th Annual Report which includes Bank's financial position, financial performance, cash flow among other pertinent information enabling you to make informed investment decisions.*

सर्वप्रथम हाम्रा लगानीकर्ता महानुभावहरूले आफ्नो लगानीका लागि यो बैंक रोज्नु भएकोमा यहाँहरूप्रति हार्दिक आभार प्रकट गर्दछौं र यहाँहरूको लगानीको बढी भन्दा बढी प्रतिफल सुनिश्चित गर्ने तर्फ हामी सदैव प्रतिबद्ध रहने छौं । बैंकको वर्तमान अवस्थाको बारेमा जानकारीको लागि यहाँहरू समक्ष सोह्रौं वार्षिक प्रतिवेदनमा वित्तीय स्थिति, वित्तीय कार्य सम्पादन, नगद प्रवाह लगायतका अन्य विवरणहरू प्रस्तुत गरेका छौं ।

## About the Report

### Our Approach to Reporting

This Annual Report endeavors to provide a holistic assessment of the Muktinath Bikas Bank Limited's financial and non-financial performance of FY 2078/79 which are aimed at transparently communicating our sustainable banking and value creation model to all our stakeholders. Further, a balanced picture of Muktinath's corporate governance, board and management structures, business policies, management systems and its commitment towards its stakeholders has been presented.

### Frameworks, Guidelines, and Standards

The statutory & financial reports presented in this report complies with the requirement of:

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

### Reporting Cycle

The information presented in this report pertains to the period from 1st Shrawan 2078 to 32nd Asar 2079 (16th July 2021 to 16th July 2022).

### Reporting Scope and Boundary

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

### Board and Management Assurance

The Report has been reviewed by the Board and the management. The Board of Directors and the Bank's management acknowledge their responsibility to ensure the integrity of information covered in this report. They believe, to the best of their knowledge, that this report addresses all material issues and presents the integrated performance of the Bank and its impact in a fair and accurate manner.

### Feedback

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



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



## Overview

1. Know Muktinath a little closely..	2
2. Vision, Mission & Values	5
3. Reflection to our Milestones	6
4. Key Financial Highlights	8
5. Non-Financial Highlights	9
6. Our Key Performance Indicators	10
7. Deposit & Loan Mix	12
8. Chairman's Message	14
9. CEO's Message	16
10. Organizational Structure	19
11. Board of Directors	20
12. Senior Management	22
13. Management Committee	24
14. Corporate Governance	26
15. Code of Conduct and Ethical Principles	37
16. Awards And Recognition	40
17. Our Responsibility, Your Right to Information	42
18. Bank's Request to the Shareholders	43

## Value Creation

1. Our Value Creation Approach	44
2. Our Value Creation Model	45
3. Value Added Statement	52
4. Market & Economic Value Added	53
5. Catalyzing our Culture of Success	54
6. Making a Difference, More Power to the Community	56
7. Risk Management	60
8. Internal Control Over Financial Reporting	62
9. Environment, Social & Governance (ESG)	64
10. IT Governance	67
11. Growing with Rural Community	68
12. सफलताको सारथी बन्यो मुक्तिनाथ विकास बैंक	69
13. Sustainable Strategies for Future	71

## Statutory Reports

1. Information on 16 <sup>th</sup> Annual General Meeting	75
2. Director's Report	79
3. Disclosure pursuant to Companies Act, 2063	91
4. Disclosure pursuant to Securities Registration and Issuance Regulation, 2073	94
5. Disclosure pursuant to the Directive related to Corporate Governance for Listed Companies, 2074	96
6. Letter of Approval from Nepal Rastra Bank	100
7. Board Response to Nepal Rastra Bank's Directions	101

## Financial Statements

1. Independent Auditor's Report	103
2. Consolidated Financial Statements	107
3. Notes to the Consolidate Financial Statements	115
4. Subsidiary Auditor's Report	185
5. Subsidiary Financial Statements	188





# Know **MUKTINATH** *a little closely. . .*

## Our Journey

Muktinath Bikas Bank started its operations from 3rd January 2007 in one of the remote locations of Nepal i.e., in Putalibazaar, Syangja as a Development Bank licensed by the Central Bank for rendering financial services to three districts namely Syangja, Kaski and Tanahun of western Nepal. Though the Bank started its journey as the Development Bank but the Bank has had a core vision of bringing socio-economic transformation in the life of especially downtrodden & financially poor people of society. So, with this vision & the reason in mind for coming into the existence not due to desire of the promoters only but primarily

due to the needs of local people also, the Bank started rendering both commercial banking services and financial services for small businesses as per the clientele's needs.

Thus, since the establishment, the Bank has been rooting and working for the deep-rooted values of Access to Finance & Financial Inclusion of the community with a core principle of "Janata Bank ma Hoina, Bank Janata ma Janu Pardachha." i.e. "People should not come to Bank; Bank should go to the doors of people". The Bank prioritized opening branches in the rural areas wherein the absence of any financial institution, people were

in dire need for Banking services. The customer-friendly products, and door-to-door service facility are the major factors for the Bank's popularity and success amongst the local populace of the area. Under small business solution model, the Bank started Microfinance Program in its host of services with starting a dedicated department at central office and branches to serve low income but high potential people with high productivity. For serving both the Commercial and Microfinance clients, the Bank had adopted exemplary mechanism which is believed to be first of its kind where two different technological systems cater to the business model of the





Bank by reaching out to both the urban and remote populace of the country for achieving the Bank's primary goal of inclusive financial transformation.

The Bank has come a long way as one of the leading National Level Development Banks from the then 10 district Development Bank and 3 district Development Banks in the inception. While the Bank continues to grow and expand in all the financially viable places, we remain steadfast in our dedication to serving our customers and our communities. From providing finance for projects of national interest, to supporting the private sector with value-added services with our sizable exposure in Micro and Rural Finance, we feel our Bank is logically deemed as one of the key catalysts for socio-economic transformation in the country. We take pride in our cutting-edge product lines and

dedicate resources to develop new and better ways to enhance the way the Bank functions. As our Bank continues to move forward, we're strengthening the bridge between strategy and sustainability. We stay agile and responsive as we adapt to, and help to create, new opportunities through our relentless pursuing of productive sector exposure, resource mobilization and technology adaptation. At the same time, we're anchored by fundamentals that don't change – beginning with our accountability to all Muktinath's stakeholders as we work to earn and retain their trust. The feeling of what we are and what we aim is crucial for our stakeholders and the promise we share and deliver will enrich toward our experience. So, we will always remain constant to create mutual beneficial relationships with all our stakeholders; Customers, Shareholders, Regulators,

Communities and Our people. The Bank's continuous and relentlessly effort in working towards achieving its core purpose of financial inclusion and access to finance amongst the rural populace was also internationally recognized in 2020 AD, when the Bank was awarded with the prestigious European Microfinance Award 2020. As of date, Bank has been recognized for its financial works with many awards and accolades which have in fact humbled the Bank with higher sense of responsibility and accountability for further better works in the days to come.

The Bank has a noticeable Balance Sheet size of NPR 121.08 billion (equivalent to USD 949.9 Million) with a footprint of 178 branch outlets with 22 ATMs spread across the country serving more than 1.19 million happy customers from diverse age, communities and ethnic groups.

## Our Business Models

Post pandemic followed by supply chain disruption, rising inflation, geopolitical stress causing big concern for food & energy security thereby ballooning inflation and rising interest rates, never ever a higher sense of realization is observed in the corporate world for the sustainability of businesses. Banking being no exception, Muktinath Bikas Bank has primarily focused on 6 dimensions, Finance, Operations, Technology, Organization, Business Model and Reputation in the Bank. Of this, it is understood that there is greater need to review and ensure the Business Model remains pertinent for the short-term

resilience and long-term growth in a sustainable way. Hence, in line with the original vision of the Bank for serving its clientele base, the Bank has business model under two major financial intermediation structures which are as below:

### 1. General Banking

Our General Banking wing offers a wide range of financial services to the general public and institutions from accepting of deposits, corporate and retail credit, project financing, hire purchase financing, trade financing, personal and corporate banking others ancillary services as being provided by the commercial banks. Overall, the objective of the General Banking is to provide a secure and

convenient way for individuals and businesses to manage and access their money, and to help facilitate financial needs.

### 2. Inclusive Banking

The unique model of the Bank provides Inclusive Financial Services which includes Micro Banking, Small Banking, Directed Banking, Impact (Partnership) Banking and Agriculture Cooperatives and Value Chain (ACVC) Banking. Offering of various types of suitable and affordable financial services to cater all corner of people is the core objective of Inclusive Banking established within the Bank.





## Commitment and Involvement

Muktinath Bikas Bank is a proud member of Global Alliance for Banking on Values (GABV) and endorses its Principles for Responsible Banking (UNEP Finance Initiatives), Smart Campaign and Social Performance Task Force (SPTF). The Bank believes in good governance and compliance as set by the regulators and the industry best practices. To ensure

the transparency and follow the inclusive governance, the Bank ensures disclosures of every material decision that is required to maintain the transparency and good corporate governance.

The Bank is fully committed to The Sustainable Development Goals as passed by UNGA in the year 2015. The Bank shall undertake everything possible

through its forces to achieve a better and more sustainable future for all which includes global matters related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 Goals are all interconnected, and in order to leave no one behind, it is important that we achieve them all by 2030.

## Our Ecosystem

Muktinath ecosystem is closely knitted group of companies whose services are complementary to each-other. While Banking continues to be our core business, over the years with a view to diversify the investment of the Bank, the Bank acquired substantial stake in the Muktinath Capital Limited and promoted Muktinath Krishi Company Limited.

1. **Muktinath Capital Limited** is one of the pioneer investment/merchant Banks of Nepal licensed by Securities Board of Nepal. It is principally engaged in merchant banking business and provided the services of Registrar to Shares, Issue Management, Underwriting, Depository, Portfolio Management Services and offer advisory services.

2. **Muktinath Krishi Company Limited** is a pioneer public company in the agriculture sector, was established in 2018 envisioning a gradual change in the value chain and supply chain of agri-inputs transforming the country towards the path of self-sufficiency. The present scenario exposes the transformation Nepalese agriculture is going through, from subsistence towards commercialization, mildly and gradually at a time. This is being achieved through advances in mechanization, better knowledge transfer, quality inputs (seeds, fertilizers, pesticides) availability, and better crop stand. MKCL is linked up with every point of chain

that is binding agricultural commercialization in Nepal. From seeds to the kitchen table, MKCL shows its valued presence.

Our group companies have strong synergies with us, thus enabling Muktinath Bikas Bank Limited to offer a wide range of financial products and services.





## Vision

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

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

## Mission

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

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

## Values

Goal Focused  
(लक्ष्यमा केन्द्रित)

Result Oriented  
(परिणाममुखी)

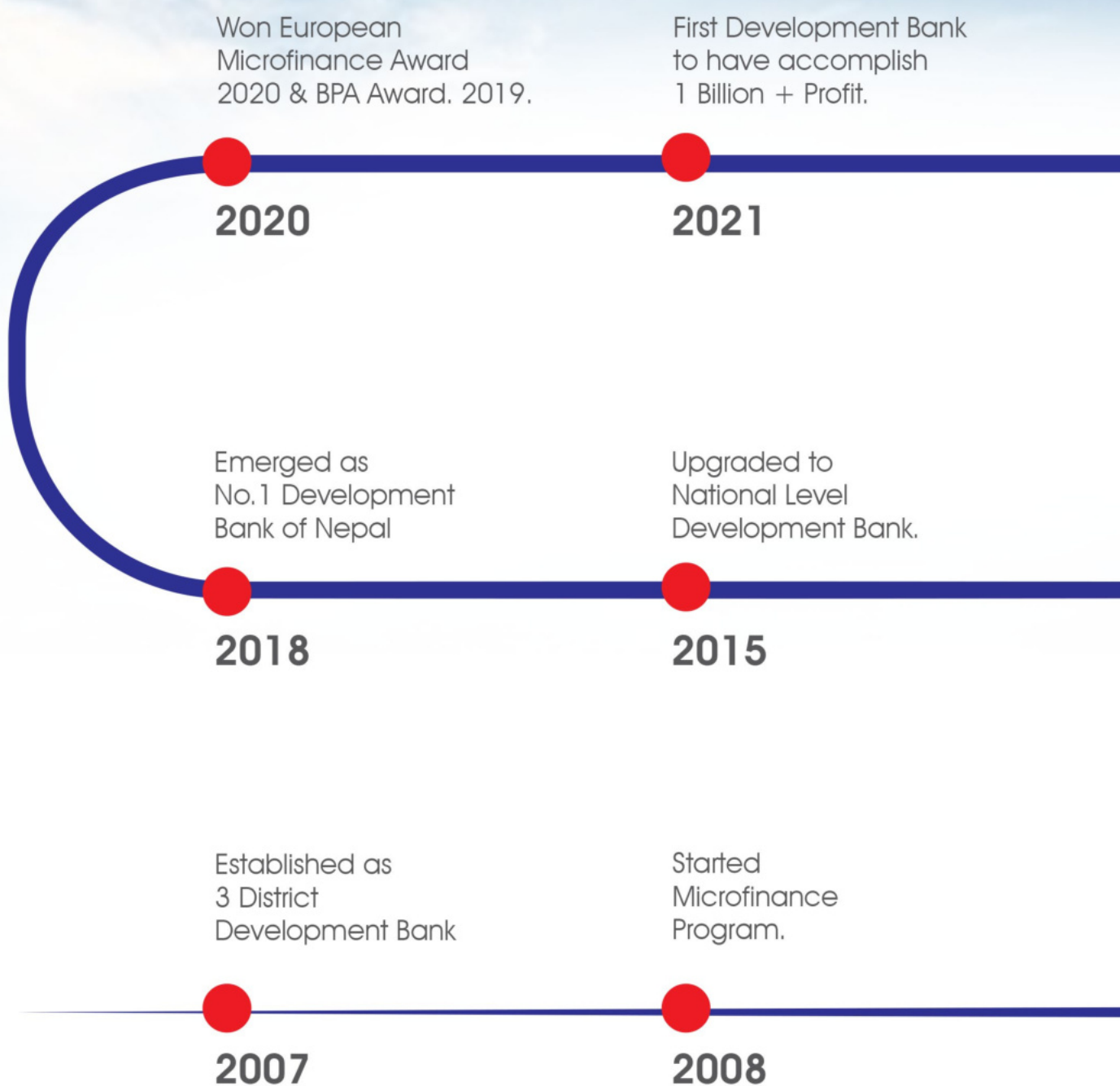
Ownership in the tasks  
(कार्यमा जिम्मेवारी)

Well-being  
(सर्वहित)





# Reflection of our Milestones



- 
- Crossed 100 Billion+ Deposit Base.
  - Won BPA Award 3 times in a row.
  - Won Certificate of Merit on South Asian Federation of Accountants (SAFA) BPA Awards.



**2022**

Upgraded to  
Ten District  
Development Bank.



**2012**

Crossed  
Business of  
NPR 1 billion.



**2010**



# Key Financial Highlights

*Numbers that define us*

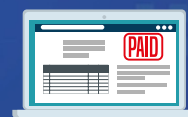
↑↑ **19.73%**  
BALANCE SHEET SIZE

NPR  
121.08 BILLION



↑↑ **17.58%**  
PAID UP CAPITAL

NPR  
5.66 BILLION



↑↑ **17.44%**  
DEPOSITS

NPR  
108.43 BILLION



↑↑ **17.77%**  
OPERATING PROFIT

NPR  
1.93 BILLION



↑↑ **17.19%**  
LOANS AND ADVANCES

NPR  
89.54 BILLION



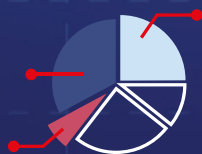
↑↑ **16.05%**  
NET PROFIT

NPR  
1.34 BILLION



↑↑ **11.80%**  
CAPITAL ADEQUACY RATIO

NPR



↑↑ **16.61%**  
RETURN ON EQUITY

NPR



↑↑ **23.72**  
EARNING PER SHARES

NPR



↑↑ **1.11%**  
RETURN ON ASSETS

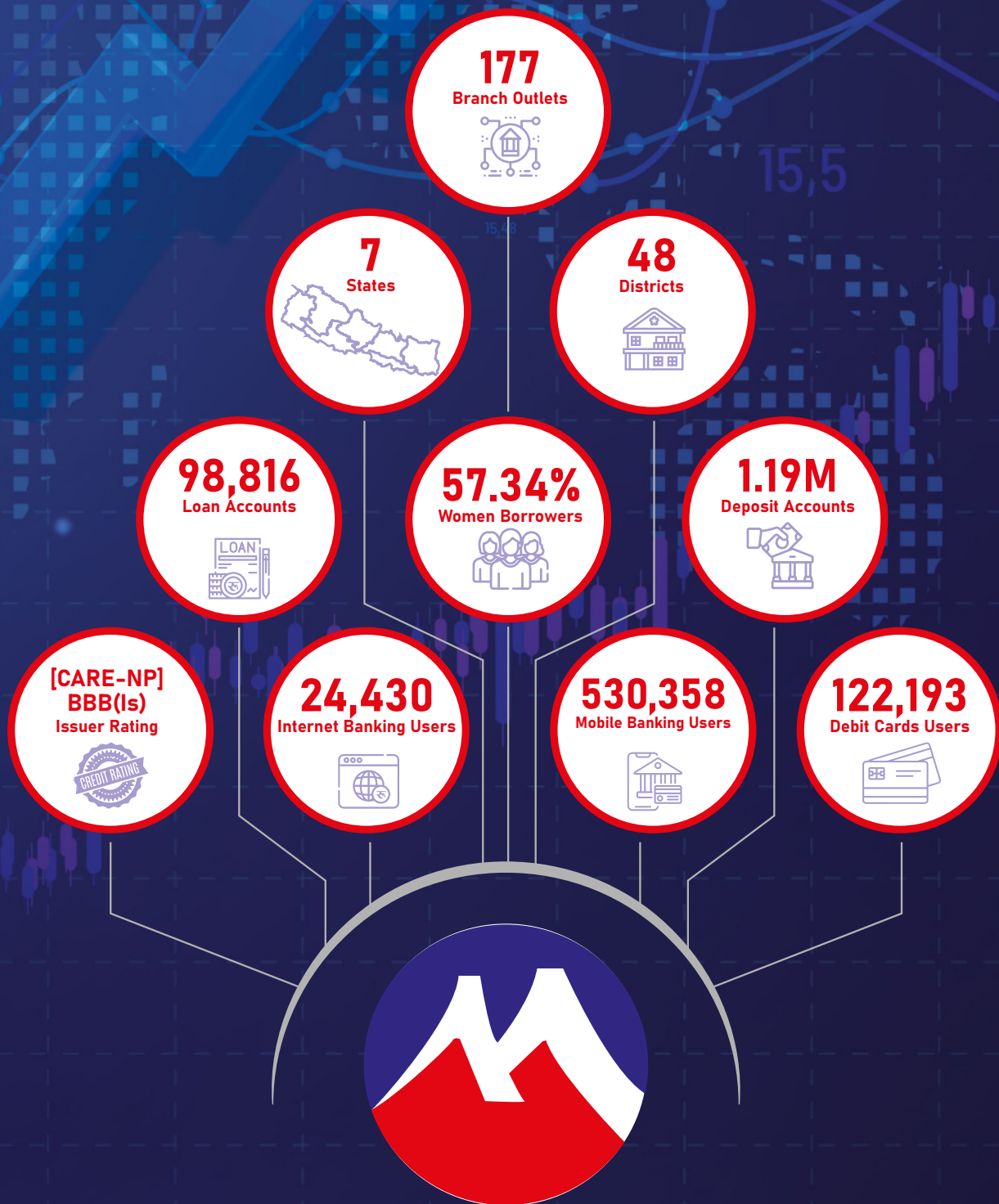
NPR





# Non-Financial Highlights

*Numbers that inspire us*



As on Asar End, 2079



# Our Key Performance Indicators

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

## Financial Position

### Balance Sheet Size (in Million)

FY 2078-79	121,083
FY 2077-78	101,127
FY 2076-77	66,348
FY 2075-76	51,991
FY 2074-75	34,766

Implies our resilience, consistency and growth with 5 Year CAGR of **43.95%**

### Paid-up Capital (in Million)

FY 2078-79	5,657
FY 2077-78	4,812
FY 2076-77	4,325
FY 2075-76	3,065
FY 2074-75	2,592

5 Year CAGR of **23.39%** when Industry CAGR is **22.39%**

### Deposits (in Million)

FY 2078-79	108,425
FY 2077-78	92,323
FY 2076-77	59,633
FY 2075-76	46,176
FY 2074-75	30,669

5 Year CAGR of **45.24%** when Industry CAGR is **16.69%**

### Loans (in Million)

FY 2078-79	89,539
FY 2077-78	76,403
FY 2076-77	48,265
FY 2075-76	38,144
FY 2074-75	25,169

5 Year CAGR of **42.65%**, when Industry CAGR is **18.98%**

## Financial Performance

### Net Interest Income (in Million)

FY 2078-79	3,330
FY 2077-78	2,789
FY 2076-77	2,259
FY 2075-76	1,895
FY 2074-75	1,311

Robust Net Interest Income Growth of **19.41%** on YOY basis on account of healthy loans growth in previous year.

### Net Profit (in Million)

FY 2078-79	1,342
FY 2077-78	1,156
FY 2076-77	707
FY 2075-76	856
FY 2074-75	624

Sustainable profit with **22.50%** average growth in 5 Year



## Profitability Ratios

### Earnings Per Share (in Rupees)

FY 2078-79		23.72
FY 2077-78		24.03
FY 2076-77		16.56
FY 2075-76		27.94
FY 2074-75		20.45

Backed by the sustainable returns with 5 Years Average EPS of **NPR 22.54**

### Returns on Equity (in Percent)

FY 2078-79		16.61
FY 2077-78		16.94
FY 2076-77		12.16
FY 2075-76		19.24
FY 2074-75		15.87

5 Years Average ROE of **16.17%** implying sound returns on equity

## Assets Quality

### Non-Performing Assets (in Percent)

FY 2078-79		0.21%
FY 2077-78		0.23%
FY 2076-77		0.26%
FY 2075-76		0.07%
FY 2074-75		0.004%

Best-in-Class Assets Quality

## Capital Adequacy

### Total Capital Fund/RWE (in Percent)

FY 2078-79		11.80
FY 2077-78		11.19
FY 2076-77		13.23
FY 2075-76		13.44
FY 2074-75		14.20

Healthy CAR to support the business growth

## Stock Performance

### Market Price Per Share (in Rupees)

FY 2078-79		439.90
FY 2077-78		657
FY 2076-77		312
FY 2075-76		370
FY 2074-75		378

### Market Capitalization (in Million)

FY 2078-79		24,885.94
FY 2077-78		31,611.89
FY 2076-77		13,493.97
FY 2075-76		11,339.61
FY 2074-75		9,796.87

### Price Earning Ratio (in Times)

FY 2078-79		18.55
FY 2077-78		27.34
FY 2076-77		18.84
FY 2075-76		13.24
FY 2074-75		18.48

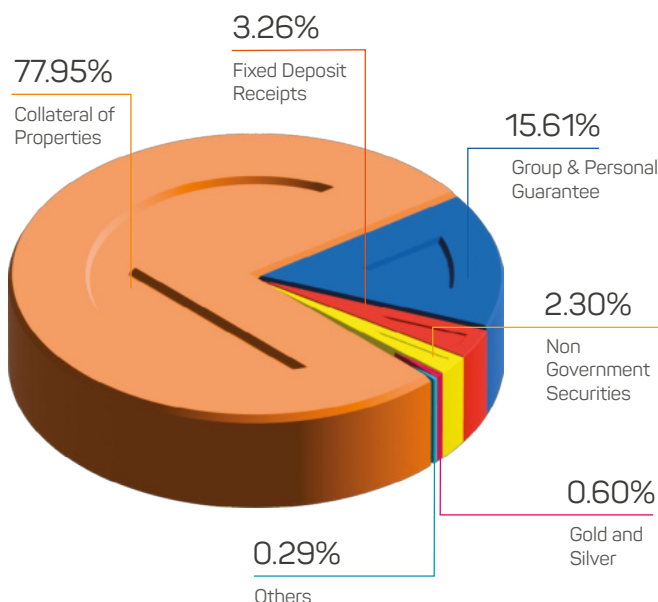






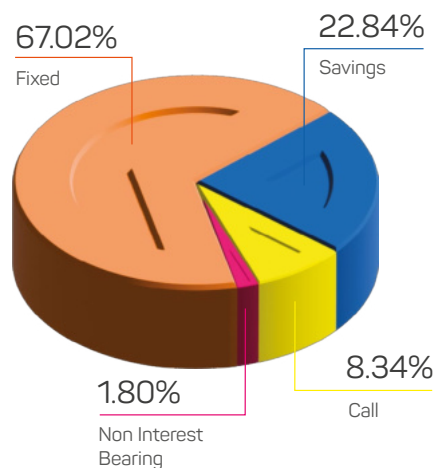
# Loan & Deposit Mix

## Loan Mix

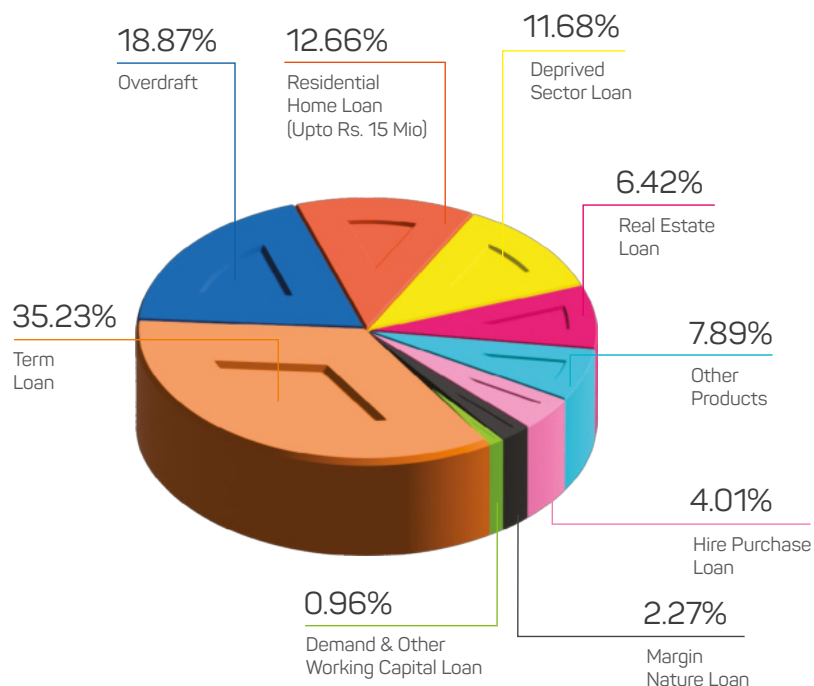


Collateral-wise Loans & Advances

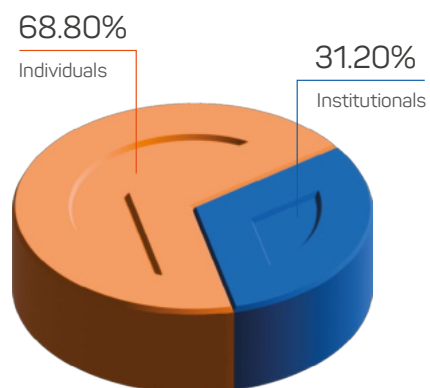
## Deposits Mix



Nature-wise Deposit Liabilities



Product-wise Loans & Advances



Type of Customer-wise Deposit Liabilities



# बचत

## शब्द छोटे अर्थ मिठो

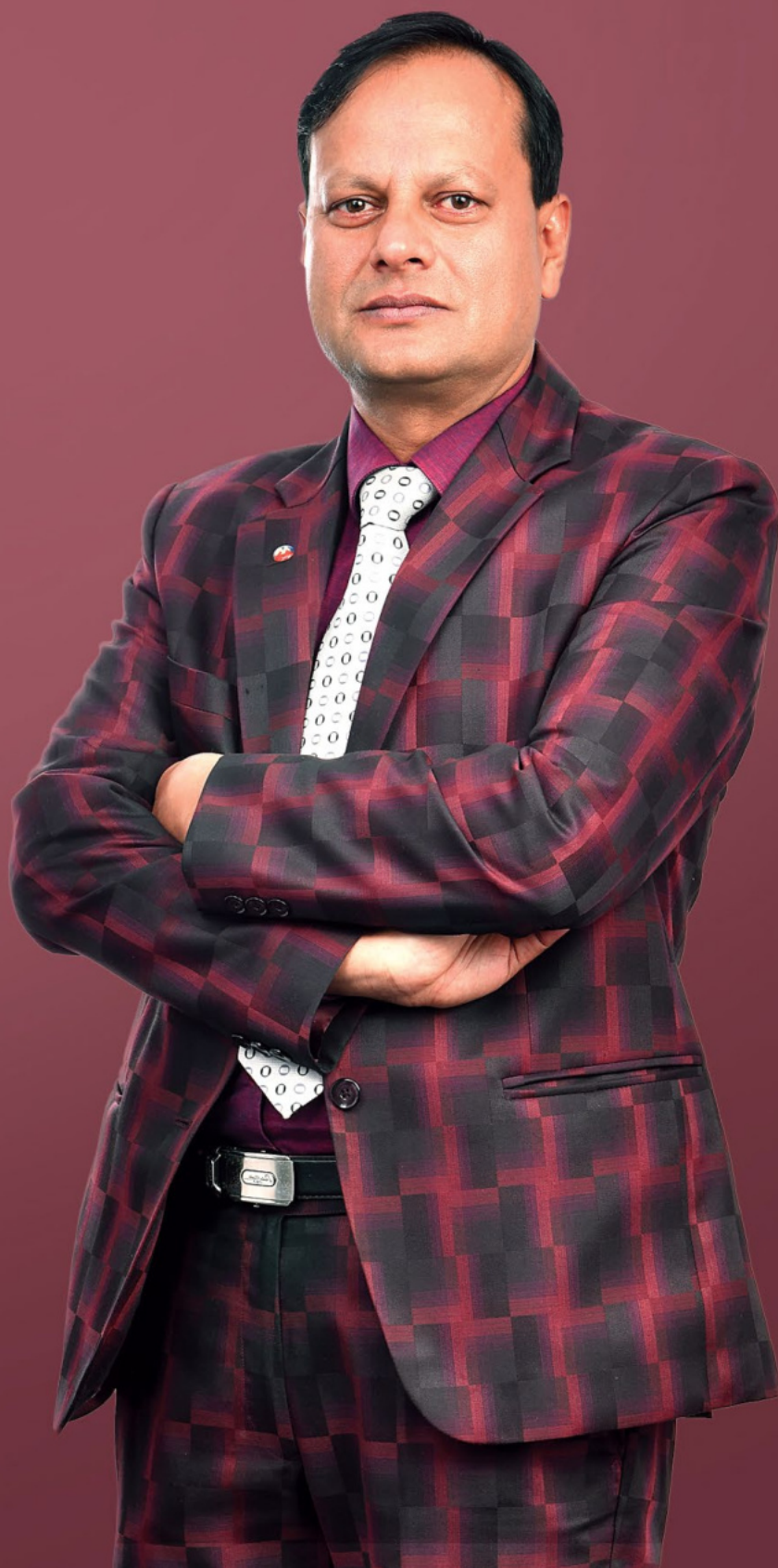




# CHAIRMAN'S MESSAGE

अध्यक्षज्यूको सन्देश

▼ The main focus of the Bank for the future is to create a sustainable business model which empowers all the stakeholders in creating positive impact on the overall socio-economic development in communities we operate in. ▼





**Dear Stakeholders,**  
**From crisis to sustainable growth.**

I hope you and your loved ones are doing well. For the past couple of years, we have been facing extraordinary circumstances & repercussions from events such as worldwide pandemic, supply chain disruptions, geopolitical tensions that have not only impacted individual but the global economy's well-being as well. However, even with the turbulent times, life has somewhat started to adjust to the new normal. Various measures by government and regulators have managed to continue the road to recovery for progress for the nation's economy. I believe we are at the cusp of sustained growth and opportunity for the country.

Coming to the Bank's performance, we have continued the execution of policies formation which further strengthened our position across sustainability metrics, while steadily pivoting towards growth. We persisted with our strong focus on deposit mobilization with 17.44% YOY growth. We have already achieved benchmark of collecting 100 billion plus deposit in the fiscal year 2078/79. The deposit growth was driven by granular retail deposits and especially fixed deposits, which grew faster than the overall deposits. On the loan book side, we remained watchful of the evolving operating environment and the tight liquidity scenario. Our loan growth for the year picked up by 17.19% Y-O-Y. With these growths our Balance sheet has grown over 19.73% driven by modernization, digital banking growth and maintained profit crossing NPR 1 Billion mark. More than 245,000 new customers were onboarded, and now we serve more than 1.19 million happy customers which seems promising to me as a

Bank. We announced many strategic collaborations with International Partners, gained awards like HRM Awards for Corporate Excellence, Certificate of Merit of SAFA BPA Awards 2021 and Corporate Business Excellency Award 2022 which have added many more feather in the crown. We continued to invest in our physical distribution network, and now we have 178 branch outlets all over the nation.

Post the pandemic, we have seen consistent shifts in customer behaviour towards digital and also felt the need for business automation reengineering. This has led us to invest further for business process automation which promotes productivity. Also, Bank has been delivering various additional online facilities to the customers which can reduce branch visits and hassles. The Bank is progressing well towards its delivering long term sustainable growth, as we have worked on execution on strategic priorities with focus,

We have always placed Governance, Transparency and Compliance as priority in all aspects of our work. Product Development and innovation is always taken on consideration while introducing new products and services. Considering the rising concerns of having necessary models and ecologically safe Bank, we have reviewed our operating strategy and business model to align with the UN Sustainable Development Goals (SDGs) as best as possible. With our CSR initiatives, we have focused to diversify the spending on different SDGs goals to serve as much diverse groups as possible. The CSR initiatives includes both our own initiatives and also in collaboration with various social organizations.

It is a matter of pride that our highly committed and capable workforce have worked hard to deliver the seamless banking in these tough operating environments. The Bank had invested to nurture all kinds of talent and promote innovation-centric work environment and creating an inclusive empowering and balanced work environment. The main focus of the Bank for the future is to create a sustainable business model which empowers all the stakeholders creating positive impact on the overall socio-economic development in communities we operate in.

What inspires us is the sense of purpose that are deliver in a sustainable way. We hold values that encourages us to become more ethical, reliable and transparent than ever. We now have a long growth runway ahead and I, along with the management team, of the Bank are committed to delivering on our strategic goals and driving long-term stakeholder value. I would also like to provide my sincere gratitude towards regulatory authorities for their constant support. My appreciation to my colleagues and members of the Board for guiding and supporting the management team in its endeavors. I would like to thank our associates, customers and stakeholders for their perseverance and support. We will continue to evolve and execute success throughout our ecosystem.

**Jay Muktinath!**

**Bharat Raj Dhakal**  
Chairman

# CEO's Message

प्रमुख कार्यकारी अधिकृतज्यूको सन्देश



Despite a number of obstacles, the Bank has kept up a competitive rate of expansion in terms of business, profitability and stakeholders value creation.

After completion of my first term on 31st Baishakh, 2079 and as I begin my second term as the CEO of this amazing organization, it is a great honor and a source of deep pride for me to write to you. In the aftermath of the unstable macroeconomic conditions brought on by the COVID-19 outbreak, I feel both honored and firmly committed to be the leader of and serve this Bank at this challenging time.

Let me present to you our 16th Annual Report for the fiscal year 2078–79 (2021–22), which among other data and facts includes Key Information about Muktinath, Our Value Creation Approach, Statutory Reports, Audited financials, apart from Our Governance Culture, Important Milestones, and other necessary Disclosures.

### **Economy in Overall**

When the global economic scenario post Covid-19 pandemic is analysed, there has been sequential impacts of Supply Chain Disruption during and post the pandemic thereby it raised the risk both in availability and price escalation of essential commodities including petroleum products globally. The condition further got aggravated with the start of Russia-Ukraine war since the beginning of 2022 which caused sharp rise in the prices of petroleum products and food items resulting in worldwide price rises and inflation. For combating the rising inflations, most of the Central Banks of major economies tightened up the monetary measures including hiking of policy rates which caused increasing interest rates in the financial system.

With the overall Foreign Trade of NPR 2,120 Billion with 26% growth over the corresponding period and Import & Export partaking 90.6% & 9.4% share respectively in the total Foreign Trade, Nepal has a Balance of Payment deficit by NPR 255 Billion in the year end of last fiscal year (i.e., 2078–79). In view of the highest CPI inflation of 8.08% during the period of last 6 years with the further possibility of inflation rise and with a purpose of taming the inflation, the Central Bank i.e., Nepal Rastra Bank has also adopted tighter monetary measures including raising of the policy rates which has resulted in hikes in the interest rates in the banking sector.

According to the Central Bureau of Statistics, the Nepalese economy is predicted to develop at a rate of 5.84% in terms of GDP. Strong domestic demand growth, pro-active fiscal policies, and an increase in tourism activity all contributed to the economy's recovery. However, it is anticipated that the broken supply chain and increase in petroleum and other commodities prices will drive up inflation and possibly put more strain on the balance of payments and foreign exchange reserve.

### **Banking Industry**

The entire liquidity situation was under pressure due to the unpredictable macroeconomic condition, rising imports, and hardly noticeable increases in exports and remittances. The Banks and Financial Institutions plan for business expansion has been impacted by the liquidity shortage, which started after the first quarter of the review period and is still present. Banks have to rely on money market

instruments to maintain enough liquidity and halt loan disbursement as a result of the assets-liabilities gap caused by reduced deposit formation compared to loan disbursement.

During the review period, deposits at banks and financial institutions (BFIs) rose by 9% to reach NPR 5,083 billion, while credit disbursements increased by 13% to NPR 4,621 billion. To maintain the liquidity, the BFIs mobilized NPR 476.39 billion through a repo and Rs. 9,170.11 billion under a standing liquidity facility (SLF) during the year.

### **Bank's Performance**

Despite a number of obstacles, the Bank has kept up a competitive rate of expansion in terms of business, profitability and stakeholders value creation. The followings were the significant accomplishments of this fiscal year:

- ❖ The size of the balance sheet expanded by 19.73% to reach NPR 121.08 billion, making it the development banks' strongest balance sheet.
- ❖ The portfolio of deposits crossed NPR 100 billion and was now worth NPR 108.43 billion, up 17.44% while the market increased by 8.84%.
- ❖ Our loan book has increased by 17.19%, reaching NPR 89.54 billion at a time when the market grew by 12.91%.



- ❖ The Bank posed the healthy growth of 17.77% in core operating profit and 16.05% profit after tax in fiscal year 2022 which reflect strong underlying performance. As of 16th July 2022, we reported a net profit of NPR 1.34 billion and an EPS of NPR 23.72, up from NPR 1.15 billion the previous year.
- ❖ The return on equity (ROE) and return on assets (ROA) both remained stable at 16.61% and 1.11%, respectively.
- ❖ The non performing assets as of year-end remained at 0.21%, which is one of the lowest in the industry.
- ❖ In the year under review, we added 15 branches and 4 extension counters, keeping with our ambition to serve a wide variety of clients and reach every corner of the country. As of year's end, we had 172 branches and 5 extension counters serving 1.19 million customers.
- ❖ The Bank was awarded with the Best Presented Annual Report Award -2021, now for three

times in a row by the Institute of Chartered Accountants of Nepal. Additionally, the Bank was recognized for corporate excellence with the HRM Excellence Award 2021 and was given an honorable mention in the SME Financier of the Year-Asia category of the Global SME Finance Award 2021.

### Going Forward

A fundamentally sound fiscal and monetary system is essential as the economy navigates an unprecedented situation brought on by rising fuel and commodity prices, global supply chain disruptions, the depletion of foreign exchange reserves, an increase in interest rates worldwide, and an increase in the frequency of natural disasters as a result of climate change. I am certain that the government and central bank will effectively and efficiently carry out their respective roles in stabilizing the economy.

In line with the Vision, Principles, Culture and Values system of the Bank, we will continue to focus on retaining our unique selling strengths

and resilience by upholding the prudent governance practices and financial discipline for a sustainable growth in our core business to meet the value based aspiration of our stakeholders.

### Last but not the least

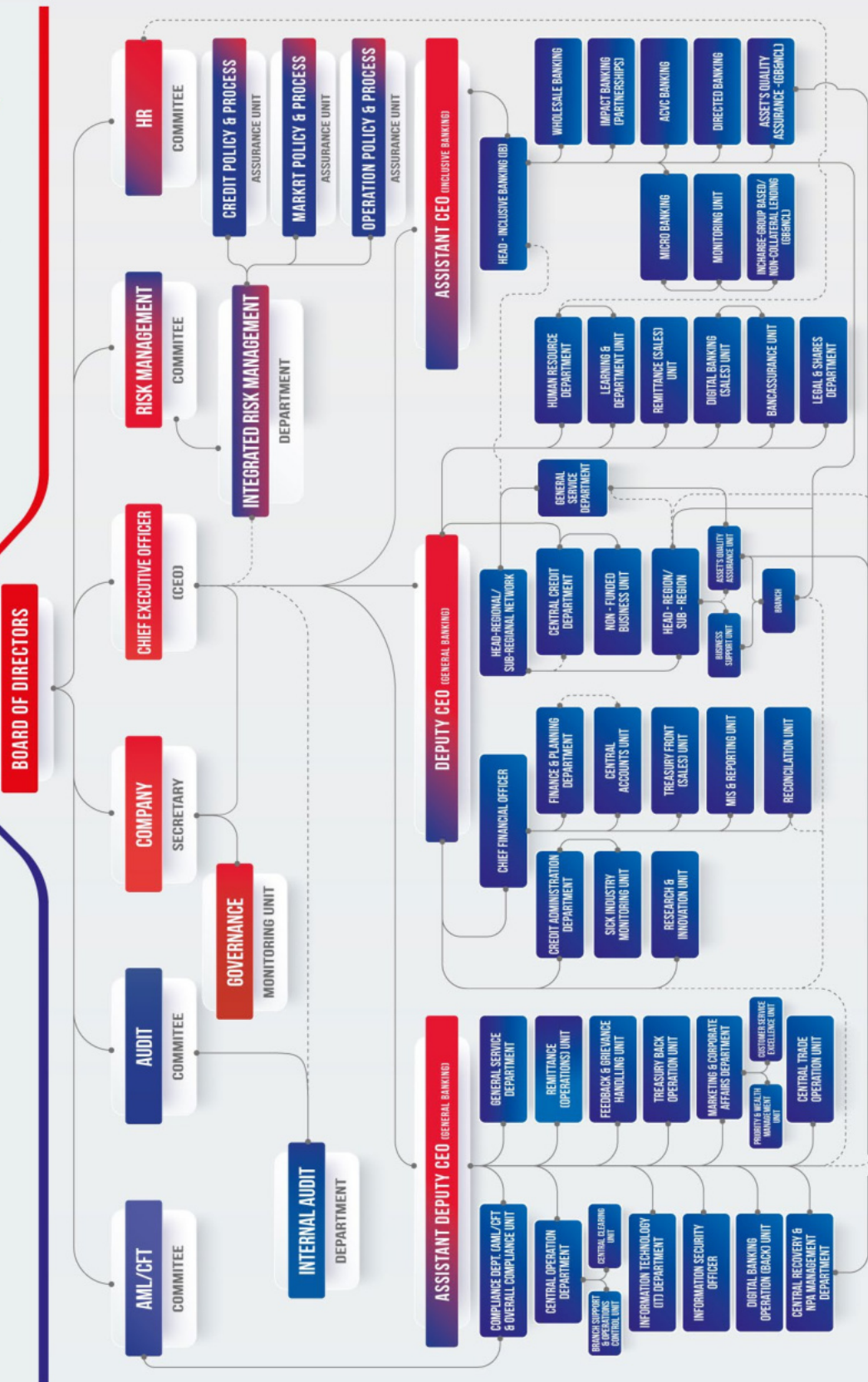
Finally, I'd like to use this opportunity to express my gratitude to all of our stakeholders, including our shareholders, clients, regulators, communities, and others, for their unwavering support. Most importantly, my gratitude also goes out to all the member of our Human Capital Bank for their exceptional professionalism, commitment, initiative for the sustainable growth and wellbeing of our institution and the stakeholders as a whole.

**Jay Muktinath !**

**Pradyuman Pokharel**  
Chief Executive Officer



# ORGANIZATIONAL STRUCTURE



# Board of Directors

सञ्चालक समिति

## **Bharat Raj Dhakal**

Chairman

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



## **Gajendra Man Shrestha**

Director

Resident of Nuwakot, Pioneer  
Businessman engaged in Pharma  
Industry and Business.



## **Rabindra Man Shrestha**

Director

Resident of Syangja, Pioneer  
Businessman engaged in Trading  
Business.





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

Director

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



**Shaligram Mishra**

Director

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



**Shyam Sundar Sharma**

Independent Director

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



# Senior Management

## उच्च व्यवस्थापन



**Pradyuman Pokharel**  
Chief Executive Officer

Resident of Birgunj, inspirational leader & professional banker with over 30 years of Banking experience.



**Samir Sekhar Bajracharya**  
Deputy Chief Executive Officer

Resident of Palpa, a profound Banker with banking and development sector experience over 24 years.





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

Resident of Syangja, an ingenious Banker with banking experience over 23 years.



**Govinda Bahadur Raut**  
Assistant Chief Executive Officer

Resident of Dang, an ingenious Banker with banking experience over 28 years in microfinance and development sectors.

# Management Committee

## व्यवस्थापन समिति

### Prem Thapa

Head Integrated  
Risk Management



### Baburam Dhakal

Head Region/  
Sub-Region Network



### Dandapani Dhakal

Head Legal & Shares/  
Company Secretary



### Vijay Kumar Gurung

Head Inclusive Banking



### Rashik Bhandari

Head Central Credit



### Binaya Ratna Shakya

Head Deposit Marketing



### Birendra Raj Bhat

Head General Services





# Management Committee

व्यवस्थापन समिति

**Sarbesh Shrestha**

Head Information  
Technology



**Dhurba Prasad Regmi**

Head Compliance  
& AML/CFT



**Shankar Baral**

Head Human  
Resources



**Ishwar Budhathoki**

Head Internal Audit



**Subash Dhakal**

Head Central Operations



**Sanjiv Poudel**

Officiating Chief  
Financial Officer







# Corporate Governance

*Performance led by Accountability & Transparency...*

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

## Our Corporate Governance Philosophy

At Muktinath, the strong, committed and diverse Board ensures the effective corporate governance across the organization. A

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

in creating the sustainable investor and stakeholder value, while remaining rooted to our value system.

## Corporate Governance Framework

The governance framework of our Bank is underpinned by its core values and the strength of its vision, mission, and the primary objective of delivering sustainable growth. The Bank is committed to strengthen this approach through adoption of best in class's philosophy, systems and processes in the realm of governance.



We adopt the following corporate governance framework to ensure that our actions align with our core values and mission:

### 1. Strategic & Financial Planning

The Bank has developed Five-Year Strategic Plan which serves as a blueprint of the Bank's next five-year journey. Further the annual strategies and financial planning are developed based on the recent and projected developments in the financial and economic sector to deliver the best returns to the shareholders.

### 2. Risk Management

The Bank has a Risk Management Committee with necessary framework to govern in identifying, tracking, monitoring and reporting risks that impact the Bank and its stakeholders.

### 3. Governance

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

### 4. Integrity & Transparency

With objective pursuit in delivering best to earn trust of our stakeholders, we ensure transparency and maintain a high level of integrity through timely and effective disclosures of the material matters.

### 5. Relationship with Stakeholders

We have systems for timely flow of information to keep our stakeholders abreast with the organisational activities.

### 6. Compliance

The Bank has a culture of adhering and ensuring all the compliances based on the ethical ground & regulatory requirement for protecting the stakeholder's interest.





## Board of Directors

Our Board of Directors comprise a great mix of expertise, professionalism, knowledge, diversity, experience and values. The composition of the Board is in compliance with the Section 14 of the Bank and Financial Institution Act, 2073 and comprises of 6 directors. Among 6 directors 3 directors are nominated from promotor shareholders, 2 from the public and 1 is the independent directors.

### Details of the Board of Directors

Particulars	Bharat Raj Dhakal	Gajendra Man Shrestha	Rabindra Man Shrestha	Shaligram Mishra	Nirmala Kumari K.C. Karki	Shyam Sundar Sharma
Position	Chairman	Director	Director	Director	Women Director	Independent Director
Represents	Promotor Shareholders	Promotor Shareholders	Promotor Shareholders	Public Shareholders	Public Shareholders	Independent
Date of Appointment	2076-08-30	2076-08-30	2076-08-30	2076-08-30	2076-08-30	2077-04-16
Appointed By	Shareholders in AGM	Shareholders in AGM	Shareholders in AGM	Shareholders in AGM	Shareholders in AGM	Board of Directors
Term	1st	2nd	1st	1st	1st	1st
Tenure in Board	2 Years 7 Months	6 Years 7 Months	2 Years 7 Months	2 Years 7 Months	2 Years 7 Months	1 Years 11 Months
Shareholding %	1.56%	0.91%	0.23%	0.01%	0.008%	Nil

### Board Meetings and its Procedure:

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

are also attended by the Business Heads, Risk, Audit and Compliance Heads, Chief Financial Officer and other Department Heads on need basis. The Board usually meets at least once in a month to review the Bank's performance and financial results, to consider business strategies, and their implementation, and also to review credit proposal above the delegated limit, risk, audit, control, compliance and other related matters. The Board sets both long-term strategic & annual performance objectives, oversees the

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

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

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

During the financial year under review, 24 numbers of board meetings were held and following were the attendance details of the directors:





S.N.	Date	Medium	Bharat Raj Dhakal	Gajendra Man Shrestha	Rabindra Man Shrestha	Shaligram Mishra	Nirmala Ku-mari K.C. Karki	Shyam Sundar Sharma
1	2078-04-18	Virtual						
2	2078-04-24	Virtual						
3	2078-05-20	Virtual						
4	2078-06-06	Physical						
5	2078-06-17	Virtual						
6	2078-07-12	Physical						
7	2078-08-03	Virtual						
8	2078-08-19	Virtual						
9	2078-09-09	Physical						
10	2078-09-16	Physical						
11	2078-09-30	Virtual						
12	2078-10-14	Virtual						
13	2078-11-03	Physical						
14	2078-12-01	Physical						
15	2078-12-14	Physical						
16	2078-12-28	Physical						
17	2079-01-20	Physical						
18	2079-01-23	Virtual						
19	2079-02-12	Physical						
20	2079-02-25	Physical						
21	2079-03-04	Physical						
22	2079-03-17	Physical						
23	2079-03-30	Physical						
24	2079-03-31	Physical						

### Meeting Allowances to the Directors

The Board members are provided with the meeting allowances for attending the meetings which is approved by the shareholders in the Annual General Meetings, Registrar of Companies and Nepal Rastra bank. In the year under review, the following sitting fees as approved by 13th and 15th Annual General Meetings are provided to the Directors:

Dates	Sitting Fees to	
	Chairman	Directors
From 1st Shrawan to 13th Magh 2078	10,000	9,000
From 14th Magh 2078 to 32nd Asar 2079	13,000	12,000

Accordingly, the following allowance were provided to the directors:

Particulars	Till 13th Magh 2078		After 13th Magh 2078		Total	
	Numbers	Fees	Numbers	Fees	Numbers	Fees
Bharat Raj Dhakal	11	10,000	13	13,000	24	279,000
Gajendra Man Shrestha	11	9,000	13	12,000	24	255,000
Rabindra Man Shrestha	11	9,000	12	12,000	23	243,000
Shaligram Mishra	11	9,000	11	12,000	22	231,000
Nirmala Kumari K.C. Karki	10	9,000	9	12,000	19	198,000
Shyam Sundar Sharma	11	9,000	8	12,000	19	195,000
<b>Total</b>						<b>1,401,000</b>

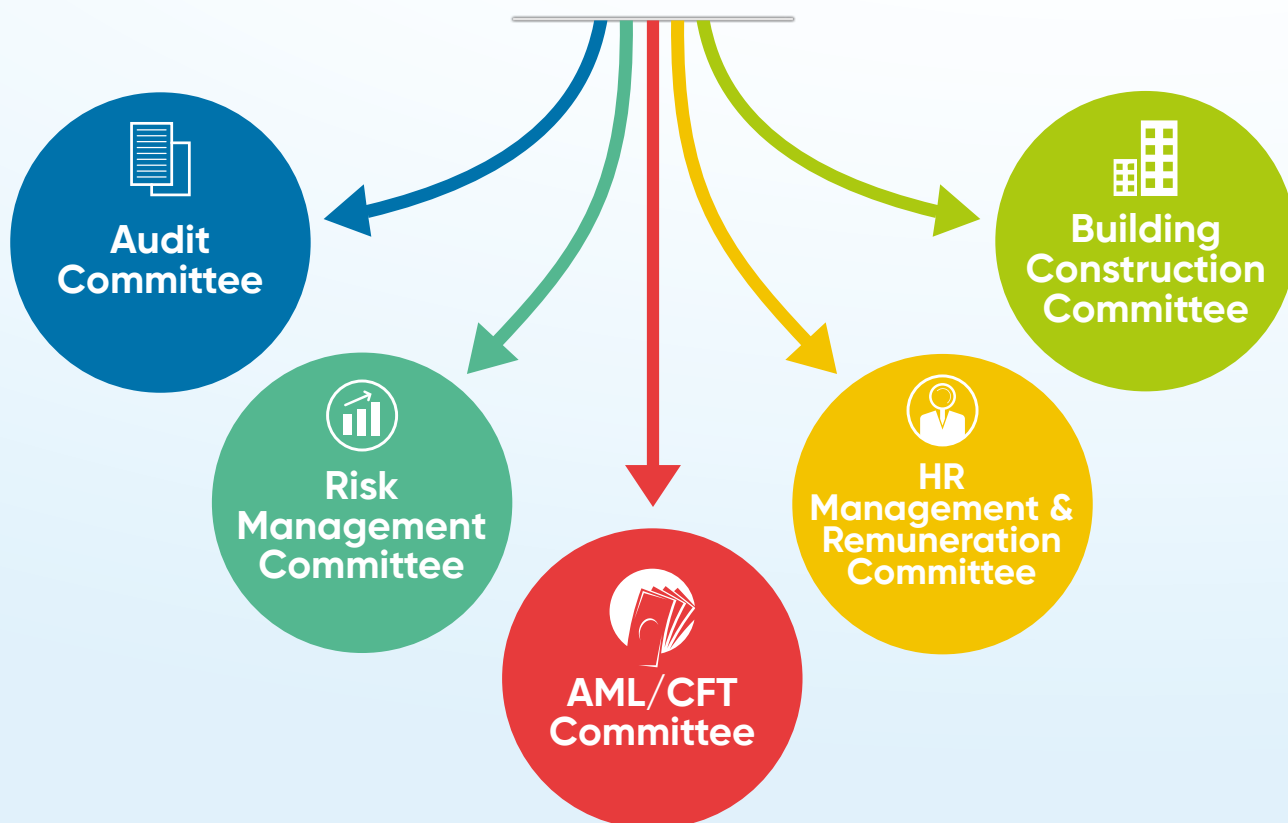




## Board Committees

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

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





## AUDIT COMMITTEE

Audit Committee has been constituted in compliance with the regulatory provisions of NRB Unified Directives, the provisions of Section 164 and 165 of Companies Act, 2063 and the provisions of Section 60 of Bank and Financial Institution Act, 2073. The Audit Committee assists the Board in its responsibility in dealing with aspects of good corporate governance, internal control, risk management, financial reporting, legal and regulatory compliance and ethical conduct of business.

### Terms of Reference

The terms of reference of this Committee are as follows:

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

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

The Committee comprises of three members which includes two directors nominated by Board of Directors and Head of Internal Audit Department as Member Secretary. The committee meets regularly to discuss and oversee the issues highlighted by the Internal Audit Department. The Audit Committee meets at least once a quarter and additionally on a need basis to discharge its responsibility conferred by the statute and NRB Directives.

The following is the composition, attendance and allowance details of the Audit Committee for FY 2078-79:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Gajendra Man Shrestha	Director	Coordinator	8	100%	42,500
Shaligram Mishra	Director	Member	8	100%	38,500
Ishwar Budhathoki	Head- Internal Audit Department	Member Secretary	8	100%	Nil







### Activities of the Committee during the year

- ❖ Monitored the progress of the initiatives taken by the Internal Audit Department to improve internal control monitoring process and effectiveness of the internal audit.
- ❖ Approved the Internal Audit Plan and reviewed the effectiveness of the implementation of the plan throughout the year.
- ❖ Reviewed the independence, objectivity, and performance of the internal audit function as well as the adequacy of the department's resources.
- ❖ The Audit Committee of the Bank reviewed the internal control issues identified by the Internal Audit Department, the external auditor and regulatory authorities and evaluates the adequacy and effectiveness of the risk management and internal control systems.
- ❖ The committee recommended the name and remuneration for appointment of Statutory Auditor for FY 2078-79.
- ❖ The committee reviewed the annual financial statements of the Bank.
- ❖ The comments made by the External Auditors with regards to the internal control system were reviewed during the year and checked whether appropriate steps have been taken to rectify them.



### RISK MANAGEMENT COMMITTEE

The Risk Management Committee is formed pursuant to the Clause 7(3) of the NRB Unified Directives No. 5. The committee is constituted by the Board of Directors to assist them in the identification, evaluation and mitigation of risks. The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Bank.

#### Terms of Reference

The terms of reference of this Committee are as follows:

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



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

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

The following is the composition, attendance and allowance details of the Risk Committee for FY 2078-79:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Rabindra Man Shrestha	Director	Co-Ordinator	4	100%	22,500
Gajendra Man Shrestha	Director	Member	4	100%	20,500
Til Bahadur Gurung	Chief Operating Officer	Member	4	100%	Nil
Prem Thapa	Head- IRMD	Member	4	100%	Nil

### Activities of the Committee during the year:

1. Reviewed of the Credit Risk, Operation Risks, Market Risks and other reports prepared by the Risk Management Department.
2. Reviewed and suggested on the Contingency Plan, Valuation Guidelines, Liquidity Management Frameworks and other policies.
3. Discussed on inherent risk of deposit portfolio of the bank, increasing cost of funds. and suggested to improve the composition of retail deposit and improve CASA to control costs.
4. Reviewed the ICAAP, computation and projection of CAR to identify its impact on the future business.
5. Discussed on the recent changes in the regulatory requirement, implementation status and its impact.
6. Reviewed the assets quality of the bank including the detailed analysis on the non- performing, watchlist and overdue accounts.
7. Monitored and reviewed the likelihood of the impact of the ongoing liquidity risk in the industry.
8. Assessed and monitored the post disbursal of loans verification methodologies and suggested the management to increase the post disbursal revision and verification.
9. Reviewed the agendas discussed in the Assets Liability Committee (ALCO) and its effectiveness.
10. Reviewed the risk associated with the staff turnover.
11. The Committee presented regular risk related reports to the Board for its consideration.





## AML/CFT COMMITTEE

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

### Terms of Reference:

1. Review implementation status of AML/CFT framework in the Bank.
2. Check the implementation status of NRB-FIU issued FATF Recommendations, Internal Policies and procedures for better control measures.
3. Review issues relating to AML/CFT and discuss on Assessment, Measurement, Monitoring and Control of various related risks along with use of our AML software for various automatic monitoring purposes.
4. To perform any other tasks as required by Bank and Financial Institution Act, 2073, Asset Money Laundering Prevention Act, 2064, Asset Money Laundering Prevention Rules, 2073, NRB Directives and Board of the Bank from time to time.
5. Present quarterly progress report to the Board after due assessment of activities carried out by the AML/CFT Department.

### Composition, Meeting, Attendance and Allowance of Committee:

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

The following is the composition, attendance and allowance details of the AML/CFT Committee for FY 2078-79:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Shaligram Mishra	Director	Coordinator	4	100%	30,000
Prem Thapa	Head IRMD	Member	4	100%	Nil
Bishwa Raj Ghimire	Head Compliance	Member Secretary	4	100%	Nil

\*Mr. Bishwa Raj Ghimire retired from service of the bank on 15th Baishakh 2079.

### Activities of the Committee during the year:

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







## HUMAN RESOURCES MANAGEMENT & REMUNERATION COMMITTEE

The formation of the Human Resources Management & Remuneration Committee is in line with the provisions set forth in the "Employee Service Bylaws 2068" of the Bank. The Human Resources Department is responsible for managing the administrative function of this committee.

### Terms of Reference:

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

### Composition, Meeting, Attendance, and Allowance of Committee:

The committee is composed of three members; the non-executive director, the Chief Financial Officer, and the Head of the Human Resources Department. It meets as needed to accomplish its responsibilities.

The following is the composition, attendance, and allowance details of the Human Resources Management & Remuneration Committee for FY 2078-79:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Nirmala Kumari KC Karki	Director	Co-ordinator	2	100%	12,500
Pradyuman Pokharel	Chief Executive Officer	Invitee	2	100%	Nil
Sandeep Kumar Dahal*	Chief Financial Officer	Member	1	100%	Nil
Sanjiv Poudel**			1	100%	Nil
Krishna Kumar KC	Head- Human Resource Department	Member- Secretary	2	100%	Nil

\*Resigned w.e.f 17<sup>th</sup> Baishakh 2079 and \*\*appointed w.e.f. 18<sup>th</sup> Baishakh 2079

### Activities of the Committee during the year:

1. Recommended to the Board for its approval, the corporate position wise additional staff enrollment for the FY 2078-79.
2. Recommended the approval of the Board, the renewal of the contract of the Chief Executive Officer of the Bank for 4 years with effect from 1st Jestha 2079.
3. Reported to the Board the remuneration structure of the industry vis-à-vis the Bank and its possible impact.
4. Recommended to the Board for its approval the revision on the staff remuneration and benefits for the FY 2079-80 based on the industry wide study and analysis.





## BUILDING CONSTRUCTION MONITORING COMMITTEE

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

### Terms of Reference:

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

### Composition, Meeting, Attendance and Allowance of Committee:

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

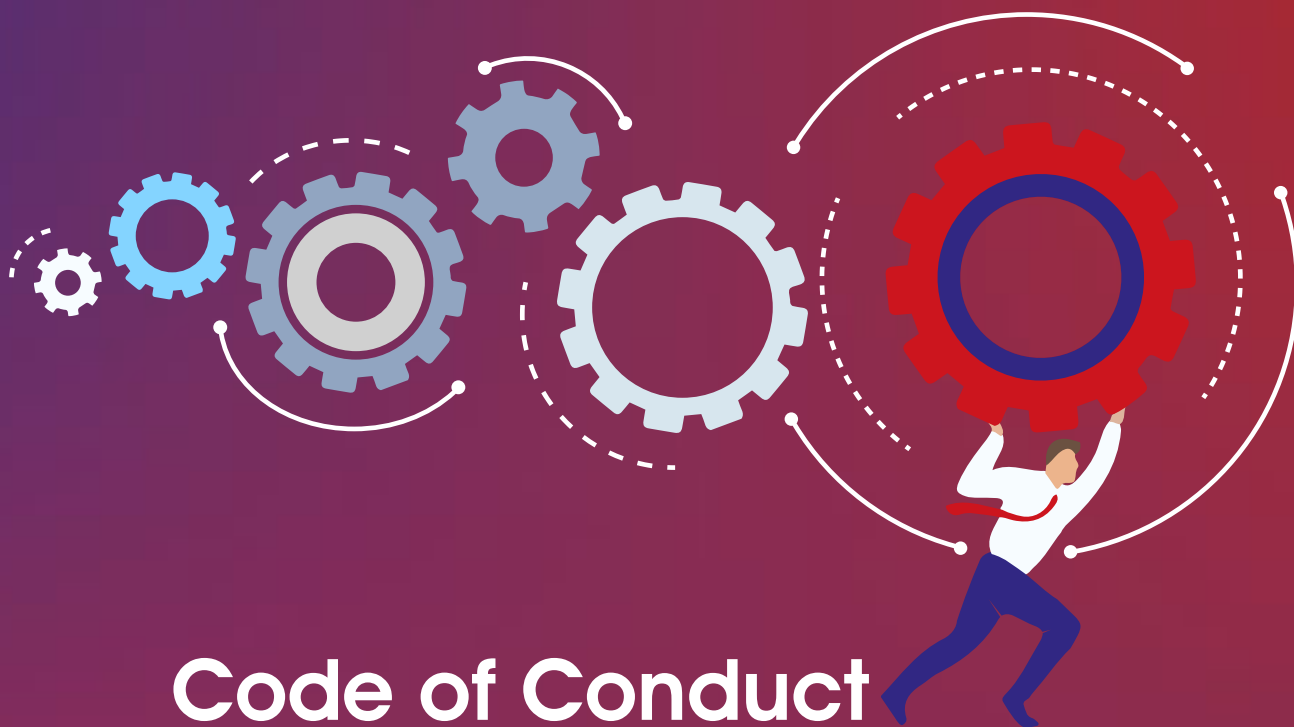
The Building Construction Monitoring Committee's composition, attendance, and compensation information for FY 2078-79 is as follows:

Members of Committee	Designation	Position	No. of Meetings	Attendance	Sitting Fees
Shaligram Mishra	Director	Co-ordinator	10	91%	40,000
Khim Prakash Malla	Permanent Invitee	Expert Member	5	45%	27,000
Pradyuman Pokharel	Chief Executive Officer	Member	9	82%	Nil
Til Bahadur Gurung	Chief Operating Officer	Member- Secretary	10	91%	Nil
Birendra Rajbhat	Head- General Service Department	Member	11	100%	Nil
Consultant Representative	Permanent Invitee	Representing Consultant	9	82%	Nil
Contractor Representative	Permanent Invitee	Representing Contractor	6	55%	Nil

### Activities of the Committee during the year:

1. Monitored the construction works of the building and reported the progress status to the Board.
2. Supervised the construction process to ensure the quality of materials used and work done.
3. Coordinating with different stakeholder for building construction.
4. Evaluated the market scenario to facilitate the smooth construction work.





# Code of Conduct and Ethical Principles governing our way of doing business:

Being the responsible financial institute, we place our reliance on our core values which are the guiding principles of how we work. The core values have been set in which employees operate and conduct business with the various stakeholders of the Bank. Our core values have been specified as Goal Focused, Result Oriented, Ownership in the tasks, and well- Being. We focus on achieving results that add the best possible value for all our stakeholders while delivering accurate, reliable, and customer-friendly products and services. We lead with a service mindset, enabling us to

anticipate and adapt to the needs of our clients and customers by delivering thoughtful and innovative solutions. We hold ourselves accountable to the highest ethical standards, insisting on transparency and vigilance from our people as we learn from our experiences. We aspire to nothing less than excellence, consistently striving for exceptional performance and achieving outstanding results for our clients, our shareholders, and our firm.





## Code of Conduct

At Muktinath, the Code of Conduct is designed to ensure that we conduct ourselves ethically and with integrity as required by the Bank's policies and procedures. The code also articulates what our bank stands for and what we want our culture to be. We want to foster an environment that is open and diverse, where our employees and the bank's success is built on respect, collaboration, and teamwork in serving our clients, stakeholders, and communities. Acting according to these standards is vital for us to be a bank that achieves sustainable success.

Our customer focus is one of the characteristics that distinguishes us from our competitors. We do what's right for our customers by helping them make informed

financial decisions and being honest and fair in our dealings and communications with them. We safeguard the customer's interest by protecting customer confidential information and data and prompt response to customer complaints and treating all customers in a fair, consistent, and responsible manner.



**Employees at Muktinath always value and support one another. We believe everyone on our team is important and deserves respect. We treat one another with fairness and dignity; we do not tolerate discrimination, harassment, or intimidation. When working with others, we let them know that they are expected to act in a manner consistent with our sense of fair treatment and equal opportunity. We respect, honor, and appreciate one another.**



Each one of us at Muktinath is responsible for the values, and for maintaining and enhancing the culture that we have built. We act with integrity and transparency in all our transactions and work with fairness to solve the challenges faced by our stakeholders. We lead by example, always, and pursue excellence in all our fields that helps us make a difference – to ourselves and to everyone with whom we interact. The Code forms the guidelines by which we lead our lives at work. It helps us take the right decisions, especially during challenging or ambiguous times. More than anything, it's important that we raise our concerns whenever we spot a violation of the Code, as the responsibility of upholding the Code lies with us.

## Anti-Corruption Measures

Muktinath Bikash Bank follows a zero-tolerance policy with regard to bribery, fraud, theft, and other forms of corruption. The integrity of our employees is the foundation for the trust placed with us by our customers, and other stakeholders.

The Code of Conduct applicable to all of the employees reflects both expected standards and high expectations of our shareholders. The Code of Business Ethics describes how we fulfill ethical

and legal responsibilities internally. It incorporates what to do and not to do to avoid conflicts of interest, gifts and lobbyists as well as for other areas of law, sanctions and fair competition.

The internal whistleblowing as per AML/CFT Policy lays out how employees can confidentially and anonymously make a whistleblower report regarding corruption and bribes, conflicts of interest. It also specifies how cases are handled and defines special protection for whistleblowers.

Our comprehensive compliance management system includes policies, audits, and trainings as the risk management tools to avoid these sorts of misdoings. The system aims to enhance business ethics policies throughout the Bank and to ensure their correct implementation. Both external and internal risk factors, in particular changes in the regulatory framework, as well as recent developments or incidents are monitored on an ongoing basis to evaluate their possible impact on the Bank's current risk exposure.



## Ethical Principles

While conducting the business, Muktinath Bikas Bank follows the following ethical principles to ensure the highest business standards:

1

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

2

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

3

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

4

Our business should respect the interests of and be responsive to all its stakeholders.

5

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

6

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





# AWARDS & RECOGNITIONS !!!

## HONORABLE MENTION IN SME FINANCIER OF THE YEAR-ASIA OF GLOBAL SME FINANCE AWARDS 2021

Global SME Finance Forum recognized Muktinath Bikas Bank and awarded with the Global SME Finance Awards 2021 SME FINANCIER OF THE YEAR-ASIA HONORABLE MENTION with distinction serving IDA Countries and fragile and conflict affected situations.



## BEST PRESENTED ANNUAL REPORT (BPA) AWARD 2020

The Institute of Chartered Accountants of Nepal (ICAN) has been holding an annual award competition for the Best Presented Annual Report (BPA) Award since 2003 AD. Muktinath Bikas Bank was able to grab the Best Presented Annual Report Award for the fiscal year 2076-77(BS) for the second year consecutively. The award was received by the Bank, among the category for development banks and financial institutions for its exemplary presentation of the financial report for the review period. CEO of the Bank Mr. Pradyuman Pokharel received the award amid a program.







## HRM AWARDS FOR THE CORPORATE EXCELLENCE 2021

Corporate Club Nepal handed over the HRM awards for the corporate excellence 2021 For best financial services to amid a program in Kathmandu on January 23, 2022. The award was received by CEO of the bank Mr. Pradyuman Pokharel while Members from senior management team and head of departments were on attendance.



## CORPORATE BUSINESS EXCELLENCE AWARD 2022

Muktinath Bikas Bank was awarded with the "Corporate Business Excellency Award" as BEST DEVELOPMENT BANK for the year 2022 amid a program in Kathmandu on July 19, 2022, organized by Corporate Magazine. The award was received by CEO of the Bank Mr. Pradyuman Pokharel while members from the senior management team and other staff members were in attendance.

We feel overwhelmed and privileged to receive the mentioned awards & recognitions during this FY 2078/79.





# Our Responsibility

## *Your Right to Information*

The Bank maintains the transparency by communicating appropriately and on timely basis through different means to its stakeholders. The Bank believes that every stakeholder has the right to information in line with the statutory's requirement. In order to comply and also to make sure that information regarding the Bank is properly available.

### **Investor Relations & Disclosures**

Bank's quarterly highlights, Annual reports, Base Rates, Interest spread rate, Interest rates and other principal indicators are available at Bank's website. Anyone wanting to view this can directly log on to [www.muktinathbank.com.np](http://www.muktinathbank.com.np) and see investor relations and disclosures and access to all the information easily.

### **Notices**

Bank publishes various notices such as procurement notice, sealed bids, recovery related notice, vacancy announcement, right to information, etc in national dailies and Bank's websites on regular basis. All the notices are updated regularly on notice section of Bank's website which can also be easily accessed.

### **News and Press Release**

Bank from time to time releases different press materials regarding Bank's activities, new product launches and so on. All of which are easily accessible in news section of the Bank's website

[www.muktinathbank.com.np](http://www.muktinathbank.com.np)

### **Social Media Platforms**

Bank is also active in various social media updating about various products and services

of the Bank. Interested people can join Bank's official Facebook page, Viber Community and other social media platforms and get acquainted with Bank's latest offers, facilities, services and other updates.

### **Information Officer and Grievance Handling Officer**

Anyone seeking information of the Bank can also directly contact the appointed Information Officer of the Bank. And in case the concern wants to submit their grievances, appointed Grievance Handling Officer can also be directly accessed as well. The contact details of the appointed Information Officer and Grievance Handling Officer are placed in all the branches of the Bank and also in contact section of Bank's website.



## Bank's Request to the Shareholders

### 1. Dematerialization of Shares

Shareholders are requested to convert their physical holdings into dematerialised form and avail the benefits of dealing in shares in demat form to avoid of risks associated with physical certificates such as forged transfers and fake certificates. Shareholders may contact our RTS for dematerializations of the shares.

### 2. Update Bank Details to Claim the Cash Dividend

The Bank has dividend of NPR 17.72 million which is still remaining unpaid as the shareholders have either not update the Bank accounts details or update the wrong bank details in their Demat Accounts. Accordingly, Shareholders are requested to update their Bank Details to claim the cash dividend.

### 3. Update Permanent Account Number in Demat

The shareholders are requested to update the PAN details in Demat as this is also required by the Securities Exchange Board of Nepal.

### 4. Update Contact Details in Demat

The contact numbers of the shareholders are being used to communicate the shareholders regarding the AGM/EGM dates and other pertinent information. So, the Shareholders are request to update the contact details in their Demat Account.

### 5. Monitor Holdings Regularly

Demat account should not be kept dormant for a long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.

### 6. Feedback

Your feedback is valuable to us to help us serve you better. Shareholders are requested to give us their valuable suggestions. Please mail us your feedback to [info@muktinathbank.com.np](mailto:info@muktinathbank.com.np).

## सेयरधनीज्यूहरूलाई बैंकको अनुरोध

### १. सेयर अभौतिकीकरण गर्न

सेयर अभौतिकीकरण गर्न बाँकी सम्पूर्ण सेयरधनीहरूलाई आफूसँग रहेको भौतिक सेयरलाई अभौतिकीकरण (डिम्याट खातामा जम्मा) गरी विभिन्न खालका जोखिमहरूबाट बच्न र सेयर कारोवारलाई सहज गर्न अनुरोध गरिएको छ । सेयर अभौतिकीकरणका लागि यस विकास बैंकको सेयर रजिष्ट्रार मुक्तिनाथ क्यापिटलमा सम्पर्क गर्न सक्नुहुनेछ ।

### २. नगद लाभांशको लागि बैंक खाता अद्यावधिक गर्ने

बैंकबाट सेयरधनीहरूका लागि विगतमा वितरण गरेको नगद लाभांश सेयरधनीहरूले रु. १ करोड ७७ लाख लिन बाँकी रहेको छ । सेयरधनीहरूले डिम्याट खातामा आफ्ना बैंक खाता अपडेट नगरेको वा गलत बैंक विवरण भएको हुँदा विगतको नगद लाभांश लिन बाँकी सेयरधनीहरूलाई आफ्नो डिम्याट खातामा बैंक खाता अद्यावधिक गरी नगद लाभांश लिन अनुरोध गरिएको छ ।

### ३. डिम्याट खातामा स्थायी बैंक खाता र प्यान नं. अपडेट गर्ने

डिम्याट खातामा स्थायी बैंक खाता र प्यान नं. अपडेट गर्न बाँकी सेयरधनीहरूलाई आफ्नो डिम्याट खाता रहेको संस्थामा गई स्थायी बैंक खाता र प्यान नं. अद्यावधिक गर्न अनुरोध गरिएको छ ।

### ४. सम्पर्क नं. र ठेगाना अद्यावधिक गर्नुहुन

यस विकास बैंकका सम्पूर्ण सेयरधनीहरूलाई साधारण सभा लगायत बैंकबाट सेयरधनीहरूको लागि दिनुपर्ने अन्य जानकारीहरू सहज रूपमा दिनका लागि आफ्नो डिम्याट खातामा सम्पर्क नं. र ठेगाना अद्यावधिक गर्न अनुरोध गरिएको छ ।

### ५. सेयर विवरण निगरानी गर्ने

सम्पूर्ण सेयरधनीहरूलाई आफुले धारण गरेको सेयर ठिक छ की छैन भनी एकिन गर्नका लागि बेला बेलामा आफ्नो डिम्याट खाता चेक गर्ने र स्टेटमेन्ट समेत लिनका लागि अनुरोध छ ।

### ६. सुझाव तथा प्रतिक्रिया दिने सठबन्धमा

बैंकलाई चुस्त दुरुस्त रूपमा सञ्चालन गर्नका लागि सेयरधनीहरूका सुझाव तथा प्रतिक्रियाहरू अपरिहार्य हुन्छन तसर्थ सेयरधनी महानुभावहरूका अमूल्य सुझाव र प्रतिक्रियाहरू भएमा [info@muktinathbank.com.np](mailto:info@muktinathbank.com.np) मा इमेल गर्नुहुन अनुरोध छ ।





# Value Creation

## Our Value Creation Approach

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

our initiatives to enhance stakeholder's value at large. Best possible product development & service strategies are adopted for our customers. We try to motivate all our employees with well facilitated and progressive working environment, where focus is put on learning and

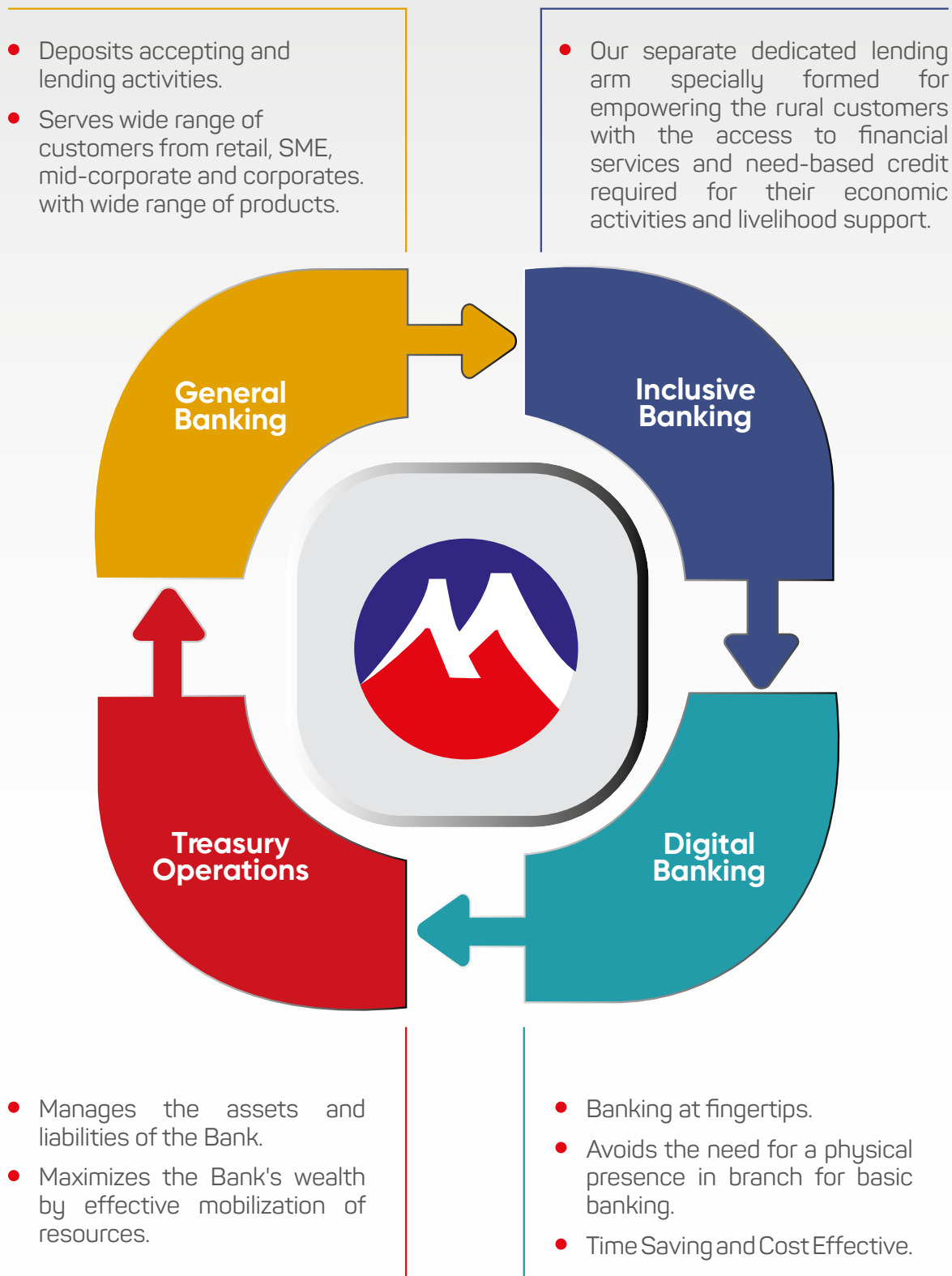
enhancing productivity. Most of all, we want to continue to provide the best possible banking solutions for all kinds of customers from different economic backgrounds so we can also contribute to uplift the society.

We aspire to create continuous and consistent value for our stakeholders by utilizing and analyzing our resources through the prism of the six capitals, the details of which including the input-output-outcome model are explained in the chapter to follow.

- ❖ Financial Capital
- ❖ Manufacturing Capital
- ❖ Intellectual Capital
- ❖ Human Capital
- ❖ Social & Relationship Capital
- ❖ Natural Capital



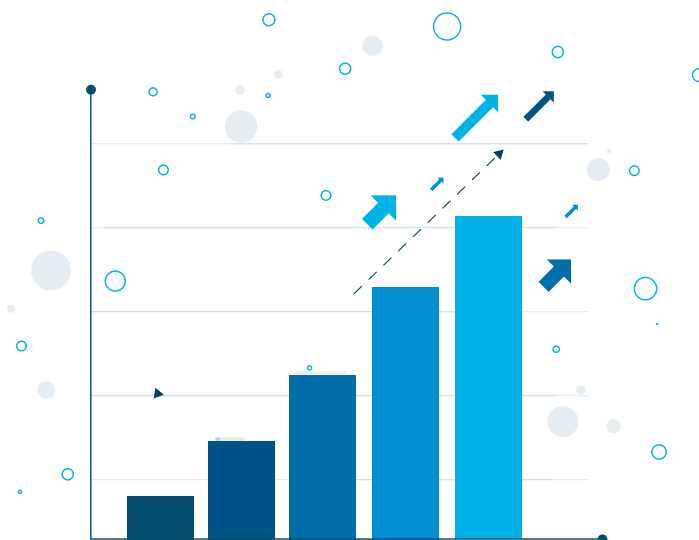
## Our Value Creation Model





## I. Financial Capital

Our ability to maintain a strong balance sheet and enable business continuity, sustained growth and shareholder returns is captured by Financial Capital. Financial Capital includes the utilization of funds available with the Bank through deposits, equity, and debt. The Bank is focused on optimizing capital allocation and maintaining a strong balance sheet for business continuity with sustainable growth and create both short-term and long-term value for all the stakeholders.



To ensure the optimized utilization of the financial capital we focused on:



Balancing business growth aspirations with capital requirements



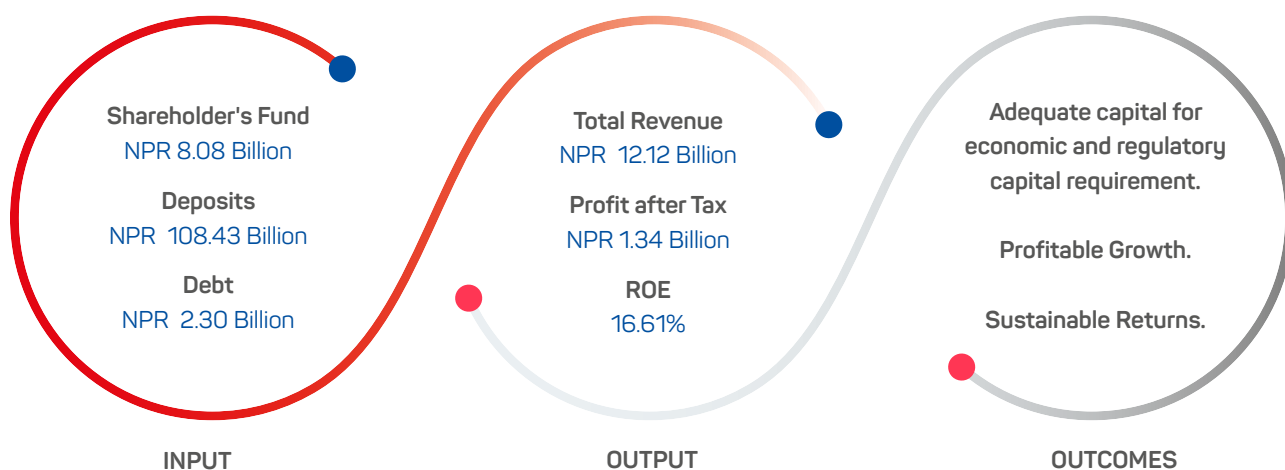
Managing interest margin at optimum level



Focusing on preserving assets quality



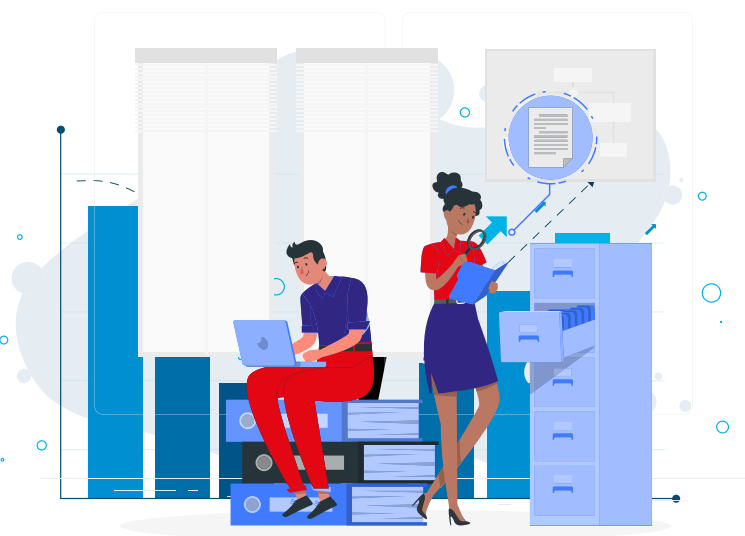
Increasing exposure to priority, SME and micro lending





## II. Manufactured Capital

Manufactured Capital includes the Capex i.e Property, furniture, office equipment & IT Infrastructure we invest in to deliver our value-added services to our valued customers. We continue to invest in both our physical and digital infrastructure to increase accessibility to customers, thereby fulfilling their financing needs reliably and conveniently. We strive to create the extensive branch network spread across the every part of the country to provide resilient financial as well as physical infrastructure for all the stakeholders. We have also worked on and will also continue to work on the digital platforms which compliments the physical infrastructure with access to digital solutions.



We strategize to:



Introducing to the modern infrastructure



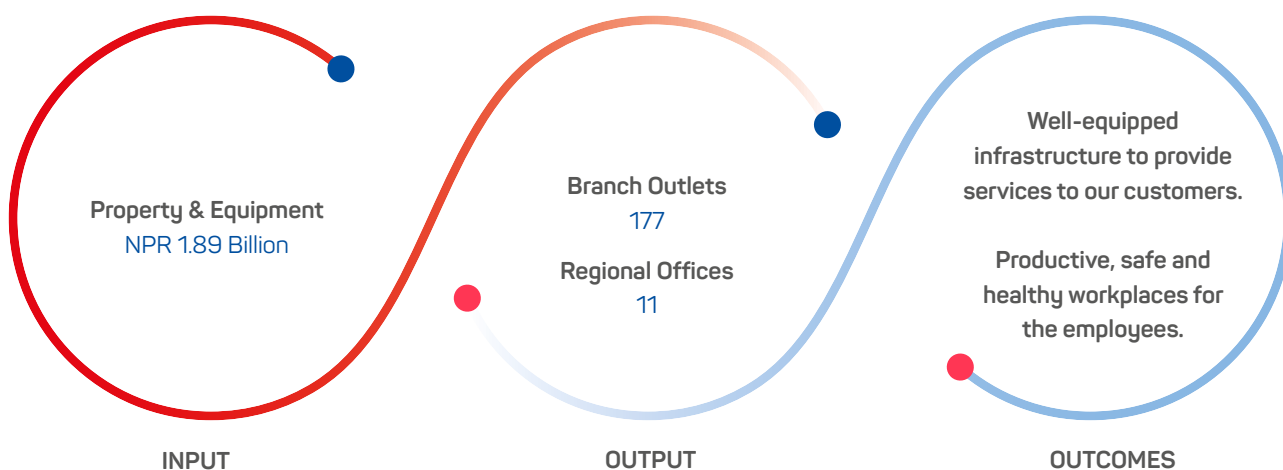
Taking environmental aspect on account while making manufacturing decision



Driving financial inclusion through extensive branch networks



Highly satisfied customer experience





### III. Human Capital

Muktinath Bikas Bank strives to create a culture which nurtures safety, innovation, creativity and diversity, which helps us to meet our business goals while also enabling our employees to grow personally and professionally. We strive to provide an inclusive and meritocratic culture that ensures engagement, progress, learning and development of our manpower. We have the unique learning and development plans for the continuous training of workforce to build quality, capacity and technical expertise.



Thus, we continuously work in:



Build Diversified  
Work Place



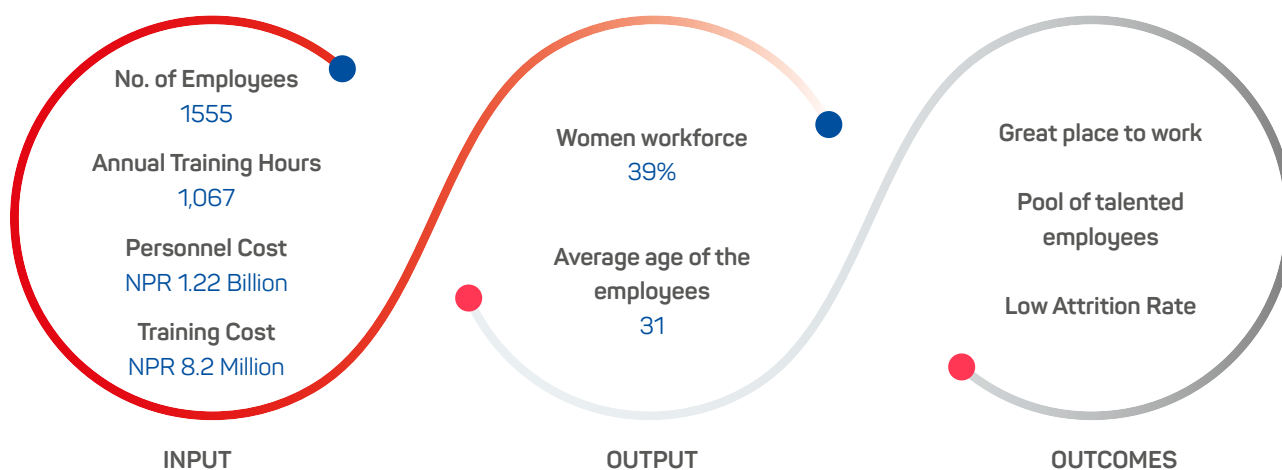
Talent Attraction  
and Retention  
with Rewards &  
Recognition



Training and  
Development



Employee  
Engagement



## IV. Intellectual Capital

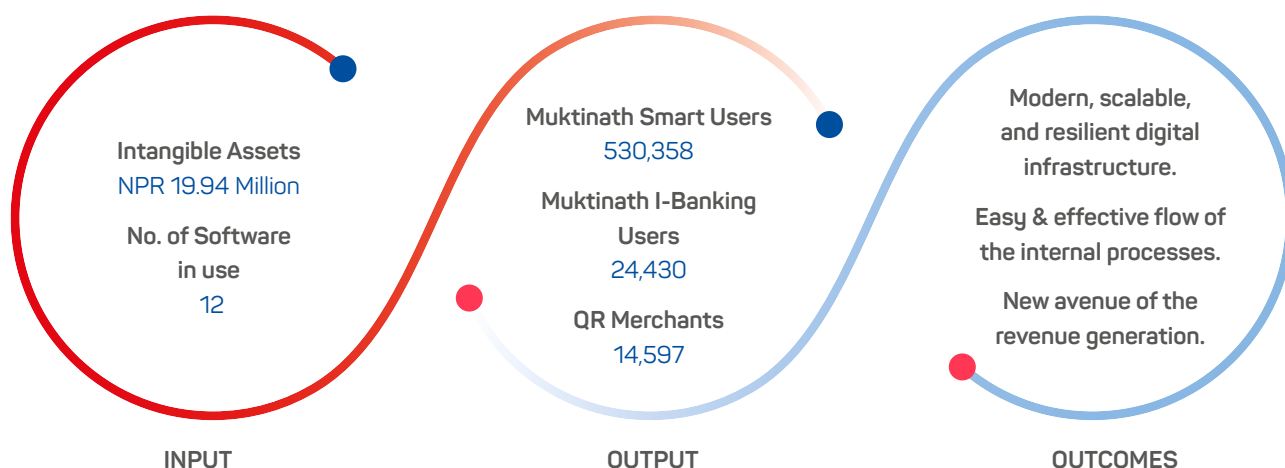
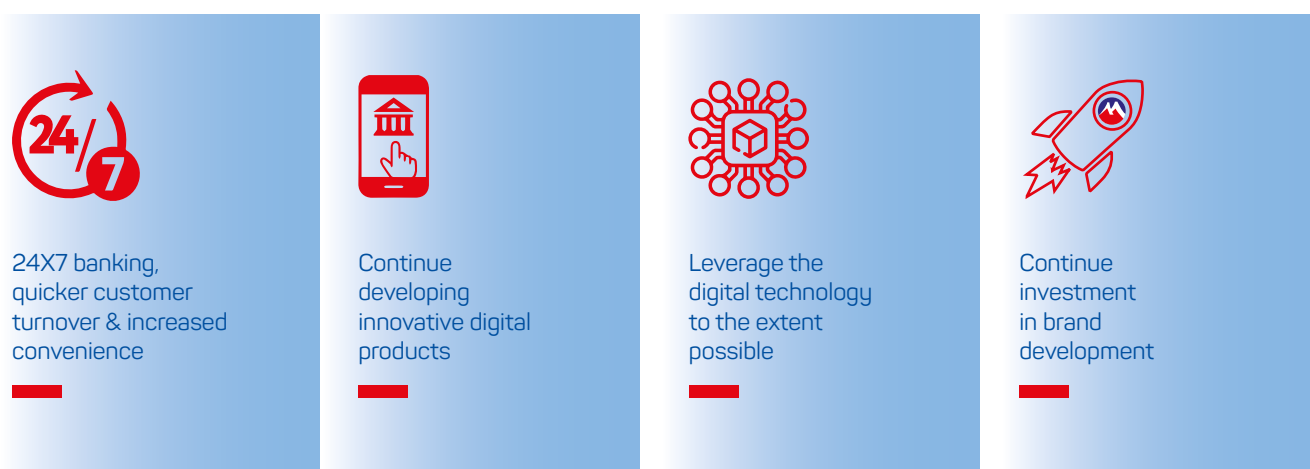
To ensure quick and seamless delivery of products and services backed by robust technology infrastructure, the Bank has been developing the intellectual capital.

Digital excellence is a key pillar of the Bank's strategy and will play an increasingly important role in transforming the customer experience through seamless, innovative solutions. With an objective to automate the lending and deposit process, the Bank has developed online account opening, fixed deposit request and lending forms to facilitate the customers. In addition to the systems

which provide core business functionality, the Bank has deployed Business Process Automation system for our internal processes and other internal systems such as human resource management software, fixed assets management software, AML/CFT software for the effective flow of the processes. Further, the data security being one of the key concerns of the Bank, different investment on ethical hacking, physical and logical controls, IT audits have been made.



In this way, we have shifted our focus on:







## V. Social & Relationship Capital

We aim to build strong partnerships by engaging with our key stakeholders including shareholders, lenders, employees, governments, communities and civil societies. These relationships help to maintain and strengthen our license to operate. The Bank as a part of its initiatives under Corporate Social Responsibility has undertaken projects in various areas including Education, Livelihood, Health, Environmental Sustainability, COVID-19 response and Sanitation, etc.

In addition to that as the leading Bank of Nepal, we

believe in leading responsibly and complying with applicable regulations. We collaborate with regulatory bodies, central and state governments to formulate and implement various schemes for overlooked sections of the society. We have partnered with Ministry of Youth and Sports to provide the loans to small entrepreneurs and youth at the concessional rate. Further, we have entered into tripartite agreement between KfW Development Bank, Germany, Nepal Rastra Bank, and Muktinath Bikas Bank under Sustainable Economic Development in Rural and Semi-Urban Areas- MSME Finance Phase II (SEDRA II) for providing the financial access to target group-oriented loans to micro, small and medium-sized enterprises in rural and semi-urban areas.



With this, we have upheld our strong belief on:



Responsible  
Banking



Sustainable  
Banking Practices



Giving back to  
the Society



Stakeholder  
engagement



CSR Spends  
NPR 11.03 Million

Corporate Tax  
to Government  
NPR 600.3 Million

INPUT

CSR Programs:  
97

Fulfillment of the  
duties of corporate of  
citizen.

OUTPUT

Contributes to better  
environment and nation's  
SDGs commitments

Taxes paid contribute  
towards Government  
exchequer

OUTCOMES



## VI. Natural Capital

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



We strategize to:



Save Paper  
Save Trees



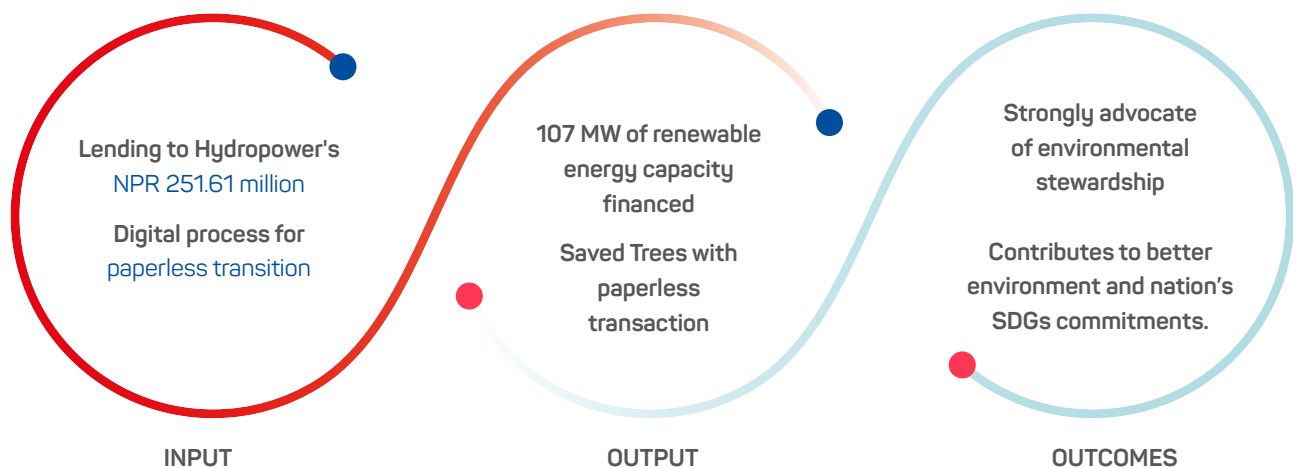
Digitization to  
go green



Environment  
Friendly Lending  
Practices



Strong  
Environment,  
Social & Governance





## Value Added Statement

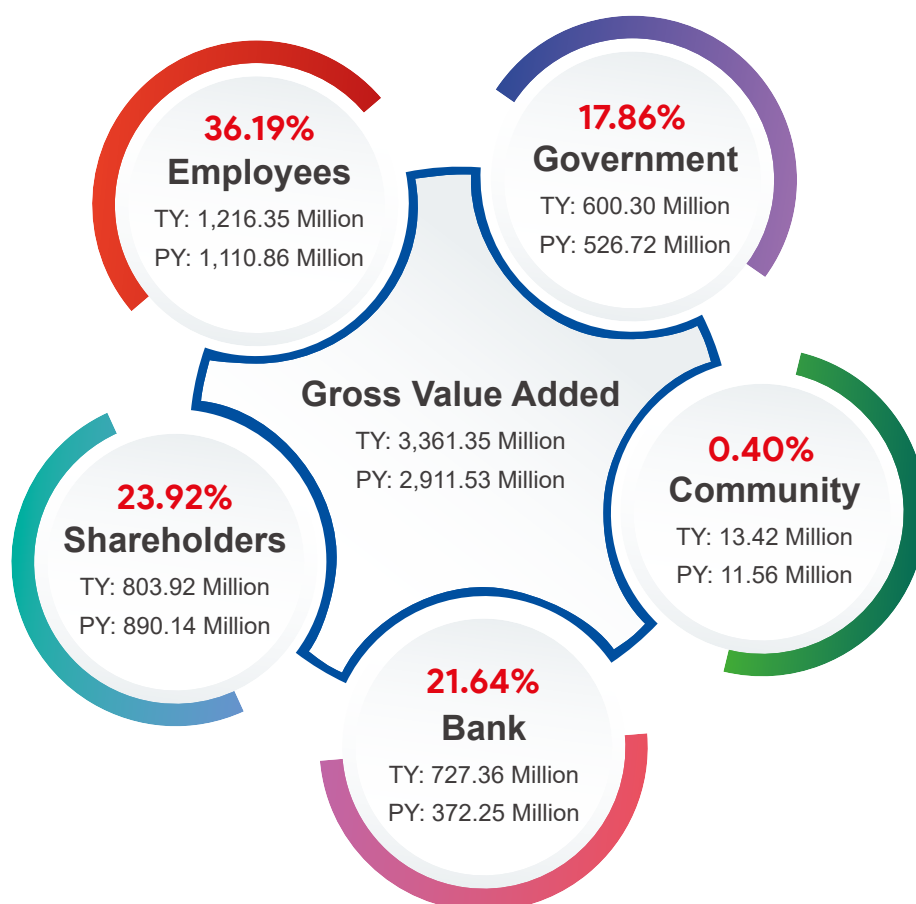
In NPR Million

The value-added statement shows how much value(wealth) has been created by the Bank through utilization of its capacity, capital, manpower and other resources and allocated to employees, government, community, shareholder, and for the expansion and growth of the Bank. It depicts the profit generated by collective efforts of management, employees, capital and its utilization that is distributed among its various stakeholder. The value added by the Bank stood at NPR 3,361.35 million as on Asar end 2079 as compared to NPR 2,911.53 million in previous year.

### Application of Value Addition

The application statement comprises of value addition to various stakeholders of the Bank. The current value addition of 36.19% has been apportioned to employees of the bank for the salaries and other benefit that is followed by the shareholders by 23.92% for dividends. The government, expansion and growth of the bank and community received 17.86%, 21.64% and 0.40% of total value addition respectively.

Particulars	2078/79	2077/78	Change %
Interest Earned	11,563.22	7,583.65	52.48%
Other Income	552.82	1,047.64	-47.23%
Interest Expenses	8,233.44	4,795.01	71.71%
Other Operating Expenses	446.53	429.47	3.97%
Value Added by Banking Services	3,436.03	3,406.80	0.86%
Impairment charge for loans and other losses	74.71	495.27	-84.91%
<b>Gross Value Added</b>	<b>3,361.35</b>	<b>2,911.53</b>	<b>15.45%</b>



TY: This Year | PY: Previous Year





## Market Value Added

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

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

The Bank has market value added of NPR 16,809.35 million as on Asar end 2079 which was NPR 24,780.33 million as on Asar end 2078.

In NPR Million		
Particulars	2078/79	2077/78
Market price per share	439.90	657
Number of shares	56.57	48.12
Total Market value	24,885.94	31,611.89
Book value per share	142.77	141.98
Number of shares	56.57	48.12
Total Book value	8,076.59	6,831.56
<b>Market Value Added</b>	<b>16,809.35</b>	<b>24,780.33</b>

## Economic Value Added

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

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

capital. The Bank has generated Economic Value Added of NPR 447.61 million as on Asar 2079 which was NPR 397.43 million on Asar 2078.

In NPR Million		
Particulars	2078/79	2077/78
Net operating profit after tax	1,341.81	1,156.44
Average Shareholders' fund	7,451.62	6,325.01
Cost of capital Employed %*	12%	12%
Cost of capital Employed	894.19	759.00
<b>Economic Value Added</b>	<b>447.61</b>	<b>397.43</b>

Cost of capital employed is averaged around 12% which is higher than the risk-free rate due to inclusion of market risk premium.





# CATALYZING OUR CULTURE OF SUCCESS

## A Great Place to Work

At Muktinath Bikas Bank, we believe our people are key to the success of the Bank with our understanding of the universal truth which is "everything can be replicated except human". Therefore, in Muktinath family, not only the will and energy of every staff member is valued for the organization but a genuine feeling and emotion of the staff is also taken care of for maximum level of satisfaction both at the individual and institution level. This way, the commitment and the strong culture of the Bank make us who we are. We aspire to be an employer of choice by creating great employee experience. Our recent Employee Engagement Survey showed how much people care and feel about the Bank and believe in its vision and strategy. For example, 99.4% of staff are willing to put extra effort to help the Bank grow, similarly, 94.6% are happy to represent the Bank in social activities.

1555 Employees

39% Female Workforce

31 Years Average Age of the staffs

16 Hours Average training hours per Staff



## How We're Driving Progress

Better innovation and business growth come from diverse, empowered people and teams. The strong culture within the team has strengthened the Brand value of the Bank.

We strive to create and maintain an inclusive work environment for all our employees irrespective of gender, caste, creed, color, sexual orientation, and religion, among others. We provide equal and fair remuneration opportunities, irrespective of gender. Furthermore, we are committed to creating a favorable working environment that affirms human dignity, promote independence, and unleashes creativity. Our investments in human capital development help to make Muktinath Bikas Bank the best place for employees to grow and develop. Fueled by the talent, diversity, and drive of our employees, we invest in their career growth and are passionate about supporting the inclusive culture and

growth mindset on which our success depends. Hence in 2078/79 FY a total of 240 staff happily joined the Bank and a total of 1555 staff were working by the end of the Fiscal Year, of which almost 39% were female.

## Employee Connect

We have created several events covering sports and culture to enable employees to nurture themselves holistically. Apart from excelling in the professional space, employees get an opportunity to pursue and showcase their talent and interests.

In FY 2078-79, keeping in mind the pandemic situation, our learning and development team converted the existing initiatives into an online format and came up with new initiatives to engage with our employees virtually. On Tihar, 2078, a festival of lights, an employee engagement program such as Rangoli competition was organized among all the Departments, Regional offices & Branches.

Similarly, on the occasion of Muktinath Bikas Bank's

annual day, the Bank organized Futsal Competition 2078 to strengthen team bonding and celebrate our annual day. The competition was arranged for men and women teams. We also conducted a blood donation program as well as the award distribution program for the Futsal Competition 2078 champion.

## Developing a Culture of Respecting each other

In FY 2078-79, the Bank focused on strengthening the culture of the Bank to respect and value each other. Regardless of the position/level, everyone must respect one another and extend a cordial welcome to everyone by the gesture of Namaste (joining hands & bowing forward). To make the Bank one of the greatest places to work with satisfied and happy customers, we, every member of Team Muktinath has established this culture as a norm by will.







# Making a Difference, **More Power to the Community!!**

Muktinath Bikas Bank's journey is deeply entrenched in its dedication towards transforming lives and giving back to the communities. The Bank with the set budget of 1% of net profit in CSR Fund, works to take up the best possible projects to bring about far-reaching positive impacts in the fields of education,

health, education, no hunger, sustainable development goals, financial literacy, digital banking awareness, clean & safe drinking water and other various social projects. The Bank is as focused on embarking positive shift for the society through its CSR initiatives as it does with its products and services.





## SAVING LIVES WITH OUR HEROES- "THE BLOOD DONORS"

A blood donor is equal to a lifesaver. The Bank actively organized blood donation programs on its own at various locations. The donors and participants of the program being the staff members, customers, local people and shareholders of the Bank.

The Bank also has managed to tie up with local organizations and supported for the organization of blood donation programs. The collected blood pints are then used by the healthcare system for the general public for saving lives. The Bank believes that organizing such event helps to at least lessen shortage of blood availability to some extent and help save lives.



## ENCOURAGING "YOUTH IN SCIENCE"

Youth are the path builders of the future and Science is way of life. New inventions and discoveries are possible when youth meets science. In order to encourage the young minds in science, the Bank financially supported the Nepal Space project to build 1U Cubesats satellites. Students of schools of Banepa Valley and Kathmandu University High School in association Antarikshya Pratisthan Nepal were leading the program. The estimated launch of the satellite to the space is by 2023 AD.





## NO HUNGER

The Bank has handed over various food items and supported financially for food staples to various social organizations such as orphanages, old age homes, etc.

This sort of initiatives are organised with an objective to fulfill the basic need of the people i.e. no hunger which is also one of the Sustainable Development Goals.

## Our SDGs Commitments through CSR:

The United Nations Sustainable Development Goals (SDGs) provide a historic opportunity to unite all the global stakeholders to fight for the causes such as remove extreme poverty, fight inequality and save the planet. The Bank's primary focus is also responsible banking and hence considers in contribution to implementation of SDGs that will strengthen environment for doing business. Recognizing that, the Bank has set various targets and make contributions to the causes that supports the sustainable Goals of United Nations.

Considerable contributions of NPR 11.03 million have been made in the various goals among the SDGs alone for FY 2078-79. A summary for the contributions made by the Bank in line with the SDG's are as below:



S. No	SDGs	Contributions (In NPR)
1	Clean Water & Sanitation	98,286
2	Climate Action	445,256
3	Decent Work & Economic Growth	55,000
4	Good Health & Wellbeing	3,433,253
5	Industry, Infrastructure and Innovation	927,562
6	Zero Hunger	118,686
7	Peace, Justice and Strong Institution	373,069
8	Quality Education	1,726,221
9	Reduce Inequalities	115,000
10	Sustainable Cities & Communities	3,734,688
Grand Total		11,027,021





**WORKING  
FOR A  
CAUSE IS  
PRICELESS!!!**







# Risk Management

## Risk Management Structure

The Board of Directors are responsible for the overall risk management and for approving the risk management principles and strategies. The Risk Management Policy approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Bank. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organization and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Board has formed a Risk Management Committee to assist the Board in fulfilling the oversight of the risk management function. The Integrated Risk Management Department, an independent unit which directly reports to the Risk Management Committee is assigned with the responsibility of establishing overall risk management at strategic and operational levels of

the Bank.

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

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

The Bank follows the following Risk Management Structure:





# RISK MANAGEMENT

## Risk Management Process

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

As the first level of defense, the individual business units are responsible for ensuring implementation of the risk management framework and policies, systems and methodologies as approved by the Board. The concerned department heads ensure that the branches, department and

Bank as a whole operates within the risk tolerance. They are also responsible for identifying risks within their own department or related business activity as the risk exposure of any business may undergo change from time to time due to continuously changing environment.

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

The Internal Audit Department carries the audit as per the approved audit plan of the audit committee and examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee. The Bank also undergoes an external audit by an external auditor in accordance with the requirements of Companies Act, 2063, and Banks and Financial Institution Act, 2073 which provide assurance that financial statements accurately reflect the financial position and performance of the Bank. In addition, the Information System Audits are done each year by the external specialized firms to review and evaluate the Bank's information system and the controls in place to ensure the confidentiality, integrity, and availability of information.

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





# Internal Control over Financial Reporting

*Pursuant to Section 109(4)(p) of the Companies Act, 2063*



The Board of Directors has ensured the implementation of an effective and comprehensive system of internal controls in the Bank through the Audit Committee. The Board has established a process for identifying, evaluating and managing the significant risks faced by the Bank and this process includes enhancing the system of internal control over financial reporting as and when there are changes to business environment or regulatory provisions. In considering adequacy and effectiveness, the Board recognises that the business of banking requires reward to be balanced with risk on a

managed basis and as such the internal control systems are primarily designed with a view to highlighting any deviations from the limits and indicators which comprise the risk appetite of the Bank. In relation to this, the Bank has formulated and implemented necessary rules, regulations and policies in every area of banking transactions.

The Audit Committee helps the Board of Directors to discharge their fiduciary responsibilities relating to the internal control. The Board assures that the system of internal controls over financial reporting in place is sound and adequate to

provide reasonable assurance regarding the reliability of financial reporting, and that the preparation of Financial Statements for external purposes is in accordance with relevant accounting principles and regulatory requirements.

The management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

The key processes that have been established in reviewing









# Environment, Social & Governance [ESG]

With People, Planet and Overall Wellbeing in its core priorities, Muktinath Bikas Bank is very conscious of the direct and indirect impact of its operation on the environment. The Bank has developed a robust Environment & Social Risk Management (E&S) Policy to enable a smooth integration of ESG and climate considerations with its business operations. Our ESG review sets out our approach to our environment, customers, employees and governance. It also explains how we aim to achieve our purpose and deliver our strategy in a way that is sustainable and how we build strong relationships with all of our stakeholders. Considering this, the Bank has started to analyze, monitor and oversee the environment and social impact on its lending decisions.

## Our Approach to ESG

We are on a journey to incorporate environmental, social and governance principles throughout the organization, as we have taken material steps to embed sustainability into our purpose and corporate strategy. To achieve our purpose and deliver our strategy in a way that is sustainable, we are guided by our values: we value difference; we succeed together; we take responsibility; and we get it done. We also need to build strong relationships with all of our stakeholders: the people who work for us, bank with us, own us, regulate us, and live in the societies we serve and the planet we all inhabit. We continue to make progress

on our climate ambition to support our customers in their transition to net zero and a sustainable future, including through providing and facilitating sustainable finance and investment.

The Bank established a Board-approved Environment & Social Risk Management (E&S) Policy, which outlines the key priorities and integration of ESG across various functions. The environmental focus of the Bank at present is broadly towards promoting capacity creation in sustainable sectors, evaluation of ESG and climate risks and incorporating it as part of the credit assessment process and ensuring environmental sensitivity in the Bank's own operations.





## Environmental

We are accelerating new solutions to the climate crisis and supporting the transition of industries and markets to a net zero future (low-carbon economy), moving to net zero ourselves as we help our customers do so too. In assessing financed emissions, we focus on those parts of the sector that are most material in terms of greenhouse gas emissions and where we believe engagement and climate action have the greatest potential to effect change, taking into account industry and scientific guidance.

### Our Resolution

Muktinath Bikas Bank is committed to supporting the nation's transition to a low-carbon economy and contribute towards sustainable growth. The Bank has emphasized financial inclusion and has developed digital products and strategies to improve access to finance for segments like Micro, Small and Medium Enterprises and the unbanked rural areas. Lending to sustainable sectors is another focus area subject to appropriate assessment of risks and returns. Muktinath Bikas Bank has recently taken a step further in the process of incorporating ESG and climate risk aspects as part of the credit evaluation process. Internal ESDD as per ESRM Policy are considered during the evaluation

of a proposal. Further, the Bank has developed comprehensive checklists on ESG and assessment of climate-related physical and transition risks that a borrower in the sector could be exposed to.

## Social

We aim to play an active role in opening up a several opportunities for our customers, colleagues and communities as we bring the benefits of connectivity and sustainable economy to more people around the nation. We have a long-standing commitment to support our communities, in areas where we can make a difference and support sustainable economic growth. We believe that financial services, when accessible and fair, can reduce inequality and help more people access opportunities.

Our purpose is opening up a various opportunity, and we aim to bring that purpose to our customers, employees and the communities in which we operate. We create value by providing the products and services our customers need

and aim to do so in a way that fits seamlessly into their lives. This helps us to build long-lasting relationships with our customers. Through a series of surveys, we aim to listen to our customers and to put them at the center of our decision making. If things do go wrong, we aim to take corrective action in a timely manner.

We have a long-standing commitment to support our communities, in areas where we can make a difference and support sustainable economic growth. We believe that financial services, when accessible and fair, can reduce inequality and help more people access opportunities. Our culture is underpinned by our values: we value difference, we succeed together, we take responsibility, and we get it done. We focus on a number of priorities where we can make a difference and support sustainable economic growth. We aim to build financial health and remove barriers people can face in accessing financial services.





# How is ESG *Ensured?*

The underlying risks under Environmental and Social perspective are managed at the key policy and implementation levels in the Bank as detailed below.

The Board takes overall responsibility for ESG strategy, overseeing executive management in developing the approach, execution, and associated reporting. Progress against our ESG ambitions is reviewed through Board discussion and review of key topics such as updates on net zero, customer experience and employee sentiment. Bank senior members receive ESG-related training as part of their ongoing development, and seek out further opportunities to build their skills and experience in this area. Given

the wide-ranging remit of ESG matters, the governance activities are managed through a combination of specialist governance infrastructure and regular meetings, where appropriate. The Executive Management always focuses on the implementation of the ESG related policies and guidelines approved by the Board in line with directives given by the Central Bank here in Nepal. There has also been a practice of making reviews of all the policy and procedure related documents including that of ESF on a periodic basis for aligning with the latest updates, best practices and the regulatory guidance. The overall accountability for compliance of ESG policy rest with all the related staff

member whilst pursuing the respective task in the Bank, The Chief Risk Officer (CRO) of the IRMD (Integrated Risk management Department) in the Bank undertakes responsibility of overall monitoring and taking pre-emptive/curative measures for E&S related risks. The CRO being in the Risk Management Committee (RMC) under the Board, arranges for a periodic meeting of the RMC where appropriate verbal and written updates are provided to the Board Meetings.

Thus, the Bank has a robust mechanism for both the Bottom Up as well as the Up Down communication system for managing the ESG related risks in the Bank.





# IT Governance

Technology is the great enabler, but it also presents pervasive, potentially high-impact risk. IT risk management in banking, involves not only the reduction of the probability of adverse occurrence but also increasing the likelihood of favorable development. Financial institutions now, more than ever, rely on information technology to spur growth by identifying opportunities. For information technology to play a pivotal role in business transformation and growth in the industry, the Bank has proactive IT risk management approach including the following:

- ❖ Operations-driven IT strategy
- ❖ Improved IT spending
- ❖ Strong governance/ Compliance

## Other approaches include

- ❖ Securing servers and computers with up to date antivirus solutions.
- ❖ Round the clock monitoring of the system in the Bank.
- ❖ Using next generation firewalls with up to date UTM (Unified Threat Management).
- ❖ Regularly update software and operating systems to the latest versions.
- ❖ Use data backups that include off-site or remote storage.
- ❖ Training staff in IT policies and procedures.

The tone at the top is crucial for risk management. The Bank has the clear roles and responsibilities where every staff within the organization strictly follows the policies. These policies and framework will help the Bank to protect against risk associated with Information technology.

The Bank does the regular audit of its people and process known as IT audit. An IT audit ensures whether the system is vulnerable to any attacks or not. The main objective of an IT audit is to evaluate the availability of computer systems, the security, and confidentiality of the information within the system, and if the system is accurate, reliable, and timely. The Bank does the regular updates of its systems and also patches if any such vulnerability is seen in the system.

IT Risk management is everyone's responsibility. Every staff is provided with the information and should understand and follow the Bank's risk tolerances. The Bank also frequently provides IT risk awareness training programs which helps to develop a positive risk culture with career-related rewards for personnel to ensure individual accountability.





# Growing with Rural Community

**"The new rural finance paradigm is premised on the fact that rural people are bankable." (Nagarajan and Meyer, 2006)**

Nepal's 78.99% of population resides in rural communities, and it is the essence of life for every Nepalese. In terms of financial infrastructure and access, the major gap in part of the Nepalese Banking fraternity, is the missing link with the villages/rural communities. The reason for this is also due to terrain with hills and mountains, where households are sparsely located, and roads & communication networks are scarce. BFI's products and services are derived to serve the population residing in urban centers. The Government, Regulators and other enablers agencies always strive to enhance access to finance in these areas and there are signs of progress in the linkage. Muktinath Bikas Bank has its roots in rural part of the country. From the first day of operation, it designed all the work process to suit the rural population. It's been a prominent pillar in linking the village and rural communities to modern

financial amenities in the area it serves. Our services include serving far-flung areas, where our field staff stay in the villages for a couple of days just to provide basic banking transactions to the people of rural communities. Through our group-based model, every month our staff travel to rural communities and provide loans, credit, knowledge on financial literacy, and information on the latest development in the financial market (Insurance, Remittance, DMAT, and Shares).

Communication and benefit for Muktinath and the community are two ways. The Bank is making life easier for its rural clientele by providing doorstep financial services, by doing so it enhances the reputation of the Bank, making it prominent socially responsible "Bank of the Nation". With our banking model i.e., Rural Banking/ Inclusive Banking/ Microfinance we are providing services by

understanding the needs of rural communities and keep on developing products and services as per their need. Likewise, they are also able to provide us with good returns, in addition to that seeing change in their lifestyle and livelihoods for betterment in rural communities is a wonderful experience for an organization.

Nepal being heavily dependent on agriculture, Muktinath has now shifted its focus to enable farmer's productivity and agricultural growth. With this our emphasis falls on "कृषकसँग मुक्तिनाथ" i.e. **"Muktinath is with Farmers"**.

Keeping in mind a notion of excellence, scalability and impact, we are truly proud to say that Muktinath Bikas Bank Limited is believer and implementor of our core principle "जनता बैंकमा होइन, बैंक जनतामा जानु पर्दछ" i.e. "People should not come to Bank; Bank should go to the doors of people".





# सफलताको सारथी बन्थ्यो मुक्तिनाथ विकास बैंक

## २५ रुपैयाँ नभई भौतारिणी सरिता अहिले करोडपती



आज भन्दा १३/१४ वर्ष अघि छोरीको परिक्षाको लागि ज्यामेट्रिक बक्स किन्न पैसा नभएर छिमेकीको पसलमा रु. २५ को बक्स उधारो माग्दा पसलेले नपत्याएको घटनाले सरिता जैसीको मन सारै रोएको थियो । जुन बेला उनको श्रीमान् साहुको गाडी चलाउने काम गर्थे भने उनी गृहिणी मात्र थिईन् । श्रीमान् गाडी लिएर देशको कुन कुनामा पुग्थे, कहिले काही मात्र घर बस्थे । जब श्रीमान् गाडी चलाई केही पैसा लिएर घर आउँथे अनिमात्र पसलेले सामान दिन्थे नभए त चुलोमा आगो बल्न पनि मुस्किल पर्दथ्यो । केही गर्छु भन्ने चाहना त थियो तर लगानी गर्ने रकम आफूसँग थिएन । साहुमहाजनले विश्वास नै गर्दैन थिए । तर पनि आँट गरेर यताउता खोजखाज गरि मनहरी गा.पा. ०८, सिम्पानीको आफ्नै घरमा चिया बेच्न सुरु गरिन् । उक्त चिया पसलको आम्दानीले दैनिक गुजारा चलाउन केही सहज भएपनि आफ्ना ईच्छा र चाहानाहरु पुरा गर्नु सारै कठिन थियो । व्यवसाय बढाउन उनीसँग आँट थियो तर लगानी गर्ने पुँजी थिएन, पुँजीको खोजिमा भौतारिदा भौतारिदै वि.स.२०७४ कार्तिक महिनामा उनको भेट मुक्तिनाथ विकास बैंकसँग हुन पुग्यो र सोहि महिनामा मुक्तिनाथ विकास बैंकको लघुवित्त कार्यक्रम अन्तर्गतको समुहमा आबद्ध भई रु.१ लाख विना धितो कर्जा लिई सानो

चिया पसललाई होटलमा परिणत गरिन् । होटलको आम्दानी एकदम राम्रो हुन थाल्यो त्यसपछि उनले आजसम्म पछि फर्केर हेर्नुपरेको छैन । होटलको आम्दानीले किस्ता नियमित तिर्दै घरस्वर्च चलाई बचत समेत गर्न थालिन् । श्रीमान्ले कमाएको पैसा पनि सबै बचाउन सुरु गरिन् । मुक्तिनाथ विकास बैंकबाट दोस्रो, तेस्रो हुँदै उनले भर्खरै छैठौँ पटकको रु. ७ लाख बिनाधितो कर्जा लिई होटल र गाडी व्यवसायमा लगानी थप गरेकी छिन् । मुक्तिनाथ विकास बैंकबाट हालसम्म

६ पटकमा कुल रु. १५ लाख ७५ हजार बिना धितो कर्जा परिचालन गरिसकेकि छिन् सबै रकम होटल र गाडी व्यवसायमा नै सदुपयोग गरिन् । सबै वित्तीय सेवा मुक्तिनाथ विकास बैंकबाट प्राप्त भएकोले अन्य कुनै संस्थामा आवद्ध भएकी छैनन् । छोटो समयमा नै सानो चिया पसलबाट व्यवसाय सुरुवात गरेकी उनको महेंद्र राजमार्गमा रहेको पौडेल स्टाफ होटलमा अहिले दैनिक २५०-३०० जनाले खाना खान्छन् । श्रीमानले झाईभर पेशा छोडेर यही होटलमै सहायता गर्दै आएका छन् । छोरा काठमाडौँको चेल्सी कलेजमा कक्षा १२ मा पढ्दै छन् । छोरीको पनि राम्रैसँग विवाह गर्न सफल भईन भने कुनैबेला आफ्नो नाममा एक टुक्रो जग्गा नभएको उनको नाममा अहिले हेटौँडामा ३ वटा घडेरी रहेको छ । उनी र उनको परिवार अहिले आफ्नै प्राईभेट गाडीमा हिड्ने गर्छन् ।

भगवान हुन्छ भन्थे, साच्चै हो रहेछ, मेरो लागि मुक्तिनाथ विकास बैंक भगवान बनेर आयो, सर्गवका साथ हसिलो अनुहारमा दन्तेलहर फैल्याउँदै आफ्ना कहानी सुनाईन ।





# सफलताको सारथी बढ्यो मुक्तिनाथ विकास बैंक

## तेजकुमारीको तेजिलो सपना

“छन् गेडी सबै मेरी, छैनन् गेडी सबै टेडी” भन्ने भैं बिहे भएको केही महिनामा नै कमाई गर्न भारत जाँदा बिमारी भई घर फर्किएका अशक्त श्रीमान्, साना बालबच्चा आम्दानीको स्रोत केही नभएपछि अर्जुनचौपारी गा.पा. वडा नं. ६, सिउँडीबारीकी तेज कुमारी सापकोटा घरपरिवार र छरछिमेकीको हेलाको पात्र बन्न थालिन् । स्वास्थ्य केही राम्रो भएपछि परिवारलाई खुशी दिन्छु, भनी २०६१ सालमा पुनः भारत गएका उनका श्रीमान् गएको दिनदेखि आज सम्म कहाँ छन् कुनै खबर नै छैन, न सास भेटियो नत लास नै भेटियो । उनी अब त सबैतिरबाट हेलित र घृणित हुन थालिन र जिवनबाट हरेस खाई आफ्ना साना बालबच्चा च्यापी कर्म घर छोडी माईतीघर नै फर्किन ।

माईती मै रहँदा अर्जुनचौपारी शाखाबाट मुक्तिनाथ विकास बैंकले गाउँगाउँमा लघुवित्तको समुह गठन गरेको चाल पाएर गाउँका दिदिबहिनी सहित २०७१ सालबाट समुहमा आवद्ध भईन् । पहिलो पटक १ हजार रुपैयाँ कर्जा लिई कुखुरा पालन गरिन तर सोचे जस्तो आम्दानी भएन । बाखा पालन गर्ने सोचले दोस्रो पटक रु.५० हजार कर्जा माग गर्दा समुहका दिदिबहिनीले उनलाई विश्वास नमानी कर्जा सिफारिस नै गरेनन् । त्यो घटनाले उनी



सारै दुःखी भईन् र यही समाजमा म एकदिन सबैको उदाहरण बनेर छोड्छु भन्ने अटोट गरिन् । दोस्रो पटकमा समुहबाट सिफारिस भएको रु. १० हजार मात्र कर्जा लिई बाखा पाल्न सुरु गरिन् । रु. १० हजार, रु. ५० हजार, रु. ८० हजारबाट रु. १ लाख हुँदै क्रमशः कर्जा थप गर्दै बाखा थप्दै बाखा पालन व्यवसायलाई बढाउँदै, आम्दानी पनि बढाउँदै लगिन्, त्यसपछि विस्तारै उनका सुखका दिनहरू आउन थाले । उनको आत्मबल एकदम बढ्दै गयो र हाल उनले सापकोटा बाखा फर्मको नाममा फर्म दर्ता गरि मुक्तिनाथ सहलियत कर्जा अन्तर्गत रु. ५ लाख विनाधितो कर्जा चलाएर सो फर्मलाई व्यवस्थित बनाई हाल ५० वटा बाखा रहेका छन् । उनले छिमेकीहरूको ५० रोपनी जग्गा भाडामा लिई ५०० वाखालाई पुग्ने घाँसका बोटहरू लगाएकी छिन् । हाल उनको खातामा एकदुई लाख बचत टुट्दैन् । छोराछोरीलाई उच्च शिक्षा सम्मको अध्ययन गराईरहेकिछिन्, माईती सहितको घरपरिवार सहज रूपमा चलाउँदै आएकी छिन् । यी सम्पुर्ण खर्चहरू उनले यही बाखा पालन व्यवसायबाट नै पुरा गर्दै आएकी छिन् । हाल उनी पालिकाको

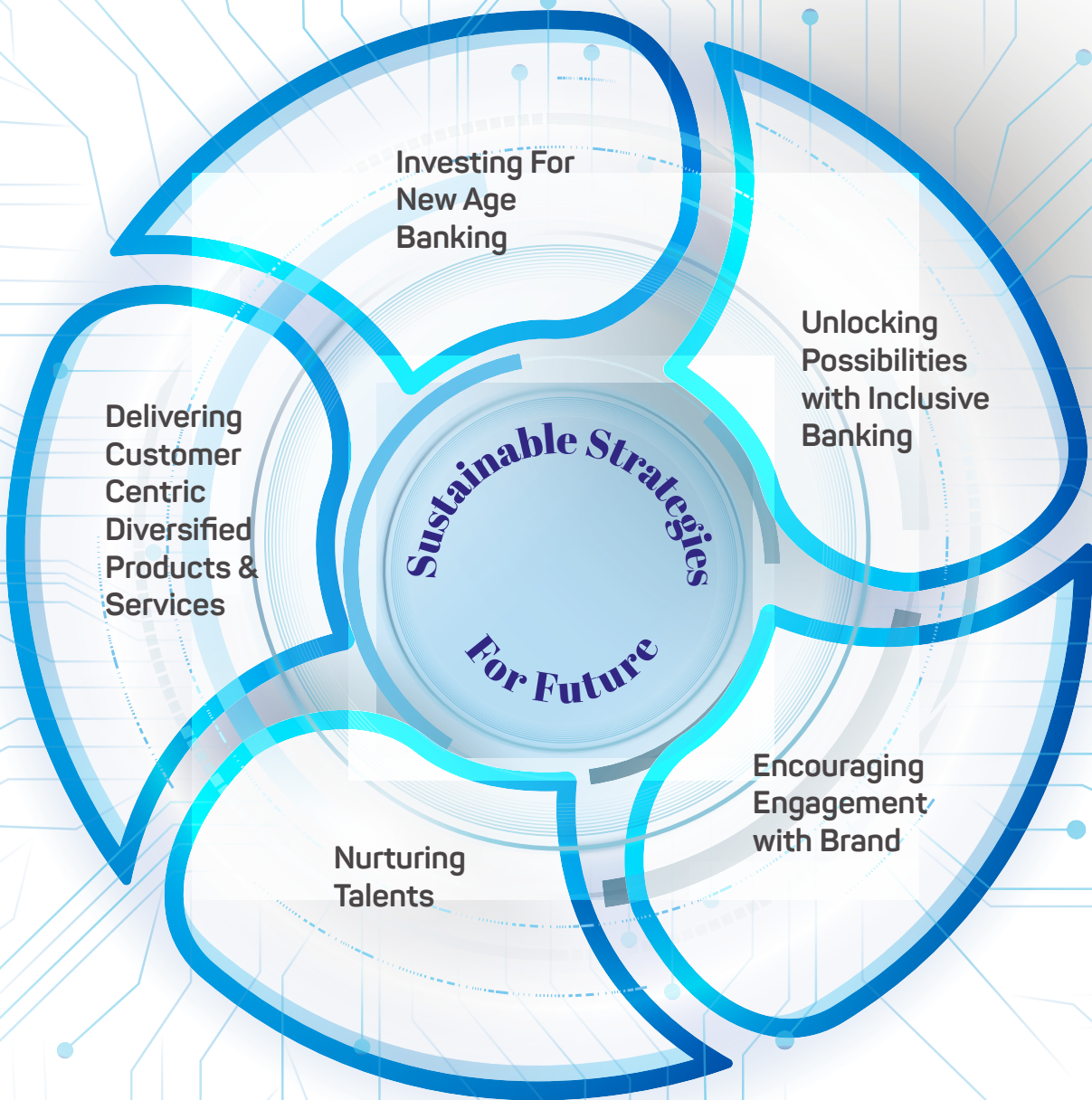
उत्कृष्ट कृषकको रूपमा कहलिएकि छिन्, धेरै पटक सम्मानित पनि भएकी छिन् । कुनै बेला १ हजार नपत्याउने गाउँलेले अहिले सहजै लाखौंको विश्वास गर्ने भएका छन्, यसको सम्पुर्ण श्रेय उनी मुक्तिनाथ विकास बैंकलाई दिने गर्छिन् । व्यवसाय विस्तार गर्दै बाखा फर्मलाई जिल्ला कै नमुना बनाई देशभरबाटै अध्ययन भ्रमणका लागि आउन योग्य बनाउने उनको सपना रहेको छ ।

“

बचत गरे, दुःख नाश ।  
उद्यम गरे, गरिबी नाश ।  
कर्जा लिए, अल्छी नाश ।  
अल्छी गरे, सर्वनाश ।

”









## Investing for New Age Banking

The post pandemic have shifted the focus of banking to go into a digital mode. More and more customers are more aware of the use of digital/online banking products. We are revisiting solutions that make Banking smart, secure, easy and instant, without compromising on personal touch. We saw a rise in queries related to online facilities and features more than of previous years. Being the customer focused Bank that we are, we made sure to invest in digital based products. As of now, individual customers can use our website to open savings account of their choice and fixed deposit of various tenures online. Apart from that customers can also open/renew fixed deposit just from the mobile banking app "MUKTINATH SMART" of the Bank.

Not limiting to customers, even with our operational procedures, we saw a need for development and improvement of systems that helps us to operate online remotely. Continuous improvements are made to our business process automation that helps to

operate more efficiently and effectively. Also, such business automations decreased paper usage at our Bank which we hope will help save trees to certain extent.

## Delivering Customer Centric Diversified Products & Services

Suitable product development is always in priority in the Bank. Concerned departments and management team analyzed the need of market and put forward various new ideas for development of customer centric products. Our deeply customized, innovative products and unmatched services enable a secure, efficient and personalized consumer experience.

Focusing on various customer segments, the Bank has launched various kind of products and services with time. With rise in demand, the Bank introduced Pre Paid Dollar Card and E-Commerce activation facilities for our diversified customers. Further we came up with one of our most popular savings product of in the FY 2078/79 named as "Sambriddhi Bachat Khata". A well facilitated

Savings Account offering best interest rate, various free services and monthly interest payment and applicable for anyone. Also in the same year, insurance embedded savings account named as "Utkrishta Bachat Khata" was launched too which helped attend different customer segment.

## Unlocking Possibilities with Inclusive Banking

Our Bank has always believed to enable the success of our consumers in Nepal, in both retail and institutional segments, by providing best-in-class products, services. More than that, we have also worked hard to raise level of awareness about accessibility and affordability of the financial products in the markets of Nepal. Our focus customers also includes women from remote and rural areas. With Inclusive Banking of our Bank, we therefore are building distinctiveness in our model that will help us support women entrepreneurship and also encourage in building affordable financial products and services for low income customer base. Various group and individual schemes are available under our Inclusive Banking.



We are following a consumer centric view, enabling us to penetrate deeper into Nepal's markets, and building an ecosystem for WIN – WIN situation for our consumers, stakeholders and us. We believe we can significantly improve the lives of our customers by providing access to a quality financial services product suite that will unlock the customer's their true potential.

### • Nurturing Talents

Human Capital is the most diverse and important asset of our Bank. Talent and team work are considered to have played a very important and impactful role in our work culture. Our Human Resource Department always worked consistently to make fit the talent to the best job fit according to their interest. To attract and retain the best minds, we provide expert training and exciting opportunities, paving the way for creating tomorrow's leaders. We introduced our VISION 80 to the leadership position holders of our Bank through various programs which were facilitated by senior management team organized at various locations. Encouragement and opportunities to existing

talents are given with additional job responsibilities to fill up vacancies in chain of command structure. We focus on building a fair, diverse, and creative and performance- driver culture guided by our core values and our Vision.

### • Encouraging Engagement with Brand

We want to forge deep rooted connections with our customers and we constantly maneuver endeavors that add value to them. Through our marketing communication initiatives, we want to connect deeply with our customers by providing the information to our various products/services and offers. We want our customers to be engaged with our brand through several of our communication channels such as website, social media platforms, and branches and so on.

Bank has been very active on all kind of communication platforms, we want our customers or followers to be updated about the facilities and happenings of our Bank. Posts/ notices/ messages such as of general awareness and

banking awareness are presented in creative and engaging content. We handle and resolve queries from all kind of our official communication sources. Campaigns and various quizzes are offered time to time for participation where the participant is able to learn about the products.

Bank has been active to tie up with various merchants from different industries to bring the best deals and offers to our customers. We believe with such tie ups helps creating a win-win situation for everyone involved. With it we are encouraging customers to use our brand more, get discount benefits and adding business volume and preference to our tie up merchant partners. Overall, for the Bank this is a great way to create a positive positioning of Bank's Brand in minds of customers and encourage engagement at both merchant and customer level.





# विषय सूची

■ सोह्रौं वार्षिक साधारण सभा सम्बन्धी सूचना	७५
■ सोह्रौं वार्षिक साधारण सभा सम्बन्धी अन्य जानकारीहरु	७६
■ अध्यक्षज्यूको मन्तव्य	७७
■ सञ्चालक समितिको वार्षिक प्रतिवेदन	७९
■ कम्पनी ऐन, २०६३ को दफा १०९ उपदफा ४ अनुसारको अतिरिक्त विवरण	९१
■ धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ संग सम्बन्धित	९४
■ संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन	९६
■ नेपाल राष्ट्र बैंकको स्वीकृति पत्र	१००
■ नेपाल राष्ट्र बैंकबाट प्राप्त निर्देशनहरु उपर सञ्चालक समितिको प्रतिक्रिया	१०१
■ लेखापरीक्षकको प्रतिवेदन	१०३
■ एकीकृत वित्तीय अवस्थाको विवरण	१०७
■ एकीकृत नाफा नोक्सानको विवरण	१०८
■ एकीकृत विस्तृत आम्दानीको विवरण	१०९
■ एकीकृत नगद प्रवाहको विवरण	११०
■ एकीकृत इक्विटीमा भएको परिवर्तनको विवरण	१११
■ प्रमुख लेखा नीतिहरु तथा लेखा सम्बन्धी टिप्पणीहरु	११५
■ अपरिष्कृत वित्तीय विवरण र लेखापरीक्षण भएको वित्तीय नतिजाको तुलनात्मक विवरण	१८२
■ सहायक कम्पनी मुक्तिनाथ क्यापिटल लिमिटेडको लेखापरीक्षकको प्रतिवेदन	१८५
■ सहायक कम्पनी मुक्तिनाथ क्यापिटल लिमिटेडको लेखापरीक्षकको वित्तीय विवरण	१८८
■ प्रबन्धपत्रमा प्रस्तावित संशोधन सम्बन्धी तीन महले विवरण	१९३
■ प्रोक्सी फाराम	१९७



## सोह्रौ वार्षिक साधारण सभा सम्बन्धी सूचना

आदरणीय सेयरधनी महानुभावहरू,

मुक्तिनाथ विकास बैंक लि.को सञ्चालक समितिको मिति २०७९ पौष ८ गते बसेको २८औं बैठकको निर्णय अनुसार यस विकास बैंकको सोह्रौं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा, देहायका विषय उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण सेयरधनी महानुभावहरूको जानकारी एवं उपस्थितिका लागि यो सूचना प्रकाशित गरिएको छ ।

**सभा हुने मिति, समय र स्थान :**

मिति : २०७९ पौष ३० गते, शनिवार (तदनुसार जनवरी १४, २०२३)

समय : बिहान १०:०० बजे ।

स्थान : होटल पोखरा ग्राण्ड, पार्दी, विरौटा, पोखरा, कास्की ।

**छलफलका विषयहरू :**

**सामान्य प्रस्तावहरू :**

१. सञ्चालक समितिको तर्फबाट अध्यक्षज्यूले पेश गर्नु हुने आ.व. २०७८/७९ को वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।

२. लेखापरीक्षकको प्रतिवेदन सहित आ.व. २०७८/७९ आषाढ मसान्तको वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह लगायतका विवरणहरू पारित गर्ने ।

३. लेखापरीक्षण समितिको सिफारिस बमोजिम आ.व. २०७९/८० को लागि लेखापरीक्षक नियुक्ति गर्ने र निजको पारिश्रमिक निर्धारण गर्ने ।

४. यस विकास बैंकको सहायक कम्पनी मुक्तिनाथ क्यापिटल लि.को आ.व. २०७८/७९ को वित्तीय विवरण सहितको एकीकृत वित्तीय विवरण उपर छलफल गरी पारित गर्ने ।

५. सञ्चालक समितिले प्रस्ताव गरे बमोजिम हाल कायम चुक्ता पूँजी रु.५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रूपैयाँ चौरासी पैसा मात्र) को ०.७१०५ प्रतिशतले हुने रकम रु.४,०९,९५,७५८.७२ (अक्षरेपी चार करोड एक लाख पन्चानब्वे हजार सात सय अठ्ठाउन रूपैयाँ बहतर पैसा मात्र) नगद लाभांश (बोनस सेयरको कर प्रयोजनार्थ ) वितरण गर्ने प्रस्ताव पारित गर्ने ।

**विशेष प्रस्तावहरू :**

१. सञ्चालक समितिले प्रस्ताव गरे बमोजिम हाल कायम चुक्ता पूँजी रु.५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रूपैयाँ चौरासी पैसा मात्र) को १३.५ प्रतिशतका दरले हुन आउने रकम रु. ७६,३७,९९,४९५.६७ (अक्षरेपी छयहतर करोड सैंतीस लाख उन्नाइस हजार चार सय पन्ध्र रूपैयाँ सतसठ्ठी पैसा मात्र) बोनस सेयर वितरण गर्ने प्रस्ताव पारित गर्ने ।

२. विकास बैंकको चुक्ता पूँजी रु. ५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रूपैयाँ चौरासी पैसा मात्र) बाट १३.५ प्रतिशतले हुन आउने रकम ७६,३७,९९,४९५.६७ (अक्षरेपी छयहतर करोड सैंतीस लाख उन्नाइस हजार चार सय पन्ध्र रूपैयाँ सतसठ्ठी पैसा मात्र) बोनस सेयर वितरण पश्चात जारी तथा चुक्ता पूँजी रु. ६,४२,०९,००,२७२.५१ (अक्षरेपी छ अर्ब ब्यालीस करोड नौ लाख दुई सय बहतर रूपैयाँ एकाउनन पैसा मात्र) पुर्‍याउने प्रस्ताव पारित गर्ने र सोही बमोजिम प्रबन्धपत्रको सम्बन्धित दफा संशोधन गर्ने ।

३. यस मुक्तिनाथ विकास बैंक लि. र अन्य उपयुक्त बैंक तथा वित्तीय संस्थाहरू एक आपसमा प्राप्ति/समाहित (Acquisition/Merger) प्रयोजनका लागि उपयुक्त बैंक तथा वित्तीय संस्थाको पहिचान गर्ने, सहमतिपत्र (Memorandum Of Understanding) मा हस्ताक्षर गर्ने, सोको आधारमा सैद्धान्तिक स्वीकृतिका लागि नेपाल राष्ट्र बैंकमा निवेदन दिने, सम्पत्ति दायित्वको मूल्याङ्कन (Due Diligence Audit) गर्ने परामर्शदाता, मूल्याङ्ककर्ता, लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक तोक्ने तथा मर्जरसंग सम्बन्धित अन्य आवश्यक कार्यहरू गर्नका लागि सञ्चालक समितिलाई अस्तित्वकारी दिने प्रस्ताव पारित गर्ने ।

४. विकास बैंकको प्रबन्धपत्र तथा नियमावली संशोधन गर्ने सम्बन्धमा नियमनकारी निकायबाट फेरबदल गर्न निर्देशन भएमा आवश्यकता अनुसार सोमा थपघट, परिमार्जन, संशोधन तथा सच्याउनको लागि सञ्चालक समिति वा समितिले तोकेको व्यक्तिलाई अस्तित्वकारी दिने ।

५. काठमाण्डौको लाजिम्पाटमा निर्माणाधीन केन्द्रीय कार्यालय भवन सम्बन्धमा ।

६. विविध :

**द्रष्टव्य:** सोह्रौं वार्षिक साधारण सभा प्रयोजनार्थ मिति २०७९ पौष २० गतेका दिन यस विकास बैंकको सेयर दारिखल सारेज बन्द (Book Close) हुने व्यहोरा सेयरधनी महानुभावहरूलाई जानकारी गराइन्छ ।

**सञ्चालक समितिको आशाले**

इण्डपानी ढकाल

(कम्पनी सचिव)





## सोह्रौ वार्षिक साधारण सभा सम्बन्धी थप जानकारीहरू

१. सोह्रौ वार्षिक साधारण सभालाई ध्यानमा राखी, मिति २०७९ पौष २० गतेका दिन यस विकास बैंकको सेयरधनी दर्ता किताब बन्द (Book Closed) रहने छ । नेपाल स्टक एक्सचेञ्ज लिमिटेडमा मिति २०७९ पौष १९ गते सम्म कारोबार भई प्रचलित कानून बमोजिम यस विकास बैंकको सेयर रजिष्ट्रार मुक्तिनाथ क्यापिटल लि. (Muktinath Capital Ltd.) नारायणचौर, नक्साल, काठमाडौं मा प्राप्त सेयर नामसारीको विवरणको आधारमा सेयरधनी दर्ता किताबमा कायम सेयरधनीहरू सो सभामा भाग लिन, साथै बोनस सेयर तथा नगद लाभांश प्राप्त गर्न योग्य हुनेछन् ।
२. वार्षिक साधारण सभामा भाग लिन आउनुहुने सम्पूर्ण सेयरधनी महानुभावहरूले आषाढो परिचय खुल्ने प्रमाणपत्र वा सोको प्रतिलिपि अनिवार्य रूपमा साथमा लिई आउनुहुन अनुरोध छ ।
३. सेयरधनी महानुभावहरूको उपस्थिति पुस्तिकामा दस्तखत गर्न सेयरधनी उपस्थिति पुस्तिका साधारण सभा हुने दिन बिहान ८.०० बजे देखि खुल्ला रहनेछ ।
४. छलफलका विषयहरू मध्ये, विविध शीर्षक अन्तर्गत कुनै प्रस्ताव भएमा, छलफल गर्न इच्छुक सेयरधनीले साधारण सभा हुनुभन्दा ७ (सात) दिन अगावै छलफलको विषयको जानकारी कम्पनी सचिव मार्फत सञ्चालक समितिको अध्यक्षलाई लिखित रूपमा दिनु पर्नेछ ।
५. साधारण सभामा भाग लिनका लागि प्रतिनिधि (प्रोक्सी) नियुक्ति गर्न चाहने सेयरधनीहरूले प्रचलित कम्पनी कानूनले तोकेको ढाँचामा प्रतिनिधि पत्र (प्रोक्सी) फारम भरी सभा शुरू हुनु भन्दा कमितीमा ४८ घण्टा अगावै अर्थात् मिति २०७९ पौष २८ गते बिहान १०.०० बजे भित्र बैंकको केन्द्रीय कार्यालय काठमाडौं प्लाजा, कमलादी काठमाडौंमा दर्ता गराई सक्नु पर्नेछ । बैंकको सेयरधनी वाहेक अरुलाई प्रोक्सी दिन र एक भन्दा बढी व्यक्तिलाई आफ्नो सेयर विभाजन गरी तथा अन्य कुनै किसिमबाट छुट्याई प्रोक्सी दिन पाइने छैन । यसरी दिइएको प्रोक्सी बदर हुनेछ ।
६. प्रोक्सी नियुक्त गरी सक्नु भएको सेयरधनी आफै सभामा उपस्थित भई हाजिर पुस्तिकामा दस्तखत गर्नु भएमा दिइसकेको प्रोक्सी स्वतः बदर हुने छ ।
७. एकै सेयरधनीले एक भन्दा बढी प्रोक्सीहरू दिइसकेको अवस्थामा यस अघि दिइएका सबै प्रोक्सी बदर गरी पछिल्लो प्रोक्सीलाई मान्यता दिइयोस भनी छुट्टै पत्र लेखी ४८ घण्टा अगावै अर्थात् २०७९ पौष २८ गते बिहान १०.०० बजे भित्र दर्ता गराएको अवस्थामा अधिल्ला प्रोक्सीहरू स्वतः बदर भएको मानी पछिल्लो प्रोक्सीलाई मान्यता दिइने छ ।
८. नावालक सेयरधनीको सन्दर्भमा सेयरधनी दर्ता किताबमा संरक्षकको रूपमा नाम लेखिएको व्यक्तिले मात्र संरक्षकको हैसियतले सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मतदान गर्न समेत सक्नु हुनेछ ।
९. साधारण सभा सम्बन्धमा थप जानकारी आवश्यक परेमा कार्यालय समयभित्र विकास बैंकको केन्द्रीय कार्यालय का.म.न.पा. -२८, काठमाडौं प्लाजा, कमलादी, काठमाडौंमा सम्पर्क राख्न समेत अनुरोध छ ।

**पुनश्च:** कम्पनीको आर्थिक विवरण सेयरधनी महानुभावहरूले उपलब्ध गराएको ठेगानामा पठाइनेछ । साथै कम्पनी ऐन, २०६३ अनुसारको वार्षिक आर्थिक विवरण, सञ्चालक समितिको प्रतिवेदन र लेखापरीक्षकको प्रतिवेदन सेयरधनी महानुभावहरूले कम्पनीको केन्द्रीय कार्यालय का.म.न.पा. -२८, काठमाडौं प्लाजा, कमलादी काठमाडौंमा तथा यस विकास बैंकको सेयर रजिष्ट्रार मुक्तिनाथ क्यापिटल लि. नारायणचौर, नक्साल, काठमाडौंमा आई निरीक्षण गर्न र प्राप्त गर्न सक्ने व्यहोरा समेत जानकारीका लागि सूचित गरिन्छ । आर्थिक विवरण लगायत वार्षिक साधारणसभामा पेश हुने सम्पूर्ण प्रस्तावहरू बैंकको Website: [www.muktinathbank.com.np](http://www.muktinathbank.com.np) मा हेर्न सक्नुहुनेछ ।



## अध्यक्षज्यूको मन्तव्य

### आदरणीय सेयरधनी महानुभावहरू,

आजको यस गरिमामय सभामा उपस्थित हुनु भएका यस विकास बैंकका सेयरधनी महानुभावज्यूहरू तथा हाम्रो निमन्त्रणालाई स्वीकार गरी पाल्नु भएका अतिथिज्यूहरू लगायत उपस्थित अन्य महानुभावहरूमा हार्दिक स्वागत गर्न चाहन्छु ।

यस विकास बैंकको स्थापनाकाल देखि हालसम्मको अवस्थालाई मूल्यांकन गर्दा गत आ.व. ०७८।०७९ अत्यन्तै चुनौतिपूर्ण वर्षको रूपमा रहेको मैले अनुभूति गरेको छु । कठिन परिस्थितिमा समेत विचलित नभई सकारात्मक सोच र अठोटका साथ अगाडि बढियो भने गन्तव्यमा पुग्न कुनै कठिनाई हुन भन्ने कुराको पनि महसुस भएको छ । कोभिड- १९ र त्यस पछाडी विभिन्न क्षेत्रमा देखिएको असर, युन्नेन रसिया विचको युद्ध, बैंकहरूमा देखिएको तरलता संकट, देशको विदेशी मुद्रा संचितमा आएको ह्रास, नेपाल राष्ट्र बैंकको आयात सम्बन्धी नीति, अन्तराष्ट्रिय बजार परिदृश्य तथा प्राकृतिक प्रकोप आदिको कारणले समग्र उद्योगधन्दा, बन्द व्यापार, निर्माण कार्य र श्रमबजारमा परेको असरले हामी सबै लाई प्रत्यक्ष तथा अप्रत्यक्ष रूपमा असर पारेका छन् । जसका बावजुत संभावित जोखिमहरूको आँकलन गरी सोको संयमित र अनुकूलित व्यवस्थापन नै सफलताको कडी हो भन्नेमा कसैको दुई मत हुन सक्दैन । संस्था भित्र कायम रहेको सुशासन र सहभागितामूलक पारदर्शी निर्णय प्रक्रियाहरूले गर्दा सञ्चालक समिति र व्यवस्थापन बीचमा प्रगाढ सम्बन्ध रहेको महसुस गरेको छु ।

यस विकास बैंकले स्थापनाकाल देखि हालसम्म गरेको प्रगति हामीहरू माझ छलङ्गे रहेको व्यहोरा मैले अनिश्चय पर्दैन । बैंकले संप्रेषण गरेको आधिकारिक सूचना तथा जानकारीहरू विभिन्न सञ्चार माध्यमहरू मार्फत संप्रेषण भई रहेकै छन् । तथापि, केही महत्वपूर्ण उपलब्धीहरूलाई संक्षेपमा उल्लेख गर्न अपरिहार्य ठानेको छु । विगतका वर्षमाभै यस वर्ष पनि Best Presented Annual Report (BPA) Award-2021 यस विकास बैंकले नै प्राप्त गरेको छ । त्यसैगरी Corporate Business Excellency Award 2022, HRM Award for The Corporate Excellence 2021, SAFA (South Asian Federation of Accountants) Best Presented Annual Report award 2021 पनि यस बैंकले नै प्राप्त गर्न सफल भएको छ । यस विकास बैंकले राष्ट्रिय स्तरमा मात्र सीमित नभई अन्तराष्ट्रिय परिदृश्यहरूमा आफ्नो पहिचानलाई दरिलो रूपमा उपस्थित गराउने प्रयासहरू गरेको छ र यी प्रयासहरू निरन्तर जारी रहनेछन् । एक जिम्मेवार वित्तीय संस्थाको नाताले सम्पूर्ण सरोकारवालाहरू प्रति गर्नुपर्ने आफ्नो कर्तव्यलाई पूर्ण प्रतिवद्ध भई पुरा गर्ने हाम्रो अठोट रही रहनेछ ।

आ.व. २०७८/०७९ मा कोरोनाको महामारीको कारणले बन्दा बन्दीको चपेटामा नपरेतापनि अर्थतन्त्रमा परेको नकारात्मक प्रभाव, तरलताको उतार चढाव, रसिया युन्नेन बिचको युद्ध आदि कारणले गर्दा व्यवसाय वृद्धि र गुणस्तरीयता कायम गर्न चुनौती नै बेहोर्नु पर्ने अवस्था रह्यो । यस्तो परिस्थितिमा पनि बैंकले आफ्नो कर्जा १७.२० प्रतिशतले, बचत तथा निक्षेप १७.४४ प्रतिशतले वृद्धि गर्न सफल भएको छ भने देशको सातवटै प्रदेशमा शाखा बिस्तार गर्न सफल भएको छ ।

यस विकास बैंकको सहायक कम्पनी मुक्तिनाथ क्यापिटलले चुक्ता पूँजीको १०० प्रतिशत हकप्रद सेयर जारी गरी पूँजीलाई दोब्बर बनाएको छ भने सोही अनुरूप आफ्नो व्यवसाय वृद्धिको दायरालाई समेत फराकिलो बनाउँदै गएको छ । हाल क्यापिटलबाट प्राथमिक सेयर निस्काशन तथा बिक्रि प्रबन्ध, सेयर रजिष्ट्रार, पूँजी तथा लगानी व्यवस्थापन लगायत डिम्यान्ड खाता संचालनमा वृद्धि गर्दै आफ्नो सेवालाई अझ विस्तार गर्दै लगेको छ ।

कृषि क्षेत्रको प्रवर्द्धन र विकास गर्ने उद्देश्यले यस विकास बैंकको सक्रियतामा स्थापना गरिएको मुक्तिनाथ कृषि कम्पनी लि.ले आफ्नो सेवालाई विविधिकरण गर्दै व्यवसाय विस्तारलाई तीव्र रूपमा अगाडि बढाएको छ । जसले विभिन्न राष्ट्रिय तथा अन्तराष्ट्रिय संस्थाहरूसँग आपसी सहकार्यको लागि सम्झौताहरू गरिएका छन् भने मुक्तिनाथ ब्राण्डमा विभिन्न कृषि उपज तथा बीउ बिजन, फलफूलका बिरुवाहरू, जैविक मलहरूको बिक्री वितरण गरेको छ । कृषि कार्यको लागि आवश्यक पर्ने गुणस्तरीय यन्त्र उपकरण तथा प्रविधिहरूमा किसानहरूको सहज पहुँच विस्तार गर्न देशभरि आधिकारिक बिक्रेताहरू र सहकारीमा आधारित कृषि स्रोत केन्द्रहरूको मार्फत बिक्री वितरणको व्यवस्था मिलाइएको छ । बैंकको लघुबैंकिङ्ग कार्यक्रममा आवद्ध भएका सदस्यहरूलाई लक्षित गरी कृषि सहकारी संस्थामा आवद्ध गराउने र बैंकको व्यवसाय र कर्मचारीहरूको उत्पादकत्व वृद्धि गर्ने कार्यको थालनी पनि भएको छ । लघुवित्तका सदस्यहरूको कृषि उत्पादनको बजार सुनिश्चिता (Buy Back Guarantee) गर्न आवश्यक संरचनाहरूको निर्माण हुदै गएको छ । कृषि व्यवसायलाई विशिष्टकृत र प्रविधिमैत्री तरिकाबाट अगाडि बढाउनका लागि ८ वटा सहायक कम्पनीहरू दर्ता गरी सकिएको छ भने पूँजी वृद्धिका लागि ५५ प्रतिशत हकप्रद सेयर निष्काशन गरीसकिएको छ । यो शुरुवातले समग्र वित्तीय क्षेत्रको लगानीलाई कृषि र उत्पादनमूलक क्षेत्रमा प्रवाह गरी दिगो अर्थतन्त्रको विकासमा कोसेढुङ्गा सावित हुनेछ भन्ने विश्वास बढ्दै गएको छ ।







नियमक निकायकद्वारा वार्षिक साधारण सभामा पेश गर्नु पर्ने भनी निर्देशित गरेका विषय वस्तुहरू तथा यस विकास बैंकले गरेका उल्लेखनीय गतिविधिहरू यहाँहरू सबैको जानकारीको लागि यसै प्रतिवेदनमा समावेश गरिएका छन् । सदाभै यहाँहरूले यो प्रतिवेदनलाई अध्ययन गरी उचित पृष्ठपोषण दिनुहुन अनुरोध गर्दछु । यहाँहरूले दिनु भएको सुझावहरूले बैंकको सबलता र सेवाग्राहीहरूमा अपनत्व वृद्धि हुने अपेक्षा गरेको छु । नेपालको माटो सुहाउँदो सुदृढ वित्तीय संस्थाको रूपमा यो विकास बैंकलाई स्थापित गर्न सञ्चालक समिति र समग्र बैंक परिवार प्रतिवद्ध रहेको व्यहोरा पनि यो गरिमामय सभामा जानकारी गराउन चाहान्छु । यस १६ औं वार्षिक साधारण सभामा निर्णयार्थ पेश भएका साधारण तथा विशेष प्रस्तावहरूलाई सेयरधनी महानुभावहरूले छलफल गरी एकमतले पारित गरी दिनुहुनेछ भन्ने विश्वास पनि लिएको छु ।

अन्त्यमा, हामीलाई मार्ग निर्देश गर्नु हुने सम्पूर्ण नियमक निकायहरू, सहकार्य र सहयोग गर्नु भएका सरकारी तथा गैरसरकारी संघ संस्थाहरू र निजी क्षेत्रलाई कृतज्ञताका साथ धन्यवाद दिन चाहान्छु । आदरणीय सेयरधनी महानुभावहरूको अपेक्षा र विश्वासलाई उच्च स्थानमा राखी उचित प्रतिफल र लगानीको सुरक्षामा प्रतिवद्ध रहेको अनुरोध गर्न चाहान्छु । यस विकास बैंकलाई दैनिक रूपमा

अगाडि बढाउन हरदम सक्रिय रहनु हुने सम्पूर्ण कर्मचारीहरूलाई विशेष धन्यवाद दिन चाहान्छु । हाम्रा अति आदरणीय १२ लाख भन्दा बढी ग्राहकहरू प्रति हार्दिक आभारका साथ धन्यवाद व्यक्त गर्न चाहान्छु । साथै, यहाँहरूको खुशीलाई पहिलो प्राथमिकतामा राखेर बैंकको सेवाहरूलाई विविधिकरण गर्दै सरल, सहज र उत्कृष्ट सेवा प्रदान गर्ने अठोट गर्दछौं ।

धन्यवाद ।

**जय मुक्तिनाथ !**



## सञ्चालक समितिको वार्षिक प्रतिवेदन

मुक्तिनाथ विकास बैंक लि.को सोही वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट आ.व. २०७८/०७९ को वार्षिक प्रतिवेदन आदरणीय सेयरधनी महानुभावहरु समक्ष पेश गर्न पाउँदा हामीलाई खुसी लागेको छ । यो विकास बैंकले विगत वर्षहरुमा जस्तै विभिन्न सूचकहरुमा राम्रो प्रगति कायम गर्न सफल भएको छ । यस वार्षिक प्रतिवेदनमा नियमक निकायहरुद्वारा समावेश गर्न तोकिएका विषय वस्तुहरु तथा सरोकारवालाहरु सबैलाई सान्दर्भिक हुने अन्य प्रगतिका विवरणहरु पनि प्रस्तुत गरिएको छ ।

बैंक तथा वित्तीय संस्थाहरुको नियामक निकाय नेपाल राष्ट्र बैंकले आ.व. २०७९/०८० को लागि जारी गरेको मौद्रिक नीति तथा सोको सफल कार्यान्वयनको लागि विभिन्न मितिमा जारी भएका निर्देशनहरुले अर्थतन्त्र बिस्तारमा सहयोग पुऱ्याउने, आर्थिक तथा वित्तीय स्थायित्व कायम गर्ने, वित्तीय स्रोत परिचालनको दायरा फराकिलो बनाउने, उत्पादन अभिवृद्धि, रोजगारी सिर्जना, उद्यमशीलता विकास र दिगो तथा समावेशी आर्थिक विकास हासिल गर्ने नीति लिएको देखिन्छ । साथै, ब्याजदर स्थायित्व कायम हुने गरी तरलता व्यवस्थापन गर्ने, बैंक तथा वित्तीय संस्थाहरुमा सुशासन प्रवर्द्धन तथा सुदृढीकरण गर्ने, भुक्तानी कारोबारमा विद्युतीय माध्यमको प्रयोगलाई प्रवर्द्धन गर्ने र वित्तीय पूर्वाधारको विकास र वित्तीय साक्षरता अभिवृद्धि मार्फत वित्तीय पहुँच तथा वित्तीय समावेशीकरण प्रवर्द्धन गर्ने गरी बैंक तथा वित्तीय संस्थाहरुलाई मार्ग निर्देशन गरेको छ ।

### मौद्रिक नीति र यसका प्रभावहरु :

नेपाल सरकारको आ.व. २०७९/०८० को बजेटले तोकेको सरकारको सामाजिक न्यूनतम कार्यक्रम, नीति तथा प्राथमिकता, देशको वर्तमान आर्थिक अवस्थाको जानकारी, २०७९ एवम् नेपाल राष्ट्र बैंकको तेश्रो रणनीतिक योजनालाई मौद्रिक नीति तर्जुमाको आधार बनाएको देखिन्छ । सो नीतिमा उल्लेखित केही बुँदाहरु यहाँ प्रस्तुत गरिएको छ ।

- आर्थिक वर्ष २०७८/७९ मा नेपालको आर्थिक वृद्धिदर ५.८४ प्रतिशत रहने केन्द्रीय तथ्याङ्क विभागको अनुमान रहेको छ । आर्थिक वृद्धिमा मुख्य रूपमा विद्युत उत्पादन, निर्माण गतिविधिमा भएको विस्तार र पर्यटन क्षेत्रको पुनरुत्थानले सहयोग पुऱ्याएको छ । आर्थिक वर्ष २०७७/७८ मा आर्थिक वृद्धिदर ४.२५ प्रतिशत रहेको थियो ।
- महालेखा नियन्त्रक कार्यालयबाट २०७९ साउन १ मा प्रकाशित विवरण अनुसार आर्थिक वर्ष २०७८/७९ मा संघीय सरकारको कुल खर्च रु.१,२९६ अर्ब २४ करोड भएको छ । यसमध्ये चालु खर्च रु.९६१ अर्ब ४७ करोड, पुँजीगत खर्च रु.२९६ अर्ब ३७ करोड र वित्तीय व्यवस्था तर्फको खर्च रु.११८ अर्ब ४० करोड रहेको छ । आर्थिक वर्ष २०७८/७९ मा राजस्व संकलन रु.१०६७ अर्ब ९६ करोड भएको छ ।
- आर्थिक वर्ष २०७८/७९ को छगार महिनामा कुल वस्तु निर्यात ५३.३

प्रतिशतले वृद्धि भई रु. १८५ अर्ब ८४ करोड पुगेको छ भने कुल वस्तु आयात २७.५ प्रतिशतले वृद्धि भई रु. १७६३ अर्ब २२ करोड पुगेको छ । फलस्वरूप, कुल वस्तु व्यापार घाटा २५.० प्रतिशतले वृद्धि भई रु. १५७७ अर्ब ३९ करोड पुगेको छ ।

- आर्थिक वर्ष २०७८/७९ को छगार महिनामा बैंक तथा वित्तीय संस्थाहरुमा रहेको निक्षेप ५.७ प्रतिशतले बढेको छ भने निजी क्षेत्रतर्फ प्रवाह भएको कर्जा १३.५ प्रतिशतले विस्तार भएको छ । उक्त अवधिमा बैंक तथा वित्तीय संस्थाहरुले रु. २६६ अर्ब निक्षेप संकलन गरी रु.५५३ अर्ब कर्जा प्रवाह गरेका छन् । अघिल्लो आर्थिक वर्षको सोही अवधिमा बैंक तथा वित्तीय संस्थाहरुले रु. ५८८ अर्ब निक्षेप संकलन गरी रु. ७९९ अर्ब कर्जा प्रवाह गरेका थिए ।
- २०७९ आषाढ मसान्तमा वाणिज्य बैंकहरुको औसत निष्क्रिय कर्जा अनुपात १.३२ प्रतिशत, विकास बैंकहरुको १.४९ प्रतिशत र वित्त कम्पनीहरुको ७.० प्रतिशत रहेको छ । २०७८ असार मसान्तमा यी अनुपातहरु क्रमशः १.४१ प्रतिशत, १.३० प्रतिशत र ६.१९ प्रतिशत रहेका थिए ।
- वित्तीय पहुँच बढ्दै गएको छ । बैंक तथा वित्तीय संस्थाहरुको शाखा संख्या २०७८ असार मसान्तमा १०,६८३ रहेकोमा २०७९ असार मसान्तमा ११,५२८ पुगेको छ । शाखा विस्तारसँगै उक्त अवधिमा प्रति बैंक शाखा जनसंख्या २,८४४ बाट घटेर २,५३२ कायम भएको छ । ७५२ वटा स्थानीय तहमा वाणिज्य बैंकका शाखाहरु विस्तार भएका छन् ।
- २०७८ असार मसान्तमा २८८३.४१ रहेको नेप्से सूचकाङ्क २०७९ असार मसान्तमा २००९.४६ रहेको छ । २०७९ असार मसान्तमा धितोपत्र बजार पुँजीकरण रु. २८६९ अर्ब ३४ करोड रहेको छ । २०७८ असार मसान्तमा बजार पुँजीकरण रु.४०१० अर्ब ९६ करोड रहेको थियो ।
- बैंक तथा वित्तीय संस्थाहरुले २०७९ असार मसान्तसम्म कर्जा-निक्षेप अनुपात अधिकतम ९० प्रतिशत कायम गर्नुपर्ने नीतिगत व्यवस्था गरिएकोमा २०७९ असार मसान्तमा यस्तो अनुपात औसतमा ८६.२२ प्रतिशत रहेको छ ।
- २०७८ असारमा ९१-दिने ट्रेजरी बिलको भारित औसत ब्याजदर ४.५५ प्रतिशत रहेकोमा २०७९ असारमा यस्तो ब्याजदर १०.६६ प्रतिशत पुगेको छ ।
- वास्तविक कृषि व्यवसायीलाई रु.२० लाखसम्म कृषि व्यवसाय सञ्चालन गर्न परियोजनाको धितोमा प्रवाह हुने कर्जा, महिला उद्यमीद्वारा लघु उद्यम तथा स्वरोजगारमूलक व्यवसाय सञ्चालन गर्न परियोजनाको धितोमा प्रवाह हुने रु.२० लाखसम्मको कर्जा र ऋणी स्वयम् रोजगार हुने उद्देश्यले सवारी साधन खरिद गर्न प्रवाह हुने रु.२५ लाखसम्मको कर्जालाई विपन्न वर्ग कर्जामा गणना गर्न सक्ने व्यवस्था कार्यान्वयनमा आएको छ । २०७८ चैत मसान्तमा बैंक तथा वित्तीय संस्थाहरुको कुल कर्जासापठको ७.८८ प्रतिशत कर्जा विपन्न वर्गमा लगानीमा रहेको छ ।





- बैंक तथा वित्तीय संस्थाहरूले कृषि, हस्तकला र सीपमूलक व्यवसाय संचालनका लागि रु.१ करोडसम्मको कर्जा प्रवाह गर्दा आधार दरमा अधिकतम २ प्रतिशत बिन्दुले मात्र प्रिमियम थप गर्न सक्ने व्यवस्था कार्यान्वयनमा आएको छ ।
- नेपाल सरकारको ब्याज अनुदानमा सञ्चालित सहूलियतपूर्ण कर्जा कार्यक्रम अन्तर्गत २०७९ जेठ सम्म १ लाख ४७ हजार १४७ ऋणीलाई रु. २१५ अर्ब ९१ करोड कर्जा लगानीमा रहेको छ । यसमध्ये कृषि तथा पशुपंक्षी व्यवसाय शीर्षकमा ६० हजार ६१८ ऋणीलाई रु. १३९ अर्ब ८४ करोड र महिला उद्यमशील कर्जा अन्तर्गत ८३ हजार ६६९ महिला उद्यमीलाई रु. ७२ अर्ब ३८ करोड कर्जा लगानी भएको छ । सहूलियतपूर्ण कर्जाका अन्य ८ शीर्षक अन्तर्गत कुल २ हजार ८६० ऋणीहरूलाई रु. ३ अर्ब ६९ करोड कर्जा लगानीमा रहेको छ ।
- कोभिड-१९ संक्रमणबाट प्रभावित पर्यटन र घरेलु, साना तथा मझौला उद्यम क्षेत्रको व्यवसाय निरन्तरतामा सहयोग पुऱ्याउन ती क्षेत्रका श्रमिक तथा कर्मचारीको पारिश्रमिक भुक्तानीका लागि व्यवस्था गरिएको व्यवसाय निरन्तरता कर्जा २०७९ जेठ मसान्तसम्म रु.१ अर्ब १५ करोड स्वीकृत भएको छ ।
- कोभिड-१९ संक्रमणको समयमा लिइएका सहज नियामकीय व्यवस्थाहरूलाई क्रमशः कठौती गर्दै विवेकशील नियामकीय मापदण्ड अनुरूप बनाइने छ । कृषि लगायतका उत्पादनशील क्षेत्र, निर्यात र कोभिड महामारीबाट पुनरुत्थान हुन बाँकी अति प्रभावित क्षेत्रमा मात्र उपलब्ध गराउने गरी पुनरुत्थान सुविधालाई पुनरावलोकन गरिनेछ ।

नेपालमा रहेका बैंक तथा वित्तीय संस्थाहरू तथा समग्र अर्थतन्त्रको राष्ट्रिय अवस्था आ.व. २०७८/०७९ मा उल्लेखित बमोजिम रहेको देखिन्छ । यस विकास बैंकको सोही आ.व.मा निम्न बमोजिम वित्तीय अवस्था रहेको छ ।

#### क. केन्द्रीय कार्यालय भवन निर्माण सम्बन्धमा :

यस विकास बैंकको निर्माणाधिन केन्द्रीय कार्यालयका सम्बन्धमा कोभिड- १९ पछाडी विभिन्न क्षेत्रमा देखिएको असर, युन्नेन रसिया विचको युद्ध, बैंकहरूमा देखिएको तरलता संकट, देशको विदेशी मुद्रा संचितिमा आएको ह्रास, नेपाल राष्ट्र बैंकको आयत सम्बन्धी नीति, अन्तराष्ट्रिय बजार परिदृश्य तथा प्राकृतिक प्रकोप आदिको कारणले समग्र उद्योगधन्दा, बन्द व्यापार, निर्माण कार्य र श्रमबजारमा परेको असर र यी कारणहरूले भएको समग्र मूल्य वृद्धिका कारण बैंकको भवन निर्माण कार्यमा प्रत्यक्ष असर परी निर्माण कार्यमा ढिलाई हुनुका साथै सोको लागतमा समेत वृद्धि हुन गएको व्यहोरा यस सभा समक्ष जानकारी गराउँदछु ।

#### ख. भावी रणनीति अन्तर्गत :

संस्थाको हितलाई ध्यानमा राख्दै यस विकास बैंकमा विदेशी बैंक तथा अन्य संघ संस्थाहरूबाट लगानी गर्न चाहेको अवस्थामा आवश्यकता अनुसार नियामक निकायहरूको अनुमति लिई सोको व्यावस्था मिलाउने सम्बन्धमा पहल गरिने व्यहोरा सभा समक्ष जानकारी गराउँदछु ।

#### ग. विगत वर्षको कारोबारको सिंहावलोकन:

आ.व. २०७८/०७९ मा यस विकास बैंकले १५ वटा नयाँ शाखा र ४ वटा विस्तारित काउन्टर सञ्चालनमा ल्याई कुल १७७ वटा शाखा सञ्जाल पुऱ्याउन सफल भएको छ । यो विकास बैंकले विषमतामा पनि अनुकुलताको रणनीति बमोजिम वित्तीय सूचकहरूमा सकारात्मकता ल्याउन सफल भएको छ ।

विगत ५ वर्षको वित्तीय अवस्था र नाफा-नोक्सानका विवरण तथा मुख्य सूचकाङ्कहरू देहाय बमोजिम रहेका छन् :





## विगत ५ आर्थिक वर्षको वित्तीय अवस्थाको विवरण

(रकम रु.मा)

विवरण	२०७८/७९	२०७७/७८	२०७६/७७	२०७५/७६	२०७४/७५
<b>सम्पति</b>					
नगद तथा नगद समान	८,१०१,००९,८१२	६,२६९,७२१,४८४	८,१९९,३८२,५६७	८,५२६,२५७,०६१	६,८८५,७७४,२४९
नेपाल राष्ट्र बैंकमा रहेको मौज्दात	२,८६५,४४०,३९९	२,५६४,७४८,५९२	२,०१९,०२७,०२२	१,९१८,१०४,५२८	१,४३९,८०१,२७८
बैंक तथा वित्तीय संस्थामा रहेको मौज्दात	-	-	-	-	-
व्युत्पन्न वित्तीय उपकरण	-	-	-	-	-
अन्य व्यापारिक सम्पतिहरू	-	-	-	-	-
बैंक तथा वित्तीय संस्थालाई कर्जा तथा सापटी	२,७२६,७९९,७७३	३,४८३,६१३,३६५	६०३,९००,०००	-	-
ग्राहकलाई कर्जा सापटी	८६,८११,९४८,४१५	७२,९९९,२४९,८७३	४७,६६०,९०४,६११	३८,१४४,३२१,४८९	२५,१६८,८७४,०९६
सुरक्षणपत्रमा लगानी	१७,९३६,३८१,६५९	१४,५१३,४०२,९२६	६,५९२,८०८,५४३	२,५१६,८५३,९३०	६६७,९८६,५६८
यस आ.व.को कर सम्पति	१६,४७२,४४७	४४,२९८,४६७	६९,१५०,९६९	-	२४,८४१,९८२
सहायक कम्पनीमा लगानी	११७,५००,०००	११७,५००,०००	११७,५००,०००	११७,५००,०००	-
सम्बद्ध कम्पनीमा लगानी	१००,०००,०००	१००,०००,०००	५४,७२८,००६	५३,२२०,७५७	-
सम्पतिमा लगानी	५१,०५०,८५२	-	-	-	-
सम्पति तथा उपकरण	१,८९५,०६१,४९८	८१३,७८०,४०९	७६४,७८३,१५४	७२०,३२३,२५३	४७३,५५०,४२७
रूचाति तथा अमूर्त सम्पति	१९,९३७,६१०	८,३४८,६००	९,७७१,७४४	७,७७१,७४४	७,७७१,००२
स्थगान कर सम्पति	९२,४५०,५८८	५५,०१८,००४	४५,३००,६४३	३९,०६६,९३७	-
अन्य सम्पतिहरू	३४९,४१५,३६९	२३७,१३५,०८४	२१०,८३५,४५१	१४८,०३०,५३८	९८,२९१,२२४
<b>जम्मा सम्पतिहरू</b>	<b>१२१,०८३,४६८,४२२</b>	<b>१०१,१२६,८१६,८०४</b>	<b>६६,३४८,०९२,७११</b>	<b>५१,९९१,३९६,२८७</b>	<b>३४,७६६,२३८,८२६</b>
<b>दायित्वहरू</b>					
बैंक तथा वित्तीय संस्थालाई तिर्न बाँकी	३,७५०,२८४,११०	५,४१९,५८६,९२५	२,३२२,२७०,७४७	५,३०५,८४८,१३२	३,५७६,१६१,१०९
नेपाल राष्ट्र बैंकलाई तिर्न बाँकी	१,०३२,९७९,५५६	८३२,४४६,४१८	-	-	-
व्युत्पन्न वित्तीय उपकरण	-	-	-	-	-
ग्राहकबाट निक्षेप	१०४,६७५,०७२,२६३	८६,९०२,९१४,३७३	५७,३१०,८६२,७०१	४१,४७०,७०४,७५३	२७,०९२,७५२,६६३
तिर्न बाँकी सापटी	२५,०१६,४३८	-	-	-	-
यस आ.व.को कर दायित्व	-	-	-	३०,३१९,०६०	-
व्यवस्थाहरू	३,५०६,०३०	३,७३२,०७०	३,७३२,०७०	६,९१७,९१३	६,९१७,९१३
स्थगान कर दायित्व	-	-	-	-	१९,२८५,५८१
अन्य दायित्वहरू	२,२७३,५२९,६६०	१,१४१,४७९,८७७	८९२,७६८,५०३	७२८,१०३,००९	४४५,५४१,९०७
जारी गरिएको ऋण पत्र	१,२४६,४८९,२९२	-	-	-	-
सुरक्षण नराखिएको सहायक आवधिक दायित्व	-	-	-	-	-
<b>जम्मा दायित्वहरू</b>	<b>११३,००६,८७७,३४८</b>	<b>९४,३००,१५९,६६२</b>	<b>६०,५२९,६३४,०२२</b>	<b>४७,५४१,८९२,८६७</b>	<b>३१,१४०,६५९,१७३</b>
<b>इविवटी</b>					
सेयर पूँजी	५,६५७,१८०,८५७	४,८११,५५०,८०३	४,३२४,९८९,४८६	३,०६४,७६०,१२३	२,५९१,७६३,३१७
सेयर प्रिमियम	-	-	६४,०१२,१४२,५७	-	६५,०३६,२०३
संचित मुनाफा	८०५,५२२,२२८	८९६,३१५,६५१	६१३,७७९,१६१	७०५,६३१,०६४	५६९,२३४,७०४
जगेडा कोष	१,६१३,८८७,९८९	१,११८,७९०,६८८	८१५,६७७,९००	६७९,११२,२३३	३९९,५४५,४३०
सेयरधनीहरूको कुल पूँजी	८,०७६,५९१,०७४	६,८२६,६५७,१४२	५,८१८,४५८,६८९	४,४४९,५०३,४२०	३,६६५,५७९,६५४
गैर नियन्त्रण स्वार्थ	-	-	-	-	-
कुल पूँजी	८,०७६,५९१,०७४	६,८२६,६५७,१४२	५,८१८,४५८,६८९	४,४४९,५०३,४२०	३,६६५,५७९,६५४
कुल दायित्व तथा पूँजी	१२१,०८३,४६८,४२२	१०१,१२६,८१६,८०४	६६,३४८,०९२,७११	५१,९९१,३९६,२८७	३४,७६६,२३८,८२६
सम्भावित दायित्व र प्रतिबद्धता	४,०८८,३६०,६०३	४५९,६१८,८४५	२,४२८,९४८,८४७	२२४,०५८,७७३	९१,८८७,१०५
प्रति सेयर खुद सम्पति मूल्य	१४२.७७	१४१.८८	१३४.५३	१४५.१८	१३९.८९





## विगत ५ आर्थिक वर्षको नाफा वा नोक्सानको विवरण

(रकम रु.मा)

विवरण	२०७८/७९	२०७७/७८	२०७६/७७	२०७५/७६	२०७४/७५
ब्याज आम्दानी	११,५६३,२१६,२९८	७,५८३,६५२,४६९	६,५९२,४९३,३६३	५,११८,६०३,९८९	३,१५३,८२९,९४६
ब्याज स्वर्च	८,२३३,४३६,९२१	४,७९५,०११,३३०	४,३३३,१०९,१०९	३,२२३,८२८,५५६	१,८४२,४१०,०८३
स्वुद ब्याज आम्दानी	३,३२९,७७९,३७६	२,७८८,६४१,१३८	२,२५९,३८४,२५३	१,८९४,७७५,४३३	१,३११,४१९,८६३
शुल्क तथा कमिशन आम्दानी	४९७,४९३,२६४	६०५,०१९,०२०	५०९,६३०,०९४	६१५,६३५,९२७	४०३,९५८,५३६
शुल्क तथा कमिशन स्वर्च	४९,९५१,५२९	३२,०६७,६३३	२२,७६२,९६३	१३,७३९,७९७	४,२२६,२०२
स्वुद शुल्क तथा कमिशन आम्दानी	४४७,५४१,७३५	५७२,९५१,३८६	४८६,८६७,१३०	६०१,८९६,१३०	३९९,७३२,३३४
स्वुद ब्याज, शुल्क तथा कमिशन आम्दानी	३,७७७,३२१,१११	३,३६१,५९२,५२५	२,७४६,२५१,३८४	२,४९६,६७१,५६३	१,७११,१५२,१९७
स्वुद व्यापारिक आम्दानी	८,४४४,७६२	६,२४२,५३६	६,२५९,४५४	८,०६०,५८४	९९,४६१
अन्य संचालन आम्दानी	४६,८७८,५०१	४२२,०१८,०७९	३५,६५६,५५३	१३,२९८,९४४	१६,११७,३५३
कुल संचालन आम्दानी	३,८३३,६४४,३७३	३,७८९,८५३,१४०	२,७८८,१६७,३९१	२,५१८,०३१,०९१	१,७२७,३६९,०११
कर्जा तथा अन्य नोक्सानीको जोखिम व्यवस्था/(फिर्ता)	७४,७१२,१८८	४९५,२७३,०२१	३१६,८५६,६२८	१४६,०४६,२३१	१००,१६७,५५९
स्वुद संचालन आम्दानी	३,७५७,९३२,१८५	३,२९४,५८०,११९	२,४७१,३१०,७६३	२,३७१,९८४,८६०	१,६२७,२०१,४५२
संचालन स्वर्च					
कर्तव्यकारी स्वर्च	१,२१६,३५४,५१९	१,११०,८६३,५६९	८९५,७९९,३७८	६८४,४९१,६९७	४४४,०९१,६३२
अन्य संचालन स्वर्च	३९४,२९८,९१६	३९७,४०७,३५७	४३४,८३५,७९७	३६३,१५६,४१३	२४४,१२६,९४२
ह्रासकट्टी र परिशोधन	२१३,९०५,२७७	१४४,७५५,३७५	१३१,८३४,४१०	१०६,२८०,७९४	४३,६२६,९७५
संचालन नाफा	१,९३३,३७३,४७३	१,६४१,५९३,८१८	१,००८,८४१,१७८	१,२१८,०५५,९५७	८९५,३५५,९०३
गैर संचालन आम्दानी	-	१४,१८०,०००	१७३,१२५	५२७,९७५	२७०,०००
गैर संचालन स्वर्च	२,२८१,८२२	-	-	-	-
आयकर अधिको मुनाफा	१,९३१,०९१,६५०	१,६५५,७७३,८१८	१,००९,०१४,३०३	१,२१८,५८३,९३२	८९५,६२५,९०३
आयकर स्वर्च	५८९,२८६,३६३	४९९,५१७,३२०	३०१,६०९,१८६	३६२,४१७,४५३	२७१,५९२,४४७
चालु आयकर	६००,३०३,२३६	५२६,७२१,२८०	३१६,९६१,५१२	४१७,६२०,७६७	२६१,१९८,०५५
स्थगन कर आम्दानी/स्वर्च	(११,०१६,८७३)	(२७,२०३,९६०)	(१५,३५२,३२६)	(५५,२०३,३१४)	१०,३९४,३९२
यस वर्षको नाफा	१,३४१,८०५,२८७	१,१५६,२५६,४९८	७०७,४०५,११७	८५६,१६६,४७९	६२४,०३३,४५६
स्वुद नाफा/(नोक्सान)मा हिस्सा:					
बैंकको सेयरधनी	१,३४१,८०५,२८७	१,१५६,२५६,४९८	७०७,४०५,११७	८५६,१६६,४७९	६२४,०३३,४५६
गैर नियन्त्रित स्वार्थ	-	-	-	-	-
यस वर्षको मुनाफा	१,३४१,८०५,२८७	१,१५६,२५६,४९८	७०७,४०५,११७	८५६,१६६,४७९	६२४,०३३,४५६



## विगत ५ आर्थिक वर्षको अन्य विस्तृत आम्दानीको विवरण

(रकम रु.मा)

विवरण	२०७८/७९	२०७७/७८	२०७६/७७	२०७५/७६	२०७४/७५
यस वर्षको नाफा	१,३४१,८०५,२८७	१,१५६,२५६,४९८	७०७,४०५,११७	८५६,१६६,४७९	६२४,०३३,४५६
आयकर पछिको अन्य विस्तृत आम्दानी					
क) नाफा/(नोक्सान) मा पुनःवर्गीकरण नगरिने बुँदाहरू					
फेयर भ्याल्यूमा मूल्याङ्कन गरिएका इविवटी उपकरणको लगानीबाट भएका नाफा/(नोक्सान)	(७४,३७१,८७८)	३८,७३५,८८४	२१,६९६,१७७	(७,९४६,९७५)	(४०,४१७,६०७)
पूर्णमूल्याङ्कनबाट भएको नाफा/(नोक्सान)		-	-	-	-
परिभाषित लाभ योजनाबाट विमाङ्किक नाफा/(नोक्सान)	(१३,६८०,४९३)	१९,५५२,७७७	८,६९९,२२५	(२,५५०,३७३)	७,५७५,४९३
माथि उल्लेख गरिएका बुँदाको आयकर	२६,४१५,७११	(१७,४८६,५९८)	(९,११८,६२१)	३,१४९,२०४	९,८५२,६३४
नाफा/(नोक्सान) मा पुनः वर्गीकरण नगरिने अन्य खुद विस्तृत आम्दानी	(६१,६३६,६६०)	४०,८०२,०६३	२१,२७६,७८१	(७,३४८,१४४)	(२२,९८९,४८०)
ख) नाफा/(नोक्सान)मा पुनःवर्गीकरण गरिएका वा गर्न सकिने बुँदाहरू					
नगद प्रवाहको हेजिङबाट गरिएको नाफा/(नोक्सान)	-	-	-	-	-
विदेशी विनिमय संचालनको वित्तीय सम्पत्ति विनिमयबाट भएको सटही नाफा/(नोक्सान)	-	-	-	-	-
माथि उल्लेख गरिएका बुँदाको आयकर	-	-	-	-	-
नाफा/(नोक्सान) को पुनःवर्गीकरण	-	-	-	-	-
नाफा/(नोक्सान) मा पुनः वर्गीकरण गरिएका वा गर्न सकिने अन्य खुद विस्तृत आम्दानी	-	-	-	-	-
ग) इविवटी तरिकाबाट लेखांकन गरिएको सम्बन्ध संस्थाको अन्य विस्तृत आम्दानीमा हिस्सा					
यस वर्षको आयकर पछिको अन्य विस्तृत आम्दानी	(६१,६३६,६६०)	४०,८०२,०६३	२१,२७६,७८१	(७,३४८,१४४)	(२२,९८९,४८०)
कुल विस्तृत आम्दानी	१,२८०,१६८,६२७	१,१९७,०५८,५६१	७२८,६८१,८९८	८४८,८१८,३३५	६०१,०४३,९७७
कुल विस्तृत आम्दानीको वॉइफाँड		-	-		
बैंकको इविवटी सेयरधनी	१,२८०,१६८,६२७	१,१९७,०५८,५६१	७२८,६८१,८९८	८४८,८१८,३३५	६०१,०४३,९७७
गैर नियन्त्रित स्वार्थ	-	-	-	-	-
यस वर्षको जम्मा विस्तृत आम्दानी	१,२८०,१६८,६२७	१,१९७,०५८,५६१	७२८,६८१,८९८	८४८,८१८,३३५	६०१,०४३,९७७







## विगत ५ आर्थिक वर्षको प्रमुख वित्तीय सूचकाङ्कहरू

विवरण	इकाई	२०७८/७९	२०७७/७८	२०७६/७७	२०७५/७६	२०७४/७५
१. खुद नाफा/कुल आम्दानी	प्रतिशत	३५.०१	३०.५१	२५.३७	३४.००	३६.१३
२. प्रति सेयर आम्दानी	रु	२३.७२	२४.०३	१६.५६	२७.९४	२०.४५
३. प्रति सेयर बजार मूल्य	रु	४३९.९०	६५७.००	३१२.००	३७०.००	३७८.००
४. मूल्य आम्दानी अनुपात	अनुपात	१८.५५	२७.३४	१८.८४	१३.२४	१८.४८
५. सेयर पूँजीमा लाभांश	प्रतिशत	१३.४९	१७.५८	११.२५	१७.६०	२२.६३
६. सेयर पूँजीमा नगद लाभांश भुक्तानी	प्रतिशत	०.७१	०.९३	४.२६	०.९३	१.१३
७. ब्याज आम्दानी/कर्जा तथा सापट	प्रतिशत	१०.७९	८.३७	१२.०८	१०.८६	९.९६
८. कर्मचारी खर्च/कुल संचालन खर्च	प्रतिशत	६४.८९	६७.६६	६१.२५	५९.३२	६०.६८
९. कुल निक्षेप तथा सापटीमा ब्याज खर्च	प्रतिशत	७.८६	५.५२	७.५६	६.८९	६.०१
१०. सटही घटबढ आम्दानी/कुल आम्दानी	प्रतिशत	०.२१	०.१४	०.४९	०.१३	०.०१
११. कर्मचारी बोनस/कुल कर्मचारी खर्च	प्रतिशत	१७.६४	१६.५६	१४.३१	१९.७८	१८.५८
१२. खुद नाफा/कर्जा सापट	प्रतिशत	१.५०	१.५१	१.४७	२.२४	२.४८
१३. खुद नाफा/कुल सम्पति	प्रतिशत	१.११	१.१४	१.०७	१.६५	१.७९
१४. कुल कर्जा/निक्षेप	प्रतिशत	८२.५८	८२.७६	८०.९४	८२.६१	८२.०७
१५. कुल सञ्चालन खर्च/कुल सम्पति	प्रतिशत	१.५१	१.६३	२.२०	२.२२	२.११
१६. जोखिम भारित सम्पतिमा पूँजीकोषको पर्याप्तता	प्रतिशत					
(क) प्राथमिक पूँजी	प्रतिशत	८.८३	९.९४	११.९७	१२.२९	१३.२१
(ख) पुरक पूँजी	प्रतिशत	२.९७	१.२५	१.२६	१.१५	०.९९
(ग) पूँजीकोषको पर्याप्तता	प्रतिशत	११.८०	११.१९	१३.२३	१३.४४	१४.२०
१७. तरलता	प्रतिशत	२६.३२	२४.०७	२७.८३	२५.८८	२८.७२
१८. निष्क्रिय कर्जा/कुल कर्जा	प्रतिशत	०.२१	०.२३	०.२६	०.०७	०.००
१९. आधार दर	प्रतिशत	११.१५	८.०५	९.९८	११.३६	१२.५१
२०. कोष लागत	प्रतिशत	९.२४	६.२६	७.५२	८.६९	९.०३
२१. कर्जाको औषत ब्याजदर	प्रतिशत	१३.७६	१०.७८	१२.५१	१३.६७	१५.०३
२२. ब्याज दर अन्तर	प्रतिशत	४.५१	४.४८	४.९९	४.९८	६.००
२३. कुल सेयर	संख्या	५६,५७१,८०९	४८,११५,५०८	४३,२४९,८९५	३०,६४७,६०१	२५,९१७,६३३
२४. प्रति सेयर किताबी मूल्य	रु	१४२.७७	१४१.९८	१३४.५३	१४५.१८	१३९.८९
२५. खुद नाफा/कुल सम्पति	प्रतिशत	१.६६	१.६५	१.०७	१.१४	१.११
२६. इविवटीमा प्रतिफल	प्रतिशत	१५.८७	१९.२४	१२.१६	१६.९४	१६.६१
२७. कुल कर्मचारी	संख्या	१,५५५	१,५४७	१,४३६	१,२२३	९३५
२८. कुल शाखा संख्या	संख्या	१७७	१५८	१३५	११९	९५



## यस आर्थिक वर्षको प्रगति विवरण

### १. कुल सम्पति :

यस विकास बैंकको कुल सम्पति आ. व. २०७८/७९ मा १९.७३ प्रतिशतले वृद्धि भई कुल सम्पति रु. १ खर्ब २१ अर्ब पुगेको छ । आर्थिक वर्ष २०७७/७८ को अन्त्यमा यस विकास बैंकको कुल सम्पति रु. १ खर्ब १ अर्ब रहेको थियो ।

### २. कुल पूँजी :

विवरण	रु दश लाखमा		
	२०७८/७९	२०७७/७८	% वृद्धि
सेयर पूँजी	५,६५७.९८	४,८११.५५	१७.५८
संचित मुनाफा	८०५.५२	८९६.३१	-१०.१३
जोडा कोष	१,६१३.८९	१,११८.७९	४४.२५
सेयरधनीहरूको कुल पूँजी	८,०७७.४९	६,८२६.६५	१८.३१

आ.व. २०७७/७८ मा रु ६ अर्ब ८२ करोड रहेको सेयरधनीको जेथा आ.व. २०७८/७९ सम्म आउँदा १८.३१ प्रतिशतले वृद्धि भई रु. ८ अर्ब ७ करोड पुगेको छ । पन्ध्रौँ वार्षिक साधारण सभाले पारित गरेको १७.५७५ बोनस सेयर पश्चात् बैंकको चुक्ता पूँजी रु. ५ अर्ब ६५ करोड पुगेको छ भने संचित मुनाफा र जोडा कोष क्रमशः रु. ८० करोड ५५ लाख र १ अर्ब ६१ करोड पुगेको छ ।

### ३. निक्षेप परिचालन :

आर्थिक वर्ष २०७७/७८ मा रु. ९२ अर्ब ३२ करोड रहेको बैंकको कुल निक्षेप १७.४४ प्रतिशतले (रु. १६ अर्ब १० करोड ) वृद्धि भई यस वर्षको अन्त्यमा रु. १ खर्ब ८ अर्ब पुगेको छ । २०७९ असारमा यस विकाश बैंकको कुल निक्षेपमा चल्ती, बचत, कल निक्षेप र मुद्दतीको अंश क्रमशः २ प्रतिशत, २३ प्रतिशत, ८ प्रतिशत र ६७ प्रतिशत रहेको छ । बैंकको निक्षेप मध्ये मुद्दती निक्षेपले आधा भन्दा धेरै अंश ओगटेको छ । गत वर्ष रु. ५४ अर्ब ६९ करोड रहेको मुद्दती खाता निक्षेप यस वर्षको अन्त्यमा रु. ७२ अर्ब ३० करोड रहेको छ । ३ महिने निक्षेप उपलब्धता र व्याज संवेदनशील ग्राहकको वृद्धिको कारण अन्य निक्षेपहरूको तुलनामा यस वर्षमा मुद्दती निक्षेपको वृद्धिदर उच्च रहेको छ । निक्षेपको विविधीकरण गरी निक्षेपको लागतलाई कम गर्दै जाने योजना अनुरूप बैंकले समीक्षा वर्षमा बचत निक्षेप परिचालनमा विशेष जोड दिँदै आएको भएतापनि विविध कारणले गर्दा बचत निक्षेपमा तुलनात्मक वृद्धि हुनसकेको छैन । यस विकास बैंकले आगामी वर्षमा बचत निक्षेपहरूमा अझ बढी सुधारका लागि नवीनतम निक्षेप योजना सञ्चालनमा ल्याइ सकेको छ ।

करिब १२ लाख निक्षेप ग्राहक सहित यस विकास बैंक निक्षेपकर्ता प्रथम रोजाईको विकास बैंक बन्न सफल भएको छ । नेपाल राष्ट्र बैंकको निर्देशन अनुसार यस विकास बैंकको कुल निक्षेपमा संस्थागत निक्षेपको अनुपात बढीमा ५० प्रतिशत कायम राख्नु पर्नेमा बैंकले क्रम ३१ प्रतिशत तथा ६९ प्रतिशत व्यक्तिगत तथा संस्थागत निक्षेप अनुपात कायम गर्न सफल भएको छ ।

कोभिड अगाडि वर्षहरूमा जस्तै समीक्षा वर्षमा पनि बैंकको निक्षेप परिचालनमा चुनौतीहरू देखापरेका छन् । सरकारी खर्चहरू समयमा हुन नसक्नु, तथा बैंकहरूद्वारा तीब्र गतिमा कर्जा विस्तार गरिनुले बैंकहरूको कर्जा निक्षेप अनुपातमा दबाव पर्न गई निक्षेप परिचालन असहज हुनगएको छ । यसै कारणले पनि निक्षेपका ब्याजदरहरू समेत बढ्न गई सम्पत्तिमा कोष लागत ६.२६ बाट ९.२४ पुगेको छ ।

### ४. ऋणपत्र :

यस विकास बैंकले यस आ. व. मा ७ वर्ष अवधि तथा वार्षिक ८.७५ प्रतिशत ब्याजदर भएको प्रति ऋणपत्र रु. १,००० अंकित मूल्यका १२ लाख ५० हजार कित्ताको हुन आउने रु. १ अर्ब २५ करोड बराबर को आफ्नो प्रथम ऋणपत्र निष्कासन गरेको थियो ।

### ५. कर्जा तथा सापट :

आ.व. २०७७/७८ को अन्त्यमा यस बैंकको कुल कर्जा रु. ७६ अर्ब ४० करोड रहेकोमा समीक्षा वर्षको अन्त्यमा १७.१९ प्रतिशतले (रु. १३ अर्ब १३ करोड ) प्रतिशतले वृद्धि भई रु. ८९ अर्ब ५४ करोड पुगेको छ । बैंकको कुल कर्जा मध्ये रु. २ अर्ब ७३ करोड लघुवित्त संस्थालाई प्रदान गरिएको छ ।

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

### ६. लगानी :

आ.व. २०७७/७८ मा रु.१४ अर्ब ७३ करोड रहेको कुल लगानी आ.व. २०७८/७९ मा २३.२४ प्रतिशतले (रु.३ अर्ब ४२ करोड) वृद्धि भई रु.१८ अर्ब १५ करोड पुगेको छ । नेपाल सरकारको टेजरी विलमा रु.१ अर्ब ७७ करोड तथा विकास ऋणपत्रमा रु. १५ अर्ब ९० करोडको लगानी तथा अन्य सेयर तथा म्युचुअल फन्डमा रु २६ करोडको लगानी पुगेको हो । साथै यस विकास बैंकले सहायक कम्पनी मुक्तिनाथ क्यापिटल लिमिटेडमा रु. ११.७५ करोड र सम्बद्ध कम्पनी मुक्तिनाथ कृषि कम्पनी लिमिटेडमा रु.१० करोड लगानी गरेको छ ।





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

## ७. ब्याज आम्दानी तथा खर्च :

विवरण	रु दश लाखमा		
	२०७८/७९	२०७७/७८	% वृद्धि
ब्याज आम्दानी	११,५६३.२२	७,५८३.६५	५२.८८%
ब्याज खर्च	८,२३३.८८	८,७२५.०१	७१.७१%
खुद ब्याज आम्दानी	३,३२९.७८	२,७८८.६८	१९.८१%
खुद ब्याज आम्दानी / ब्याज आम्दानी	२८.८० %	३६.७७ %	७.८७ %

### ○ ब्याज आम्दानी

समीक्षा अवधिमा बैंकको कर्जाबाट ब्याज आम्दानी ५१.५७ प्रतिशतले वृद्धि भई रु. १० अर्ब ६६ करोड पुगेको छ भने कर्जा बाहेकको अन्य लगानी तर्फको ब्याज आम्दानी ६८.०९ प्रतिशतले वृद्धि भई रु. ९० करोड १७ लाख पुगेको छ ।

### ○ ब्याज खर्च

समीक्षा अवधिमा बैंकको ब्याज खर्च ७१.७१ प्रतिशतले वृद्धि भई रु ८ अर्ब २३ करोड पुगेको छ । बैंकको निक्षेप संकलनतर्फको ब्याज खर्च ६५.८ प्रतिशतले वृद्धि भई रु ७ अर्ब ९८ करोड पुगेको छ भने अन्यतर्फ २८ करोड ६३ लाख वृद्धि भई रु २९ करोड पुगेको छ । यस अवधिमा मुद्दती खातामा उच्च ब्याजदर कायम भएको र समग्र बैंकिङ क्षेत्रमा नै बचत खाताको रकम मुद्दती खातामा स्थानान्तरण भएको कारणले ब्याज खर्चमा वृद्धि भएको हो ।

### ○ खुद ब्याज आम्दानी

व्यापार व्यवसायमा भएको वृद्धि र कुशल कोष परिचालनको कारण बैंकको खुद ब्याज आम्दानी अधिल्लो वर्षको तुलनामा १९.८१ प्रतिशतले वृद्धि भई रु ३.३२ अर्ब कायम गर्न सफल भएको छ । साथै खुद ब्याज आम्दानी र ब्याज आम्दानीको अनुपात गत आ.व. मा ३६.७७ रहेकोमा यस आ.व.मा २८.८० रहेको छ ।

## ८. गैर ब्याज आम्दानी

गैर ब्याज आम्दानीमा शुल्क तथा कमिशन आम्दानी, खुद व्यापारिक आम्दानी र अन्य संचालन आम्दानी शीर्षकमा भएको

आम्दानीलाई समावेश गरिएको छ । शुल्क तथा कमिशन आम्दानी, खुद व्यापारिक आम्दानी र अन्य संचालन आम्दानी क्रमशः रु. ८९ करोड ७५ लाख, रु. ८४ लाख र रु ४ करोड ६९ लाख गरी जम्मा रु ९५ करोड २८ लाख गैर ब्याज आम्दानी आर्जन गर्न यस विकास बैंक सफल भएको छ । गत वर्ष सोही अवधिमा यस बैंकले शुल्क तथा कमिशन आम्दानी, खुद व्यापारिक आम्दानी र अन्य संचालन आम्दानी क्रमशः रु. ६० करोड ५० लाख, रु. ६२ लाख र रु. ८२ करोड २० लाख गरी जम्मा रु १ अर्ब ३ करोड आम्दानी आर्जन भएको थियो ।

आ. व. २०७८/७९ मा कर्जाको वृद्धि अधिल्लो वर्षको तुलनामा कम भएकाले शुल्क तथा कमिशन आम्दानीमा ह्रास आएको हो । साथै गत वर्ष यस विकास बैंकले सेयर बजारमा आएको वृद्धि र बजारको तरलताको अवस्थालाई सदुपयोग गरी सेयर तथा नेपाल सरकारको ऋणपत्र बिक्री गरी रु. ८० करोड ८५ लाख आम्दानी गर्न सफल भएकोमा यस वर्ष सेयर बजारमा आएको गिरावटसँगै बैंकको लगानी बिक्री आम्दानीमा संकुचन आएकोले अन्य संचालन आम्दानीमा पनि कमी आएको छ ।

## ९. सम्भावित नोक्सानी व्यवस्था :

समीक्षा अवधिमा बैंकको सम्भावित नोक्सानी व्यवस्था ६.१५ प्रतिशतले वृद्धि भई रु १ अर्ब २९ करोड पुगेको छ, जुन अधिल्लो वर्ष रु १ अर्ब २१ करोड रहेको थियो । २०७८ असार मसान्तमा निष्क्रिय कर्जाको अनुपात ०.२३ प्रतिशत रहेको थियो भने २०७९ असार मसान्त आइपुग्दा बैंकको निष्क्रिय कर्जाको अनुपात ०.२१ प्रतिशत रहेको छ । कुल सम्भावित नोक्सानी व्यवस्था रु. १ अर्ब २९ करोड पुगेको छ जुन कुल कर्जाको १.८४ प्रतिशत हो ।

## १०. कर्मचारी, व्यवस्थापन र अन्य खर्च

विवरण	रु दश लाखमा		
	२०७८/७९	२०७७/७८	% वृद्धि
शुल्क तथा कमिशन खर्च	८९.९५	३२.०७	५५.७७%
कर्मचारी खर्च	१२१६.३५	१,११०.८६	९.५०%
अन्य संचालन खर्च	३९८.३०	३९७.८१	-०.७८ %
मूल्यह्रास र परिषोधन	२१३.९१	१८८.७२	८.८९ %
कुल खर्च	१,८७८.५१	१,६८५.०५	११.२८ %

### शुल्क तथा कमिशन खर्च

शुल्क र कमिशन सेवा वापत बैंकले पाएको भुक्तानी यस खाता शीर्षकमा उल्लेख गरिएको छ । यो खाता शीर्षकमा कार्डसँग सम्बन्धित शुल्क, ज्यारेन्टी कमिशन र ब्रोकरेज खर्चहरू समावेश गरिएको छ । बैंकको शुल्क तथा कमिशन खर्च ५५.७७ प्रतिशतले वृद्धि भई रु. ८ करोड ९९ हजार पुगेको छ जुन अधिल्लो वर्ष रु. ३२ करोड ७ लाख रहेको थियो ।



## कर्मचारी खर्च

आ. व. २०७८/७९ मा बैंकको कुल कर्मचारी खर्च ९.५० प्रतिशतले वृद्धि भई रु. १ अर्ब २१ करोड (कर्मचारी बोनस रकम रु. २१ करोड ४६ लाख) रहेको छ भने गत आर्थिक वर्षमा (२०७७/७८) मा रु. १ अर्ब ११ करोड (कर्मचारी बोनस रकम रु. १८ करोड ४० लाख) रहेको थियो । समीक्षा अवधिमा १९ वटा थप नयाँ शाखा विस्तार हुँदा पनि बैंकले मौजुदा कर्मचारीहरू माफत कर्मचारी व्यवस्था गरिएकाले अधिल्लो वर्षको तुलनामा जम्मा ८ जना कर्मचारीहरू मात्र वृद्धि भएको छ । गत आर्थिक वर्ष २०७७/७८ को अन्त्यसम्ममा बैंकको कुल कर्मचारी संख्या १५४७ रहेकोमा यस वर्ष बैंकको कुल कर्मचारी संख्या १५५५ रहेको छ । बैंकको संचालक समितिले स्वीकृत गरेको दरबन्दीको आधारमा आवश्यकता अनुसार कर्मचारी व्यवस्थापन गर्दै जाने बैंकको नीति रहेको छ ।

बैंकले कर्मचारीहरूको क्षमता अभिवृद्धि तथा नियमित तालिममा विशेष सजग रही कर्मचारीहरूको तालिम तथा क्षमता वृद्धिका लागि उक्त अवधिमा रु. ८२.०१ लाख खर्च गरेको छ, जुन सो आर्थिक वर्षको कुल कर्मचारी खर्चको ०.६७ प्रतिशत हुन आउँछ ।

## अन्य संचालन खर्च

NFRS 16, Leases लागु भएसँगै पढा सम्बन्धित खर्चलाई प्रयोग गर्ने अधिकारलाई Right-of-Use (ROU) Assets र पढा दायित्व सृजना गरी लेखाङ्कन गरिएको छ । सम्पत्ति प्रयोग गर्ने अधिकारलाई पढा अवधि भरिमा समदर बिधि प्रयोग गरी ह्रासकट्टी गरिएको छ र पढा दायित्वलाई आधार दरमा डिस्काउन्टिङ्ग गर्ने प्रावधान रहेको छ । तसर्थ पढा सम्बन्धी खर्चलाई ब्याज खर्च तथा ह्रासकट्टी खर्चमा स्थानान्तरण हुनुपर्ने व्यवस्था बमोजिम सो शीर्षकहरूमा वर्गीकरण भएकाले अन्य संचालन खर्चमा ०.७८ प्रतिशतको गिरावट आएको छ ।

## ह्रास तथा अपलेखन

समीक्षा अवधिमा बैंकको ह्रास तथा अपलेखन खर्च ४७.८१ प्रतिशतले वृद्धि भई रु. २१.४ करोड पुगेको छ, जुन अधिल्लो वर्ष रु. १४.४७ करोड रहेको थियो । सम्पत्ति तथा उपकरण र स्याती तथा अमूर्त सम्पत्तिमा क्रमश रु. २१.०१ करोड र रु. ०.३८ करोड ह्रास तथा अपलेखन लेखाङ्कन गरिएको छ । नयाँ शाखा विस्तार, भएका शाखा स्तारन्तरण र पुनर्निर्माण, सफटवेयर तथा अन्य सम्पत्तिमा भएको लगानीले ह्रास तथा अपलेखनमा वृद्धि भएको हो ।

माथि उल्लेख भए बमोजिम NFRS 16, Leases को व्यवस्था बमोजिम प्रयोग गर्ने अधिकारलाई (Right-of-Use (ROU) Assets) लाई ह्रासकट्टी गर्नुपर्ने प्रावधान भएसँगै रु. ७ करोड ९३ लाख अन्य संचालन खर्चबाट यस शीर्षकमा वर्गीकरण भएकाले खर्चमा उल्लेखनिय वृद्धि भएको हो ।

## ११. आयकर खर्च

विवरण	रु दश लाखमा		
	२०७८/७९	२०७७/७८	% वृद्धि
चालु आयकर	६००.३०	५२६.७२	१३.९७
स्थगन कर आम्दानी/खर्च	(११.०१)	(२७.२०)	-५९.५०
जम्मा कर	५८९.२८	४९९.५२	१७.९७

यस विकास बैंकले यस आ.व.मा आयकर प्रयोजनार्थ जम्मा रु. ५८ करोड ९२ लाख खर्च गरेको छ जुन गत वर्षको रु. ४९ करोड ९५ लाख भन्दा १७.९७ प्रतिशतले वृद्धि हो । बैंकले यस वर्ष मात्र नेपाल सरकारलाई आयकर स्वरुप रु. ६० करोड बुझाइसकेको छ । साथै टि.डि.एस तथा अन्य माध्यमद्वारा रु. ५७ करोड ११ लाख ठुला करदातालाई बुझाइएको छ ।

## १२. सुद मुनाफा

समीक्षा वर्षमा बैंकको समग्र व्यापार व्यवसायमा वृद्धि सँगै आम्दानीका क्षेत्रहरूमा राम्रो वृद्धि भएकाले सुद मुनाफा गत वर्षको रु. १ अर्ब १५ करोडबाट १६.०५ प्रतिशत वृद्धि भई रु. १ अर्ब ३४ करोड पुगेको छ ।

## १३. प्रति सेयर आम्दानी

आ.व. २०७८/७९ को अन्त्यमा बैंकको प्रति सेयर आम्दानी रु. २३.७२ कायम भएको छ । अधिल्लो आ. व.को अन्त्यमा यो रु. २४.०३ थियो । यो गत आ.व. भन्दा रु. ३१ पैसा कम भएको छ ।

## १४. पूँजीकोष अनुपात तथा पूँजीकोष पर्याप्तता

गत वर्ष ११.१९ प्रतिशत रहेको पूँजीकोष अनुपात यस वर्षको अन्त्यमा ११.८० प्रतिशत रहेको छ । व्यवसायमा वृद्धि र नेपाल राष्ट्र बैंकले जोखिम भारमा गरेको परिवर्तनको कारण पूँजीकोष पर्याप्तता अनुपातमा असर परेको हो । यद्यपि बैंकको पूँजीकोष अनुपात नेपाल राष्ट्र बैंकले तोकेको न्यूनतम अर्थात ११ प्रतिशत भन्दा बढी नै रहेको छ ।

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







घ. चालु वर्षको उपलब्धि र भावी योजनाहरु :

## १. कारोबार सम्बन्धमा

यस विकास बैंकले चालु आर्थिक वर्षको पहिलो त्रैमासमा (२०७९ श्रावण १ गतेदेखि आश्विन मसान्तसम्म) वासलातको आकार तथा कारोबार रकममा सामान्य वृद्धि गरेको छ । २०७९ आषाढ मसान्तमा रु. १ खर्ब २१ अर्ब ८ करोड रहेको वासलातको आकारमा सामान्य वृद्धि भई रु. १ खर्ब २१ अर्ब ५० करोडको हुन पुगेको छ । यस विकास बैंकले यस अवधिमा कर्जा लगानी तर्फ १ अर्ब ८७ करोड अर्थात २.० ९ प्रतिशत को सामान्य वृद्धि गरी कर्जा लगानी रु २१ अर्ब ४१ करोड रहेको छ । आश्विन मसान्तसम्म कुल निक्षेप रु १ अर्ब ८ करोडमा सिमित भएको छ ।

२०७९ आश्विन मसान्त सम्ममा बैंकले करिब रु. ४३ करोड २१ लाख सञ्चालन मुनाफा र रु. ३० करोड ७ लाख खुद मुनाफा आर्जन गरेको छ । सञ्चालक समितिले यस आ.व.को लागि स्वीकृत गरेको वार्षिक लक्ष्य बमोजिम यस विकास बैंकले प्रगति हासिल गरी रहेको छ ।

२०७९ आश्विन मसान्तको अपरिस्कृत वित्तीय विवरणको मुख्य सूचकहरु देहाय बमोजिम रहेका छन्:

### क. वित्तीय अवस्था

रु दश लाखमा

विवरण	२०७९ आश्विन मसान्त	२०७९ असार मसान्त	वृद्धि	
			रकममा	प्रतिशत
कुल कर्जा तथा सापट	९१,४११.८२	८९,५३८.७४	१८७३.०८	२.०९%
कुल लगानी	१८,१६३.८४	१८,१५३.८८	९.९६	०.०५%
कुल निक्षेप	१०८,२८१.३९	१०८,४२५.३५	-१४३.९६	-०.१३%
कुल सम्पति	१२१,५०१.८८	१२१,०८३.४६	४१८.४२	०.३५%
कुल दायित्व	११३,०९६.४४	११३,००६.८७	८९.५७	०.०८%
कुल पुँजी	८४०५.४४	८,०७६.५९	३२८.८५	४.०७%

### ख. नाफा-नोक्सानको विवरण

रु दश लाखमा

विवरण	२०७९ आश्विन मसान्त
ब्याज आम्दानी	३,७१५.३२
ब्याज खर्च	२,६९१.४५
खुद ब्याज आम्दानी	१,०२३.९४
गैर ब्याज आम्दानी	१५१.५६
कर्जा तथा अन्य नोक्सानीको जोखिम व्यवस्था/(फिती)	२५०.१२
कर्मचारी खर्च	३१६.५२
कार्यालय संचालन खर्च	१६२.७१
संचालन नाफा	४३२.१६
आयकर खर्च	१३१.७५
खुद मुनाफा	३००.४१

### ग. मुख्य सूचकाङ्कहरु

विवरण	२०७९ असार मसान्त	२०७९ आश्विन मसान्त
पुँजीकोषको पर्याप्तता	११.८० %	११.२० %
निष्क्रिय कर्जा/कुल कर्जा	०.२१ %	०.७७ %
आधार दर	११.१५ %	१२.४२ %
कोष लागत	२.२४ %	१०.१५ %
कर्जाको औषत ब्याजदर	१३.७६%	१५.१६%
औषत ब्याज दरको अन्तर	४.५१ %	४.२९ %



## २. शाखा तथा सञ्जाल विस्तार सम्बन्धमा

यस विकास बैंकले आफ्नो उपस्थितिलाई देश भरि नै विस्तार गर्ने क्रम जारी राखेको छ । २०७९ आषाढ मसान्त सम्म कुल १७७ वटा शाखाहरू सञ्चालनमा थिए भने चालु आ.व. २०७९/८० मा थप १ वटा नयाँ शाखा सञ्चालनमा ल्याइएको छ । प्रदेश तथा क्षेत्र (उपक्षेत्रीय) स्तरीय कार्यालयहरूको सबलीकरण गर्ने कार्य पनि जारी रहेको छ । प्रदेश तथा क्षेत्र स्तरमा भएका कार्यालयहरूले मातहतका कार्यालयहरूमा व्यवसाय वृद्धि तथा गुणस्तरीयता कायम गर्ने कार्यहरूमा प्रत्यक्ष टेवा पुऱ्याइरहेका छन् । बैंकिङ्ग पहुँच नपुगेका र बैंकको शाखा विस्तार हुन बाँकी जिल्लाहरूमा नयाँ शाखाहरू विस्तार गर्दै लगिने छ ।

## ३. सूचना प्रविधि विस्तार सम्बन्धमा

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

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

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

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

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

प्राथमिकता दिइनेछ ।

## ५. मानव संसाधनको व्यवस्थापन र विकास

सञ्चालक समितिबाट स्वीकृत संगठनात्मक ढाँचा तथा दरबन्दी बमोजिम यथेष्ट मात्रामा कर्मचारी व्यवस्थापन गरिएको छ । २०७९ आश्विन मसान्त सम्ममा जम्मा १,५४९ जना कर्मचारीहरू कार्यरत रहनु भएको छ । योउच र उपयुक्त कर्मचारीको छनौट, नियुक्ति, क्षमता अभिवृद्धि र बृत्ति विकासलाई उच्च प्राथमिकता दिइएको छ । उच्च स्तरको ग्राहक सेवा, सेवामा तत्परता, चुस्त आन्तरिक नियन्त्रण प्रणाली, नियमन र अनुपालनामा प्रतिवद्ध जनशक्ति तयार गर्न हरेक तहका कर्मचारीहरूलाई निरन्तर तालिम तथा अनुशिक्षणको कार्यक्रमहरू आन्तरिक तथा बाह्य प्रशिक्षकहरूबाट प्रदान गर्दै आएको छ ।

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

## ६. सामाजिक उत्तरदायित्व

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

## ७. सम्पत्ति शुद्धीकरण (Anti-Money Laundering) निवारण

सम्पत्ति शुद्धीकरण निवारण सम्बन्धी राज्य तथा नियमक निकायले लिएको नीतिलाई यस विकास बैंकले अक्षरशः पालना गर्दै कडाइका साथ लागू गरेको छ । यस कार्यलाई एक रुपता





दिन र सबैको बुझाइमा समानता ल्याउन ग्राहक पहिचान तथा अनुपालना मार्गदर्शन-२०७७ तयार गरी कार्यान्वयनमा ल्याएको छ । यसलाई समायानुकूल परिमार्जन र परिस्कृत गर्दै ल्याएको छ । बैंकले सम्पत्ति शुद्धीकरण जाँचको लागि छुट्टै i-Care कम्प्युटर सफ्टवेयरमा आधारित प्रणालीहरूको जडान र उपयोग गरेको छ । यस विकास बैंकसँग कारोबार गर्न चाहने ब्यक्ति तथा संस्थाको Screening पश्चात् मात्र खाता संचालन गर्न पाउने ब्यवस्था लागू गरिएको छ । गैरकार्यकारी सञ्चालकको संयोजकत्वमा गठित सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समितिले यस सम्बन्धमा भए गरेको कार्यहरूको नियमित रुपमा प्रतिवेदन लिने, विश्लेषण गर्ने र सञ्चालक समितिलाई आवश्यक सुझाव दिने गरेको छ ।

विषयको गम्भीरतालाई मध्यनजर गरी बैंकमा नयाँ नियुक्ति लिने कर्मचारीहरू तथा कार्यरत कर्मचारीहरूलाई सो सम्बन्धी विभिन्न तालिम प्रदान गर्दै आएको छ । यसबाट कर्मचारीको दक्षता अभिवृद्धि भएको छ ।

## ८. गुनासो सुनुवाइ

बैंकका सेवाग्राहीहरूलाई सहज, सरल र स्तरीय सेवा प्रदान गर्नको लागि सेवाग्राहीहरूले बैंकबाट सेवा लिने क्रममा सेवाग्राहीलाई पर्ने असुविधा तथा ग्राहकहरूको गुनासो सुनुवाइ गर्न यस विकास बैंकले गुनासो सुनुवाइ तथा पृष्ठपोषण ईकाईको व्यवस्था गरी बैंकका सेवा सुविधामा सुधार गर्दै उत्कृष्ट ग्राहक सेवा प्रदान गर्दै आएको छ । सोही क्रममा यस विकास बैंकले शाखा कार्यालयहरू, क्षेत्रीय कार्यालयका तथा केन्द्रीय कार्यालयमा कार्यरत कर्मचारीहरूले ग्राहकलाई

प्रदान गर्ने सेवा, बैंकले प्रदान गरिरहेको सुविधाको साथै अन्य भौतिक समस्याहरूको बारेमा ग्राहकबाट सुझाव तथा गुनासो संकलन गरी यस विकास बैंकले गुनासो सुनुवाइ अधिकारीको समेत व्यवस्था गरेको छ । ग्राहकहरूबाट बैंकमा आउने गुनासाहरू ईमेल मार्फत संकलन तथा सुनुवाईको सहजीकरण गर्नका लागि ईमेल [grievance@muktinathbank.com.np](mailto:grievance@muktinathbank.com.np), फोन नं ०१-४१६८५३८, हटलाईन, आधिकारिक ईमेल [info@muktinathbank.com.np](mailto:info@muktinathbank.com.np) र Feedback Collection Form समेत वेबसाईटमा राखिएको छ । बैंकले यस आ.व. २०७८/७९ मा विभिन्न माध्यम मार्फत कुल ६९ गुनासोहरू प्राप्त गरेकोमा सम्पूर्ण गुनासाहरू समाधान भईसकेको छ । यसरी बैंकले विभिन्न माध्यमहरूबाट प्राप्त गुनासोहरूको सुनुवाइका निमित्त बैंकले आन्तरिक संयन्त्रको परिचालन गरी छिटो छरितो तबरले सरोकारवालाहरूको जिज्ञासा, सल्लाह, सुझाव तथा गुनासाहरूको समाधान गर्दै आएको छ ।

बैंकको गुनासो सुन्ने अधिकारीको विवरण बैंकको वेबसाईट तथा बैंकका शाखा कार्यालयहरूमा राखिएको छ ।

गुनासो सुन्ने अधिकारीको विवरण देहाय बमोजिम रहेको छ ।

नाम	: इण्डपानी ढकाल
पद	: वरिष्ठ प्रबन्धक
फोन नं.	: ०१-४१६८५३८
मोबाईल नम्बर	: ९८०२३०६०९३



# कम्पनी ऐन, २०६३ को दफा १०८ अनुसारको अतिरिक्त विवरण

(आर्थिक वर्ष २०७८/७९)

## क. विगत वर्षको कारोबारको सिंहावलोकन

सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।

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

आर्थिक वर्ष २०७८/०७९ मा निर्यात ४१.७ प्रतिशतले बढेर रु. २००.०३ अर्ब र आयात २४.७ प्रतिशतले बढेर रु. १९२०.४५ अर्ब पुगेको छ । यस अवधिमा वस्तु व्यापार घाटा २३.० प्रतिशतले बढेको छ । निर्यातको वृद्धिदर धेरै भए पनि आयातको हिस्सा अधिक हुनाले ब्यापार घाटा पनि वृद्धि भएको छ । यसले समग्र राष्ट्रिय अर्थतन्त्रलाई नै असर पार्नु स्वाभाविकै हो ।

विश्वभर फैलिएको कोभिड-१९ महामारीको दोस्रो लहरको कारण समीक्षा वर्ष आ.व. २०७८/७९ को शुरुवातमा भएको बन्दाबन्दीको अवस्था र यस आ. व. मा भएको तरलता अभाव तथा ब्याज वृद्धिका कारणले बैंकिङ्ग कारोबार र गतिविधिमा पनि असर गर्न पुग्यो ।

समीक्षा अवधिको अधिकांश समय तरलताको अवस्था असहज भयो । बचत निक्षेपको ब्याजदर बढ्दा आधार दर तथा कर्जाको ब्याजदर पनि बढ्न पुग्यो । यसबाट ऋणीहरूलाई कर्जा लिन असहजताको अवस्था सृजना भयो भने ब्याज स्पर्धामा समेत बढ्न पुग्यो ।

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

सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।

## घ. कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध

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

## ङ. सञ्चालक समितिमा भएको हेरफेर र सोको कारण

यस विकास बैंकको सञ्चालक समितिमा ६ जनाको प्रतिनिधित्व रहेको छ । समितिमा संस्थापक सेयरधनीको तर्फबाट ३ जना, सर्वसाधारण सेयरधनीको तर्फबाट २ जना र १ जना स्वतन्त्र सञ्चालक रहनु भएको छ । वि.सं. २०७६ साल मंसिर ३० गते

सम्पन्न भएको यस विकास बैंकको १३ औं वार्षिक साधारण सभाले छनौट गरेको संस्थापक तथा सर्वसाधारण सेयरधनीको तर्फबाट प्रतिनिधित्व गर्नु हुने सञ्चालकहरू तथा वि.सं. २०७७ साल श्रावण १६ गते सञ्चालक समितिले नियुक्त गरेको स्वतन्त्र सञ्चालकमा कुनै परिवर्तन तथा हेरफेर भएको छैन । यस विकास बैंकको सञ्चालकहरूको विवरण निम्न बमोजिम रहेको छ ।

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

## च. कारोबारलाई असर गर्ने मुख्य कुराहरू

बैंक तथा वित्तीय संस्थाहरूको कारोबारलाई विभिन्न आन्तरिक तथा बाह्य तत्वहरूले असर गरी रहेको हुन्छ । विशेष गरी बाह्य तत्वको रूपमा अर्थतन्त्रका अंगहरू र राज्य तथा नियामक निकायका नीतिगत व्यवस्थाहरूले प्रत्यक्ष प्रभाव पारी रहेका हुन्छन् । यस आ.व. मा तरलता अभावको अवस्थाले माग अनुसारको वित्तीय सेवा प्रदान गर्न असहज भई रहेको छ भने महामारी तथा प्राकृतिक विपत्तिहरूले समेत असहजता थपेको छ ।

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

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

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







## ज. लाभान्श बॉण्डफॉड गर्न सिफारिस गरिएको रकम

रु ८०३,९९५,९६८.३९

अ. सेयर जफत भएको भए जफत भएको सेयर संख्या, त्यस्तो सेयरको अङ्कित मूल्य, त्यस्तो सेयर जफत हुनुभन्दा अगावै सोबापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो सेयर जफत भएपछि सो सेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको सेयरबापत रकम फिर्ता गरेको भए सोको विवरण

यस विकास बैंकले आ.व. २०७८/०७९ मा कुनै पनि सेयर जफत गरेको छैन ।

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

यस विकास बैंक तथा यसको सहायक कम्पनीको प्रगति विवरण वार्षिक प्रतिवेदनमा छुट्टै उल्लेख गरिएको छ ।

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

यस विकास बैंकले आ.व. २०७८/७९ मा नियमित बैंकिङ्ग कारोबारहरु गरेको र सोको विवरण यसै प्रतिवेदनको विभिन्न खण्डमा उल्लेख गरिएको छ । यस विकास बैंकको सहायक कम्पनी मुक्तिनाथ क्यापिटल लि.ले पनि आफ्नो व्यवसायको दायरा भित्र रहेर नियमित कारोबारहरु गर्दैआएको छ । उक्त क्यापिटलका मुख्य कार्यहरु पोर्टफोलियो व्यवस्थापन, संस्थागत परामर्श, धितोपत्र प्रत्याभुती, सेयर रजिष्ट्रार र निष्काशन तथा बिक्री प्रबन्धक, आदि रहेका छन् । यस अवधिमा कुनै महत्वपूर्ण परिवर्तन भएको छैन ।

च. विगत आर्थिक वर्षमा कम्पनीको आधारभूत सेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारी केही नभएको ।

छ. विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरुले लिइएको सेयरको स्वामित्वको विवरण र कम्पनीको सेयर कारोबारमा निजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुबाट कम्पनीले प्राप्त गरेको जानकारी केही नभएको ।

ज. विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्भौताहरुमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा केही नभएको ।

झ. कम्पनीले आफ्नो सेयर आफैले खरिद गरेको भए त्यसरी आफ्नो सेयर खरिद गर्नुको कारण, त्यस्तो सेयरको संख्या र अङ्कित

मूल्य तथा त्यसरी सेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम

कम्पनीले आफ्नो सेयर आफैले खरिद गरेको छैन ।

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

यस विकास बैंकले नियमक निकायहरुले तोकेको, बैंकिङ्ग क्षेत्रका विभिन्न अभ्यासहरुले उत्कृष्ट मानिएका र आफ्नै अनुभवहरुले प्रभावकारी देखिएका आन्तरिक नियन्त्रण प्रणालीलाई नीति र व्यवहारमा लागु गरेको छ । बैंकको सँगठनात्मक ढाँचाको सर्वोच्च निकाय सञ्चालक समितिले विभिन्न माध्यमबाट आन्तरिक नियन्त्रण प्रणालीको अनुगमन गरी सुधारात्मक कार्यको लागि सुझाव दिने गरेको छ ।

सञ्चालकहरुको संयोजकत्वमा गठन गरिएका समितिहरु, व्यवस्थापन अन्तर्गत गठन भएका उपसमितिहरु, विभिन्न विभाग र निजहरुलाई तोकिएको जिम्मेवारी, कार्यालयहरुको तहगत संरचना, कार्यालय भित्र पनि विभिन्न पद र जिम्मेवारीका कर्मचारीहरुलाई तोकिएको काम, कर्तव्य र अधिकारहरुले दैनिक कार्य सञ्चालनलाई सहज र शीघ्रता प्रदान गर्नुको साथै कार्य प्रणालीमा पारदर्शिता ल्याउने प्रयास गरिएको छ ।

साथै, संस्थामा निर्देशनहरु, आन्तरिक नीतिहरु, कार्यविधिहरु र परिपत्रहरुको पालना भए नभएको जाँच गर्न सँगठनात्मक संरचना तयार गरिएको छ भने भए गरेको अवस्थाको नियमित व्यवस्थापन समक्ष सूचना तथा जानकारी आउने प्रणालीको विकास गरिएको छ ।

ड. विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण

कर्मचारी खर्च (कर्मचारी बोनस बाहेक) : रु. १,००९,७८८,७८०/-  
कार्यालय सञ्चालन खर्च : रु. ६५८,९५५,७२३/-  
कुल व्यवस्थापन खर्च : रु. १,६५९,९४४,५०३/-

ड. लेखापरीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारबाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण :

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

उपरोक्त बमोजिमको बैठक भत्ता लाई सञ्चालक समितिको मिति २०७८ चैत्र २८ गतेको २७० औं बैठकबाट परिमार्जन गरी संयोजकको रु. ७,५००/- र सदस्यको रु. ७,०००/- बनाइएको छ ।



आ.व. २०७८/०७९ मा लेखापरीक्षण समितिको बैठक ८ पटक बसेको छ र समितिका पदाधिकारीहरूलाई बैठक भत्ता वापत कुल रु. ८१,०००/- भुक्तानी गरिएको छ । समितिले आन्तरिक लेखापरीक्षणको वार्षिक कार्य योजना स्वीकृत गरी सोही बमोजिम आन्तरिक लेखापरीक्षकहरूलाई कारोबारको निरीक्षण र जाँच गर्न परिचालन गर्ने, नेपाल राष्ट्र बैंक तथा बाह्य लेखापरीक्षकले दिएको प्रतिवेदनको अध्ययन र विश्लेषण गर्ने, बैंकको नीति नियम तथा सञ्चालन सम्बन्धी भए गरेका कार्यहरूको पुनरावलोकन गर्ने, कमी कमजोरीहरू पहिचान गर्ने, सुधारात्मक सुझावहरू सञ्चालक समिति मार्फत व्यवस्थापनलाई निर्देशन दिने व्यवस्था रहेको छ । साथै, नेपाल राष्ट्र बैंक तथा बाह्य लेखापरीक्षकले दिएका प्रतिवेदन उपर विस्तृत रुपमा छलफल गरी सञ्चालक समितिलाई आवश्यक सुझाव दिएको छ । त्यसरी दिएको सुझाव उपर व्यवस्थापनले गरेको सुधारहरूको प्रमाण सहित प्रतिउत्तर लिने र सोको अध्ययन गर्ने गरेको छ ।

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

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

सञ्चालकको नाम	पद	प्रति बैठक भत्ता (रु.)	उपस्थित बैठक संख्या
श्री भरत राज ढकाल	अध्यक्ष	१३,०००/-	२४
श्री गजेन्द्र मान श्रेष्ठ	सञ्चालक	१२,०००/-	२४
श्री रविन्द्र मान श्रेष्ठ	सञ्चालक	१२,०००/-	२२
श्री शालिग्राम मिश्र	सञ्चालक	१२,०००/-	२४
श्रीमती निर्मला कुमारी के.सी.(काकी)	सञ्चालक	१२,०००/-	१९
श्री श्याम सुन्दर शर्मा	स्वतन्त्र सञ्चालक	१२,०००/-	१९

आ.व. २०७८/०७९ मा बैठक भत्ता स्वरूप सञ्चालकहरूलाई कुल रु.१५ लाख ८५ हजार र यातायात, टेलिफोन, इन्टरनेट, पत्रपत्रिका तथा अन्य खर्च स्वरूप रु. १३ लाख ७३ हजार भुक्तानी गरिएको छ ।

#### प्रमुख कार्यकारी अधिकृतलाई मासिक रुपमा प्रदान गरिएको पारिश्रमिक, भत्ता तथा सुविधाहरू

नाम	प्रति बैठक भत्ता (रु.)
तलब तथा भत्ता	८,५१७,०००
सञ्चय कोष	५४०,०००
विदा वापतको रकम	४०२,५३३
बोनस	१,८८२,४७३
जम्मा	११,३४२,००६

#### अन्य सुविधाहरू :

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

प. सेयरधनीहरूले बुझिलिन बाँकी रहेको लाभशका रकम रु.१७,७२२,६६३

फ. दफा १४१ बमोजिम सम्पति खरिद वा बिक्री गरेको कुराको विवरण

यस आर्थिक वर्षमा बैंकले कम्पनी ऐन, २०६३ को दफा १४१ बमोजिम सम्पति खरिद वा बिक्री गरेको छैन ।

ब. दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएका कारोबारको विवरण

यस सम्बन्धी विवरण वार्षिक प्रतिवेदनको वित्तीय विवरणको नोटमा उल्लेख गरिएको छ ।

ग. यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा

यसै प्रतिवेदनको विभिन्न खण्डहरूमा उल्लेख गरिएको छ ।

ग. अन्य आवश्यक कुराहरू

प्रचलित ऐन तथा कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य विवरणहरू यसै प्रतिवेदनमा उल्लेख गरिएका छन् ।

मिति: २०७९ पुष १ गते





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

## १. सञ्चालक समितिको प्रतिवेदन

यसै प्रतिवेदनसँग संलग्न रहेको ।

## २. लेखापरीक्षकको प्रतिवेदन

यसै प्रतिवेदनसँग संलग्न रहेको ।

## ३. लेखापरीक्षण भएको वित्तीय विवरण

यसै प्रतिवेदनसँग संलग्न रहेको ।

## ४. कानुनी कारवाही सम्बन्धी विवरण

क. आ.व. २०७८/७९ मा संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएको भए

- आ.व. २०७८/७९ मा यस विकास बैंकका विरुद्धमा सामान्य व्यवसायिक कारोबार सम्बन्धी मुद्दावाहेक अन्य मुद्दा नरहेको ।
- यस विकास बैंकले अन्य कुनै व्यक्ति वा संस्था उपर मुद्दा दायर नगरेको र संस्था विरुद्धमा मुद्दा दायर भएको सूचना र जानकारी प्राप्त भएको छैन ।

ख. यस संस्थाका संस्थापक वा सञ्चालकले वा सञ्चालक वा सञ्चालकका विरुद्ध प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको वा सो सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भए  
संस्थालाई यस बारेमा कुनै सूचना तथा जानकारी प्राप्त नभएको ।

ग. कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए  
संस्थाले यस प्रकृतिको कुनै मुद्दा दायर नगरेको र अन्यत्रबाट पनि कुनै मुद्दा दायर भएको विषयमा सम्बन्धित अदालत वा कार्यालयबाट कुनै सूचना वा जानकारी प्राप्त नभएको ।

## ५. संगठित संस्थाको सेयर कारोबार तथा प्रगतिको विवरण

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

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

ख. गत वर्षको त्रैमासिक रुपमा सेयरको विवरण

आ.व. २०७८/७९ मा भएको यस विकास बैंकको सेयर कारोबारको विवरण नेपाल स्टक एक्सचेन्ज लिमिटेडको वेवसाइट [www.nepalstock.com.np](http://www.nepalstock.com.np) बाट साभार गरिएको छ । सो वेवसाइटमा उल्लेख भए अनुसार कारोबारको विवरण यस प्रकार रहेको छ :-

विवरण	प्रथम त्रैमास	द्वितीय त्रैमास	तृतीय त्रैमास	चौथो त्रैमास
अधिकतम मूल्य (रु.)	८३४	७५२	५९०.१०	४८९
न्यूनतम मूल्य (रु.)	६४९.१०	४४७	४६३	३८३
अन्तिम मूल्य (रु.)	६९९.२०	५७९.२	४७०	४३९.९०
कारोबार सेयर संख्या	७,६७८,१४६	३,८९५,२९५	२,२६३,३६८	१,६८२,१९२
कारोबार संख्या	५६,१४८	३२,१६७	२२,१३९	१६,७५६
कारोबार भएको दिन	५७	५९	५८	६४



## ६. समस्या तथा चुनौतीहरू

### क. आन्तरिक समस्या तथा चुनौतीहरू

बैंकको सञ्चालन खर्च वृद्धि हुदै जानु, निक्षेप-कर्जाको ब्याजदर मा भएको उतारचढाव, बजारमा देखिएको तरताको समस्या, आयको विविधिकरण, उपयुक्त लगानीको क्षेत्रको अभाव जस्ता आन्तरिक समस्या तथा चुनौतीहरू विद्यमान रहेको परिपेक्ष्यमा दिर्घकालिन रूपमा बैंकको समग्र वित्तिय सूचकहरूलाई सुधार गर्दै लानुपर्ने कार्य चुनौतीपूर्ण रहेको छ ।

### ख. बाह्य समस्या तथा चुनौतीहरू

आ.व. २०७८/७९ मा समग्र बैकिङ्ग क्षेत्र तरलता संकुचनको मारमा पर्‍यो। अन्तर्राष्ट्रिय रुपमा अर्थतन्त्रमा देखिएका समस्याले आन्तरीक रुपमा प्रत्यक्ष प्रभाव पारेको थियो । कतिपय सेवा प्रवाहमा बाह्य पक्षसँगको निर्भरताले तोकिएको समयमा अपेक्षाकृत नतिजा ल्याउन कठिनाई भएको थियो ।

### ग. रणनीतिहरू

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

## ७. संस्थागत सुशासन

संस्थागत सुशासन अभिवृद्धिका लागि व्यवस्थापनद्वारा चालिएका कदमहरू सम्बन्धी विवरणहरू

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

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

### ८. वितरणपत्रमा प्रक्षेपण गरिएका र लेखापरीक्षण भएको वितरणहरूमा बीस प्रतिशत वा सो भन्दा बढी फरक सम्बन्धी वितरण

नभएको ।

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

९.१. सँगाठित संस्थाको विनियममा संशोधन : नभएको ।

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

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

ख. सञ्चालक समितिबाट राजिनामा दिनु भएको : नभएको ।

ग. सञ्चालक समितिमा नयाँ नियुक्ति : यस आ. व. मा नभएको

घ. उच्च व्यवस्थापकीय तहबाट राजिनामा दिनु भएको : नभएको ।

ङ. उच्च व्यवस्थापकीय तहमा नयाँ नियुक्ति : नभएको ।

९.३. लाभांश घोषणा वा पूँजी संरचनामा परिवर्तन :

हाल रहेको चुक्ता पूँजी रु. ५ अर्ब ६५ करोड ७१ लाख ८० हजार ८ सय ५६ मा यस साधारण सभाले प्रस्तावित १३.५ प्रतिशत बोनस लाभांश पारित भएमा चुक्ता पूँजी रु. ६ अर्ब ४२ करोड ९ लाख २ सय ७२ पुगेछ ।







# संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन

(आर्थिक वर्ष २०७८/७९)

सञ्चालक समिति सम्बन्धी विवरण :

क्र.सं.	सञ्चालकहरुको नाम तथा ठेगाना	प्रतिनिधित्व भएको समूह	सेयर संख्या (प्रतिशतमा)	पछिल्लो पटक नियुक्ति भएको मिति	सञ्चालक नियुक्तिको तरिका (विधि)
१	श्री भरत राज ढकाल ठेगाना : आधिसोला गा.पा.-०६, स्याङ्गजा	संस्थापक	१.५६	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
२	श्री राजेन्द्र मान श्रेष्ठ ठेगाना : बिदुर न.पा.-०९, नुवाकोट	संस्थापक	०.९१	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
३	श्री रविन्द्र मान श्रेष्ठ ठेगाना : पुतलीबजार न.पा.-०१, स्याङ्गजा	संस्थापक	०.२१	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
४	श्री शालिग्राम मिश्र ठेगाना : काठमाण्डौ म.न.पा.-२९, घट्टेकुलो	संस्थापक	०.०१	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
५	श्रीमती निर्मला कुमारी के.सी.(कार्की) ठेगाना : काठमाण्डौ म.न.पा.-१६, बालाजु	सर्वसाधारण	०.००८	२०७६/०८/३०	वार्षिक साधारणसभाबाट सर्वसम्मत निर्वाचित
६	श्री श्याम सुन्दर शर्मा ठेगाना : काठमाण्डौ म.न.पा.-३, बसुन्धारा	स्वतन्त्र		२०७७/०८/१६	सञ्चालक समितिको बैठकबाट

सञ्चालक समितिको बैठक सञ्चालन सम्बन्धी विवरण :

बैठक नं.	बैठक बसेको मिति	बैठकको किसिम (भौतिक / भर्चुअल)	उपस्थित सञ्चालक संख्या	बैठकको निर्णयमा भिन्न मत राखी हस्ताक्षर गर्ने सञ्चालकको संख्या
२५५	२०७८-०४-१८	भर्चुअल	६	फरक मत नरहेको
२५६	२०७८-०४-२४	भर्चुअल	६	फरक मत नरहेको
२५७	२०७८-०५-२०	भर्चुअल	६	फरक मत नरहेको
२५८	२०७८-०६-०६	भौतिक	६	फरक मत नरहेको
२५९	२०७८-०६-१७	भर्चुअल	६	फरक मत नरहेको
२६०	२०७८-०७-१२	भौतिक	६	फरक मत नरहेको
२६१	२०७८-०८-०३	भर्चुअल	६	फरक मत नरहेको
२६२	२०७८-०८-१९	भर्चुअल	६	फरक मत नरहेको
२६३	२०७८-०९-०९	भौतिक	५	फरक मत नरहेको
२६४	२०७८-०९-१६	भौतिक	६	फरक मत नरहेको
२६५	२०७८-०९-३०	भर्चुअल	६	फरक मत नरहेको
२६६	२०७८-१०-१४	भर्चुअल	६	फरक मत नरहेको
२६७	२०७८-११-०३	भौतिक	६	फरक मत नरहेको
२६८	२०७८-१२-०१	भौतिक	५	फरक मत नरहेको
२६९	२०७८-१२-१४	भौतिक	५	फरक मत नरहेको
२७०	२०७८-१२-२८	भौतिक	५	फरक मत नरहेको
२७१	२०७९-०१-२०	भौतिक	५	फरक मत नरहेको
२७२	२०७९-०१-२३	भर्चुअल	५	फरक मत नरहेको
२७३	२०७९-०२-१२	भौतिक	६	फरक मत नरहेको
२७४	२०७९-०२-२५	भौतिक	५	फरक मत नरहेको
२७५	२०७९-०३-०४	भौतिक	५	फरक मत नरहेको
२७६	२०७९-०३-१७	भौतिक	५	फरक मत नरहेको
२७७	२०७९-०३-३०	भौतिक	४	फरक मत नरहेको
२७८	२०७९-०३-३१	भौतिक	४	फरक मत नरहेको



- कुनै सञ्चालक समितिको बैठक आवश्यक गणपूरक संख्या नपुगी स्थगित भएको भए सोको विवरण : नभएको ।
- सञ्चालक समितिको बैठकमा उपस्थित सञ्चालकहरु, छलफल भएको विषय र तत्सम्बन्धमा भएको निर्णयको विवरण (माइन्युट) को छुट्टै अभिलेख राख्ने/नराख्नेको : राख्नेको
- सञ्चालक समितिको लगातार बसेको २ वटा बैठकको अधिकतम अन्तर (दिनमा) : बढीमा ३३ दिनसम्म रहेको ।
- सञ्चालक समितिको प्रति बैठक भत्ता रु.: अध्यक्ष रु. १३,०००/- र सञ्चालक रु.१२,०००/-
- समितिको कुल बैठक खर्च (बैठक भत्ता तथा अन्य खर्च समेत): रु.१,८०१,०००/- बैठक खर्च र रु. १,३७३,३११/- अन्य खर्च ।

सञ्चालकहरुको आचरण तथा अन्य विवरण:

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

सञ्चालकहरुको वार्षिक रुपमा सिकाई तथा पुर्नताजगी कार्यक्रम सम्बन्धी विवरण:

क्र.सं.	विषय	मिति	सहभागी सञ्चालकको संख्या	तालिम सञ्चालन भएको स्थान
१.	Vision 84 and Director's Refreshment Program	२०७९.०१.२८	६	Aagantuk Resort, Banepa

प्रत्येक सञ्चालकले आफू सञ्चालक पदमा नियुक्त वा मनोनयन भएको पन्ध्र दिनभित्र देहायका कुराको लिखित जानकारी गराएको/नगराएको र नगराएको भए सोको विवरण:

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

संस्थाको जोखिम व्यवस्थापन तथा आन्तरिक नियन्त्रण प्रणाली सम्बन्धी विवरण:

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

(ख) जोखिम व्यवस्थापन समिति सम्बन्धी जानकारी:

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

श्री रबिन्द्र मान श्रेष्ठ - संयोजक

श्री गजेन्द्र मान श्रेष्ठ - सदस्य

श्री प्रेम थापा - सदस्य सचिव, प्रमुख, जोखिम व्यवस्थापन विभाग

(आ) समितिको बैठक संख्या: ८





(ग) आन्तरिक नियन्त्रण कार्यविधि मष्ट/नमष्टको:

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

(घ) आन्तरिक नियन्त्रण प्रणालीको लागि कुनै समिति गठन मष्ट/नमष्टको, गठन नमष्टको मष्ट सोको कारण

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

श्री राजेन्द्र मान श्रेष्ठ : संयोजक

श्री शालिग्राम मिश्र : सदस्य

श्री ईश्वर बुढाथोकी : सदस्य सचिव, विभागीय प्रमुख, आन्तरिक लेखापरीक्षण विभाग

आन्तरिक नियन्त्रण प्रणाली समिति सम्बन्धी विवरण

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

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

(ङ) आर्थिक प्रशासन विनियमावली मष्ट/नमष्टको :

मष्टको ।

४. संस्थागत संरचना र कर्मचारी सम्बन्धी विवरण:

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

(ख) सांठानिक संरचना संलग्न गर्ने :

संलग्न गरिएको ।



## (ग) उच्च व्यवस्थापन तहका कर्मचारीहरुको नाम, शैक्षिक योग्यता तथा अनुभव सम्बन्धी विवरणः

क्र.सं.	नाम	पद	शैक्षिक योग्यता	अनुभव
१	श्री प्रद्युमन पोखरेल	प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	३० वर्ष (बैंकिङ्ग)
२	श्री समिर शेरर बज्राचार्य	नायव प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	२४ वर्ष (विकास आयोजना तथा बैंकिङ्ग)
३	श्री तिल बहादुर गुरुङ्ग	सहायक नायव प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	२३ वर्ष (बैंकिङ्ग)
४	श्री गोविन्द बहादुर राउत	सहायक प्रमुख कार्यकारी अधिकृत	स्नातकोत्तर	२८ वर्ष (लघुवित्त, विकास आयोजना तथा बैंकिङ्ग)

## (घ) कर्मचारी सम्बन्धी अन्य विवरण :

संरचना अनुसार कर्मचारी पदपूर्ति गरे/नगरेको	गरेको
नयाँ कर्मचारीहरुको पदपूर्ति गर्दा अपनाएको प्रक्रिया	राष्ट्रियस्तरको पत्रिकामा विज्ञापन प्रकाशित गरी आवश्यकता अनुसार लिखित तथा मौखिक परीक्षा मध्ये दुवै वा कुनै एक माध्यमबाट पदपूर्ति गर्ने गरिएको । द्यालेन्ट हण्ड कर्मचारीको सन्दर्भमा मौखिक परीक्षाको माध्यमबाट पदपूर्ति गर्ने गरिएको ।
व्यवस्थापन स्तरका कर्मचारीको संख्या	३२
कुल कर्मचारी संख्या	१५५५
कर्मचारीहरुको सक्सेसन प्लान भए/नभएको	भएको
आ.व. २०७८/०७९ मा कर्मचारीहरुलाई दिईएको तालिम संख्या तथा सहभागी कर्मचारीको संख्या	७६ वटा तालिममा कुल ३३९५ जना कर्मचारीहरुको सहभागिता रहेको ।
आ.व. २०७८/०७९ को कर्मचारी तालिम खर्च	रु. ८,२०९,५९६/-
संचालन खर्चमा कर्मचारी खर्चको प्रतिशत	६४.८९ प्रतिशत
कुल कर्मचारी खर्चमा कर्मचारी तालिम खर्चको प्रतिशत	०.६७ प्रतिशत







# नेपाल राष्ट्र बैंकको स्वीकृति पत्र



## नेपाल राष्ट्र बैंक वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या: वि.बै.सु.वि./गैरस्थलगत/मुक्तिनाथ/०७९  
च.नं.: १११

**मुक्तिनाथ विकास बैंक लिमिटेड  
कमलादी, काठमाडौं ।**



केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
फोन नं.: ९७७ ०१  
४४१०१५८  
Site: www.nrb.org.np  
Email: nrdbd@nrb.org.np

मिति: २०७९/०९/०७

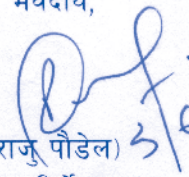
### विषय: लाभांश घोषणा/वितरण तथा वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७८/७९ को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैर स्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित एवं कार्यान्वयन गर्ने गरी संस्थाले प्रस्ताव गरे अनुसार आर्थिक वर्ष २०७८/७९ सम्मको नियमनकारी समायोजन पछिको वितरणयोग्य मुनाफा रु.८०,५५,२२,२२८।- बाट २०७९ असार मसान्तमा कायम रहेको चुक्ता पुँजी रु.५,६५,७१,८०,८५६।८४ को १३।५० प्रतिशतले हुन आउने रकम रु.७६,३७,१९,४१५।६७ (अक्षरेपी छयत्तर करोड सैतीस लाख उन्नाइस हजार चार सय पन्ध्र पैसा सतसठ्ठी मात्र) बराबरको बोनस शेयर तथा कर प्रयोजनको लागि सोही चुक्ता पुँजीको ०।७१०५ प्रतिशतले हुन आउने रकम रु.४,०१,९५,७५८।७२ (अक्षरेपी चार कसेड एक लाख पन्चानब्बे हजार सात सय अन्ठाउन्न पैसा बहत्तर मात्र) बराबरको नगद लाभांश अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्न स्वीकृति प्रदान गरिएको ब्यहोरा निर्णयानुसार अनुरोध छ ।

- क) कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
- ख) यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७८ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरुपमा पालना गर्नुहुन ।
- ग) यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०७८ बमोजिम ब्याजदर सम्बन्धी व्यवस्थाको पूर्णरुपमा पालना गर्नुहुन ।
- घ) कर्जा व्यवस्थापन, ग्राहक पहिचान (KYC), सूचना प्रविधि, सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

  
(राजु पौडेल)  
उप निर्देशक

### बोधार्थ :

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



# नेपाल राष्ट्र बैंकबाट प्राप्त निर्देशनहरू उपर सञ्चालक समितिको प्रतिक्रिया

मुक्तिनाथ विकास बैंक लिमिटेडको आ.व २०७८/०७९ को वित्तीय विवरण प्रकाशन गर्ने क्रममा नेपाल राष्ट्र बैंकबाट दिइएका निर्देशनहरूलाई मिति २०७९/०९/०८ गते बसेको सञ्चालक समितिको २८औं बैठकमा छलफल गरी निर्देशन बमोजिम गर्ने गराउने निर्णय भएको व्यहोरा जानकारीको लागि अनुरोध छ ।





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

---

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



Mahamati Bhawan  
175, Gairidhara Marg, Gairidhara  
PO Box: 4861, Kathmandu, Nepal  
Tel: +977-1-4004580, 4004581, 4004582  
Fax: +977-1-4004578  
E-mail: csc@cscnepal.com  
Web: www.cscnepal.com

**Independent Auditor's Report  
To the Shareholders of Muktinath Bikas Bank Limited  
Report on the Audit of Consolidated Financial Statements**

**Opinion**

We have audited the accompanying Consolidated Financial Statements of Muktinath Bikas Bank Limited (hereinafter referred to as "the Bank" or "MNBBBL") and its subsidiary ("the group") and its associates, which comprise the Consolidated Statement of Financial Position as at 32<sup>nd</sup> Ashad 2079 (July 16, 2022), and Consolidated Statement of Profit and Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of Significant Accounting Policies.

In our opinion, the accompanying Consolidated Financial Statements present fairly, in all material respects, the Consolidated Financial Position of the group and its associates as on 32<sup>nd</sup> Ashad 2079 (July 16, 2022), and its Consolidated financial performance and its Consolidated Cash Flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

**Basis of Opinion**

We conducted our audit in accordance with Nepal Financial Reporting Standards (NFRS). 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 Code of Ethics issued by Institute of Chartered Accountants of Nepal together with ethical requirements that are relevant to the audit of the company under the provisions of Company Act, 2063 and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 16 July 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matters	How our Audit addressed the Key Audit Matters
Identification of Non-performing Advances and Provisioning of Advances (Refer Note no 4.6 & 4.7 of Notes to Financial Statements)	





<p>Loans and Advances include Overdrafts, Loan Repayable on Demand, Terms Loans and Other Loans. These advances are covered by movable/ immovable assets, guarantees of Banks and other collaterals.</p> <p>Loans and Advances constitute 73.95% of total assets of the Bank. They are governed by Nepal Rastra Bank (NRB) Directives and other circulars, notices and directives issued by NRB from time to time which provides the guidelines related to the classification of Loans and Advances into performing and non-performing assets (NPAs).</p> <p>The provisioning for identified NPAs is estimated based on ageing and classification of NPAs, recovery estimates, value of security and other qualitative factors and is subject to the minimum provisioning norms specified by NRB and amount described as per Para 63 of NAS 39 adopting Incurred Loss Model.</p> <p>Identification of performing and non-performing advances involves establishment of proper mechanism. The Bank accounts for all the transactions related to Loans and Advances in its Information Technology System (IT System) viz. Core Banking System (CBS) which also provides information to identify whether the advances are performing or non-performing.</p> <p>Considering the nature of transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities, it is a matter of high importance for the intended users of this Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter.</p>	<p>Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular:</p> <ul style="list-style-type: none"><li>• We have evaluated and understood the Bank's internal control system in adhering to the relevant NRB Directives regarding income recognition, asset classification and provisioning pertaining to advances.</li><li>• We have analyzed and understood key IT systems/ applications used and tested the operational effectiveness of relevant controls, including involvement of manual process and manual controls in relation to income recognition, asset classification and provisioning pertaining to advances.</li><li>• We test checked advances to examine the validity of the recorded amounts, loan documentation, examined the statement of accounts, indicators of impairment, impairment provision for non-performing assets, and compliance with income recognition, asset classification and provisioning pertaining to advances; and</li><li>• We evaluated the past trends of management judgement, governance process and review controls over impairment provision calculations and discussed the provisions made with senior management.</li></ul> <p><b>Our Result:</b> We considered the identification of Non-Performing Advances and their provisioning to be acceptable.</p>
<p><b>Information Technology Systems and Controls Impacting Financial Reporting</b></p>	
<p>The Information Technology of the Bank is complex and involves a large number of independent and inter-dependent IT Systems used in the operations of the Bank for processing and recording a large volume of transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Bank.</p> <p>Appropriate IT General Controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately, and consistently for financial reporting. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to management, stakeholders, and regulators.</p>	<p>We conducted an assessment and identified key IT applications, databases and operating systems that are relevant to our audit and have identified CBS primarily as relevant for financial reporting. Our audit approach was also based on Information Technology Guidelines 2012 issued by NRB and it also testing of design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"><li>• Obtained an understanding of the Bank's IT control environment, IT policies and key changes during the audit period.</li><li>• Reviewed the design, implementation, and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to financial reporting on test check basis.</li><li>• Tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit on test check basis.</li></ul>





	<ul style="list-style-type: none"> <li>Reviewed the IS Audit Reports and discussed with IT team on compliance to key IS Controls.</li> </ul> <p><b>Our Result:</b> We considered the information technology systems and their relevant controls to be adequate.</p>
--	---

#### Other Matter

We did not audit the financial statement of the subsidiary whose financial statement reflect total assets of NPR 226,947,108 as at Ashad 32, 2079 (July 16, 2022), total revenues of NPR 14,687,682 and net negative cash flows of NPR 94,135,205 for the year ended on that date as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of NPR 28,535,431 for the year ended Ashad 32, 2079 (July 16, 2022), in respect of one associate whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management.

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

#### Other Information

The management is responsible for the other information presented in the MNBBL's Annual Report and Accounts 2078-79 (2021-22) together with the Consolidated financial statements. This report is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with NFRS. This responsibility also includes maintenance of adequate accounting records for the safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing and Nepal Financial Reporting Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Nepal Standards on Auditing 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, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group to cease as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Group's Activities to express an opinion on Financial Statements.

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 other Legal and Regulatory Requirements**


We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit; the returns received from the branch offices of the bank, though the statements are independently not audited, were adequate for the purpose of the audit; the consolidated financial statements have been prepared in accordance with all material respect in accordance with the provisions of Companies Act, 2063, and they are in agreement with the books of accounts of the Bank; and the accounts and records are properly maintained in accordance with the prevailing laws.

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

Place: Kathmandu  
Date: December 16, 2022

UDIN: 221219CA013910Ayyt

  
Bikesh Madhukarmi  
Partner



## Consolidated Statement of Financial Position

As on Asar 32, 2079 (16 July 2022)

Figures in NPR

Particulars	Notes	Group		Bank	
		32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Assets</b>					
Cash and Cash Equivalent	4.1	8,145,516,992	6,348,470,905	8,101,009,812	6,269,721,484
Due from Nepal Rastra Bank	4.2	2,865,440,399	2,564,748,592	2,865,440,399	2,564,748,592
Placement with Bank and Financial Institutions	4.3	-	-	-	-
Derivative Financial Instruments	4.4	-	-	-	-
Other Trading Assets	4.5	63,796,298	85,181,579	-	-
Loans and Advances to BFIs	4.6	2,726,799,773	3,483,613,365	2,726,799,773	3,483,613,365
Loans and Advances to Customers	4.7	86,811,948,415	72,919,249,873	86,811,948,415	72,919,249,873
Investment Securities	4.8	17,961,381,659	14,540,902,926	17,936,381,659	14,513,402,926
Current Tax Assets	4.9	16,279,283	40,293,183	16,472,447	44,298,467
Investment in Subsidiaries	4.10	-	-	117,500,000	117,500,000
Investment in Associates	4.11	76,371,125	104,906,556	100,000,000	100,000,000
Investment Property	4.12	84,166,532	33,115,680	51,050,852	-
Property and Equipment	4.13	1,913,977,036	821,672,485	1,895,061,498	813,780,409
Goodwill and Intangible Assets	4.14	20,906,691	9,377,750	19,937,610	8,348,600
Deferred Tax Assets	4.15	102,240,662	55,407,419	92,450,588	55,018,004
Other Assets	4.16	372,984,507	288,522,696	349,415,369	237,135,084
<b>Total Assets</b>		<b>121,161,809,372</b>	<b>101,295,463,011</b>	<b>121,083,468,422</b>	<b>101,126,816,804</b>
<b>Liabilities</b>					
Due to Banks and Financial Institutions	4.17	3,750,284,110	5,419,586,925	3,750,284,110	5,419,586,925
Due to Nepal Rastra Bank	4.18	1,032,979,556	832,446,418	1,032,979,556	832,446,418
Derivative Financials Instrument	4.19	-	-	-	-
Deposits from Customers	4.20	104,667,788,144	86,830,737,290	104,675,072,263	86,902,914,373
Borrowings	4.21	25,016,438	-	25,016,438	-
Current Tax Liabilities	4.9	-	-	-	-
Provisions	4.22	3,506,030	3,732,070	3,506,030	3,732,070
Deferred Tax Liabilities	4.15	-	-	-	-
Other Liabilities	4.23	2,309,276,165	1,250,299,338	2,273,529,660	1,141,479,877
Debt Securities Issued	4.24	1,246,489,292	-	1,246,489,291	-
Subordinated Liabilities	4.25	-	-	-	-
<b>Total Liabilities</b>		<b>113,035,339,734</b>	<b>94,336,802,041</b>	<b>113,006,877,348</b>	<b>94,300,159,662</b>
<b>Equity</b>					
Share Capital	4.26	5,657,180,857	4,811,550,803	5,657,180,857	4,811,550,803
Share Premium		-	-	-	-
Retained Earnings		768,233,362	918,034,351	805,522,228	896,315,651
Reserves	4.27	1,621,323,346	1,128,329,466	1,613,887,989	1,118,790,688
<b>Total Equity Attributable to Equity Shareholders</b>		<b>8,046,737,565</b>	<b>6,857,914,621</b>	<b>8,076,591,074</b>	<b>6,826,657,142</b>
<b>Non Controlling Interest</b>		<b>79,732,073</b>	<b>100,746,350</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>8,126,469,638</b>	<b>6,958,660,970</b>	<b>8,076,591,074</b>	<b>6,826,657,142</b>
<b>Total Equity and Liabilities</b>		<b>121,161,809,372</b>	<b>101,295,463,011</b>	<b>121,083,468,422</b>	<b>101,126,816,804</b>
Contingent Liabilities and Commitments	4.28	4,088,360,603	4,177,970,659	4,088,360,603	4,177,970,659
Net Assets Value per share		143.65	144.62	142.77	141.88

As per our report of even date

**Sanjiv Poudel**  
Officiating Chief  
Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

**Gajendra Man Shrestha**  
Director

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

**Rabindra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Kathmandu, 1st Poush 2079







## Consolidated Statement of Profit or Loss

For the year ended Asar 32, 2079

Figures in NPR

Particulars	Notes	Group		Bank	
		32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Interest Income	4.29	11,567,961,936	7,585,354,763	11,563,216,298	7,583,652,469
Interest Expense	4.30	8,232,935,856	4,792,340,054	8,233,436,921	4,795,011,330
<b>Net Interest Income</b>		<b>3,335,026,081</b>	<b>2,793,014,709</b>	<b>3,329,779,376</b>	<b>2,788,641,138</b>
Fees and Commission Income	4.31	534,223,114	626,672,094	497,493,264	605,019,020
Fees and Commission Expense	4.32	56,149,718	36,555,727	49,951,529	32,067,633
<b>Net Fee and Commission Income</b>		<b>478,073,396</b>	<b>590,116,367</b>	<b>447,541,735</b>	<b>572,951,386</b>
<b>Net Interest, Fee and Commission Income</b>		<b>3,813,099,476</b>	<b>3,383,131,076</b>	<b>3,777,321,111</b>	<b>3,361,592,525</b>
Net Trading Income	4.33	(20,077,278)	70,017,515	8,444,762	6,242,536
Other Operating Income	4.34	(1,059,372)	428,857,533	46,878,501	422,018,079
<b>Total Operating Income</b>		<b>3,791,962,826</b>	<b>3,882,006,124</b>	<b>3,832,644,373</b>	<b>3,789,853,140</b>
Impairment charge/(reversal) for loans and other losses	4.35	74,712,188	495,273,021	74,712,188	495,273,021
<b>Net Operating Income</b>		<b>3,717,250,638</b>	<b>3,386,733,104</b>	<b>3,757,932,185</b>	<b>3,294,580,119</b>
<b>Operating Expense</b>					
Personnel Expenses	4.36	1,232,478,992	1,131,198,684	1,216,354,519	1,110,863,569
Other Operating Expenses	4.37	403,661,099	406,775,886	394,298,916	397,407,357
Depreciation and Amortisation	4.38	219,411,305	147,418,444	213,905,277	144,715,375
<b>Operating Profit</b>		<b>1,861,699,242</b>	<b>1,701,340,089</b>	<b>1,933,373,473</b>	<b>1,641,593,818</b>
Non Operating Income	4.39	-	14,180,000	-	14,180,000
Non Operating Expense	4.40	2,281,822	-	2,281,822	-
<b>Profit before Income Tax</b>		<b>1,859,417,420</b>	<b>1,715,520,089</b>	<b>1,931,091,650</b>	<b>1,655,773,818</b>
Income Tax Expense	4.41				
Current Tax		602,937,303	544,496,136	600,303,236	526,721,280
Deferred Tax		(20,417,532)	(27,083,006)	(11,016,873)	(27,203,960)
<b>Profit for the Period</b>		<b>1,276,897,649</b>	<b>1,198,106,959</b>	<b>1,341,805,287</b>	<b>1,156,256,498</b>
<b>Profit attributable to:</b>					
Equity-holders of the Bank		1,283,731,107	1,180,615,046	1,341,805,287	1,156,256,498
Non-Controlling Interest		(6,833,458)	17,491,913	-	-
<b>Profit for the Period</b>		<b>1,276,897,649</b>	<b>1,198,106,959</b>	<b>1,341,805,287</b>	<b>1,156,256,498</b>
<b>Earnings per Share</b>					
Basic Earnings per Share		22.57	21.18 (Restated)	23.72	20.44 (Restated)
Diluted Earnings per Share		22.57	21.18 (Restated)	23.72	20.44 (Restated)

As per our report of even date

**Sanjiv Poudel**  
Officiating Chief  
Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

**Gajendra Man Shrestha**  
Director

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

**Rabindra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Kathmandu, 1st Poush 2079



## Consolidated Statement of Other Comprehensive Income

For the year ended Asar 32, 2079

Figures in NPR

Particulars	Notes	Group		Bank	
		32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Profit for the year		1,276,897,649	1,198,106,959	1,341,805,287	1,156,256,498
Other Comprehensive Income, net of Income Tax					
a) Items that will not be reclassified to profit or loss					
Gains/(losses) from investment in equity instruments measured at fair value		(74,371,878)	38,735,884	(74,371,878)	38,735,884
Gains/(losses) on revaluation		-	-	-	-
Actuarial gains/(losses) on defined benefit plans		(13,680,493)	19,552,777	(13,680,493)	19,552,777
Income tax relating to above items		26,415,711	(17,486,598)	26,415,711	(17,486,598)
Net Other Comprehensive Income that will not be reclassified to profit or loss		(61,636,660)	40,802,063	(61,636,660)	40,802,063
b) Items that are or may be reclassified to profit or loss					
Gains/(losses) on cash flow hedge		-	-	-	-
Exchange gains/(losses) (arising from translating financial assets of foreign operation)		-	-	-	-
Income tax relating to above items		-	-	-	-
Reclassify to profit or loss		-	-	-	-
Net other comprehensive income that are or may be reclassified to profit or loss		-	-	-	-
c) Share of other comprehensive income of associate accounted as per equity method		-	-	-	-
Other comprehensive income for the year, net of income tax		(61,636,660)	40,802,063	(61,636,660)	40,802,063
Total comprehensive income for the year		1,215,260,989	1,238,909,022	1,280,168,627	1,197,058,561
Total comprehensive income attributable to:					
Equity holders of the Bank		1,222,094,447	1,221,417,108	1,280,168,627	1,197,058,561
Non-controlling interest		(6,833,458)	17,491,913	-	-
Total comprehensive income for the period		1,215,260,989	1,238,909,022	1,280,168,627	1,197,058,561

As per our report of even date

Sanjiv Poudel  
Officiating Chief  
Financial Officer

Pradyuman Pokharel  
Chief Executive Officer

Bharat Raj Dhakal  
Chairman

Gajendra Man Shrestha  
Director

Bikesh Madhikarmi  
Partner  
CSC & Co. Chartered Accountants

Rabindra Man Shrestha  
Director

Shaligram Mishra  
Director

Nirmala Kumari KC Karki  
Director

Shyam Sundar Sharma  
Independent Director

Kathmandu, 1st Poush 2079





# Consolidated Statement of Cash Flows

For the year ended Asar 32, 2079

Figures in NPR

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Interest Received	10,294,979,110	7,568,529,638	10,290,233,471	7,566,827,343
Fee and Other Income Received	534,223,114	626,672,094	497,493,264	605,019,020
Dividend Received	-	-	-	-
Receipts from Other Operating Activities	(32,637,956)	513,055,048	23,729,457	442,619,165
Interest Paid	(8,184,549,512)	(4,792,340,054)	(8,185,050,578)	(4,795,011,330)
Commissions and Fees Paid	(56,149,718)	(36,555,727)	(49,951,529)	(32,067,633)
Cash Payment to Employees	(1,017,913,253)	(1,131,198,684)	(1,001,788,780)	(1,110,863,569)
Other Expenses Paid	(700,066,414)	(902,048,907)	(550,558,958)	(892,680,377)
<b>Operating Cash Flows before Changes in Operating Assets and Liabilities</b>	<b>837,885,371</b>	<b>1,846,113,407</b>	<b>1,024,106,347</b>	<b>1,783,842,617</b>
<b>(Increase)/Decrease in Operating Assets</b>				
Due from Nepal Rastra Bank	(300,691,807)	(545,721,570)	(300,691,807)	(545,721,570)
Placement with Bank and Financial Institutions	-	-	-	-
Other Trading Assets	21,385,281	(60,055,465)	-	-
Loans and Advances to BFls	756,813,592	(2,879,713,365)	756,813,592	(2,879,713,365)
Loans and Advances to Customers	(13,425,885,348)	(25,257,949,823)	(13,425,885,348)	(25,258,345,262)
Other Assets	(110,877,522)	(48,462,443)	(149,712,869)	(11,164,492)
<b>Increase/(Decrease) in Operating Liabilities</b>				
Due to Banks and Financial Institutions	(1,669,302,815)	3,097,316,177	(1,669,302,815)	3,097,316,177
Due to Nepal Rastra Bank	200,533,138	832,446,418	200,533,138	832,446,418
Deposits from Customers	17,837,050,853	29,627,884,627	17,772,157,890	29,592,051,672
Borrowings	25,016,438	-	25,016,438	-
Other Liabilities	895,669,843	342,791,511	968,742,800	248,711,374
<b>Net Cash Flow from Operating Activities before Tax Paid</b>	<b>5,067,597,026</b>	<b>6,954,649,475</b>	<b>5,201,777,367</b>	<b>6,859,423,568</b>
Income Tax Paid	(578,923,402)	(517,413,130)	(572,477,215)	(499,517,320)
<b>Net Cash Flow from Operating Activities</b>	<b>4,488,673,624</b>	<b>6,437,236,345</b>	<b>4,629,300,152</b>	<b>6,359,906,248</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Investment Securities	(3,494,237,531)	(8,247,927,771)	(3,447,813,299)	(8,225,427,771)
Receipts from Sale of Investment Securities	73,758,799	759,828,480	24,834,566	388,758,606
Purchase of Property and Equipment	(1,092,304,551)	(145,606,148)	(1,212,146,563)	(141,151,197)
Receipts from Sale of Property and Equipment	-	3,388,499	-	3,388,499
Purchase of Intangible Assets	(11,528,941)	(3,116,142)	(15,362,783)	(1,913,250)
Receipts from Sale of Intangible Assets	-	-	-	-
Purchase of Investment Properties	(51,050,852)	-	(51,050,852)	-
Receipts from Sale of Investment Properties	-	-	-	-
Interest Received	806,169,633	440,800,842	806,169,633	431,782,250
Dividend Received	11,501,305	9,481,667	31,593,805	8,912,273
<b>Net Cash Used in Investing Activities</b>	<b>(3,757,692,139)</b>	<b>(7,183,150,573)</b>	<b>(3,863,775,492)</b>	<b>(7,535,650,591)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts from Issue of Debt Securities	1,195,004,496	-	1,195,004,496	-
Repayments of Debt Securities	-	-	-	-
Receipts from Issue of Subordinated Liabilities	-	-	-	-
Repayments of Subordinated Liabilities	-	-	-	-
Receipt from Issue of Shares	-	-	-	-
Dividends Paid	(59,806,845)	(184,132,102)	(44,506,845)	(184,132,102)
Interest Paid	(48,386,344)	-	(48,386,344)	-
Other Receipts/Payments	(20,746,705)	(950,446,582)	(36,347,638)	(569,784,639)
<b>Net Cash from Financing Activities</b>	<b>1,066,064,602</b>	<b>(1,134,578,684)</b>	<b>1,065,763,668</b>	<b>(753,916,741)</b>
Net Increase (Decrease) in Cash and Cash Equivalents	1,797,046,087	(1,880,492,912)	1,831,288,328	(1,929,661,083)
Cash and cash equivalents at Shrawan 1, 2078	6,348,470,905	8,228,963,817	6,269,721,484	8,199,382,567
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-	-	-
<b>Cash and cash equivalents at Asar 32 2079</b>	<b>8,145,516,992</b>	<b>6,348,470,905</b>	<b>8,101,009,812</b>	<b>6,269,721,484</b>

As per our report of even date

**Sanjiv Poudel**  
Officiating Chief  
Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

**Gajendra Man Shrestha**  
Director

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

**Rabindra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Kathmandu, 1st Poush 2079



# Consolidated Statement of Changes in Equity

For the year ended Asar 32, 2079 (16 July 2022)

Figures in NPR

Particulars	Group							Non-Controlling Interest	Total	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve			
Balance at Shrawan 01, 2077	4,324,989,486	64,012,143	723,965,312	1,916,932	86,274,161	(14,341,547)	-	-	5,818,685,224	5,903,884,050
Adjustment/(Restatement)	-	-	-	-	-	-	-	-	-	-
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	27,115,119	-	-	27,115,119	27,115,119
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	27,115,119	-	-	1,221,417,108	1,238,909,022
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	235,454,201	-	-	-	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	33,706,630	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	178,549	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	-	-	-	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-
- Share Premium	-	(64,012,143)	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	486,561,317	-	-	-	-	-	-	-	-	-
- Cash Dividend Paid	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Contributions by and distributions	486,561,317	-	-	-	-	-	-	-	-	-
Balance at Asar 31, 2078	4,811,550,803	-	959,419,513	1,916,932	119,980,792	12,952,121	-	-	6,857,914,620	6,958,660,970

contd...







Particulars	Group											
	Attributable to Equity-Holders of the Bank							Non-Controlling Interest				
Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Staff Skill Development Fund	Other Reserve	Total		Total Equity
Balance at Shrawan 01, 2078	4,811,550,803	-	959,419,513	1,916,932	119,980,792	12,952,121	918,034,352	-	34,060,108	6,857,914,620	100,746,350	6,958,660,970
Adjustment/(Restatement)	-	-	1,105,239	-	-	-	12,293,400	-	(80,154)	13,318,484	(689,885)	12,628,599
Effect of Transition to NFRS 16	-	-	2,854,430	-	-	-	11,712,137	-	-	14,566,567	-	14,566,567
Effect of Transition to NFRS 15	-	-	-	-	-	-	(1,248,083)	-	-	(12,48,083)	-	(1,248,083)
Adjustment/(Restatement) on the Minority Interest	-	-	(1749,191)	-	-	-	1,829,346	-	(80,154)	-	-	-
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	1,283,731,106	-	-	1,283,731,106	(6,833,458)	1,276,897,648
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(52,060,314)	-	-	-	(52,060,314)	-	(52,060,314)
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	(9,576,345)	(9,576,345)	-	(9,576,345)
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	(52,060,314)	1,283,731,106	-	(9,576,345)	1,222,094,447	(6,833,457,74)	1,215,260,989
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	268,361,057	-	-	-	(268,361,057)	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	(13,829,392)	13,829,392	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	(13,418,053)	-	13,418,053	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	222,179,967	-	(222,179,967)	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	(50,000,000)	-	50,000,000	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	11,027,021	-	(11,301,095)	(274,075)	-	(274,075)
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	720,479,38	-	-	(3,602,396.89)	2,881,918	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	845,630,054	-	-	-	-	-	(845,630,054)	-	-	-	-	(59,806,845)
- Cash Dividend Paid	-	-	-	-	-	-	(44,506,845)	-	-	(44,506,845)	(15,300,000)	-
Other	-	-	-	-	-	-	(1,809,066)	-	-	(1,809,066)	1,809,066	-
Total Contributions by and Distributions	845,630,054	-	-	-	-	-	(891,945,965)	-	-	(46,315,912)	-	(59,806,845)
Balance at Asar 32, 2079	5,657,180,857	-	1,229,606,288	1,916,932	342,160,759	(42,710,590)	768,233,362	13,829,392	76,520,566	8,046,737,565	79,732,073	8,126,469,638

As per our report of even date

**Sanjiv Poudel**    **Pradyuman Pokharel**    **Bharat Raj Dhakal**    **Gajendra Man Shrestha**    **Rabindra Man Shrestha**    **Shaligram Mishra**    **Nirmala Kumari KC Karki**    **Shyam Sundar Sharma**    **Bikesh Madhikarmi**  
 Officiating Chief    Chief Executive Officer    Chairman    Director    Director    Director    Director    Independent Director    Partner  
 Financial Officer    CSC & Co.  
 Chartered Accountants  
 Kathmandu, 1st Poush 2079

# Consolidated Statement of Changes in Equity

For the year ended Asar 32, 2079 (16 July 2022)

Figures in NPR

Particulars	Bank										Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Staff Skill Development Fund	Other Reserve	Total	
Balance at Shrawan 01, 2077	4,324,989,486	64,012,143	723,965,312	1,916,932	86,274,161	(14,341,547)	-	613,779,160	-	17,863,042	5,818,458,689	5,818,458,689
Adjustment/Restatement	-	-	-	-	-	(4,728,006)	-	-	-	-	(4,728,006)	(4,728,006)
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	1,156,256,498	-	-	1,156,256,498	1,156,256,498
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	27,115,119	-	-	-	-	27,115,119	27,115,119
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	27,115,119	-	1,156,256,498	-	13,686,944	1,197,058,561	1,197,058,561
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	231,287,010	-	-	-	-	(231,287,010)	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	(11,564,350)	-	11,564,350	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	33,706,630	-	-	(33,706,630)	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	150,000	-	(150,000)	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	8,019,259	-	(8,019,259)	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-	-	-	-
- Realised Gain on Derecognition of Equity Instrument	-	-	-	-	-	-	-	-	-	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-	-	-	-
- Share premium	-	(64,012,143)	-	-	-	-	-	64,012,143	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	486,561,317	-	-	-	-	-	-	(486,561,317)	-	-	-	-
- Cash Dividend Paid	-	-	-	-	-	-	-	(184,132,102)	-	-	(184,132,102)	(184,132,102)
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and distributions	486,561,317	-	-	-	-	-	-	(670,693,419)	-	-	(184,132,102)	(184,132,102)
Balance at Asar 31, 2078	4,811,550,803	-	955,252,322	1,916,932	119,980,792	8,045,565	-	896,315,651	-	33,595,078	6,826,657,142	6,826,657,142

contd...





Particulars	Bank							Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve		
Balance at Shrawan 01, 2078	4,811,550,803	-	955,252,322	1,916,932	119,980,792	8,045,565	-	-	6,826,657,142
Adjustment/Restatement	-	-	2,854,430	-	-	-	-	-	14,272,149
Effect of Transition to NIRS '16	-	-	2,854,430	-	-	-	-	-	14,272,149
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(52,060,314)	-	-	(52,060,314)
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets from foreign operation	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	(52,060,314)	-	-	1,280,168,628
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-
- Statutory General Reserve	-	-	268,361,057	-	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	-	-
- Exchange Equalisation Reserve	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	222,179,967	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-
- Corporate Social Responsibility Reserve	-	-	-	-	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-
- Regulatory Reserve as per NRB Directive	-	-	-	-	-	-	-	-	-
- Share of Profit of Associates	-	-	-	-	-	-	-	-	-
Realised Gain on Derecognition of Equity Instrument	-	-	720,479	-	-	(3,602,397)	-	-	-
- Transaction Cost attributable on Equity Issue	-	-	-	-	-	-	-	-	-
- Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-
- Staff Skill Development Fund	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-
- Bonus Shares Issued	845,630,054	-	-	-	-	-	-	-	-
- Cash Dividend Paid	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	845,630,054	-	-	-	-	-	-	-	-
Balance at Asar 32, 2079	5,657,180,857	-	1,229,606,288	1,916,932	342,160,759	(42,710,590)	-	-	79,732,073
									8,126,469,638

As per our report of even date

Sanjiv Poudel  
Officiating Chief Financial OfficerPradyuman Pokharel  
Chief Executive OfficerBharat Raj Dhakal  
ChairmanGajendra Man Shrestha  
DirectorRabindra Man Shrestha  
DirectorShailgram Mishra  
DirectorNirmala Kumari KC Karki  
DirectorShyam Sundar Sharma  
Independent DirectorBikesh Madhikarmi  
Partner  
CSC & Co.  
Chartered Accountants

Kathmandu, 1st Poush 2079

## Notes to the Consolidated Financial Statement

### 1. Reporting Entity

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

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

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

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

### 2. Basis of Preparation

#### 2.1. Going Concern

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

#### 2.2. Statement of Compliance

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

The financial statements comprise of Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income, Statement in Changes in Equity, Statement of Cashflows and Notes to the Accounts on the format prescribed by NRB Directive No. 4.

#### 2.3. Reporting Period and Approval of Financial Statements

##### Reporting Period:

The Group follows the Nepalese financial year based on Nepali calendar starting from 1st Shrawan 2078 and ending on 32nd Asar 2079. (16th July 2021 to 16th July 2022).

##### Approval of Financial Statements:

The accompanied financial statements have been approved and authorized for issue by the Board of Directors in its meeting held on 1st Poush 2079 and have been recommended for approval by shareholders in the Annual General Meeting.

#### 2.4. Functional and Presentation Currency

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

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

#### 2.5. Use of Estimates, Assumptions and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported







amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

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

#### ○ Reporting Pronouncement

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

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

## 2.6. Changes in Accounting Policies

The accounting policies are applied consistently to all the periods presented in the financial statements.

## 2.7. New Standards Issued but not yet effective

- Amendments in existing standards and interpretations issued by IASB are not applicable as those are made effective by ICAN.

## 2.8. Discounting

The Group determines amortized cost of a financial asset or a financial liability using the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of a financial asset or a financial liability to the net carrying

amount of the financial asset or liability. If expected life cannot be determined reliably, then the contractual life is used.

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

## 3. Significant Accounting Policies

### 3.1. Basis of Measurement

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

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

### 3.2. Basis of Consolidation

#### a. Business Combination

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

The consideration transferred does not include amount related to the settlement of pre-existing relationships. Such amount is generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

#### b. Non-Controlling Interest

The interest of non-controlling shareholders is initially measured either at fair value or at



the non-controlling interests' proportionate share of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

#### c. Subsidiaries

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

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

#### d. Loss of Control

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

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

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

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

#### f. Transaction elimination on consolidation

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

### 3.3. Cash & Cash Equivalent

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

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

### 3.4. Financial Assets and Financial Liabilities

#### a. Recognition

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

#### b. Classification

The financial assets and liabilities are subsequently measured at amortized cost





or fair value based on business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

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

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

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

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

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

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

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

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

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

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

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

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

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

**c. De-recognition**

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

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

**d. Determination of Fair Value**

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

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

**Level 1:** Quoted (unadjusted) prices for identical assets or liabilities in active markets;

**Level 2:** Significant inputs to the fair value measurement are directly or indirectly observable or valuations of quoted for similar



instrument in active markets or quoted prices for identical or similar instrument in inactive markets; and

**Level 3:** Significant inputs to the fair value measurement are unobservable.

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

#### e. Impairment

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

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

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

- Whether the counterparty is in default of principal or interest payments.
- When a counterparty files for bankruptcy and this would avoid or delay discharge of its obligation.
- Where the Bank initiates legal recourse of recovery in respect of a credit obligation of the counterpart.
- Where the Bank consents to a

restructuring of the obligation, resulting in a diminished financial obligation, demonstrated by a material forgiveness of debt or postponement of scheduled payments.

- Where there is observable data indicating that there is a measurable decrease in the estimated future cash flows of a group of financial assets, although the decrease cannot yet be identified with specific individual financial assets.

#### A collective impairment provision is established for:

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

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

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

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

#### Carve out adopted for assessment of impairment charge

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







### 3.5. Trading Assets

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

### 3.6. Derivative Assets and Derivative Liabilities

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

### 3.7. Property and Equipment

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

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

Type of Assets	Useful Life
Buildings	50 Years
Leasehold Properties	8 Years
Computer & Accessories	5 Years

Vehicles - Two-Wheeler	5 Years
Vehicles - Four-Wheeler	7 Years
Furniture & Fixtures	5 Years
Equipment & Others – Equipment	5 Years
Equipment & Others – Others	5 Years

The Group has not measured the any property and plant at revaluation model and at fair value. Assets having acquisition cost less than or equal NPR 10,000 have been written off as an expense in the Statement of Profit or Loss.

### 3.8. Goodwill/Intangible Assets

#### a. Goodwill

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

#### b. Intangible Assets:

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

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

### 3.9. Investment Property

Investment properties are land or building or both other than those classified as property and equipment under NAS 16 – “Property, Plant and Equipment”; and assets classified as non-current assets held for sale under NFRS 5 – “Non-Current Assets Held for Sale and Discontinued Operations”. Land and Building acquired as non-banking assets are recognised as investment property.

Investment properties are initially measured at cost, including transaction costs. Subsequently all investment properties are reported at fair



value with any gains or losses in fair value reported in the statement of profit and loss as they arise. No depreciation is charged in investment property as they are not intended for the owner-occupied use.

### 3.10. Income Tax

Tax expenses comprises of current tax and deferred tax.

#### a. Current Tax

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

#### b. Deferred Tax

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

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

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

#### a. Deposits

Deposits by banks & customers are financial liabilities of the bank as there is an obligation to deliver cash or financial assets back to the depositing bank or customer and are initially recognised at fair value, plus for those financial liabilities not at fair value through profit and loss. The transaction price is considered as the fair value for measuring the deposits.

#### b. Debt Securities Issued

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

#### c. Subordinated Liabilities

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

### 3.12. Provisions

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

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





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

### 3.13. Revenue Recognition

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

#### a. Interest Income

For all financial instruments measured at amortized cost and interest-bearing financial assets through other comprehensive income interest income or expense is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation of effective interest rate includes all charges and fee paid or received that are integral part of the effective interest only if considered necessary. Such a charges are not amortized over the life of the loan and advances as the income so recognized closely approximates the income that would have derived under effective interest method and are recognised directly in statement of profit and loss.

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

- Interest income on financial assets measured at amortized cost calculated on an effective interest rate method, except for impaired loans and advances. These financial assets include investment in government securities, investment in NRB Bond and deposit instruments, reverse repos, interbank lending, etc.
- As per carve out on NAS 39 Para 9, the Bank has not included the fees and paid or received in loans and advances that are immaterial or impracticable to determine reliably the effective interest

rate and have recognized them directly as revenue in the Statement of Profit or Loss.

- As per carve out on NAS 39 AG 93, the Bank has applied the effective interest rate to the gross carrying amount of a financial asset unless the financial asset is written off either partially or fully.
- Interest on investment securities is calculated on effective interest rate.
- Income on discounted instruments like bills purchased, documents negotiation is recognized over the period of discounting on accrual basis using effective interest rate.
- Interest income on all trading assets are considered to be incidental to the Group's trading operations and are presented together with all other changes in fair value of trading assets and liabilities in net trading income.
- The group has adopted the following criterion in to suspend the interest income where there is reasonable doubt about the collectability of the interest:
  - i. Loans where there is reasonable doubt about the ultimate collectability of principal or interest;
  - ii. Loans against which individual impairment as per NAS 39 or life time impairment as per NFRS 9 has been made;
  - iii. Loans where contractual payments of principal and/or interest are more than 3 months in arrears and where the "net realizable value" of security is insufficient to cover payment of principal and accrued interest;
  - iv. Loans where contractual payments of principal and/or interest are more than 12 months in arrears, irrespective of the net realizable value of collateral;
  - v. Overdrafts and other short-term facilities which have not been settled after the expiry of the loan and even not renewed within 3 months of the expiry, and where the net realizable value of security is insufficient to cover payment of principal and accrued interest;



- vi. Overdrafts and other short-term facilities which have not been settled after the expiry of the loan and even not renewed within 12 months of the expiry, irrespective of the net realizable value of collateral.

**b. Fee and Commission Income**

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

**c. Dividend Income**

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

**d. Net Trading Income**

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

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

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

**f. Grant Income**

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

Grant received towards purchase of fixed assets has been recognised to asset account. Any depreciation on the assets, in

the income statement will be reduced pro rata in accordance with grant relative to the asset value.

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

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

### 3.14. Interest Expenses

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

### 3.15. Employee Benefits

**a. Short term employee benefits**

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

**b. Long term employee benefits**

**○ Defined Contribution Plans**

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

**○ Defined Benefit Plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The bank's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods. That benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount







rate is the yield at the reporting date on corporate bonds, that have maturity dates approximating the terms of the bank's obligation and that are denominated in the currency in which the benefits are expected to be paid.

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

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

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

### 3.16. Leases

The Bank has applied NFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under NAS 17.

#### ○ As a lessee

The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use

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

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

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

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

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

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



its assessment of whether it will exercise a purchase, extension or termination option.

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

#### ○ Short-term leases and leases of low-value assets

The Bank has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets.

#### ○ Under NAS 17,

In the comparative period, assets held under other leases were classified as operating leases and were not recognized in the Bank's statement of financial position. Payments made under operating leases were recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

### 3.17. Foreign Currency Translation

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

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit and loss as the gain/losses on the revaluation of foreign currencies. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of

initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement/settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity. An amount equivalent to the net exchange gain/loss during the year is transferred to/other operating Income.

### 3.18. Financial Guarantee and Loan Commitments

Financial Guarantees are contingent liabilities that arise out of the contract that the bank might make specified payments to reimburse the holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with terms of debt instrument. Guarantee liabilities being the off-balance items are disclosed if the outflow of economic resources is probable.

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

### 3.19. Share Capital and Reserves

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

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





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

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

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

### 3.21. Segment Reporting

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

The bank has identified three segments namely: Modern Banking, Small and Micro Banking, Treasury Operations as operating segment and the segment report is set out in Notes 5.4.

Segment report include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The income, expenses, assets & liabilities that cannot be allocated to aforesaid segment or those related to head office are unallocated are included in Modern Banking. The unallocated items generally comprise of head office assets, head office expenses, and tax assets and liabilities.

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

### 3.22. Investment in Associates

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

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



## Notes Forming Part of the Financial Statements

### Cash and Cash Equivalent

Note 4.1

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Cash in Hand	1,528,673,659	1,481,293,165	1,520,537,462	1,481,270,083
Balance with Bank and Financial Institutions	623,188,782	357,202,209	594,517,799	310,980,870
Money at Call and Short Notice	5,985,933,517	3,463,916,596	5,985,933,517	3,463,911,596
Other	7,721,035	1,046,058,935	21,035	1,013,558,935
<b>Total</b>	<b>8,145,516,992</b>	<b>6,348,470,905</b>	<b>8,101,009,812</b>	<b>6,269,721,484</b>

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

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

### Due from Nepal Rastra Bank

Note 4.2

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Statutory Balances with NRB	2,856,633,027	2,525,732,263	2,856,633,027	2,525,732,263
Securities Purchased under Resale Agreement	-	-	-	-
Other Deposit and Receivable from NRB	8,807,372	39,016,328	8,807,372	39,016,328
<b>Total</b>	<b>2,865,440,399</b>	<b>2,564,748,592</b>	<b>2,865,440,399</b>	<b>2,564,748,592</b>

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

### Placement with Bank and Financial Institutions

Note 4.3

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Placement with domestic B/FIs	-	-	-	-
Placement with foreign B/FIs	-	-	-	-
Less: Allowances for impairment	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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







## Derivative Financial Instruments

Note 4.4

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Held for Trading</b>				
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contract	-	-	-	-
Others	-	-	-	-
<b>Held for Risk Management</b>				
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contract	-	-	-	-
Other	-	-	-	-
<b>Total</b>	-	-	-	-

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

## Other Trading Assets

Note 4.5

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Treasury Bills	-	-	-	-
Government Bonds	-	-	-	-
NRB Bonds	-	-	-	-
Domestic Corporate bonds	-	-	-	-
Equities	63,796,298	85,181,579	-	-
Other	-	-	-	-
<b>Total</b>	<b>63,796,298</b>	<b>85,181,579</b>	-	-
Pledged	-	-	-	-
<b>Non-pledged</b>	<b>63,796,298</b>	<b>85,181,579</b>	-	-

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

## Loans and Advances to BFIs

Note 4.6

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Loans to Microfinance Institutions	2,762,665,599	3,529,357,311	2,762,665,599	3,529,357,311
Other	-	-	-	-
Less: Allowances for Impairment	(35,865,826)	(45,743,946)	(35,865,826)	(45,743,946)
<b>Total</b>	<b>2,726,799,773</b>	<b>3,483,613,365</b>	<b>2,726,799,773</b>	<b>3,483,613,365</b>

Loans and Advances to BFIs has been carried at amortised cost and includes accrued interest receivable amounting NPR 3,755,933

### 4.6.1: Allowances for impairment

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Balance at Shrawan 1	45,743,946	6,100,000	45,743,946	6,100,000
Impairment loss for the year:				
Charge for the year	35,865,826	45,743,946	35,865,826	45,743,946
Recoveries/reversal	(45,743,946)	(6,100,000)	(45,743,946)	(6,100,000)
Amount written off	-	-	-	-
<b>Balance at Asar end</b>	<b>35,865,826</b>	<b>45,743,946</b>	<b>35,865,826</b>	<b>45,743,946</b>



## Loans and Advances to Customers

## Note 4.7

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Loan and advances measured at amortized cost	88,065,988,176	74,088,699,326	88,065,988,176	74,088,699,326
Less: Impairment allowances		-		-
Collective Impairment	(1,061,686,898)	(1,017,074,404)	(1,126,391,375)	(1,017,074,404)
Individual Impairment	(192,352,863)	(152,375,048)	(127,648,385)	(152,375,048)
<b>Net amount</b>	<b>86,811,948,415</b>	<b>72,919,249,873</b>	<b>86,811,948,415</b>	<b>72,919,249,873</b>
Loan and advances measured at FVTPL	-	-	-	-
<b>Total</b>	<b>86,811,948,415</b>	<b>72,919,249,873</b>	<b>86,811,948,415</b>	<b>72,919,249,873</b>

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

As per the carve out notice issued by ICAN, the Bank has measured impairment loss on loan and advances as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39. The losses arising from impairment are recognised in 'Impairment charge for loans and other losses' in the Statement of Profit or Loss.

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Product</b>				
Term Loans	31,588,477,799	24,049,980,302	31,588,477,799	24,049,980,302
Overdraft	16,920,281,739	12,599,372,727	16,920,281,739	12,599,372,727
Trust Receipt/Import Loans	-	-	-	-
Demand And Other Working Capital Loans	858,414,589	605,806,276	858,414,589	605,806,276
Personal Residential Loans	11,352,013,523	11,291,197,303	11,352,013,523	11,291,197,303
Real Estate Loans	5,757,944,876	5,145,909,339	5,757,944,876	5,145,909,339
Margin Lending Loans	2,032,550,330	2,523,516,831	2,032,550,330	2,523,516,831
Hire Purchase Loans	3,594,966,589	4,093,750,045	3,594,966,589	4,093,750,045
Deprived Sector Loans	7,713,588,690	10,037,127,121	7,713,588,690	10,037,127,121
Bills Purchased	-	-	-	-
Staff Loans	756,044,200	608,814,984	756,044,200	608,814,984
Other	7,077,194,185	2,811,612,026	7,077,194,185	2,811,612,026
<b>Sub total</b>	<b>87,651,476,520</b>	<b>73,767,086,953</b>	<b>87,651,476,520</b>	<b>73,767,086,953</b>
Interest Receivable	414,511,656	321,612,373	414,511,656	321,612,373
<b>Grand total</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Nepalese Rupee	88,065,988,176	74,088,699,326	88,065,988,176	74,088,699,326
Indian Rupee	-	-	-	-
United State Dollar	-	-	-	-
Great Britain Pound	-	-	-	-
Euro	-	-	-	-
Japanese Yen	-	-	-	-
Chinese Yuan	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>





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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Secured</b>				
Movable/immovable assets	70,215,248,905	58,561,677,612	70,215,248,905	58,561,677,612
Gold and silver	539,038,177	398,690,740	539,038,177	398,690,740
Guarantee of domestic B/FIs	-	-	-	-
Government guarantee	-	-	-	-
Guarantee of international rated bank	-	-	-	-
Collateral of export document	-	-	-	-
Collateral of fixed deposit receipt	2,925,523,937	630,687,723	2,925,523,937	630,687,723
Collateral of Government securities	-	-	-	-
Counter guarantee	-	-	-	-
Personal guarantee	6,896,946,124	6,090,877,773	6,896,946,124	6,090,877,773
Other collateral	7,489,231,032	8,406,765,476	7,489,231,032	8,406,765,476
<b>Subtotal</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>
Unsecured	-	-	-	-
<b>Grant Total</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>	<b>88,065,988,176</b>	<b>74,088,699,326</b>

#### 4.7.4: Allowances for Impairment

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Specific allowances for impairment</b>				
Balance at Shrawan 1	152,375,048	102,905,869	152,375,048	102,905,869
Impairment loss for the year:				
Charge for the year	-	49,469,179	-	49,469,179
Recoveries/reversal during the year	(22,444,840)	-	(22,444,840)	-
Write-offs	(2,281,822)	-	(2,281,822)	-
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement	-	-	-	-
<b>Balance at Asar end</b>	<b>127,648,385</b>	<b>152,375,048</b>	<b>127,648,385</b>	<b>152,375,048</b>
<b>Collective allowances for impairment</b>				
Balance at Shrawan 1	1,017,074,404	610,914,508	1,017,074,404	610,914,508
Impairment loss for the year:	-	-	-	-
Charge/(reversal) for the year	109,316,971	406,159,896	109,316,971	406,159,896
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement	-	-	-	-
<b>Balance at Asar end</b>	<b>1,126,391,375</b>	<b>1,017,074,404</b>	<b>1,126,391,375</b>	<b>1,017,074,404</b>
<b>Total allowances for impairment</b>	<b>1,254,039,761</b>	<b>1,169,449,452</b>	<b>1,254,039,761</b>	<b>1,169,449,452</b>
<b>Total allowances for impairment under NFRS</b>	<b>116,827,665</b>	<b>33,082,714</b>	<b>116,827,665</b>	<b>33,082,714</b>

#### Investment Securities

#### Note 4.8

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Investment securities measured at amortized cost	17,698,746,464	14,254,511,329	17,673,746,464	14,227,011,329
Investment in equity measured at FVTOCI	262,635,195	286,391,597	262,635,195	286,391,597
<b>Total</b>	<b>17,961,381,659</b>	<b>14,540,902,926</b>	<b>17,936,381,659</b>	<b>14,513,402,926</b>

#### Investment Securities measured at Amortized Cost:

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



### Investment in Equity measured at FVTOCI

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

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Debt Securities	-	-	-	-
Government Bonds	15,881,660,338	10,350,244,193	15,881,660,338	10,350,244,193
Government Treasury Bills	1,769,815,132	3,876,767,136	1,769,815,132	3,876,767,136
Nepal Rastra Bank Bonds	22,270,993	-	22,270,993	-
Nepal Rastra Bank Deposits Instruments	-	-	-	-
Other	25,000,000	27,500,000	-	-
Less: specific allowances for impairment	-	-	-	-
<b>Total</b>	<b>17,698,746,464</b>	<b>14,254,511,329</b>	<b>17,673,746,464</b>	<b>14,227,011,329</b>

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Equity instruments	-	-	-	-
Quoted Equity Securities	260,798,268	285,430,431	260,798,268	285,430,431
Unquoted Equity Securities	1,836,928	961,166	1,836,928	961,166
<b>Total</b>	<b>262,635,195</b>	<b>286,391,597</b>	<b>262,635,195</b>	<b>286,391,597</b>

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

##### Investment Securities measured at fair value through other comprehensive income:

Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
<b>In Quoted Equity Instruments:</b>								
Bottlers Nepal (Terai) Limited 160 equity shares of Rs 100 each	1,968,673.60	2,080,000	-	-	1,968,674	2,080,000	-	-
Api Power Company Limited 7086 equity shares of Rs 100 each	2,413,279.02	1,732,527	-	-	2,413,279	1,732,527	-	-
CEDB Hydropower Development Company Limited 1875 equity shares of Rs 100 each	1,339,687.50	1,368,750	-	-	1,339,688	1,368,750	-	-
Himalayan Distillery Limited 500 equity shares of Rs 100 each	1,630,805	1,705,000	-	-	1,630,805	1,705,000	-	-
Rastriya Beema Company Limited 100 equity shares of Rs 100 each	1,467,699	1,340,000	-	-	1,467,699	1,340,000	-	-
Arun Valley Hydropower Development Co. Limited. 3500 equity shares of Rs 100 each	1,394,750	1,246,350	-	-	1,394,750	1,246,350	-	-
Sahas Urja Limited 3000 equity shares of Rs 100 each	1,538,100	1,380,000	-	-	1,538,100	1,380,000	-	-
Universal Power Company Limited 1750 shares of Rs 100 each	404,005	398,650	-	-	404,005	398,650	-	-
Citizen Investment Trust 12527 equity shares of Rs 100 each	47,203,391.26	31,505,405	48,243,628	44,709,237	47,203,391	31,505,405	48,243,628	44,709,237
Nepal Doorsanchar Company Limited 5700 equity shares of Rs 100 each	7,061,277.00	5,009,730	7,448,430	7,227,000	7,061,277	5,009,730	7,448,430	7,227,000
Shivam Cements Limited 6500 equity shares of Rs 100 each	8,904,685	4,940,000	10,949,108	9,841,500	8,904,685	4,940,000	10,949,108	9,841,500
Nepal Life Insurance Co. Ltd. 16565 equity shares of Rs 100 each	28,730,867	12,374,055	28,730,867	27,883,070	28,730,867	12,374,055	28,730,867	27,883,070
Soaltee Hotel Limited 10042 equity shares of Rs 100 each	2,686,881	2,033,505	2,686,881	2,631,004	2,686,881	2,033,505	2,686,881	2,631,004

contd...







Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
General Insurance Company Limited* 100000 equity shares of Rs. 100 each	10,000,000	14,863,000	10,000,000	11,965,220	10,000,000	14,863,000	10,000,000	11,965,220
Deprosc Laghubitta Bittiya Sanstha Limited 575 equity shares of Rs 100 each	863,837	535,800	5,182,979	4,847,250	863,837	535,800	5,182,979	4,847,250
Nepal Reinsurance Company Limited 4660 equity shares of Rs 100 each	6,118,365	2,940,000	6,118,375	6,376,000	6,118,365	2,940,000	6,118,375	6,376,000
Asian Life Insurance Company Limited 1250 equity shares of Rs 100 each	1,322,188	717,500	1,322,190	1,348,000	1,322,188	717,500	1,322,190	1,348,000
Premier Insurance Company Limited 7206 equity shares of Rs 100 each	8,042,040	4,150,656	10,836,650	9,945,000	8,042,040	4,150,656	10,836,650	9,945,000
Shikhar Insurance Company Limited 22174 equity shares of Rs 100 each	36,202,825	17,894,418	35,691,044	33,293,312	36,202,825	17,894,418	35,691,044	33,293,312
Bishal Bazar Company Limited 500 shares of Rs 100 each	3,620,000	1,800,000	3,620,000	2,800,000	3,620,000	1,800,000	3,620,000	2,800,000
Chilime Hydropower Company Limited 2500 equity shares of Rs 100 each	-	-	1,481,264	1,717,500	-	-	1,481,264	1,717,500
Life Insurance Co. Nepal 500 equity shares of Rs 100 each	-	-	1,028,764	1,171,000	-	-	1,028,764	1,171,000
Prabhu Insurance Ltd. 1100 equity shares of Rs 100 each	-	-	902,392	1,056,000	-	-	902,392	1,056,000
Sana Kisan Bikas Bank Ltd 802 equity shares of Rs 100 each	-	-	803,563	1,315,280	-	-	803,563	1,315,280
United Modi Hydropower Ltd. 1026 equity shares of Rs 100 each	-	-	353,113	413,478	-	-	353,113	413,478
Chhimek Laghubitta Bikas Bank Limited 3150 equity shares of Rs 100 each	-	-	5,640,863	5,474,700	-	-	5,640,863	5,474,700
Nirdhan Utthan Laghubitta Bittiya Sanstha Limited 2454 equity shares of Rs 100 each	-	-	3,648,632	3,926,400	-	-	3,648,632	3,926,400
Surya Life Insurance Company Limited 7 equity shares of Rs 100 each	-	-	5,115	6,454	-	-	5,115	6,454
Vijaya Laghubitta Bittiya Sanstha Limited 4000 equity shares of Rs 100 each	-	-	7,242,280	7,276,000	-	-	7,242,280	7,276,000
RMDC Laghubitta Bittiya Sanstha Ltd. 1000 equity shares of Rs 100 each	-	-	1,195,753	1,373,000	-	-	1,195,753	1,373,000
Swarojgar Laghu Bitta Bikas Bank Limited 668 equity shares of Rs 100 each	-	-	-	1,002,000	-	-	-	1,002,000
<b>Sub-total</b>	<b>172,913,355</b>	<b>110,015,346</b>	<b>193,131,889</b>	<b>187,598,405</b>	<b>172,913,355</b>	<b>110,015,346</b>	<b>193,131,889</b>	<b>187,598,405</b>
<b>In Unquoted Equity Instruments:</b>								
Nepal Clearing House Ltd. 8225 equity shares of Rs. 100 each	300,000	1,836,928	300,000	961,166	300,000	1,836,928	300,000	961,166
<b>Sub-total</b>	<b>300,000</b>	<b>1,836,928</b>	<b>300,000</b>	<b>961,166</b>	<b>300,000</b>	<b>1,836,928</b>	<b>300,000</b>	<b>961,166</b>
<b>In Mutual Funds:</b>								
Mega Mutual Fund -1 436340 units of Rs 10 each	10,000,000	9,270,000	-	-	10,000,000	9,270,000	-	-
RBB Mutual Fund -1 1000000 units of Rs 10 each	4,363,400	3,486,357	-	-	4,363,400	3,486,357	-	-
Kumari Dhanabridhi Yojana 2000000 units of Rs 10 each	20,000,000	20,000,000	-	-	20,000,000	20,000,000	-	-
Nabil Balanced Fund-3 16680 units of Rs 10 each	166,800	157,292	-	-	166,800	157,292	-	-
Nic Asia Flexi Cap Fund 3000000 units of Rs 10 each	30,000,000	30,000,000	-	-	30,000,000	30,000,000	-	-
Citizens Mutual Fund -1 250000 units of Rs 10 each	2,500,000	2,200,000	5,000,000	6,290,000	2,500,000	2,200,000	5,000,000	6,290,000
Global IME Samunnat Scheme-1 550000 units of Rs 10 each	6,165,160	5,500,000	500,000	1,014,000	6,165,160	5,500,000	500,000	1,014,000

contd...



Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Nabil Balanced Fund-2 250000 units of Rs 10 each	2,500,000	2,695,000	5,000,000	7,050,000	2,500,000	2,695,000	5,000,000	7,050,000
Nabil Equity Fund 600010 units of Rs 10 each	6,484,953	6,000,100	1,713,527	2,190,000	6,484,953	6,000,100	1,713,527	2,190,000
NIBL Pragati Fund 600000 units of Rs 10 each	6,653,713	6,012,000	998,282	1,485,000	6,653,713	6,012,000	998,282	1,485,000
NIBL Sahabhagita 200000 units of Rs 10 each	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Kumari Equity Fund 250000 units of Rs 10 each	2,500,000	2,517,500	2,500,000	2,625,000	2,500,000	2,517,500	2,500,000	2,625,000
NIC Asia Balanced Fund 150000 units of Rs 10 each	1,500,000	1,606,500	1,500,000	2,059,500	1,500,000	1,606,500	1,500,000	2,059,500
NIC Asia Growth Fund 100000 units of Rs 10 each	1,000,000	1,115,000	1,000,000	1,500,000	1,000,000	1,115,000	1,000,000	1,500,000
NMB Hybrid Fund L-1 749940 units of Rs 10 each	8,431,409	8,399,328	4,995,336	6,825,000	8,431,409	8,399,328	4,995,336	6,825,000
Siddhartha Equity Fund 150000 units of Rs 10 each	1,500,000	1,482,000	1,500,000	2,107,500	1,500,000	1,482,000	1,500,000	2,107,500
Sunrise First Mutual Fund 150000 units of Rs 10 each	1,500,000	1,725,000	1,500,000	2,400,000	1,500,000	1,725,000	1,500,000	2,400,000
Siddhartha Investment Growth Scheme II 1000000 units of Rs 10 each	10,000,000	9,790,000	10,000,000	14,200,000	10,000,000	9,790,000	10,000,000	14,200,000
NIBL Samriddhi Fund 2 1000000 units of Rs 10 each	10,000,000	8,670,000	10,000,000	10,800,000	10,000,000	8,670,000	10,000,000	10,800,000
NIC Asia Dynamic Debt Fund 200000 units of Rs 10 each	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
NIC Asia Select 30 750000 units of Rs 10 each	7,500,000	6,577,500	7,500,000	7,500,000	7,500,000	6,577,500	7,500,000	7,500,000
Prabhu Select Fund 1468090 units of Rs 10 each	14,680,900	14,108,345	14,680,900	14,886,433	14,680,900	14,108,345	14,680,900	14,886,433
Sunrise Blue Chip Fund 250000 units of Rs 10 each	2,500,000	2,185,000	2,500,000	2,540,000	2,500,000	2,185,000	2,500,000	2,540,000
Sanima Large Cap Fund 250000 units of Rs 10 each	2,500,000	2,330,000	2,500,000	2,625,000	2,500,000	2,330,000	2,500,000	2,625,000
Laxmi Unnati Kosh 100000 units of Rs 10 each	1,000,000	956,000	1,000,000	1,262,000	1,000,000	956,000	1,000,000	1,262,000
Sanima Equity Fund 50000 units of Rs 10 each	-	-	500,000	839,500	-	-	500,000	839,500
NMB 50 100000 units of Rs 10 each	-	-	1,000,000	1,495,000	-	-	1,000,000	1,495,000
NIBL Samriddhi Fund 1 100000 units of Rs 10 each	-	-	990,460	1,436,000	-	-	990,460	1,436,000
Global IME Samunnat Scheme 1 34620 units of Rs 100 each	-	-	587,501	702,094	-	-	587,501	702,094
<b>Sub-total</b>	<b>157,446,335</b>	<b>150,782,922</b>	<b>81,466,006</b>	<b>97,832,026</b>	<b>157,446,335</b>	<b>150,782,922</b>	<b>81,466,006</b>	<b>97,832,026</b>
<b>Total</b>	<b>330,659,690</b>	<b>262,635,195</b>	<b>274,897,895</b>	<b>286,391,597</b>	<b>330,659,690</b>	<b>262,635,195</b>	<b>274,897,895</b>	<b>286,391,597</b>

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

## Current Tax Assets

## Note 4.9

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Current tax assets</b>				
Current year income tax assets	617,447,575	584,789,320	615,006,672	571,019,747
Tax assets of prior periods	-	-	-	-
<b>Current tax liabilities</b>				
Current year income tax liabilities	601,168,292	544,496,136	598,534,225	526,721,280
Tax liabilities of prior periods	-	-	-	-
<b>Total</b>	<b>16,279,283</b>	<b>40,293,183</b>	<b>16,472,447</b>	<b>44,298,467</b>

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





## Investment in Subsidiaries

Note 4.10

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Investment in Quoted Subsidiaries	-	-	-	-
Investment in Unquoted Subsidiaries	-	-	117,500,000	117,500,000
<b>Total investment</b>	-	-	<b>117,500,000</b>	<b>117,500,000</b>
Less: Impairment allowances	-	-	-	-
<b>Net carrying amount</b>	-	-	<b>117,500,000</b>	<b>117,500,000</b>

### 4.10.1: Investment in Quoted Subsidiaries

Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

### 4.10.2: Investment in Unquoted Subsidiaries

Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Muktinath Capital Limited 1,175,000 shares of Rs. 100 each	-	-	-	-	117,500,000	117,500,000	117,500,000	117,500,000
<b>Total</b>	-	-	-	-	<b>117,500,000</b>	<b>117,500,000</b>	<b>117,500,000</b>	<b>117,500,000</b>

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

Particulars	Group		Bank	
	Percentage of ownership held by the Bank		Percentage of ownership held by the Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Muktinath Capital Limited	-	-	58.02%	58.02%

### 4.10.4: Non controlling interest of the subsidiaries

Particulars	Group	
	32nd Asar 2079	31st Asar 2078
<b>Muktinath Capital Limited</b>		
Equity interest held by NCI (%)	41.98%	41.98%
Profit/(loss) allocated during the year	(6,833,458)	17,491,913.21
Accumulated balances of NCI as on Asar end	79,732,073	100,746,350
Dividend paid to NCI	15,300,000	-

## Investment in Associates

Note 4.11

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Investment in quoted associates	-	-	-	-
Investment in unquoted associates	76,371,125	104,906,556	100,000,000	100,000,000
<b>Total Investment</b>	<b>76,371,125</b>	<b>104,906,556</b>	<b>100,000,000</b>	<b>100,000,000</b>
Less: Impairment allowances	-	-	-	-
<b>Net Carrying amount</b>	<b>76,371,125</b>	<b>104,906,556</b>	<b>100,000,000</b>	<b>100,000,000</b>

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



## 4.11.1: Investment in Unquoted Associates

Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Muktinath Krishi Company Limited 10,00,000 Shares of Rs. 100 each, Rs. 100 paid	100,000,000	105,000,000	100,000,000	104,906,556	100,000,000	100,000,000	100,000,000	100,000,000
<b>Total</b>	<b>100,000,000</b>	<b>105,000,000</b>	<b>100,000,000</b>	<b>104,906,556</b>	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>

## 4.11.2: Investment in Quoted Associates

Particulars	Group				Bank			
	32nd Asar 2079		31st Asar 2078		32nd Asar 2079		31st Asar 2078	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 4.11.3: Information relating to Associates of the Bank

Particulars	Group		Bank	
	Percentage of ownership held by the Bank		Percentage of ownership held by the Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Muktinath Krishi Company Limited	27.78%	27.78%	27.78%	27.78%

## 4.11.4: Equity Value of Associates

Particulars	Group	
	32nd Asar 2079	31st Asar 2078
	Muktinath Krishi Company Limited	
Muktinath Krishi Company Limited	76,371,125	104,906,556

## Investment Property

## Note 4.12

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Investment Properties measured at Fair Value</b>				
Balance as on 1st Shrawan	-	-	-	-
Addition/(Disposal) during the year	-	-	-	-
Net Changes in fair value during the year	-	-	-	-
Adjustment/Transfer	-	-	-	-
Net Amount	-	-	-	-
<b>Investment Properties measured at Cost</b>				
Balance as on 1st Shrawan	33,115,680	33,115,680	-	-
Addition/(Disposal) during the year	51,050,852	-	51,050,852	-
Net Changes in fair value during the year	-	-	-	-
Adjustment/Transfer	-	-	-	-
Net Amount	84,166,532	33,115,680	51,050,852	-
<b>Total</b>	<b>84,166,532</b>	<b>33,115,680</b>	<b>51,050,852</b>	<b>-</b>





## Property and Equipment

## Note 4.13

Particulars	Group									32nd Asar 2079
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & Others	Right-of-Use Assets	
Cost										
As on 1st Shrawan	348,927,378	4,900,000	283,802,770	75,030,621	95,368,937	120,615,743	70,927,374	167,604,537	-	1,167,177,361
Addition during the year										
Acquisition	-	-	30,415,018	13,657,443	377,551,163	11,596,587	7,263,663	44,918,274	-	145,606,148
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(5,941,651)	(1,313,753)	(6,187,775)	(2,651,387)	(788,964)	(9,461,479)	-	(26,345,009)
Adjustment/Revaluation	-	-	-	-	-	-	-	(7,975)	-	(7,975)
Balance as on Asar end 2078	348,927,378	4,900,000	308,276,137	87,374,311	126,936,325	129,560,942	77,402,073	203,053,358	-	1,286,430,524
Addition during the year										
Acquisition	-	4,753,385	59,009,890	13,344,774	21,541,733	22,128,815	14,341,594	46,262,241	962,582,776	1,143,965,209
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(16,138,255)	(1,737,698)	(4,385,000)	(3,232,047)	(771,382)	(15,180,661)	-	(41,445,043)
Adjustment/Revaluation	-	-	-	(77,464)	-	(27,162)	-	104,626	-	-
Balance as on Asar end 2079	348,927,378	9,653,385	351,147,772	98,903,923	144,093,058	148,430,548	90,972,286	234,239,564	962,582,776	2,388,950,690
Depreciation and Impairment										
As on 1st Shrawan	-	147,000	131,981,573	39,499,727	33,856,787	65,716,608	33,303,021	92,084,651	-	396,589,367
Depreciation charge for the year	-	98,000	49,074,998	12,598,978	18,704,995	18,636,061	11,976,015	32,661,731	-	143,750,778
Impairment for the year	-	-	(5,941,625)	(1,313,727)	(5,476,777)	(2,615,755)	(788,950)	(8,870,853)	-	(25,007,687)
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2078	-	245,000	175,114,946	50,784,978	47,085,005	81,736,913	44,490,086	115,875,529	-	515,332,458
Impairment for the year										
Depreciation charge for the year	-	193,597	26,454,364	14,589,112	20,513,275	19,948,505	13,058,184	38,476,475	81,991,392	215,224,903
Disposals	-	-	(12,039,277)	(1,573,197)	(3,268,098)	(3,144,870)	(763,150)	(14,245,290)	-	(35,033,882)
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2079	-	438,597	189,530,033	63,800,893	64,330,183	98,540,547	56,785,121	140,106,714	81,991,392	695,523,479
Capital Work in Progress										
Balance as on Asar end 2078	-	50,574,419	-	-	-	-	-	-	-	50,574,419
Addition during the year	-	169,975,407	-	-	-	-	-	-	-	169,975,407
Net Book Value	-	-	-	-	-	-	-	-	-	-
As on Asar end 2078	348,927,378	55,229,419	133,161,191	36,589,333	79,851,320	47,824,029	32,911,987	87,177,828	-	821,672,485
As on Asar end 2079	348,927,378	229,764,615	161,617,739	35,103,030	79,762,875	49,890,001	34,187,165	94,132,850	880,591,384	1,913,977,036



Particulars	Bank									32nd Asar 2079
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & Others	Right-of-Use Assets	
Cost										
As on 1st Shrawan	348,927,378	4,900,000	281,848,455	73,314,735	95,170,037	116,188,481	69,925,275	165,828,393	-	1,156,102,756
Addition during the year										
Acquisition	-	-	29,910,538	13,162,186	34,555,163	11,575,083	7,263,663	44,684,565	-	141,151,197
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(5,941,651)	(1,313,753)	(6,187,775)	(2,651,387)	(788,964)	(9,461,479)	-	(26,345,009)
Adjustment/Revaluation	-	-	-	-	-	-	-	(7,975)	-	(7,975)
Balance as on Asar end 2078	348,927,378	4,900,000	305,817,342	85,163,168	123,537,425	125,112,177	76,399,974	201,043,504		1,270,900,969
Addition during the year										
Acquisition	-	4,753,385	53,433,595	13,067,000	21,541,733	21,878,850	14,341,594	45,782,044	951,192,372	1,125,990,575
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(13,679,460)	(1,737,698)	(4,385,000)	(3,232,047)	(771,382)	(15,180,661)	-	(38,986,249)
Adjustment/Revaluation	-	-	-	(77,464)	-	(27,162)	-	104,626	-	-
Balance as on Asar end 2079	348,927,378	9,653,385	345,571,477	96,415,006	140,694,158	143,731,818	89,970,186	231,749,513	951,192,372	2,357,905,295
Depreciation and Impairment										
As on 1st Shrawan	-	147,000	131,793,289	38,233,447	33,691,733	63,172,029	32,894,488	91,387,616	-	391,319,602
Depreciation charge for the year	-	98,000	48,662,262	12,398,477	18,159,710	17,916,170	11,976,015	32,172,431	-	141,383,065
Impairment for the year	-	-	(5,941,625)	(1,313,727)	(5,476,777)	(2,615,755)	(788,950)	(8,870,853)	-	(25,007,687)
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2078	-	245,000	174,513,926	49,318,197	46,374,666	78,472,443	44,081,553	114,689,195		507,694,979
Impairment for the year										
Depreciation charge for the year	-	193,597	26,188,359	14,296,395	19,872,224	19,303,860	13,058,184	37,952,854	79,266,031	210,131,505
Disposals	-	-	(11,438,255)	(1,573,197)	(3,268,098)	(3,144,870)	(763,150)	(14,245,290)	-	(34,432,860)
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2079	-	438,597	189,264,030	62,041,395	62,978,792	94,631,432	56,376,587	138,396,759	79,266,031	683,393,623
Capital Work in Progress										
Balance as on Asar end 2078	-	50,574,419	-	-	-	-	-	-	-	50,574,419
Addition during the year	-	169,975,407	-	-	-	-	-	-	-	169,975,407
Net Book Value	-	-	-	-	-	-	-	-	-	-
As on Asar end 2078	348,927,378	55,229,419	131,303,417	35,844,972	77,162,759	46,639,734	32,318,421	86,354,309	-	813,780,409
As on Asar end 2079	348,927,378	229,764,615	156,307,448	34,373,611	77,715,366	49,100,386	33,593,599	93,352,754	871,926,341	1,895,061,498

The Bank has acquired the land in Lazimpat, Kathmandu and Prithivi Chowk, Pokhara for the purpose of construction of the head office and province office respectively.

Capital work-in-progress represent the expenditure incurred in the Corporate Office Building being constructed in Lazimpat, Kathmandu.





## Goodwill and Intangible Assets

Notes 4.14

Particulars	Goodwill	Software		Other	32nd Asar 2079
		Purchased	Developed		
		Group			
<b>Cost</b>					
As on 1st Shrawan	-	27,296,276	-	-	27,296,276
Addition during the year					-
Acquisition		3,120,226	-	-	3,120,226
Capitalization	-		-	-	-
Disposal during the year		(9,295,525)			(9,295,525)
Adjustment/Revaluation					-
<b>Balance as on Asar end 2078</b>	-	<b>21,120,977</b>	-	-	<b>21,120,977</b>
Addition during the Year					-
Acquisition		15,715,343			15,715,343
Capitalization					-
Disposal during the year		-			-
Adjustment/Revaluation					-
<b>Balance as on Asar end 2079</b>	-	<b>36,836,320</b>	-	-	<b>36,836,320</b>
<b>Amortisation and Impairment</b>					-
As on 1st Shrawan	-	17,367,001	-	-	17,367,001
Amortisation charge for the year	-	3,667,666	-	-	3,667,666
Impairment for the year		(9,291,441)	-	-	(9,291,441)
Disposals					-
Adjustment					-
<b>As on Asar end 2078</b>	-	<b>11,743,226</b>	-	-	<b>11,743,226</b>
Impairment for the year					-
Amortisation charge for the year		4,186,402			4,186,402
Disposals		-			-
Adjustment					-
<b>As on Asar end 2079</b>	-	<b>15,929,628</b>	-	-	<b>15,929,628</b>
<b>Capital Work in Progress</b>	-	-	-	-	-
<b>Net Book Value</b>					-
<b>As on Asar end 2078</b>	-	<b>9,377,750</b>	-	-	<b>9,377,750</b>
<b>As on Asar end 2079</b>	-	<b>20,906,691</b>	-	-	<b>20,906,691</b>
		Bank			
<b>Cost</b>					
As on 1st Shrawan	-	26,837,782	-	-	26,837,782
Addition during the year					-
Acquisition		1,913,250			1,913,250
Capitalization	-		-	-	-
Disposal during the year		(9,295,525)			(9,295,525)
Adjustment/Revaluation					-
<b>Balance as on Asar end 2078</b>	-	<b>19,455,507</b>	-	-	<b>19,455,507</b>
Addition during the Year					-
Acquisition		15,362,783			15,362,783
Capitalization					-
Disposal during the year		-			-
Adjustment/Revaluation					-
<b>Balance as on Asar end 2079</b>	-	<b>34,818,290</b>	-	-	<b>34,818,290</b>
<b>Amortisation and Impairment</b>					-
As on 1st Shrawan	-	17,066,038	-		14,152,056
Amortisation charge for the year	-	3,332,310	-		3,332,310
Impairment for the year		(9,291,441)			(9,291,441)
Disposals					-
Adjustment					-
<b>As on Asar end 2078</b>	-	<b>11,106,907</b>	-	-	<b>11,106,907</b>
Impairment for the year					-
Amortisation charge for the year		3,773,772			3,773,772
Disposals		-			-
Adjustment					-
<b>As on Asar end 2079</b>	-	<b>14,880,680</b>	-	-	<b>14,880,680</b>
<b>Capital Work in Progress</b>	-	-	-	-	-
<b>Net Book Value</b>					-
<b>As on Asar end 2078</b>	-	<b>8,348,600</b>	-	-	<b>8,348,600</b>
<b>As on Asar end 2079</b>	-	<b>19,937,610</b>	-	-	<b>19,937,610</b>



## Deferred Tax Assets/Liabilities

Note 4.15

Particulars	Group			Bank		
	32nd Asar 2079			32nd Asar 2079		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax (Assets)/ Liabilities	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
<b>Deferred tax on temporary differences on following items</b>						
Loans and Advances to BFIs	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Investment Securities	29,945,945	-	29,945,945	20,407,348	-	20,407,348
Property and Equipment	15,782,768	-	15,782,768	15,674,315	-	15,674,315
Employees' Defined Benefit Plan	51,427,830	-	51,427,830	51,182,438	-	51,182,438
Lease Liabilities	266,765,794	261,680,271	5,085,523	266,765,794	261,577,902	5,187,891
Provisions	1,051,809	-	1,051,809	1,051,809	-	1,051,809
Other Temporary Differences	-	1,053,213	(1,053,213)	-	1,053,212.52	(1,053,213)
<b>Deferred tax on temporary differences</b>	<b>364,974,146</b>	<b>262,733,483</b>	<b>102,240,662</b>	<b>355,081,703</b>	<b>262,631,115</b>	<b>92,450,588</b>
Deferred tax on carry forward of unused tax losses	-	-	-	-	-	-
Deferred tax due to changes in tax rate	-	-	-	-	-	-
<b>Net Deferred Tax Asset (Liabilities) as on year end of 2078</b>			<b>102,240,662</b>			<b>92,450,588</b>
Deferred Tax (Asset)/ Liabilities as on Shrawan 01			55,407,419			55,018,004
Origination/(Reversal) during the year			46,833,243			37,432,584
Deferred Tax expense (income) recognized in profit or loss			20,417,532			11,016,873
Deferred Tax expense (income) recognized in OCI			26,415,711			26,415,711
Deferred Tax expense (income) recognized directly in Equity			-			-

Particulars	Group			Bank		
	31st Asar 2078			31st Asar 2078		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax (Assets)/ Liabilities	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
<b>Deferred tax on temporary differences on following items</b>						
Loans and Advances to BFIs	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Investment Securities	-	3,567,687	(3,567,687)	-	3,448,099	(3,448,099)
Property and Equipment	12,818,444	-	12,818,444	12,665,738	-	12,665,738
Employees' Defined Benefit Plan	37,392,833	-	37,392,833	37,188,757	-	37,188,757
Lease Liabilities	4,433,865	-	4,433,865	4,281,645	-	4,281,645
Provisions	1,119,621	-	1,119,621	1,119,621	-	1,119,621
Other Temporary Differences	3,210,343	-	3,210,343	3,210,343	-	3,210,343
<b>Deferred tax on temporary differences</b>	<b>58,975,106</b>	<b>3,567,687</b>	<b>55,407,419</b>	<b>58,466,104</b>	<b>3,448,099</b>	<b>55,018,004</b>
Deferred tax on carry forward of unused tax losses	-	-	-	-	-	-
Deferred tax due to changes in tax rate	-	-	-	-	-	-
<b>Net Deferred Tax Asset (Liabilities) as on year end of 2077</b>			<b>55,407,419</b>			<b>55,018,004</b>
Deferred Tax (Asset)/ Liabilities as on Shrawan 01			45,811,011			45,300,643
Origination/(Reversal) during the year			9,596,408			9,717,362
Deferred Tax expense (income) recognized in profit or loss			27,083,006			27,203,960
Deferred Tax expense (income) recognized in OCI			(17,486,598)			(17,486,598)
Deferred Tax expense (income) recognized directly in Equity			-			-







## Other Assets

Note 4.16

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Assets Held for Sale	-	-	-	-
Other Non-Banking Assets	-	-	-	-
Bills Receivable	-	-	-	-
Accounts Receivable	23,827,067	52,247,974	3,741,000	2,973,000
Accrued Income	2,278,950	4,783,221	2,278,950	4,783,221
Prepayments And Deposit	96,381,739	43,968,470	94,182,746	43,790,928
Income Tax Deposit	-	-	-	-
Deferred Employee Expenditure	229,532,706	136,621,412	229,532,706	136,621,412
Other Assets	20,964,046	50,901,618	19,679,968	48,966,521
<b>Total</b>	<b>372,984,507</b>	<b>288,522,696</b>	<b>349,415,369</b>	<b>237,135,084</b>

## Due to Banks and Financial Institutions

Note 4.17

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Money Market Deposits	-	-	-	-
Interbank Borrowing	-	-	-	-
Other Deposits from BFIs	3,750,284,110	5,419,586,925	3,750,284,110	5,419,586,925
Settlement and Clearing Accounts	-	-	-	-
Other Deposits from BFIs	-	-	-	-
<b>Total</b>	<b>3,750,284,110</b>	<b>5,419,586,925</b>	<b>3,750,284,110</b>	<b>5,419,586,925</b>

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

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Current Deposits	137,698,720	53,688,517	137,698,720	53,688,517
Fixed Deposits	575,000,000	2,800,000,000	575,000,000	2,800,000,000
Call Deposits	3,037,585,390	2,565,898,407	3,037,585,390	2,565,898,407
Accrued Interest Payable	-	-	-	-
<b>Total</b>	<b>3,750,284,110</b>	<b>5,419,586,925</b>	<b>3,750,284,110</b>	<b>5,419,586,925</b>

## Due to Nepal Rastra Bank

Note 4.18

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Refinance from NRB	958,975,088	832,446,418	958,975,088	832,446,418
Standing Liquidity Facility	-	-	-	-
Lender of Last Resort facility from NRB	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-
Other Payable to NRB	74,004,468	-	74,004,468	-
<b>Total</b>	<b>1,032,979,556</b>	<b>832,446,418</b>	<b>1,032,979,556</b>	<b>832,446,418</b>

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

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



## Derivative Financial Instruments

Note 4.19

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Held for Trading</b>				
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts	-	-	-	-
Others	-	-	-	-
<b>Held for Risk Management</b>				
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts.	-	-	-	-
Others	-	-	-	-
<b>Total</b>	-	-	-	-

The Bank does not have any foreign currency exposures as on reporting date.

## Deposits from Customers

Note 4.20

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Institutions Customers:</b>				
Term Deposits	21,060,232,135	21,715,234,970	21,060,232,135	21,715,234,970
Call Deposits	5,959,320,371	6,925,671,022	5,959,320,371	6,925,671,022
Current Deposits	1,354,471,954	1,538,146,264	1,361,756,073	1,610,323,347
Other	1,572,237,411	146,684,432	1,572,237,411	146,684,432
<b>Individual Customers:</b>				
Term Deposits	51,149,749,252	30,645,840,405	51,149,749,252	30,645,840,405
Saving Deposits	23,182,986,062	25,066,273,000	23,182,986,062	25,066,273,000
Current Deposits	368,459,055	791,998,092	368,459,055	791,998,092
Other	20,331,904	889,106	20,331,904	889,106
<b>Total</b>	<b>104,667,788,144</b>	<b>86,830,737,290</b>	<b>104,675,072,263</b>	<b>86,902,914,373</b>

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

## 4.20.1: Currency wise analysis of deposit from customers

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Nepalese Rupee	104,667,050,535	86,830,124,675	104,674,334,654	86,902,301,757
Indian Rupee	-	-	-	-
United State Dollar	737,608	612,599	737,608	612,599
Great Britain Pound	-	-	-	-
Euro	-	-	-	-
Japanese Yen	-	-	-	-
Chinese Yuan	-	-	-	-
Other	-	17	-	17
<b>Total</b>	<b>104,667,788,144</b>	<b>86,830,737,290</b>	<b>104,675,072,263</b>	<b>86,902,914,373</b>

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





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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Current Deposits	1,722,931,009	2,401,815,074	1,730,215,128	2,402,321,439
Saving Deposits	24,640,067,379	25,147,644,268	24,640,067,379	25,147,644,268
Fixed Deposits	71,728,018,274	51,892,841,806	71,728,018,274	51,892,841,806
Call Deposits	5,959,843,169	6,854,742,211	5,959,843,169	6,926,412,928
Margin Deposits	89,255,053	65,460,363	89,255,053	65,460,363
Accrued Interest Payable	527,673,260	468,233,569	527,673,260	468,233,568.63
<b>Total</b>	<b>104,667,788,144</b>	<b>86,830,737,290</b>	<b>104,675,072,263</b>	<b>86,902,914,373</b>

#### Borrowing

Note 4.21

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Domestic Borrowing</b>				
Nepal Government	25,016,438	-	25,016,438	-
Other Institutions	-	-	-	-
Other	-	-	-	-
<b>Sub total</b>	<b>25,016,438</b>	<b>-</b>	<b>25,016,438</b>	<b>-</b>
<b>Foreign Borrowing</b>				
Foreign Bank and Financial Institutions	-	-	-	-
Multilateral Development Banks	-	-	-	-
Other Institutions	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>25,016,438</b>	<b>-</b>	<b>25,016,438</b>	<b>-</b>

The borrowing includes the amount received from Nepal Government, Ministry of Youth and Sports as the refinancing for the concessional rate loan to be provided by the Bank to deprived community engaged in agriculture, animal husbandry, small and micro enterprises and other income generating activities. The total amount so received is NPR 25,000,000 and NPR 16,438 is the interest accrued on the borrowings.

#### Provisions

Note 4.22

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Provisions for redundancy	-	-	-	-
Provision for restructuring	-	-	-	-
Pending legal issues and tax litigation	3,506,030	3,732,070	3,506,030	3,732,070
Onerous contracts	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>3,506,030</b>	<b>3,732,070</b>	<b>3,506,030</b>	<b>3,732,070</b>

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

#### 4.22.1: Movement in provision

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Balance at 1st Shrawan	3,732,070	3,732,070	3,732,070	3,732,070
Provisions made during the year	-	-	-	-
Provisions used during the year	-	-	-	-
Provisions reversed during the year	(226,040)	-	(226,040)	-
Unwind of discount	-	-	-	-
Balance at Asar end	3,506,030	3,732,070	3,506,030	3,732,070



## Other Liabilities

## Note 4.23

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Liability for employees Defined Benefit Obligations	131,367,890	82,921,968	131,367,890	82,921,968
Liability for long-service leave	18,538,358	17,941,653	17,332,554	17,155,462
Short-term employee benefits	689,109	65,267	426,405	-
Bills Payable	1,539,036	7,509,237	1,539,036	7,509,237
Creditors and Accruals	24,177,811	35,146,949	14,050,154	33,430,676
Interest payable on Deposit	-	-	-	-
Interest payable on Borrowing	-	-	-	-
Liabilities on Deferred Grant Income	-	-	-	-
Unpaid Dividend	17,722,663	45,285,811	17,722,663	26,847,933
Liabilities under Finance Lease	-	-	-	-
Employee Bonus Payable	214,996,929	191,097,898	214,996,929	184,479,262
Other	-	-	-	-
- Customer Protection Fund (Refer Notes)	555,198,603	505,285,230	555,198,603	505,285,230
- TDS Payable	102,722,046	86,360,532	102,002,712	86,022,166
- Lease Liability under NFRS 16	897,543,126	-	889,219,312	-
- Lease Liability under Operating Lease (NAS 17)	-	14,779,550	-	14,272,149
- Interest Payable on Debenture	54,995,504	-	54,995,504	-
- Others	289,785,089	263,905,244	274,677,897	183,555,795
<b>Total</b>	<b>2,309,276,165</b>	<b>1,250,299,338</b>	<b>2,273,529,660</b>	<b>1,141,479,877</b>

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

## 4.23.1: Defined benefit obligations

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Present value of unfunded obligations	148,700,444	100,077,430	148,700,444	100,077,430
Present value of funded obligations	21,907,681	23,885,092	21,907,681	23,885,092
Total present value of obligations	170,608,125	123,962,522	170,608,125	123,962,522
Fair value of plan assets	21,907,681	23,885,092	21,907,681	23,885,092
Present value of net obligations	148,700,444	100,077,430	148,700,444	100,077,430
Recognised liability for defined benefit obligations	148,700,444	100,077,430	148,700,444	100,077,430

## 4.23.2: Plan assets

Plan assets comprise :

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Equity securities	-	-	-	-
Government bonds	-	-	-	-
Bank deposit	-	-	-	-
Other	21,907,681	23,885,092	21,907,681	23,885,092
<b>Total</b>	<b>21,907,681</b>	<b>23,885,092</b>	<b>21,907,681</b>	<b>23,885,092</b>
Actual return on plan assets				







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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Defined benefit obligations at Shrawan 1	123,962,522	102,617,556	123,962,522	102,617,556
Actuarial losses	2,747,685	(22,605,576)	2,747,685	(22,605,576)
Benefits paid by the plan	(6,965,619)	(2,495,343)	(6,965,619)	(2,495,343)
Current service costs and interest	50,863,537	46,445,885	50,863,537	46,445,885
<b>Defined benefit obligations at Asar end</b>	<b>170,608,125</b>	<b>123,962,522</b>	<b>170,608,125</b>	<b>123,962,522</b>

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Fair value of plan assets at Shrawan 1	23,885,092	25,400,098	23,885,092	25,400,098
Adjustment to Opening Fund	-	-	1,261,119	-
Contributions paid into the plan	-	-	-	-
Benefits paid during the year	(5,081,011)	(2,163,701)	(5,081,011)	(2,163,701)
Actuarial (losses) gains	-	-	-	-
Expected return on plan assets	1,842,481	648,695	1,842,481	648,695
<b>Fair value of plan assets at Asar end</b>	<b>20,646,562</b>	<b>23,885,092</b>	<b>21,907,681</b>	<b>23,885,092</b>

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Current service costs	40,020,363	37,322,595	40,020,363	37,322,595
Interest on obligation	8,808,661	6,934,648	8,808,661	6,934,648
Expected return on plan assets	(10,740,775)	(1,512,852)	(10,740,775)	(1,512,852)
<b>Total</b>	<b>38,088,249</b>	<b>42,744,391</b>	<b>38,088,249</b>	<b>42,744,391</b>

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Actuarial (gain)/loss	13,680,493	(19,552,777)	13,680,493	(19,552,777)
<b>Total</b>	<b>13,680,493</b>	<b>(19,552,777)</b>	<b>13,680,493</b>	<b>(19,552,777)</b>

#### 4.23.7: Actuarial assumptions

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Discount rate	9.00%	9.00%	9.00%	9.00%
Expected return on plan asset	9.00%	9.00%	9.00%	9.00%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Withdrawal rate	3.00%	3.00%	3.00%	3.00%

#### 4.23.8 Disclosure of Customer Protection Fund

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

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



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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Opening Balance of the fund	505,285,230	382,371,107	505,285,230	382,371,107
Add: Contribution from the fund	89,939,561	153,726,489	89,939,561	153,726,489
Less: Withdrawal from the fund	(40,026,188)	(30,812,366)	(40,026,188)	(30,812,366)
<b>Closing Balance of the fund</b>	<b>555,198,603</b>	<b>505,285,230</b>	<b>555,198,603</b>	<b>505,285,230</b>

## Debt Securities Issued

Note 4.24

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Debt securities issued designated as at fair value through profit or loss	-	-	-	-
Debt securities issued at amortised cost	1,246,489,292	-	1,246,489,291	-
<b>Total</b>	<b>1,246,489,292</b>	<b>-</b>	<b>1,246,489,291</b>	<b>-</b>

## Subordinated Liabilities

Note 4.25

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Redeemable preference shares	-	-	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Share Capital

Note 4.26

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Ordinary shares	5,657,180,857	4,811,550,803	5,657,180,857	4,811,550,803
Convertible preference shares (equity component only)	-	-	-	-
Irredeemable preference shares (equity component only)	-	-	-	-
Perpetual debt (equity component only)	-	-	-	-
<b>Total</b>	<b>5,657,180,857</b>	<b>4,811,550,803</b>	<b>5,657,180,857</b>	<b>4,811,550,803</b>

### 4.26.1: Ordinary shares

Particulars	Bank	
	32nd Asar 2079	31st Asar 2078
<b>Authorized Capital</b>		
80,000,000 Ordinary share of Rs. 100 each (Previous year : 50,000,000 Ordinary Shares of 100 each)	8,000,000,000	5,000,000,000
<b>Issued capital</b>		
56,571,809 Ordinary share of Rs. 100 each (Previous year : 48,115,508 Ordinary Shares of 100 each)	5,657,180,857	4,811,550,803
<b>Subscribed and paid up capital</b>		
56,571,809 Ordinary share of Rs. 100 each (Previous year : 48,115,508 Ordinary Shares of 100 each)	5,657,180,857	4,811,550,803
<b>Total</b>	<b>5,657,180,857</b>	<b>4,811,550,803</b>

The reconciliation of the number of share outstanding and the amount of share capital as at 32nd Asar 2079 and 31st Asar 2078 is as follows:

Particulars	32nd Asar 2079		31st Asar 2078	
	Numbers	Amount	Numbers	Amount
Number/ Amount of shares outstanding at the beginning of the period	48,115,508	4,811,550,803	43,249,895	4,324,989,486
Add: Bonus shares issued	8,456,301	845,630,054	4,865,613	486,561,317
Add: Right share issued	-	-	-	-
Add/(Less): Others adjustments	-	-	-	-
<b>Number/ Amount of share at the end of the period</b>	<b>56,571,809</b>	<b>5,657,180,857</b>	<b>48,115,508</b>	<b>4,811,550,803</b>





#### 4.26.2: Ordinary share ownership

Particulars	32nd Asar 2079		31st Asar 2078	
	Percent	Amount	Percent	Amount
Domestic ownership				
Nepal Government	-	-	-	-
*A* Class Licensed Institutions	-	-	-	-
Other Licensed Institutions	-	-	-	-
Other Institutions	2.69%	152,170,745	2.15%	103,243,579
Public	97.31%	5,505,010,112	97.85%	4,708,307,224
Other	-	-	-	-
Foreign Ownership	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>5,657,180,857</b>	<b>100.00%</b>	<b>4,811,550,803</b>

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

Name	Nos. of Shares	% of Holding
1. Tulasi Ram Dhakal	1,310,579	2.32%
2. Krishna Man Shrestha	1,205,167	2.13%
3. Min Prasad Gurung	1,182,788	2.09%
4. Bharat Raj Dhakal	883,823	1.56%
5. Jagat Bandhu Aryal	791,111	1.40%
6. Khim Prakash Malla	789,960	1.40%
7. Hari Bahadur Gurung	778,811	1.38%
8. Gobind Gurung	760,403	1.34%
9. Narayan Kumar Shrestha	743,574	1.31%
10. Shanta Sharma	652,200	1.15%
11. Khagendra Raj Regmi	640,107	1.13%
12. Prakash Prasad Shrestha	562,713	0.99%
13. Shree Kant Regmi	554,751	0.98%
14. Sumit Kumar Agarwal	547,653	0.97%
15. Sashikant Agrawal	528,139	0.93%
16. Gajendra Man Shrestha	513,449	0.91%
17. Bharat Prasad Lamsal	416,090	0.74%
18. Sher Bahadur Rana	400,967	0.71%
19. Sandhya Poudel	399,755	0.71%
20. Naresh Kumar Sharma Pokhrel	374,296	0.66%
21. Rama Devi Sharma	356,849	0.63%
22. Rudra Bahadur B K	354,210	0.63%
23. Bimala Sharma Pokhrel	348,228	0.62%
24. Shiba Kumar Adhikari	322,553	0.57%
25. Sitaram Kaphle	305,074	0.54%
26. Punya Prasad Pokharel	284,380	0.50%



## Reserves

## Note 4.27

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Statutory General Reserve	1,229,606,288	959,419,512	1,227,188,288	955,252,321
Exchange Equilisation Reserve	1,916,932	1,916,932	1,916,932	1,916,932
Corporate Social Responsibility Reserve	14,066,185	12,029,382	13,955,383	11,564,351
Capital Redemption Reserve	-	-	-	-
Regulatory Reserve	342,160,759	119,980,792	342,160,759	119,980,792
Investment Adjustment Reserve	50,000,000	-	50,000,000	-
Capital Reserve	-	-	-	-
Assets Revaluation Reserve	-	-	-	-
Fair Value Reserve	(42,710,590)	12,952,121	(47,617,146)	8,045,566
Dividend Equalisation Reserve	-	-	-	-
Actuarial Gain	12,454,382	22,030,727	12,454,382	22,030,727
Special Reserve	-	-	-	-
Staff Skill Development Fund	13,829,392	-	13,829,392	-
Other Reserve	-	-	-	-
<b>Total</b>	<b>1,621,323,346</b>	<b>1,128,329,466</b>	<b>1,613,887,989</b>	<b>1,118,790,688</b>

The brief description of the reserves are as follows:

## Statutory General Reserve

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

Particulars	32nd Asar 2079	31st Asar 2078
Opening Balance of Statutory General Reserves	955,252,321	723,965,312
20% of Net Profit appropriated as per BAFIA	271,935,967	231,287,010
<b>Closing Balance of Statutory General Reserves</b>	<b>1,227,188,288</b>	<b>955,252,321</b>

## Exchange Equilisation Reserve

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

Particulars	32nd Asar 2079	31st Asar 2078
Opening Balance of Exchange Equilisation Reserve	1,916,932	1,916,932
25% of revaluation gain appropriated as per BAFIA	-	-
<b>Closing Balance of Exchange Equilisation Reserve</b>	<b>1,916,932</b>	<b>1,916,932</b>

## Corporate Social Responsibility Reserve

NRB Directive 6 requires BFIs to create Corporate Social Responsibility Fund and appropriate an amount equivalent to 1% of net profit annually into this fund for covering expenditure related to CSR activities in the subsequent year. Accordingly, the bank has allocated the amount of NPR 11,564,350 to corporate social responsibility reserves for this year.

Particulars	32nd Asar 2079	31st Asar 2078
Opening Balance of Corporate Social Responsibility Reserve	11,564,351	8,019,259
1% of net profit appropriated as per NRB Unified Directives	13,418,053	11,564,350
Less: CSR expenses during the year	(11,027,021)	(8,019,259)
<b>Closing Balance of Corporate Social Responsibility Reserve</b>	<b>13,955,383</b>	<b>11,564,351</b>







## Regulatory Reserve

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

The movement in Regulatory Reserves is as follows:

Particulars	32nd Asar 2079	31st Asar 2078	31st Asar 2077
Opening Balance of Regulatory Reserves	119,980,792	86,274,161	114,810,622
Interest Receivable on Loans and Advances	104,968,201	38,779,869	4,306,836
Change in Fair value on equity instrument	47,617,146	(14,790,600)	(39,077,002)
Deferred Tax Assets	37,432,584	9,717,362	6,233,705
Non Banking Assets	32,162,036	-	-
Closing Balance of Regulatory Reserves	342,160,759	119,980,792	86,274,161

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

Particulars	Interest Receivable	Fair Value Loss Recognised in OCI	Deferred Tax Assets	Non-Banking Assets	Total
Balance as on Asar 31st, 2076	21,876,083	53,867,602	39,066,937	-	114,810,622
Addition during the year FY 2076-77	4,306,836	(3,907,702)	6,233,705	-	(28,536,461)
Balance as on Asar 31st, 2077	26,182,919	14,790,600	45,300,643	-	86,274,161
Addition during the year FY 2077-78	38,779,869	(14,790,600)	9,717,362	-	33,706,631
Balance as on Asar 31st, 2078	64,962,788	-	55,018,004	-	119,980,792
Addition during the year FY 2078-79	104,968,201	47,617,146	37,432,584	32,162,036	222,179,967
Balance as on Asar 32nd, 2079	169,930,989	47,617,146	92,450,588	32,162,036	342,160,759

## Investment Adjustment Reserve

Directive No. 8 of Nepal Rastra Bank's Unified Directives requires, the Bank has to create the investment reserve of an amount equivalent to the investment in the equity shares if the shares remained unquoted for 3 years from the date of investment. Accordingly, the investment in following companies forms the part of Investment Adjustment Reserves:

Particulars	32nd Asar 2079	31st Asar 2078
Muktinath Krishi Company Limited	50,000,000	-
Closing Balance of Investment Adjustment Reserves	50,000,000	-

## Fair Value Reserve

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

Particulars	32nd Asar 2079	31st Asar 2078
Opening Balance of Fair Value Reserve	12,952,121	(14,341,547)
Appropriations during the year	(60,569,267)	27,293,669
Closing Balance of Fair Value Reserves	(47,617,146)	12,952,121

## Fair value reserves comprise of :

Particulars	32nd Asar 2079	31st Asar 2078
Fair Value Reserve created as a result of change in fair value of instruments routed through OCI	(47,617,146)	12,773,572
Fair Value Reserve created as a result of the application of equity method of accounting of Associates	-	178,549
Closing Balance of Fair Value Reserves	(47,617,146)	12,952,121

## Actuarial Gain

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

Particulars	32nd Asar 2079	31st Asar 2078
Opening Balance of Actuarial Gain	22,030,727	8,343,783
Actuarial gain/(loss) on employee's defined benefit obligation valuation	(9,576,345)	13,686,944
Closing Balance of Actuarial Gain	12,454,382	22,030,727



### Staff Skill Development Fund

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

Particulars	32nd Asar 2079	31st Asar 2078
Opening Balance of Staff Skill Development Fund	-	-
Less: Expense made from this reserves	-	-
Add: This year additions to reserves	13,829,392	-
<b>Closing Balance of Staff Skill Development Fund</b>	<b>13,829,392</b>	<b>-</b>

### Contingent Liabilities and Commitments

Note 4.28

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Contingent liabilities	766,131,276	459,618,845	766,131,276	459,618,845
Undrawn and undisbursed facilities	3,322,229,327	3,718,351,814	3,322,229,327	3,718,351,814
Capital commitment	-	-	-	-
Lease Commitment	-	-	-	-
Litigation	-	-	-	-
<b>Total</b>	<b>4,088,360,603</b>	<b>4,177,970,659</b>	<b>4,088,360,603</b>	<b>4,177,970,659</b>

#### 4.28.1: Contingent Liabilities

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Acceptance and documentary credit	103,511,603	61,098,567	103,511,603	61,098,567
Bills for collection	-	-	-	-
Forward exchange contracts	-	-	-	-
Guarantees	662,619,673	398,520,278	662,619,673	398,520,278
Underwriting commitment	-	-	-	-
Other commitments	-	-	-	-
<b>Total</b>	<b>766,131,276</b>	<b>459,618,845</b>	<b>766,131,276</b>	<b>459,618,845</b>

#### 4.28.2: Undrawn and Undisbursed Facilities

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Undisbursed amount of loans	1,143,632,800	1,546,968,000	1,143,632,800	1,546,968,000
Undrawn limits of overdrafts	2,178,596,527	2,171,383,814	2,178,596,527	2,171,383,814
Undrawn limits of credit cards	-	-	-	-
Undrawn limits of letter of credit	-	-	-	-
Undrawn limits of guarantee	-	-	-	-
<b>Total</b>	<b>3,322,229,327</b>	<b>3,718,351,814</b>	<b>3,322,229,327</b>	<b>3,718,351,814</b>

#### 4.28.3: Capital Commitments

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Capital commitments in relation to Property and Equipment	-	-	-	-
Approved and contracted for	-	-	-	-
Approved but not contracted for	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capital commitments in relation to Intangible assets	-	-	-	-
Approved and contracted for	-	-	-	-
Approved but not contracted for	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





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

The Bank has applied NFRS 16 using the modified retrospective approach and therefore the operating lease liability as per the erstwhile NAS 17, Leases has been adjusted in the retained earnings.

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

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

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>a. Maturity analysis - contractual undiscounted cash flows</b>				
Upto one Year	149,863,236	-	149,863,236	-
More than one year to five Years	691,834,096	-	691,834,096	-
More than five years	593,253,974	-	593,253,974	-
<b>Total Undiscounted cash flows as at year end</b>	<b>1,434,951,305</b>	<b>-</b>	<b>1,434,951,305</b>	<b>-</b>
<b>b. Lease Liabilities included in the statement of financial position</b>				
Current	142,068,037	-	142,068,037	-
Non current	755,475,090	-	747,151,275	-
<b>Total Lease Liability</b>	<b>897,543,126</b>	<b>-</b>	<b>889,219,312</b>	<b>-</b>
<b>c. Reconciliation of Right To Use Assets</b>				
Right To Use Assets				
Right of Use as of 1st Shrawan	692,922,001	-	692,922,001	-
Addition during the year	269,660,775	-	258,270,372	-
Depreciation	(81,991,392)	-	(79,266,031)	-
<b>Closing Balance</b>	<b>880,591,384</b>	<b>-</b>	<b>871,926,341</b>	<b>-</b>
<b>d. Reconciliation of Lease Liabilities</b>				
Opening Lease Liabilities 1st Shrawan	692,922,001	-	692,922,001	-
Addition during the year	272,890,016	-	258,270,372	-
Interest	88,233,135	-	87,890,175	-
Lease Payments	(156,502,025)	-	(149,863,236)	-
<b>Closing Balance</b>	<b>897,543,126</b>	<b>-</b>	<b>889,219,312</b>	<b>-</b>
<b>e. Discount Rate</b>	<b>9.24%</b>	<b>-</b>	<b>9.24%</b>	<b>-</b>
<b>f. Actual Rental Paid during the year</b>	<b>170,373,956</b>	<b>139,264,765</b>	<b>167,186,076</b>	<b>136,429,467</b>

#### 4.28.5: Litigation

The Bank has filed the case against the suspended staffs for the misappropriation of the bank's funds by creating the fictitious borrowers. The district court has given its decision in favor of the bank and ordered the defendants to return the misappropriated funds. The defendants have further appealed to the High Court against the decision of the district court which is again decided in favour of bank. The provision of NPR 3,732,070 has been made for the possible liabilities at the initial year of the dispute itself and NPR 226, 040 has been reversed with the recovery of that amount.

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



## Interest Income

Note 4.29

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Cash and Cash Equivalent	80,391,745	26,657,221	80,391,745	35,052,153
Due from Nepal Rastra Bank	395,452	-	395,452	-
Placement with Bank and Financial Institutions	-	-	-	-
Loan and Advances to Bank and Financial Institutions	308,783,185	176,330,051	308,783,185	176,330,051
Loans and Advances to Customers	10,352,658,711	6,857,759,671	10,352,658,711	6,857,759,671
Investment Securities	731,365,106	398,464,565	726,619,467	396,762,271
Loan and Advances to Staff	94,367,738	117,748,323	94,367,738	117,748,323
Other Interest Income	-	8,394,931	-	-
<b>Total</b>	<b>11,567,961,936</b>	<b>7,585,354,763</b>	<b>11,563,216,298</b>	<b>7,583,652,469</b>

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

## Interest Expense

Note 4.30

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Due to Bank and Financial Institutions	10,454,332	2,788,562	10,454,332	2,788,562
Due to Nepal Rastra Bank	96,665,678	4,039,615	96,665,678	4,039,615
Deposits from Customers	7,932,103,346	4,785,511,877	7,932,604,412	4,788,183,154
Borrowing	1,832,327	-	1,832,327	-
Debt Securities Issued	103,989,998	-	103,989,998	-
Subordinated Liabilities	-	-	-	-
Other Charges - Interest under NFRS 16	87,890,175	-	87,890,175	-
<b>Total</b>	<b>8,232,935,856</b>	<b>4,792,340,054</b>	<b>8,233,436,921</b>	<b>4,795,011,330</b>

## Fees and Commission Income

Note 4.31

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Loan Administration Fees	331,647,191	480,242,937	331,647,191	480,242,937
Service Fees	92,465,556	82,380,644	92,465,556	74,681,978
Consortium Fees	3,665,299	404,560	3,665,299	404,560
Commitment Fees	463,499	404,559	463,499	404,559
DD/TT/Swift Fees	123,112	90,446	123,112	90,446
Credit Card/ATM Issuance and Renewal Fees	23,633,436	12,898,820	23,633,436	12,898,820
Prepayment and Swap Fees	11,282,089	7,432,575	11,282,089	7,432,575
Investment Banking Fees	797,120	1,650,870	-	-
Asset Management Fees	12,613,124	4,643,908	-	-
Brokerage Fees	-	-	-	-
Remittance Fees	18,639,935	19,875,642	18,639,935	19,875,642
Commission on Letter Of Credit	852,994	366,924	852,994	366,924
Commission on Guarantee Contracts Issued	11,328,185	7,058,758	11,328,185	7,058,758
Commission on Share Underwriting/Issue	-	-	-	-
Locker Rental	611,250	474,000	611,250	474,000
Other Fees and Commission Income	26,100,324	8,747,451	2,780,718	1,087,821
<b>Total</b>	<b>534,223,114</b>	<b>626,672,094</b>	<b>497,493,264</b>	<b>605,019,020</b>







## Fees and Commission Expense

Note 4.32

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
ATM Management Fees	-	-	-	-
VISA/Master Card Fees	40,415,663	15,438,657	40,415,663	15,438,657
Guarantee Commission	-	-	-	-
Brokerage	-	-	-	-
DD/TT/Swift Fees	-	-	-	-
Remittance Fees and Commission	-	-	-	-
Other Fees and Commission Expense	15,734,055	21,117,070	9,535,866	16,628,976
<b>Total</b>	<b>56,149,718</b>	<b>36,555,727</b>	<b>49,951,529</b>	<b>32,067,633</b>

Payouts on account of fee and commission for services obtained by the bank is presented under this head.

## Net Trading Income

Note 4.33

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Changes in Fair Value of Trading Assets	(32,193,946)	729,129	-	-
Gain/loss on Disposal of Trading Assets	3,671,906	63,045,850	-	-
Interest Income on Trading Assets	-	-	-	-
Dividend Income on Trading Assets	-	-	-	-
Gain/loss Foreign Exchange Translation	8,444,762	6,242,536	8,444,762	6,242,536
Other	-	-	-	-
<b>Total</b>	<b>(20,077,278)</b>	<b>70,017,515</b>	<b>8,444,762</b>	<b>6,242,536</b>

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

## Other Operating Income

Note 4.34

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Foreign Exchange Revaluation Gain	(499,069)	(1,103,400)	(499,069)	(1,103,400)
Gain/loss on sale of Investment Securities	9,678,379	404,504,937	9,678,379	404,504,937
Fair value gain/loss on Investment Properties	-	-	-	-
Dividend on Equity Instruments	12,191,363	9,466,575	31,593,805	8,912,273
Gain/loss on sale of Property and Equipment	1,085,637	2,154,980	1,085,637	2,154,980
Gain/loss on sale of Investment Property	-	-	-	-
Operating Lease Income	-	-	-	-
Gain/loss on sale of Gold and Silver	-	-	-	-
Other Operating Income	-	-	-	-
- Share of Profit of Associates	(28,535,431)	178,549	-	-
- Provision written back	226,040	-	226,040	-
- Grant Income	1,750,000	3,074,000	1,750,000	3,074,000
- Other Income	3,043,708	10,581,892	3,043,708	4,475,289
<b>Total</b>	<b>(1,059,372)</b>	<b>428,857,533</b>	<b>46,878,501</b>	<b>422,018,079</b>



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

Note 4.35

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Impairment charge/(reversal) on Loan and Advances to BFIs	(9,878,120)	45,743,946	(9,878,120)	45,743,946
Impairment charge/(reversal) on Loan and Advances to Customers	84,590,308	449,529,075	84,590,308	449,529,075
Impairment charge/(reversal) on Financial Investment	-	-	-	-
Impairment charge/(reversal) on Placement with BFIs	-	-	-	-
Impairment charge/(reversal) on Property and Equipment	-	-	-	-
Impairment charge/(reversal) on Goodwill and Intangible assets	-	-	-	-
Impairment charge/(reversal) on Investment Properties	-	-	-	-
<b>Total</b>	<b>74,712,188</b>	<b>495,273,021</b>	<b>74,712,188</b>	<b>495,273,021</b>

## Personnel Expenses

Note 4.36

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Salary	451,930,404	405,286,630	444,234,087	398,355,914
Allowances	377,130,740	341,746,304	371,039,631	336,010,331
Gratuity Expense	36,811,622	33,770,311	36,811,622	33,770,311
Provident Fund	38,985,482	33,680,380	37,690,988	32,752,132
Uniform	16,220,500	-	16,220,500	-
Training & Development Expense	8,555,676	3,552,311	8,201,596	3,437,877
Leave Encashment	15,931,120	19,268,461	15,242,647	19,268,461
Medical	-	-	-	-
Insurance	6,045,367	4,540,419	6,045,367	4,540,419
Employees Incentive	5,673,003	1,311,806	5,673,003	1,311,806
Cash-Settled Share-Based Payments	-	-	-	-
Pension Expense	-	-	-	-
Finance Expense under NFRS	58,260,039	97,299,018	58,260,039	97,291,911
Other Expenses related to Staff	2,369,300	129,700	2,369,300	129,700
<b>Subtotal</b>	<b>1,017,913,253</b>	<b>940,585,341</b>	<b>1,001,788,780</b>	<b>926,868,862</b>
Employees Bonus	214,565,739	190,613,344	214,565,739	183,994,708
<b>Grand Total</b>	<b>1,232,478,992</b>	<b>1,131,198,684</b>	<b>1,216,354,519</b>	<b>1,110,863,569</b>

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

## Other Operating Expenses

Note 4.37

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Directors' Fee	1,870,000	1,611,515	1,585,000	1,361,515
Directors' Expense	1,395,530	807,918	1,373,311	806,133
Auditors' Remuneration	1,623,330	1,114,500	1,500,000	1,000,000
Other Audit Related Expense	13,035	22,939	13,035	22,939
Professional and Legal Expense	1,423,128	1,505,955	1,423,128	1,477,705
Office Administration Expense	361,902,453	241,009,282	360,054,582	236,484,509
Operating Lease Expense	17,665,800	148,358,248	17,322,840	145,216,279
Operating Expense of Investment Properties	-	-	-	-
Corporate Social Responsibility Expense	11,083,176	8,128,636	11,027,021	8,019,259
Onerous Lease Provisions	-	-	-	-
Other	6,684,647	4,216,893	-	3,019,017
<b>Total</b>	<b>403,661,099</b>	<b>406,775,886</b>	<b>394,298,916</b>	<b>397,407,357</b>





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

#### 4.37.1: Office Administration Expense

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Water & Electricity	30,710,033	23,678,089	30,710,033	23,364,271
Repair & Maintenance				
(a) Building	18,110	19,212	18,110	19,212
(b) Vehicle	7,168,724	3,553,772	7,168,724	3,553,772
(c) Office Equipment & Furniture	3,955,796	1,980,859	3,955,796	1,980,859
(d) Computer & Accessories	337,095	268,982	337,095	268,982
(e) Others	2,898,742	1,601,567	2,476,893	1,388,165
Insurance	5,271,543	4,578,685	5,271,543	4,513,173
Postage, Telex, Telephone & Fax	51,962,210	36,638,261	51,962,210	36,559,849
Printing, Stationery & Small Purchases	32,418,505	28,598,893	32,418,505	28,174,178
Newspaper, Books and Journals	36,572	71,793	36,572	53,893
Advertisement	9,090,751	6,033,204	9,090,751	5,348,921
Donation	-	105,000	-	-
Security Expenses	53,911,763	43,047,810	53,650,523	42,871,410
Deposit and Loan Insurance Guarantee Premium	45,335,103	27,597,423	45,335,103	27,597,423
Travel Allowance & Expenses	11,332,887	5,826,255	11,332,887	5,684,819
Entertainment	-	73,721	-	5,205
Annual/Special General Meeting Expenses	2,585,414	2,308,475	2,585,414	2,240,559
Covid Protection and Prevention	-	1,291,649	-	1,291,649
Others:				
Business Promotion & Sponsorship	22,867,995	9,619,178	22,867,995	9,619,178
Cleaning & Sanitation	3,758,976	5,366,226	3,758,976	5,263,696
Fuel & Gas	17,044,309	9,993,750	17,044,309	9,765,692
Official Program Expenses	6,131,958	687,852	6,131,958	687,852
Renewal & Registration	13,328,256	8,952,651	13,212,421	8,952,651
Small Office Utilities	5,113,005	2,750,625	5,113,005	2,750,625
Software Subscription & Support	19,882,442	5,071,953	18,840,997	5,071,953
Share Related Expenses	3,654,876	2,055,502	3,654,876	2,055,502
Tea, Coffee and Snacks	9,447,504	6,909,120	9,447,504	6,909,120
Plant & Property Written Off	3,156,559	107,862	3,156,559	107,862
Other Administrative Expenses	483,326	2,220,915	475,825	384,040
<b>Total</b>	<b>361,902,453</b>	<b>241,009,282</b>	<b>360,054,582</b>	<b>236,484,509</b>

#### Depreciation and Amortisation

#### Note 4.38

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Depreciation on Property and Equipment	135,958,872	143,750,778	130,865,474	141,383,065
Depreciation on Right To Use Assets	79,266,031	-	79,266,031	-
Depreciation on Investment Property	-	-	-	-
Amortisation of Intangible Assets	4,186,402	3,667,666	3,773,772	3,332,310
<b>Total</b>	<b>219,411,305</b>	<b>147,418,444</b>	<b>213,905,277</b>	<b>144,715,375</b>



## Non Operating Income

Note 4.39

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Recovery of loan written off	-	-	-	-
Other income	-	14,180,000	-	14,180,000
<b>Total</b>	<b>-</b>	<b>14,180,000</b>	<b>-</b>	<b>14,180,000</b>

The income that have no direct relationship with the operation of transactions is presented under this head.

## Non Operating Expenses

Note 4.40

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Loan Written off	2,281,822	-	2,281,822	-
Redundancy Provision	-	-	-	-
Expense of Restructuring	-	-	-	-
Other Expense	-	-	-	-
<b>Total</b>	<b>2,281,822</b>	<b>-</b>	<b>2,281,822</b>	<b>-</b>

The expenses that have no direct relationship with the operation of Bank's regular transactions is presented under this head.

## Income Tax Expenses

Note 4.41

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Current tax expense</b>	<b>602,937,303</b>	<b>544,496,136</b>	<b>600,303,236</b>	<b>526,721,280</b>
Current year	601,168,292	544,496,136	598,534,225	526,721,280
Adjustments for prior years	1,769,011	-	1,769,011	-
<b>Deferred tax expense</b>	<b>(20,417,532)</b>	<b>(27,083,006)</b>	<b>(11,016,873)</b>	<b>(27,203,960)</b>
Origination and reversal of temporary differences	(20,417,532)	(27,083,006)	(11,016,873)	(27,203,960)
Changes in tax rate	-	-	-	-
Recognition of previously unrecognised tax losses	-	-	-	-
<b>Total income tax expense</b>	<b>582,519,771</b>	<b>517,413,130</b>	<b>589,286,363</b>	<b>499,517,320</b>

## 4.41.1: Reconciliation of tax expense and accounting profit

Particulars	Group		Bank	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Profit before tax	1,859,417,420	1,715,520,089	1,931,091,650	1,655,952,368
Tax amount at tax rate of 30%	557,825,226	514,656,027	579,327,495	496,785,710
Add: Tax effect of expenses that are not deductible for tax purpose	46,492,810	31,767,000	25,768,618	30,809,117
Less: Tax effect on exempt income	3,248,861	1,931,890	6,561,887	873,547
Add/less: Tax effect on other items	99,117	5,000	-	-
<b>Total income tax expense</b>	<b>601,168,292</b>	<b>544,496,136</b>	<b>598,534,225</b>	<b>526,721,280</b>
<b>Effective tax rate</b>	<b>32.33%</b>	<b>31.74%</b>	<b>30.99%</b>	<b>31.81%</b>







## Statement of Distributable Profit or Loss

For the year ended Asar 32, 2079 (As per NRB Regulation)

Figures in NPR

Particulars	Bank	
	32nd Asar 2079	31st Asar 2078
<b>Opening Retained Earnings</b>	<b>896,315,651</b>	<b>613,779,160</b>
Effect of Transition to NFRS 16, Leases	14,272,149	-
<b>Add: Net profit or (loss) as per Statement of Profit or Loss</b>	<b>1,341,805,287</b>	<b>1,156,435,048</b>
Transfer from Fair Value Reserve for Derecognition Of Investment Securities	3,602,397	-
<b>Appropriations:</b>		
a. General Reserve	(271,935,967)	(231,287,010)
b. Foreign Exchange Fluctuation Fund	-	-
c. Capital Redemption Reserve	-	-
d. Corporate Social Responsibility Fund	(13,418,053)	(11,564,350)
e. Staff Skill Development Fund	(13,829,392)	-
f. Other		
- Investment Adjustment Reserve	(50,000,000)	1,500,000
- CSR Expenses routed through Statement of Profit & Loss	11,027,021	8,019,259
- Share of profit of Associate company accounted as per equity method	-	(178,549)
- Issuance of Bonus Shares	(845,630,054)	(486,561,317)
- Cash Dividend	(44,506,845)	(120,119,959)
<b>Profit or (loss) before regulatory adjustment</b>	<b>1,027,702,195</b>	<b>930,022,281</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	(104,968,201)	(38,779,869)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	(32,162,036)	-
e. Deferred tax assets recognised (-)/ reversal (+)	(37,432,584)	(9,717,362)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-)		
- Gains/(losses) from investments in equity instruments	(47,617,146)	14,790,600
<b>Total Distributable Profit or (Loss) as on year end</b>	<b>805,522,228</b>	<b>896,315,651</b>



## Note 5

## 5.1 Risk Management

The robust risk management capabilities is imperative in order to achieve an effective risk management framework and contain the risks associated with the business, a fully functional Risk Management Committee is responsible for identifying reporting, controlling and managing credit risk, operational risk, market risk & liquidity risk. The Risk Management Committee oversees global, macro, micro and departmental level risk that arise out of daily business operation as well as on periodic basis and are put to the oversight of Senior Management, Risk Management Committee and the Board committee to discuss the reports thereon and issue instructions as appropriate.

**Risk Management Committee:**

The Risk Management Committee is an independent committee of the Directors that has, as its sole and exclusive function, responsibility for the risk management policies of the Bank and oversight of implementation of risk management framework of Bank. The committee assists the Board of Directors in fulfilling its oversight responsibilities with regard to risk appetite that the Bank is able and willing to assume in its exposures and business activities, risk management, compliance framework, and governance structure that supports it. It periodically reviews the risk management process to ensure its integrity, accuracy, and reasonableness. It also reviews whether the internal control and risk management system is adequate or not to ensure well-ordered and prudent conduct of business. The committee reviews the overall risk management structure and monitor the effectiveness of the risk management system.

**Risk Governance**

The Bank implemented policies and procedures to mitigate the risk at enterprises level arising to the Bank and has trained risk culture among the employees by establishing ownership mentality, capacity building programs, well defined job responsibilities and inhabiting good ethical culture. The Risk Management Committee is responsible for the establishment of, and compliance with, policies relating to Operation risk & Credit risk.

The Bank's risk governance structure is such that the responsibility for maintaining risk within the Bank's risk blanket is dropped down from the

Board to the appropriate functional, client business, senior management and committees. The Board has set policies and procedures of risk identification, risk evaluation, risk mitigation, and control/monitoring in line with NRB directives, and has effectively implemented the same at the Bank. The effectiveness of the Bank's internal control system is reviewed regularly by the Board, its committees, senior management, and internal audit committee.

**Credit Risk**

Credit risk management strategies include effectively managing the risk of financial losses arising out of booking an exposure on counterparty and also ensuring independence of the credit risk function from the origination, trading and sales function. Credit risk is managed through a defined framework which sets out policies, procedures and standards covering the measurement and management of credit risk. Clear segregation of duties has been established between transaction originator in the business and the approvers in the risk function.

**Credit Risk Mitigation (CRM)**

The Bank follows the well defined procedures to manage and mitigate the credit related risk at the various level:

- The credit applications are initially reviewed at the branch where the branch assess the credit worthiness of the proposed borrower and the quality of the security offered.
- As a second level of defense the Business Development Officers have been appointed at the regional level to independently oversee whether the proceeding of the loan approval, creditworthiness and collateral offered complies with the Bank's and central Bank's norms.
- The credit proposal, if exceeds the prescribed threshold are then reviewed by the Risk Management Department which evaluates the underlying risk of the proposal and decides whether the proposal is within the risk appetite of the Bank. This department is independent of the business unit and reports directly to the Board level committee, Risk Management Committee.
- After due review and identification of the underlying risk by the Integrated Risk Management Department, the proposal passes through different approving authorities





depending upon the type of the proposal(funded or unfunded), level of underlying risk and amount of the proposal.

- Once the proposal is approved by the prescribed approving authority, the execution of security documents, post approval proceeding are initiated and completed at the branch level. The Credit Administration Department reviews the security documents to ensure compliance with the Bank's and Central Bank's norms before disbursement of the credit facilities.
- As a measure to mitigate the risk after disbursal, the Bank monitors and reviews on quarterly to annual basis depending upon the type of the facilities. The separate Enforcement Unit under the Risk Management Department has been established to check the post disbursal compliances. The level of risk and early warning signals (EWS) are identified on every review and necessary actions are taken if required.
- The internal audit function of the Bank on the periodic basis independently observes the compliance and the status of the borrowers and recommends the management with the best practices that has to be adopted. The internal audit department directly reports the Audit Committee which is a board level committee.
- On the portfolio level, the Bank's risk management strategies includes diversifying the borrowing pool, risk based pricing, establishing the suitable exposure limits for borrowers and group of borrowers to ensure the risk exposure is under the risk appetite expressed by the Risk Management Policy of the Bank.

## Operational Risk

Operational risk stems from the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk is recognized as a separate risk category which the Bank manages through Risk Management Policy approved by the Board. The primary oversight body for the management of operational risk is the Risk Management Committee. The Bank has also in place the dedicated Integrated Risk Management Department for monitoring and reporting the operational risk faced by the Bank. The Bank have "Operational Risk Monitoring & Reporting Framework 2079" to identify and mitigate the operational risk at Bank as a whole, implementing control points and creating measures for any hostile circumstances.

Risk management generally encompasses the process of identifying risks to the Bank, measuring exposures to those risks, ensuring that the risk is below the risk appetite of the Bank and monitoring program is in place, monitoring risk exposures and corresponding capital needs on an ongoing basis, taking steps to control or mitigate risk exposures and reporting to Risk Management Committee and the Board on the Bank's risk exposures and capital positions. Internal controls are typically embedded in a Bank's day-to-day business and are designed to ensure, to the extent possible, that Bank activities are efficient and effective, information is reliable, timely and complete and the Bank is compliant with applicable laws and regulation.

Risks	Potential Risk	
-------	----------------	--



Internal Process Risks	Overriding the implemented standard operating procedures and processes.	The Bank has implement the well defined set of polices and processes for the execution of the every type of task in branch and department. The compliance to the same is examined by Internal Audit Department on an ongoing basis.
People Risks	<ul style="list-style-type: none"> <li>Untrained or underdeveloped staffs</li> <li>Poor HR management</li> <li>Fraud and Misappropriations</li> <li>Absenteeism and late attendance</li> <li>Attrition Risk</li> </ul>	<ul style="list-style-type: none"> <li>Ensure employees are well trained on the basis of their functions.</li> <li>Ensuring right and adequate staff at the right place.</li> <li>Regular internal check and reconciliations.</li> <li>Checked through the implementation of bio metric attendance device and human resource software.</li> <li>Formal process are in place for succession planning. Further the various staffs facilities have been extended to the employees to retain, motivate and reduce the attrition risks.</li> </ul>
Information System Risks	<ul style="list-style-type: none"> <li>Physical Threats</li> <li>Cyber Attacks</li> <li>Infrastructure failures</li> <li>Loss of Data</li> </ul>	<ul style="list-style-type: none"> <li>CCTV, access door, panic alarm is placed in various places.</li> <li>Use of firewall, antivirus, other software and regular monitoring.</li> <li>Separate disaster recovery site (near site and far site) has been set up.</li> <li>Data back up is kept on regular basis.</li> </ul>
The Bank has in place the "Business Continuity and Disaster Recovery Policy" which set outs the contingency and alternative plans in case system failure due to external and internal events and ensure minimum down time. The Bank's systems is regularly updated to keep pace with information requirement.		
Compliance Risks	Breach of laws and regulations.	To ensure the compliance with all regulatory requirements including reporting impact of regulatory changes separate Compliance Department has been set up.
External Events	<ul style="list-style-type: none"> <li>Theft or Destruction of Bank's Assets</li> <li>Natural Disaster Risk</li> </ul>	<ul style="list-style-type: none"> <li>Physical security of the Bank is under 24 hour surveillance both vide CCTV and security guard.</li> <li>Business Continuity and Disaster Recovery Policy" are followed in case of the unfavorable circumstances due to natural disasters.</li> </ul>

### Market Risk

Market risk refers to the risk to a Bank resulting from movements in market prices, in particular, changes in interest rates, foreign exchange rates, and equity and commodity prices. The main market risk factors include interest rates, foreign exchange rates and other market benchmarks. The main objective is to manage and control market risk exposures within acceptable levels in line with the Bank's risk appetite.

#### Risk Mitigants

The Bank has developed a comprehensive framework for market risk management which includes limits, KRIs and risk management tools. Moreover, the Bank conducts stress testing and sensitivity analysis to review the Bank's performance under various stress conditions. The Treasury Department and the Chief Financial Officer monitors the asset and liability positions under the supervision of ALCO.

The Bank recognizes market risk as the possibility for loss of earnings or economic value to the Bank caused due to adverse changes in the market level of interest rates or prices of securities (equity), foreign exchange rates and volatilities of those prices. Bank has an Asset Liability Management Committee (ALCO) which meets periodically to discuss product pricing for deposits and advances and maturity profiles of assets and liabilities, articulating interest rate, view of Bank,

funding policy, transfer pricing policy and balance sheet management.

### Liquidity Risk

Liquidity risk is the risk that a company or Bank may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due, as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for liquid asset positions is not available to the Bank on acceptable terms.

The Bank measures the liquidity by the various financial ratios. The favorable liquidity ratios are the outcome of the effective liquidity management policies of the Bank. The Bank monitor these ratios closely and determine whether the liquidity management strategies and policies adopted by are appropriate in circumstances. These ratios also function to fill the void that may exists between the changing economic environment vis-à-vis the Bank liquidity management policies. The liquidity risk is daily monitored by the Treasury Department and the liquidity ratio is also maintained above the regulatory requirement.







The following table depicts the maturity profile of the assets and liabilities as at the closing date which is closely monitored to determine the liquidity level:

In 000's						
Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
<b>Assets</b>						
Cash and Cash Equivalent	8,101,010	-	-	-	-	8,101,010
Due from Nepal Rastra Bank	2,865,440	-	-	-	-	2,865,440
Loans and Advances	12,125,461	6,004,789	6,843,356	3,452,969	61,112,172	89,538,748
Investment Securities	-	-	-	-	17,936,382	17,936,382
Current Tax Assets	-	-	-	16,472	-	16,472
Investment in Subsidiaries	-	-	-	-	117,500	117,500
Investment in Associates	-	-	-	-	100,000	100,000
Investment Property	-	-	-	-	51,051	51,051
Property and Equipment	-	-	-	-	1,895,061	1,895,061
Goodwill and Intangible Assets	-	-	-	-	19,938	19,938
Deferred Tax Assets	-	-	-	-	92,451	92,451
Other Assets	3,741	2,279	-	-	343,395	349,415
<b>Total Assets</b>	<b>23,095,652</b>	<b>6,007,068</b>	<b>6,843,356</b>	<b>3,469,442</b>	<b>81,667,950</b>	<b>121,083,468</b>
<b>Liabilities</b>						
Due to BFIs	3,750,284	-	-	-	-	3,750,284
Due to Nepal Rastra Bank	-	958,975	-	-	74,004	1,032,980
Deposits from Customers	36,449,963	15,076,289	13,326,547	12,443,930	27,378,343	104,675,072
Provisions	-	-	-	-	3,506	3,506
Debt Securities Issued	-	-	-	-	1,246,489	1,246,489
Other Liabilities	117,592	214,566	-	-	1,966,388	2,298,546
<b>Total Liabilities</b>	<b>40,317,839</b>	<b>16,249,830</b>	<b>13,326,547</b>	<b>12,443,930</b>	<b>30,668,731</b>	<b>113,006,877</b>
<b>Net Assets</b>	<b>(17,222,187)</b>	<b>(10,242,762)</b>	<b>(6,483,190)</b>	<b>(8,974,488)</b>	<b>50,999,219</b>	<b>8,076,591</b>
<b>Cumulative Assets</b>	<b>(17,222,187)</b>	<b>(27,464,949)</b>	<b>(33,948,139)</b>	<b>(42,922,628)</b>	<b>8,076,591</b>	<b>0.00</b>

### Reputational Risk

Reputational risk is the risk of potential harm to the Bank's name and reputation as well as the risk to earnings, capital, or liquidity resulting from any associations, actions, or inactions that may be viewed as inappropriate, unethical, or at inconsistent with the Bank's values and principles. The Operational Risk Management unit of the Bank evaluates reputational risks using data obtained through procedures like loss event and near-miss identification, peer group comparison, and assessments of issues like employee conduct and competency, customer service and grievances. The Integrated Risk Management Department keeps track of reputational risk using a risk framework and mitigating measures. The Bank makes an ongoing effort to maintain and raise the calibre of its services.

### Money Laundering and Terrorism Financing Risk

Both money laundering and terrorism financing can have serious consequences for banks and financial institutions, including reputational damage, financial losses, and legal and regulatory penalties. To mitigate these risks, the Bank has implemented a range of measures, such as customer due diligence, transaction monitoring, and suspicious activity reporting. These measures are designed to identify and prevent the flow of illicit funds through the financial system. The Bank also have the robust and effective programs in place to identify and prevent money laundering and terrorism financing. This includes ongoing training for employees, regular assessments of the effectiveness of their programs, and the development of strong relationships with regulatory authorities and law enforcement agencies.



## 5.2 Capital Management

- i. The Bank manages its capital to meet regulatory norms and current and future business needs considering the risks in its business. For the purpose of effective management of the capital the bank has formulated and implemented the Internal Capital Adequacy Assessment Procedure (ICAAP) which encompasses policies, processes and methodologies to determine the adequate level of capitalisation for the Bank to meet regulatory norms and current and future business needs under normal as well and under stress scenarios. The board of directors on the frequent interval monitor the capital adequacy position and the risk weighted assets and take a necessary steps as appropriate.

The bank capital comprise of the fully paid equity shares, statutory reserves and other reserves. During the reporting period the bank has not raised the capital through the hybrid capital instrument.

### ii. Capital Structure and Capital Adequacy

1. Tier 1 Capital and a breakdown of its components is as follows:

		Rs. in '000	
S.N.	Particulars	32nd Asar 2079	31st Asar 2078
i.	Paid up Equity Share Capital	5,657,181	4,811,551
ii.	Share Premium	-	-
iii.	Statutory General Reserves	1,227,188	955,252
iv.	Retained Earnings	805,522	896,316
v.	Un-audited current year cumulative profit/(loss)	-	-
vi.	Capital Redemption Reserve	-	-
vii.	Capital Adjustment Reserve	-	-
viii.	Dividend Equalization Reserves	-	-
ix.	Other Free Reserve	-	-
x.	Less: Goodwill	-	-
xi.	Less: Deferred Tax Assets	-	-
xii.	Less: Intangible Assets	(19,938)	-
xiii.	Less: Investment in equity in licensed Financial Institutions	-	-
xiv.	Less: Investment in equity of institutions with financial interests	(217,500)	(117,500)
xv.	Less: Investment in equity of institutions in excess of limits	-	(64,000)
xvi.	Less: Investments arising out of underwriting commitments	-	-
xvii.	Less: Reciprocal crossholdings	-	-
xviii.	Less: Purchase of land & building in excess of limit and unutilized	-	-
xix.	Less: Other Deductions	-	-
<b>Total Tier 1 Capital</b>		<b>7,452,454</b>	<b>6,481,619</b>

2. Tier 2 Capital and a breakdown of its components is as follows:

		Rs. in '000	
S.N.	Particulars	32nd Asar 2079	31st Asar 2078
i.	Cumulative and/or Redeemable Preference Share	-	-
ii.	Subordinated Term Debt	1,250,000	-
iii.	Hybrid Capital Instruments	-	-
iv.	General loan loss provision	1,200,657	815,468
v.	Exchange Equalization Reserve	1,917	1,917
vi.	Investment Adjustment Reserve	50,000	-
vii.	Asset Revaluation Reserve	-	-
viii.	Other Reserves	-	-
<b>Total Tier 2 Capital</b>		<b>2,502,574</b>	<b>817,385</b>





### 3. Details of Subordinated Term Debt including Hybrid Capital Instruments.

Following is the details of subordinate term debts raised by the Bank:

				Rs. in '000
S.N.	Particulars	Maturity Period	Outstanding Amount	Amount recognised as Capital Fund
1.	8.75% Muktinath Debenture/ Rinpatra 2084/85	7 Years	1,250,000	1,250,000
<b>Total</b>			<b>1,250,000</b>	<b>1,250,000</b>

The Bank has not raised any funds through the hybrid capital instruments.

### 4. Deductions from Capital:

				Rs. in '000
S.N.	Particulars	32nd Asar 2079	31st Asar 2078	
i.	Investment in equity of institutions with financial interests*	217,500	181,500	
ii.	Intangible Assets	19,938	-	
<b>Total Deductions</b>		<b>237,438</b>	<b>416,500</b>	

\* Investment made in Bank's subsidiary, Muktinath Capital Limited and Bank's associate company, Muktinath Krishi Company Limited.

### 5. Total Qualifying Capital:

				Rs. in '000
S.N.	Particulars	32nd Asar 2079	31st Asar 2078	
i.	Core Capital (Tier 1)	7,452,454	6,481,619	
ii.	Supplementary Capital (Tier 2)	2,502,574	817,385	
<b>Total Capital Fund</b>		<b>9,955,027</b>	<b>7,299,003</b>	

### 6. Capital Adequacy Ratio:

		Regulatory Requirement	32nd Asar 2079	31st Asar 2078
i.	Tier 1 Capital to Total Risk Weighted Exposures	6.00%	8.83%	9.94%
ii.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.00%	11.80%	11.19%

### iii. Risk Exposure

#### 1. Risk Weighted Exposures and Capital Adequacy Table

				Rs. in '000
S.N.	Particulars	32nd Asar 2079	31st Asar 2078	
1.	<b>Risk Exposures:</b>			
	Risk Weighted Exposure for Credit Risk	79,790,403	61,676,820	
	Risk Weighted Exposure for Operational Risk	4,582,400	3,525,436	
	Risk Weighted Exposure for Market Risk	13,774	35,156	
	<b>Risk Weighted Exposures under Credit, Operational and Market Risk</b>	<b>84,386,577</b>	<b>65,237,412</b>	
	<b>Adjustments under Pillar II :</b>	<b>-</b>	<b>-</b>	
	<b>Total Risk Weighted Exposures</b>	<b>84,386,577</b>	<b>65,237,412</b>	
2.	<b>Capital Fund</b>			
	Core Capital (Tier 1)	7,452,454	6,481,619	
	Supplementary Capital (Tier 2)	2,502,574	817,385	
	<b>Total Capital Fund</b>	<b>9,955,027</b>	<b>7,299,003</b>	
3.	<b>Capital Adequacy Ratios</b>			
	Total Core Capital to Total Risk Weighted Exposures	8.83%	9.94%	
	Total Capital Fund to Total Risk Weighted Exposures	11.80%	11.19%	



## 2. Risk weighted exposures under each of 11 categories of Credit Risk

Rs. in '000

S.N.	Particulars	32nd Asar 2079	31st Asar 2078
i.	Claims on Government and Central Bank	-	-
ii.	Claims on Other Official Entities	-	-
iii.	Claims on Banks	1,862,897	1,458,691
iv.	Claims on Domestic Corporates and Securities Firms	13,269,363	8,344,818
v.	Claims on Regulatory Retail Portfolio	32,193,566	34,082,097
vi.	Claims Secured by Residential Properties	7,123,297	7,187,336
vii.	Claims Secured by Commercial Real Estate	1,590,240	829,844
viii.	Past Due Claims	460,765	739,778
ix.	High Risk Claims	20,124,252	4,460,095
x.	Other Assets	2,098,373	3,933,095
xi.	Off Balance Sheet Items	851,104	641,067
<b>Total Credit Risk</b>		<b>79,573,857</b>	<b>61,676,820</b>

## 3. Types of eligible credit risk mitigants used and the benefits availed under CRM:

Rs. in '000

S.N.	Particulars	32nd Asar 2079	31st Asar 2078
i.	Deposits with Banks	2,922,671	630,259
ii.	Deposits with other banks/financial institutions	-	-
iii.	Gold	534,451	387,009
iv.	Government and NRB Securities	-	-
v.	Guarantee of Government of Nepal	-	-
vi.	Securities/Guarantee of other Sovereigns	-	-
vii.	Guarantee of Domestic Banks	-	-
viii.	Guarantee of Multilateral Development Banks	-	-
ix.	Guarantee of Foreign Banks	-	-
<b>Total Credit Risk Mitigants</b>		<b>3,457,122</b>	<b>1,017,268</b>

## 4. Amount of Performing and Non Performing Loans &amp; Advances and Provisions

Rs. in '000

S.N.		Loan Classification	32nd Asar 2079		31st Asar 2078	
			Gross Amount	Provision	Gross Amount	Provision
A. Performing Loans						
i.	Good Loans	87,533,342	1,104,703	73,102,625	961,606.69	
ii.	Restructured Loans classified as Good	1,151,085	57,554	2,024,233	101,211.66	
iii.	Watchlist	778,170	38,400	1,374,883	68,156.80	
Sub -Total		89,462,596	1,200,657	76,501,741	1,130,975	
B. Non-performing Loans						
i.	Restructure/Reschedule Loan	-	-	-	-	
ii.	Substandard Loan	127,330.25	31,832.56	101,152	25,288	
iii.	Doubtful Loan	13,871.68	6,876.39	30,429	15,214	
iv.	Loss Loan	50,539.92	50,539.92	43,716	43,716	
Sub -Total		191,741.85	89,248.88	175,296.35	84,218.24	
Total		89,654,338	1,289,906	76,677,037	1,215,193	

## 5. Non Performing Assets Ratios:

S.N.	Particulars	32nd Asar 2079	31st Asar 2078
As per Revised Assets Classification norms of NRB			
i.	Gross NPA to Gross Loan and Advances	0.21%	0.23%
ii.	Net NPA to Net Loan and Advances	0.11%	0.12%







#### 6. Movement on Provision for Good and Non Performance Loans:

S.N.	Particulars	32nd Asar 2079	31st Asar 2078	Change in %
<b>For loan classifies as Good</b>				
i.	Pass	1,162,257	1,062,818	9.36%
ii.	Watchlist	38,400	68,157	-43.66%
<b>For loan classifies as NPA</b>				
i.	Substandard Loan	31,833	25,288	25.88%
ii.	Doubtful Loan	6,876	15,214	-54.80%
iii.	Loss Loan	50,540	43,716	15.61%
<b>Total</b>		<b>1,289,906</b>	<b>1,215,193</b>	<b>6.15%</b>

#### 7. Write off of Loans and Interest Suspense

Rs. in '000

S.N.	Particulars	32nd Asar 2079	31st Asar 2078
i.	Write Off of Loans	2,281.82	-
ii.	Write Off of interest suspense	-	-
<b>Total</b>		<b>2,281.82</b>	<b>-</b>

#### 8 Risk Weighted Exposure for Credit Risk

Rs. in '000

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Cash Balance	1,520,537	-	-	1,520,537	0%	-
Balance With Nepal Rastra Bank	2,865,528	-	-	2,865,528	0%	-
Gold	-	-	-	-	0%	-
Investment in Nepalese Government Securities	17,478,369	-	-	17,478,369	0%	-
All Claims on Government of Nepal	-	-	-	-	-	-
Investment in Nepal Rastra Bank securities	-	-	-	-	0%	-
All claims on Nepal Rastra Bank	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	0%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	-	-	-	-	20%	-
Claims on Other Multilateral Development Banks	-	-	-	-	50%	-
Claims on Domestic Public Sector Entities	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	150%	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	0%	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	100%	-
Claims on domestic banks that meet capital adequacy requirements	9,314,485	-	-	9,314,485	20%	1,862,897
Claims on domestic banks that do not meet capital adequacy requirements	-	-	-	-	50%	-



A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Claims on foreign bank (ECA Rating 0-1)	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 2)	-	-	-	-	150%	-
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	20%	-
Claims on foreign bank (ECA Rating 7)	-	-	-	-	100%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)	-	-	-	-	50%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	100%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	-	-	-	-	150%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	-	-	-	-	20%	-
Claims on Domestic Corporates	14,121,020	-	851,658	13,269,363	100%	13,269,363
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	50%	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	150%	-
Regulatory Retail Portfolio (Not Overdue)	45,035,843	-	2,111,089	42,924,754	75%	32,193,566
Claims fulfilling all criterion of regularity retail except granularity	-	-	-	-	100%	-
Claims secured by residential properties	11,797,282	-	-	11,797,282	60%	7,078,369
Claims not fully secured by residential properties	-	-	-	-	150%	-
Claims secured by residential properties (Overdue)	52,905	7,977	-	44,928	100%	44,928
Claims secured by Commercial real estate	1,590,240	-	-	1,590,240	100%	1,590,240
Past due claims (except for claims secured by residential properties)	387,596	80,419	-	307,176	150%	460,765
High Risk claims	13,910,544	-	494,375	13,416,168	150%	20,124,252
Lending Against Securities (Bonds & Shares)	-	-	-	-	100%	-
Investments in equity and other capital instruments of institutions listed in stock exchange	282,277	-	-	282,277	100%	282,277
Investments in equity and other capital instruments of institutions not listed in the stock exchange	69,207	-	-	69,207	150%	103,810
Staff loan secured by residential property	983,797	-	-	983,797	50%	491,898
Interest Receivable/claim on government securities	194,907	-	-	194,907	0%	-
Cash in transit and other cash items in the process of collection	-	-	-	-	20%	-
Other Assets	2,749,554	1,312,619	-	1,436,935	100%	1,436,935
<b>Total (A)</b>	<b>122,354,089</b>	<b>1,401,015</b>	<b>3,457,122</b>	<b>117,495,952</b>		<b>78,939,299</b>





B. Off Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Revocable Commitments	-	-	-	-	0%	-
Bills Under Collection	-	-	-	-	0%	-
Forward Exchange Contract Liabilities	-	-	-	-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	77,780	-	-	77,780	20%	15,556
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	25,732	-	-	25,732	50%	12,866
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	302,523	-	18,569	283,954	40%	113,582
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Underwriting commitments	-	-	-	-	50%	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	100%	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	100%	-
Advance Payment Guarantee	360,096	-	12,552	347,544	100%	347,544
Financial Guarantee	-	-	-	-	100%	-
Acceptances and Endorsements	-	-	-	-	100%	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	100%	-
Irrevocable Credit commitments (short term)	1,807,783	-	-	1,807,783	20%	361,557
Irrevocable Credit commitments (long term)	-	-	-	-	50%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Other Contingent Liabilities	-	-	-	-	100%	-
Unpaid Guarantee Claims	-	-	-	-	200%	-
<b>Total (B)</b>	<b>2,573,914</b>	<b>-</b>	<b>31,121</b>	<b>2,542,793</b>		<b>851,104</b>
<b>Total RWE for Credit Risk (A) +(B)</b>	<b>124,928,003</b>	<b>1,401,015</b>	<b>3,488,243</b>	<b>120,038,745</b>		<b>79,790,403</b>



## 9 Eligible Credit Risk Mitigants

## A. Balance Sheet Exposures:

	Deposits with Bank	Deposits with other banks/FI	Gold	Govt. & NRB Securities	Guarantee of Govt. of Nepal	Sec/ Guarantee of Other Sovereigns	Guarantee of domestic banks	Guarantee of MDBs	Sec/ Guarantee of Foreign Banks	Total
										Rs. in '000
Claims on Foreign government and Central Bank (ECA -2)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -3)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA-4-6)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -7)	-	-	-	-	-	-	-	-	-	-
Claims on Other Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Public Sector Entities	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	-	-	-	-	-	-
Claims on domestic banks that meet capital adequacy requirements	-	-	-	-	-	-	-	-	-	-
Claims on domestic banks that do not meet capital adequacy requirements	-	-	-	-	-	-	-	-	-	-
Claims on foreign bank (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Claims on foreign bank (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Claims on foreign bank (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	851,658	-	-	-	-	-	-	-	-	851,658
Claims on Domestic Corporates (Unrated)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	-	-	-	-	-	-
Regulatory Retail Portfolio (Not Overdue)	1,581,463	-	529,626	-	-	-	-	-	-	2,111,089
Claims fulfilling all criterion of regularity retail except granularity	-	-	-	-	-	-	-	-	-	-
Claims secured by residential properties	-	-	-	-	-	-	-	-	-	-
Claims not fully secured by residential properties	-	-	-	-	-	-	-	-	-	-
Claims secured by residential properties (Overdue)	-	-	-	-	-	-	-	-	-	-
Claims secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-	-
Past due claims (except for claims secured by residential properties)	-	-	-	-	-	-	-	-	-	-
High Risk claims	489,550	-	4,825	-	-	-	-	-	-	494,375
Lending Against Securities (Bonds & Shares)	-	-	-	-	-	-	-	-	-	-







A. Balance Sheet Exposures:										
	Deposits with Bank	Deposits with other banks/FI	Gold	Govt. & NRB Securities	Guarantee of Govt. of Nepal	Sec/ Guarantee of Other Sovereigns	Guarantee of domestic banks	Guarantee of MDBs	Sec/ Guarantee of Foreign Banks	Total
Investments in equity and other capital instruments of institutions listed in stock exchange	-	-	-	-	-	-	-	-	-	-
Investments in equity and other capital instruments of institutions not listed in the stock exchange	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Total (A)	2,922,671	-	534,451	-	-	-	-	-	-	3,457,122
B.3. Off Balance Sheet Exposures										
	Deposits with Bank	Deposits with other banks/FI	Gold	Govt. & NRB Securities	Guarantee of Govt. of Nepal	Sec/ Guarantee of Other Sovereigns	Guarantee of domestic banks	Guarantee of MDBs	Sec/ Guarantee of Foreign Banks	Total
Forward Exchange Contract Liabilities	-	-	-	-	-	-	-	-	-	-
C.C Commitments With Original Maturity Upto 6 months	-	-	-	-	-	-	-	-	-	-
Domestic counterparty	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
C.C Commitments With Original Maturity Over 6 months	-	-	-	-	-	-	-	-	-	-
Domestic counterparty	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	18,569	-	-	-	-	-	-	-	-	18,569
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	18,569	-	-	-	-	-	-	-	-	18,569
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Underwriting commitments	-	-	-	-	-	-	-	-	-	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	-	-	-	-	-	-
Advance Payment Guarantee	12,552	-	-	-	-	-	-	-	-	12,552
Financial Guarantee	-	-	-	-	-	-	-	-	-	-
Acceptances and Endorsements	-	-	-	-	-	-	-	-	-	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments (short term)	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments (long term)	-	-	-	-	-	-	-	-	-	-
Other Contingent Liabilities	-	-	-	-	-	-	-	-	-	-
Unpaid Guarantee Claims	-	-	-	-	-	-	-	-	-	-
Total (B)	31,121	-	534,451	-	-	-	-	-	-	31,121
Total Credit Risk Mitigants (B)	2,953,792	-	534,451	-	-	-	-	-	-	3,488,243

## 10 Risk Weighted Exposure for Operational Risk

Rs. in '000

Particulars	Financial Year		
	2075-76	2076-77	2077-78
Net Interest Income	1,894,775	2,259,384	2,788,641
Commission and Discount Income	615,636	509,630	605,019
Other Operating Income	13,299	35,657	422,197
Exchange Fluctuation Income	8,061	6,259	6,243
Addition/Deduction in Interest Suspense during the period	-	-	-
<b>Gross income (a)</b>	<b>2,531,771</b>	<b>2,810,930</b>	<b>3,822,099</b>
<b>Alfa (b)</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
<b>Fixed Percentage of Gross Income [c=(a×b)]</b>	<b>379,766</b>	<b>421,640</b>	<b>573,315</b>
<b>Capital Requirement for operational risk (d) (average of c)</b>			<b>458,240</b>
<b>Risk Weight (reciprocal of capital requirement of 10%) in times (e)</b>			<b>10</b>
<b>Equivalent Operational Risk Weight Exposure [f=(d×e)]</b>			<b>4,582,400</b>

## 11 Risk Weighted Exposure for Market Risk

Rs. in '000

Currency	Open Position (FCY)	Exchange Rate	Open Position (NPR)	Relevant Open Position
Indian Rupee	-	-	-	-
United States Dollar	109.32	127.90	13,983	13,983
Great Britain Pound	11.91	151.30	1,803	1,803
Euro	44.40	128.20	5,692	5,692
Thai Baht	2.06	3.49	7	7
Swiss Franc	3.98	129.78	517	517
Australian Dollar	2.84	86.95	247	247
Canadian Dollar	0.86	97.37	84	84
Singapore Dollar	5.50	91.00	501	501
Japanese Yen	2,995.00	0.93	2,781	2,781
Hong Kong Dollar	1.17	16.15	19	19
Danish Kroner	-	-	-	-
Swedish Kroner	-	-	-	-
Saudi Arabian Riyal	0.50	33.25	17	17
Qatari Riyal	0.07	34.44	2	2
Emirati Dirham	11.32	35.12	398	398
Malaysian Ringgit	0.93	28.17	26	26
South Korean Won	743.00	0.10	72	72
Chinese Yuan	4.51	18.83	85	85
Kuwaiti Dinar	2.06	416.28	856	856
Bahraini Dinar	1.36	338.24	459	459
<b>(a) Total Open Position</b>			<b>27,548</b>	<b>27,548</b>
<b>(b) Fixed Percentage</b>				<b>5%</b>
<b>(c) Capital Charge for Market Risk (=a×b)</b>				<b>1,377</b>
<b>(d) Risk Weight (reciprocal of capital requirement of 10%) in times</b>				<b>10</b>
<b>(e) Equivalent Market Risk Weight Exposure (=c×d)</b>				<b>13,774</b>





### 5.3 Classification of financial assets and financial liabilities

The financial assets and liabilities are classified in Amortised Cost, fair value through profit and loss and fair value through other comprehensive income. The following table exhibit the the classification of financial assets and liabilities:

Particulars	Group			
	32nd Asar 2079			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	8,145,516,992	-	-	8,145,516,992
Due from Nepal Rastra Bank	2,865,440,399	-	-	2,865,440,399
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	63,796,298	-	63,796,298
Loans and Advances to BFIs	2,726,799,773	-	-	2,726,799,773
Loans and Advances to Customers	86,811,948,415	-	-	86,811,948,415
Investment Securities	17,698,746,464	-	262,635,195	17,961,381,659
Other Assets	338,300,380	-	-	338,300,380
<b>Total Financial Assets</b>	<b>118,586,752,423</b>	<b>63,796,298</b>	<b>262,635,195</b>	<b>118,913,183,917</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	3,750,284,110	-	-	3,750,284,110
Due to Nepal Rastra Bank	1,032,979,556	-	-	1,032,979,556
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	104,667,788,144	-	-	104,667,788,144
Borrowings	25,016,438	-	-	25,016,438
Other Liabilities	1,261,826,790	149,906,249	-	1,411,733,039
Debt Securities Issued	1,246,489,292	-	-	1,246,489,292
<b>Total Financial Liabilities</b>	<b>111,984,384,330</b>	<b>136,225,756</b>	<b>13,680,493</b>	<b>112,134,290,578</b>

Particulars	Bank			
	32nd Asar 2079			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	8,101,009,812	-	-	8,101,009,812
Due from Nepal Rastra Bank	2,865,440,399	-	-	2,865,440,399
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	2,726,799,773	-	-	2,726,799,773
Loans and Advances to Customers	86,811,948,415	-	-	86,811,948,415
Investment Securities	17,673,746,464	-	262,635,195	17,936,381,659
Other Assets	314,810,890	-	-	314,810,890
<b>Total Financial Assets</b>	<b>118,493,755,753</b>	<b>-</b>	<b>262,635,195</b>	<b>118,756,390,949</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	3,750,284,110	-	-	3,750,284,110
Due to Nepal Rastra Bank	1,032,979,556	-	-	1,032,979,556
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	104,675,072,263	-	-	104,675,072,263
Borrowings	25,016,438	-	-	25,016,438
Other Liabilities	1,235,609,904	148,700,444	-	1,384,310,348
Debt Securities Issued	1,246,489,291	-	-	1,246,489,291
<b>Total Financial Liabilities</b>	<b>111,965,451,562</b>	<b>135,019,951</b>	<b>13,680,493</b>	<b>112,114,152,007</b>



Group				
Particulars	31st Asar 2078			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	6,348,470,905	-	-	6,348,470,905
Due from Nepal Rastra Bank	2,564,748,592	-	-	2,564,748,592
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	85,181,579.00	-	85,181,579
Loans and Advances to BFIs	3,483,613,365	-	-	3,483,613,365
Loans and Advances to Customers	72,919,249,873	-	-	72,919,249,873
Investment Securities	14,254,511,329	-	286,391,597	14,540,902,926
Investment Property	-	33,115,680.00	-	33,115,680
Other Assets	262,713,519	-	-	288,522,696
<b>Total Financial Assets</b>	<b>99,833,307,583</b>	<b>118,297,259</b>	<b>286,391,597</b>	<b>100,263,805,617</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	5,419,586,925	-	-	5,419,586,925
Due to Nepal Rastra Bank	832,446,418	-	-	832,446,418
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	86,830,737,290	-	-	86,830,737,290
Borrowings	-	-	-	-
Other Liabilities	1,150,221,909	100,077,430	-	1,250,299,338
Debt Securities Issued	-	-	-	-
<b>Total Financial Liabilities</b>	<b>94,232,992,541</b>	<b>119,630,207</b>	<b>(19,552,777)</b>	<b>94,333,069,971</b>
Bank				
Particulars	31st Asar 2078			
	Amortised Cost	FVTPL	FVTOCI	Total
<b>Financial Assets</b>				
Cash and Cash Equivalent	6,269,721,484	-	-	6,269,721,484
Due from Nepal Rastra Bank	2,564,748,592	-	-	2,564,748,592
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	3,483,613,365	-	-	3,483,613,365
Loans and Advances to Customers	72,919,249,873	-	-	72,919,249,873
Investment Securities	14,227,011,329	-	286,391,597	14,513,402,926
Other Assets	211,411,553	-	-	237,135,084
<b>Total Financial Assets</b>	<b>99,675,756,196</b>	<b>-</b>	<b>286,391,597</b>	<b>99,987,871,324</b>
<b>Financial Liabilities</b>				
Due to Banks and Financial Institutions	5,419,586,925	-	-	5,419,586,925
Due to Nepal Rastra Bank	832,446,418	-	-	832,446,418
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	86,902,914,373	-	-	86,902,914,373
Borrowings	-	-	-	-
Other Liabilities	1,041,402,447	100,077,430	-	1,141,479,877
Debt Securities Issued	-	-	-	-
<b>Total Financial Liabilities</b>	<b>94,196,350,162</b>	<b>119,630,207</b>	<b>(19,552,777)</b>	<b>94,296,427,592</b>







## 5.4 Operating Segment Information

### 1. General information

#### Factors that management used to identify the entity's reportable segments

An operating segment is a component of the Bank that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Bank's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

Based on the nature of the business, transactions, products and services, the management have identified three reporting segment for the purpose of financial reporting:

#### i. Banking Operation

The banking of the Bank provides the customer with the services like personal and corporate banking, corporate and retail credit, project financing, hire purchase financing, trade financing, foreign currency operations, issuing of debit cards, internet banking, mobile banking, money remittance facilities and other incidental services. The income includes all the revenue generated for providing aforesaid services while expenses includes interest income, personnel expenses and operating expenses including the impairment charges created on the assets of the segment.

#### ii. Treasury Operation

Treasury function of the bank manages the liquidity on the branch level and of the banks as a whole. This segment encompasses the incomes derived from government securities, treasury bills, dividend on investment securities, forex trading and revaluation gain/loss. The interest cost of borrowing, personnel expenses, depreciation, provisions on the securities and other operating expenses are the cost included in this segment.

#### iii. Digital Banking Operation

Digital Banking Operation encompasses the revenue generated through the mobile banking, internet banking, different wallets, remittances and processing of digital transactions

### 2. Information about profit or loss, assets and liabilities

Particulars	Banking	Treasury	Digital Banking	Total
Revenues from external customers	11,168,053,514	856,624,541	91,354,769	12,116,032,824
Inter Segment Expenses/revenues	-	-	-	-
<b>Net Revenue</b>	<b>11,168,053,514</b>	<b>856,624,541</b>	<b>91,354,769</b>	<b>12,116,032,824</b>
Interest Revenue	10,755,809,634	807,406,664	-	11,563,216,298
Interest Expense	8,020,494,587	212,942,335	-	8,233,436,921
<b>Net interest expenses/revenue</b>	<b>2,735,315,047</b>	<b>594,464,329</b>	<b>-</b>	<b>3,329,779,376</b>
Depreciation and Amortisation	213,578,183	36,531	290,563	213,905,277
<b>Segment Profit /(Loss)</b>	<b>1,285,724,745</b>	<b>594,427,799</b>	<b>50,939,106</b>	<b>1,931,091,650</b>
Impairment of Assets	1,289,905,586	-	-	1,289,905,586
<b>Segment Assets</b>	<b>93,478,301,202</b>	<b>27,599,794,408</b>	<b>5,372,811</b>	<b>121,083,468,422</b>
<b>Segment Liabilities</b>	<b>110,628,696,986</b>	<b>2,304,485,286</b>	<b>73,695,076</b>	<b>113,006,877,348</b>

### 3. Measurement of operating segment profit or loss, assets and liabilities

Revenues from external customers comprise of gross interest revenue, gross fee and commission revenue, net trading revenue, other operating incomes and intersegment revenue.

The transaction between the department are recorded using the interbranch and interdepartmental account. These accounts are reconciled and interdepartmental balances are cancelled out at each reporting date. The interdepartmental revenue and expenses are the transfer pricing of the funds which is calculated using the bank's policy.



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

##### a. Revenue

Particulars	Amount in NPR
Total revenues for reportable segments	12,116,032,824
Other revenues	-
Elimination of intersegment revenues	-
<b>Entity's revenues</b>	<b>12,116,032,824</b>

##### b. Profit or loss

Particulars	Amount in NPR
Total profit or loss for reportable segments	1,931,091,650
Other profit or loss	-
Elimination of intersegment profits	-
Unallocated amount	-
<b>Profit before income tax</b>	<b>1,931,091,650</b>

##### c. Assets

Particulars	Amount in NPR
Total assets for reportable segments	121,083,468,422
Other assets	-
Unallocated amounts	-
<b>Entity's assets</b>	<b>121,083,468,422</b>

##### d. Liabilities

Particulars	Amount in NPR
Total liabilities for reportable segments	113,006,877,348
Other liabilities	-
Unallocated liabilities	-
<b>Entity's liabilities</b>	<b>113,006,877,348</b>

#### 5. Information about products and services

Particulars	Amount in NPR
Funded and Non Funded Credit Facilities	11,115,048,891
Treasury Operations	856,624,541
Remittance	18,639,935
Service Fees	93,076,806
Digital Banking Services	23,756,548
Other Allied Products and Services	8,886,104
<b>Total Revenue</b>	<b>12,116,032,824</b>

#### 6. Information about geographical areas

Revenue from following geographical areas

Provinces	Amount in NPR
Pradesh 1	1,131,328,881
Madesh Pradesh	767,330,406
Bagmati Pradesh	5,188,360,308
Gandaki Pradesh	3,142,190,532
Lumbini Pradesh	1,492,017,566
Karnali Pradesh	163,489,350
Sudur Paschim Pradesh	231,315,781
<b>Total</b>	<b>12,116,032,824</b>

#### 7. Information about major customers

The Bank does not have any customer, which generate more than 10% of the entity's revenue.





## 5.5 Share options and share based payment

The Bank does not extend the share options and share based payment to any of its employees. Thus, during the reporting period the bank does not have any the transactions that are to be accounted as per NFRS 2 "Share based payments".

## 5.6 Contingent liabilities and commitment

Comprehensive disclosure of the contingent liabilities and commitments are made on Note 4.28.

## 5.7 Related Party Disclosures

### i. List of related party

The following parties have been identified as the related party transaction as per NAS 24:

Name of the Related Party	Amount in NPR
Mukthinath Capital Limited	Subsidiary Company
Mukthinath Krishi Company Limited	Associate Company
Bharat Raj Dhakal	Chairman
Gajendra Man Shrestha	Director
Rabindra Man Shrestha	Director
Shalikgram Mishra	Director
Nirmala Kumari KC Karki	Women Director
Shyam Sundar Sharma	Independent Director
Pradyuman Pokharel, Chief Executive Officer	Key Managerial Personnel
Samir Sekhar Bajracharya, Deputy Chief Executive Officer	Key Managerial Personnel
Til Bahadur Gurung, Assistant Deputy Chief Executive Officer	Key Managerial Personnel
Govinda Bahadur Raut, Assistant Chief Executive Officer	Key Managerial Personnel

### ii. Related Party Transactions

#### Board of Directors Allowances and Facilities

Name of the Related Party	No of Meetings	Sitting Fees
Board Meeting	24	1,401,000
Audit Committee Meeting	8	81,000
Risk Management Committee	4	43,000
Assets Money Laundering Prevention Committee	4	30,000
Employees Facilities Committee	2	12,500
Building Construction Committee	11	40,000
<b>Total</b>		<b>1,585,000</b>

In addition to above meeting allowance, the following amount have been paid to directors:

Name of the Related Party	Chairman	Other Directors	Total Amount Paid
Reimbursement for Mobile Expenses	3,000 per month	2,500 per month	392,500
Reimbursement for Newspaper & Magazines	2,000 per month	2,000 per month	318,000

#### Key Managerial Personnel's Emoluments and Facilities

Particulars	Assistant Chief Executive Officer	Asst. Deputy Chief Executive Officer	Deputy Chief Executive Officer	Chief Executive Officer
Salary and Allowances	3,498,671	3,957,329	5,409,640	8,517,000
Provident Fund	149,600	179,200	256,000	540,000
Leave and Gratuity	113,056	123,094	54,306	402,533
Statutory Bonus	713,329	843,459	891,111	1,882,473
<b>Total</b>	<b>4,474,656</b>	<b>5,103,082</b>	<b>6,611,056</b>	<b>11,342,006</b>

In addition to above, the key managerial personnel are entitled to other benefit as per the policy of the Bank.



### Subsidiary and Associates Company

The transaction with the subsidiary and associate company during the year are as follows:

Particulars	Nature of Transaction	Amount
Muktinath Capital Limited	Deposits outstanding in current & call accounts	7,284,119
Muktinath Capital Limited	Interest paid on deposits	501,066
Muktinath Capital Limited	Service fees for acting as Registrar to Shares & Debentures	450,000
Muktinath Capital Limited	Dividend payment charges	93,110
Muktinath Krishi Company Limited	Deposits outstanding in current, call & fixed accounts	4,737,668
Muktinath Krishi Company Limited	Interest paid on deposits	2,425,629
Muktinath Krishi Company Limited	Contribution from Customer Protection Fund for the establishment of Community based agriculture farming center of excellence in Syangja and Chitwan District for the welfare of the customers availing group based credit facilities under Grameen Model.	9,457,540

Apart from the above transactions the Muktinath Capital Limited has been managing the portfolio of NPR 200 Millions on behalf of the Bank.

## 5.8 Merger and Acquisition

The Bank has neither entered into merger nor acquired any bank and financial institutions during the reporting period.

## 5.9 Additional disclosure of non consolidated entities

The Group financials includes the figures of the Muktinath Bikas Bank Limited and its subsidiary Muktinath Capital Limited as per the provisions of NFRS 10 : Consolidated Financial Statements. There are no such entities which are required to be consolidated but not done during the year.

## 5.10 Events after reporting date

### Recovery of Interest after year end and upto Shrawan 15, 2079

The Nepal Rastra Bank Directives requires the Bank and Financial Institutions to transfer the equivalent amount of interest on loans and advances accounted as an interest income under the accrual basis of accounting but not recovered upto the end of reporting period to the Regulatory Reserve from the Retained Earnings. However, the same directives has relaxed this provision with which Bank may not appropriate such amount in case it is recovered within the 15 days after the year end, i.e 15th Shrawn.

In line with the aforesaid relaxation the gross amount of NPR 148,502,246 which was otherwise required to be appropriated to the Regulatory Reserves has not been so appropriated. The details are as follows:

Particulars	32nd Asar 2079	31st Asar 2078
Accrued interest receivable (except for the staff loans)	442,506,776	341,753,518
Less: Cessation of the the interest on loan (Refer Notes 5.17)	24,272,803	9,548,904
Less: Interest recovered upto 15th Shrawn/(upto Bhadra 15 in PY) as per Directives No. 4	148,502,246	229,089,079
Amount required to be appropriated to Regulatory Reserves (before staff bonus & tax)	269,731,728	103,115,536
Amount already appropriated to Regulatory Reserves (before staff bonus & tax)	103,115,536	41,560,188
Gross appropriations to the Regulatory Reserves (before staff bonus & taxes)	166,616,192	61,555,347
<b>Net appropriations to the Regulatory Reserves for unrecovered interest</b>	<b>104,968,201</b>	<b>38,779,869</b>







## 5.11 Additional Disclosures

### a. Loans and Advances extended to Promoters:

The Bank has not extended any loans to promoters during the year.

### b. Staff Skill Development Fund

The Bank and Financial Institution are required to allocate and spent atleast 3% of the previous year salary and allowances for the staff skill development as per Directive 6 of the Nepal Rastra Bank Directives. In case the allocated amount isn't spent, the same has to be carried forward to the next financial year in a Staff Skill Development Fund. In line of this requirement, the movement on the Skill Development Fund is as follows:

Particulars	32nd Asar 2079	31st Asar 2078
Opening Staff Skill Development Fund	-	-
3% of the previous year salary and allowances	22,030,987	19,246,034
Total amount incurred for employee training and skill development program	8,201,596	3,437,877
Excess/(Deficit) amount incurred for employee training and skill development program	13,829,392	15,808,157
<b>Staff Skill Development Fund carried forward to next year</b>	<b>13,829,392</b>	<b>-</b>

### c. Corporate Social Responsibility Fund

Clause 13 of the NRB Directive No.6. requires the Bank to allocate 1% of its net profit to the corporate social responsibility fund and spent the same for the social causes. The details of the movement of the Corporate Social Responsibility Fund is presented below:

Particulars	32nd Asar 2079	31st Asar 2078
Opening Corporate Social Responsibility Fund	11,564,350	8,019,259
Less: Expenses incurred from CSR Fund during the year	11,027,021	8,019,259
Add: Amount allocated to CSR Fund from current year net profit	13,418,053	11,564,350
<b>CSR Fund available for next financial year</b>	<b>13,955,382</b>	<b>11,564,350</b>

Province wise and Sectorwise Corporate Social Responsibility Fund spending is as follows:

Province	32nd Asar 2079	Sector	32nd Asar 2079
Pradesh 1	1,539,352	Social Projects	433,537
Madesh Pradesh	1,018,227	Direct Donation	397,500
Bagmati Pradesh	4,434,978	Sustainable Development Goals	7,802,527
Gandaki Pradesh	2,674,933	Child Day Care Centre Related	-
Lumbini Pradesh	885,117	Donation to Orphanage & Old Age Home	98,531
Karnali Pradesh	66,520	Kholau Khata Abhiyan, 2076	-
Sudur Paschim Pradesh	407,894	Others	2,294,926
<b>Total</b>	<b>11,027,021</b>	<b>Total</b>	<b>11,027,021</b>

### d. Unpaid Dividend

The following unpaid dividend amount has remained outstanding as at the reporting date:

Particulars	32nd Asar 2079	31st Asar 2078
Above 5 Years	1,421,296	1,419,808
Below 5 Years	16,301,366	25,428,124
<b>Total Unpaid Dividend</b>	<b>17,722,663</b>	<b>26,847,933</b>

## 5.12 Change in Accounting Policies and Accounting Estimate

### a. Accounting Policy

Para 10 of NAS 27, Separate Financial Statements provides an option to an entity to carry the investment in associates either at cost, in according with NFRS 9 or using the equity method of accounting in a separate financial statements. The Bank previously was carrying the investment at associates using the equity method of accounting but now has decided to carry it at cost with an objective to depicts the Bank's profitability independent of its associates. This change in accounting policy will result in separate financial statements providing reliable and more relevant information about the Bank's financial position, performance and cash flows.



The impact of change in accounting policies as a result of change in associates valuation is given as under:-

Particulars	Fair Value Reserves	Investment in Associates
Opening balance as on Shrawan 1st, 2077	(14,341,547)	54,728,006
Adjustment due to change in accounting policy	(4,728,006)	(4,728,006)
Changes during the year	27,115,119	50,000,000
<b>Closing Balance as on Asar 2078 (Restated)</b>	<b>8,045,565</b>	<b>100,000,000</b>
Opening balance as on Shrawan 1st, 2078	8,045,565	100,000,000

#### b. Accounting Estimate

Pursuant to requirement of NAS 16, Property, Plant and Equipment to review the useful life on an annual basis, the Bank's has reviewed and revised the useful life of the leasehold assets from 5 years to 8 years considering the experiences on the life of the leasehold assets. Had the erstwhile useful life been followed the total assets and correspondingly the profit before tax would have reduced by NPR 27.73 million.

### 5.13 Earning Per Share

The earnings per share calculated on the basis of the provision of NAS 33, Earnings per Share is as follows:

Particulars	32nd Asar 2079	31st Asar 2078
Profit attributable to ordinary shareholders	1,341,805,287	1,156,256,498
Number of ordinary shares as at year end (Face Value NPR 100/-)	56,571,809	56,571,809
Weighted average number of ordinary shares for computing EPS	56,571,809	56,571,809
Basic earnings per equity share	23.72	20.44 (Restated)
Diluted earning per share	23.72	20.44 (Restated)

### 5.14 Non-Banking Assets

Non-Banking Assets (NBA) are the assets obtained as security for loans & advances and subsequently taken over by the Bank. The following are the list of properties assumed by the Bank as the non banking assets during the course of debt recovery :

Name of the Borrower	Date of assuming NBA	32nd Asar 2079	31st Asar 2078
Oshon Fancy Stores	June 26, 2022	14,032,658	-
Ramji Poudel	April 12, 2022	6,988,004	-
Shree Laxmi Bag Store	July 4, 2022	7,333,470	-
Dilliram Oli	July 7, 2022	10,716,273	-
Dipesh Guragain	July 15, 2022	8,234,476	-
Laxmi & Naitik Enterprises	July 15, 2022	3,745,970	-
<b>Total</b>		<b>51,050,852</b>	<b>-</b>

Non-Banking Assets (NBA) as disclosed above is reported under Investment Property in Notes 4.12 and is carried at the cost.





## 5.15 Fair Value Hierarchy

The fair value hierarchy that the Bank has applied in measuring its financial assets and financial liabilities is as follows:

Particulars	Level	Group		Bank	
		32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
<b>Financial Assets</b>					
<b>i. Through FVTPL</b>					
Other Trading Assets	Level 1	63,796	85,182	-	-
<b>ii. Through FVTOCI</b>					
Investment Securities - Quoted	Level 1	16,124,454	13,579,737	16,099,454	13,552,237
Investment Securities - Unquoted	Level 2	1,836,928	961,166	1,836,928	961,166
<b>iii. At Amortised Cost</b>					
Cash and Cash Equivalent	Level 3	8,145,517	6,348,471	8,101,010	6,269,721
Due from Nepal Rastra Bank	Level 3	2,865,440	2,564,749	2,865,440	2,564,749
Placement with B&FIs	Level 3	-	-	-	-
Derivative Financial Instruments	Level 3	-	-	-	-
Loans and Advances to BFIs	Level 3	2,726,800	3,483,613	2,726,800	3,483,613
Loans and Advances to Customers	Level 3	86,811,948	72,919,250	86,811,948	72,919,250
Other Assets	Level 3	338,300	288,523	314,811	237,135
<b>Total Financial Assets</b>		<b>118,913,184</b>	<b>100,230,690</b>	<b>118,756,391</b>	<b>99,987,871</b>
<b>Financial Liabilities</b>					
<b>i. Through FVTPL/FVTOCI</b>					
Liability for employees DBO	Level 3	149,906.25	100,863.62	148,700.44	100,077.43
<b>ii. At Amortised Cost</b>					
Due to B&FIs	Level 3	3,750,284	5,419,587	3,750,284	5,419,587
Due to Nepal Rastra Bank	Level 3	1,032,980	832,446	1,032,980	832,446
Derivative Financial Instruments	Level 3	-	-	-	-
Deposits from Customers	Level 3	104,667,788	86,830,737	104,675,072	86,902,914
Borrowings	Level 3	25,016	-	25,016	-
Other Liabilities	Level 3	1,261,827	1,149,436	1,235,610	1,041,402
Debt Securities Issued	Level 3	1,246,489	-	1,246,489	-
<b>Total Financial Liabilities</b>		<b>112,134,291</b>	<b>94,333,070</b>	<b>112,114,152</b>	<b>94,296,428</b>

## 5.16 Disclosure on Government Grants and Disclosure of Government Assistance

### MoU with iDE Nepal

The Bank has entered into agreement with iDE Nepal, a global organization that advances market-based approaches in agriculture; access to finance; and water, sanitation, and hygiene (WASH) to increase household income by provided easy access to finance in climate-smart agriculture technologies, with a focus on women and disadvantaged/marginalized groups, made possible through a bundled service offering that combined non-traditional financial service (NTFS) loan and crop insurance products to stimulate commercial vegetable production. The program included development and distribution of small-farmer, climate-smart agricultural loans from Muktinath Bikas Bank through two mechanisms, one known as Business Correspondent/Wholesale Loan Model and Rural Aggregation/Direct-to-Farmer Loan Model.

In pursuant to the terms of the agreement of iDE Nepal, the Bank has received the grant as the reimbursement of the expenses incurred for the project and has accounted the grant received as per NAS 20, Accounting for Government Grants and Disclosure of Government Assistance The following amount has been recognised in Statement of Profit and Loss Account as the grant income:

Particulars	Amount
iDE Nepal	1,750,000
<b>Total</b>	<b>1,750,000</b>



## 5.17 Disclosure pursuant to Guideline on Recognition of Interest Income, 2019

In line with the NRB's Guideline on Recognition of Interest Income, 2019 which provides for the cessation of the the interest on loan, in case where contractual payments of principal and/or interest of the loan are due for more than 12 months the Bank has suspended to recognize the following amount as the interest income:

Particulars	32nd Asar 2079	31st Asar 2078
Interest Income Suspended	24,272,803	9,548,904

## 5.18 Proposed Dividend on Ordinary Shares

The Board of Directors of the Bank has proposed the following dividend by passing the resolution in the 285th Board Meeting, held on 1st Poush 2079 for the financial year 2078-79. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Bank.

The amount of the dividend proposed in current year and previous year is as follows:

Loan Classification	32nd Asar 2079		31st Asar 2078	
	Percentage	Amount	Percentage	Amount
Stock Dividend	13.5000	763,719,416	17.5750	845,630,054
Cash Dividend	0.7105	40,195,759	0.9250	44,506,845
<b>Total</b>	<b>14.2105</b>	<b>803,915,174</b>	<b>18.5000</b>	<b>890,136,899</b>

## 5.19 Concentration of Deposits and Loans & Advances

Loan Classification	Loans and Advances		Deposits	
	32nd Asar 2079	31st Asar 2078	32nd Asar 2079	31st Asar 2078
Total Amount Outstanding (Gross)	89,654,338,236	76,677,037,039	107,897,679,363	91,854,267,729
Highest exposure of single customers	839,256,200	400,000,000	3,029,922,454	2,269,024,703
<b>Concentration of exposure to single customers</b>	<b>0.94%</b>	<b>0.45%</b>	<b>2.81%</b>	<b>2.47%</b>
Total exposures to twenty largest borrowers	5,617,560,827	4,636,753,052	14,612,168,419	14,615,343,839
<b>Concentration of exposure to twenty largest borrowers</b>	<b>6.27%</b>	<b>6.05%</b>	<b>13.54%</b>	<b>15.91%</b>

## 5.20 Additional Disclosures on Loans and Advances

### i. COVID Relaxations Related

The Bank has extended various COVID related relaxations in line with NRB Directions and the internal product paper. The outstanding and number of customers facilitated are as follows:

Loan Classification	32nd Asar 2079		31st Asar 2078	
	No. of Customers	Amount	No. of Customers	Amount
Accrued Interest Received after Asar end 2079 till 15 Shrawan 2079	41,277	148,502,246	100,919	229,089,079
Extension of moratorium period of loan provided to industry or project under construction	-	-	-	-
Restructured/Rescheduled Loan with 5% Loan Loss Provision	1,566	1,151,084,848	2,755	2,024,233,232
Enhancement of Working Capital Loan by 20% to COVID affected borrowers	266	143,494,118	384	190,994,555
Enhancement of Term Loan by 10% to COVID affected borrowers	70	23,694,557	92	52,668,410
Expiry Date of Additional 20% Workings Capital Loan(COVID Loan) extended for upto 1 year with 5% provisioning	266	143,494,118	9,611	627,339,007
Time Extension provided for repayment of principal and interest for upto two years as per Clause 41 of NRB Directives 2	-	-	-	-







The refinance and business continuity loan detail is as follows:

Loan Classification	32nd Asar 2079		31st Asar 2078	
	No. of Customers	Amount	No. of Customers	Amount
Refinance Loan	206	944,079,032	546	722,600,944
Business Continuity Loan	-	-	-	-

The subsidized loans details are as follows:

Loan Classification	32nd Asar 2079		31st Asar 2078	
	No. of Customers	Amount	No. of Customers	Amount
Subsidized Loan	6,086	6,401,524,299	3,695	3,984,856,786

## 5.21 Comparative Figures

Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

As per our report of even date

**Sanjiv Poudel**  
Officiating Chief  
Financial Officer

**Pradyuman Pokharel**  
Chief Executive Officer

**Bharat Raj Dhakal**  
Chairman

**Gajendra Man Shrestha**  
Director

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

**Rabindra Man Shrestha**  
Director

**Shaligram Mishra**  
Director

**Nirmala Kumari KC Karki**  
Director

**Shyam Sundar Sharma**  
Independent Director

Kathmandu, 1st Poush 2079



## Principal Indicators of last 5 Financial Year

SN	Indicators	Unit	FY 2074-75	FY 2075-76	FY 2076-77	FY 2077-78	FY 2078-79
1.	Net Profit/ Gross Income	%	36.13	34.00	25.37	30.51	35.01
2.	Earnings Per Share	NPR	20.45	27.94	16.56	24.03	23.72
3.	Market Value Per Share	NPR	378	370	312	657	439.90
4.	Price Earning Ratio	Times	18.48	13.24	18.84	27.34	18.55
5.	Stock Dividend	%	22.63	17.60	11.25	17.58	13.50
6.	Cash Dividend	%	1.13	0.93	4.26	0.925	0.7105
7.	Interest Income/ Total Interest Earning Assets	%	9.96	10.86	12.08	8.37	10.79
8.	Staff Expenses/ Total Operating Expenses	%	60.68	59.32	61.25	65.92	64.89
9.	Interest Expenses/ Total Interest Bearing Liabilities	%	6.01	6.89	7.56	5.52	7.86
10.	Exchange Gain/ Total Income	%	0.01	0.13	0.49	0.14	0.21
11.	Staff Bonus/Total Staff Expenses	%	18.58	19.78	14.31	16.56	17.64
12.	Net Profit/Total Loans & Advances	%	2.48	2.24	1.47	1.51	1.50
13.	Net Profit/ Total Assets	%	1.79	1.65	1.07	1.14	1.11
14.	Total Loans & Advances/Total Deposits	%	82.07	82.61	80.94	82.76	82.58
15.	Total Operating Expenses/Total Assets	%	2.11	2.22	2.20	1.63	1.51
16.	Capital Adequacy (On Risk Weighted Assets)						
	a. Core Capital	%	13.21	12.29	11.97	9.94	8.83
	b. Supplementary Capital	%	0.99	1.15	1.26	1.25	2.97
	c. Total Capital Fund	%	14.20	13.44	13.23	11.19	11.80
17.	Liquidity Ratio	%	28.72	25.88	27.83	24.07	26.32
18.	Non-Performing Loan/ Total Credit (as per NRB Directives)	%	0.00	0.070	0.26	0.23	0.21
19.	Base Rate	%	12.51	11.36	9.98	8.05	11.15
20.	Cost of Fund	%	9.03	8.69	7.52	6.26	9.24
21.	Interest Yield on Loans	%	15.03	13.67	12.51	10.78	13.76
22.	Weighted Average Interest Rate Spread	%	6.00	4.98	4.99	4.48	4.51
23.	Number of Shares	Nos.	25,917,633	30,647,601	43,249,895	48,115,508	56,571,809
24.	Net Worth Per Share	NPR	139.89	145.18	134.53	141.98	142.77
25.	Return on Total Assets	%	1.66	1.65	1.07	1.14	1.11
26.	Return on Equity	%	15.87	19.24	12.16	16.94	16.61
27.	Number of Employees	Nos.	935	1,223	1,436	1,547	1,555
28.	Number of Branch including extension counters	Nos.	95	119	135	158	177



## Comparison of Unaudited Interim Financial Statement and Audited Financial Statement of FY 2078-79



Particulars	Unaudited Financial Statement	Audited Financial Statement	Variance Amount	%	Reasons for Variance
<b>Assets</b>					
Cash and Cash Equivalent	8,076,221,855	8,101,009,812	24,787,957	0.00	Nostro Reconciliation and reclassification related adjustments.
Due from Nepal Rastra Bank	2,865,440,397	2,865,440,399	-	-	-
Placement with Bank and Financial Institutions	-	-	-	-	-
Derivative Financial Instruments	-	-	-	-	-
Other Trading Assets	-	-	-	-	-
Loans and Advances to BFIs	2,733,007,484	2,726,799,773	(6,207,711)	(0.00)	-
Loans and Advances to Customers	86,901,976,947	86,811,948,415	(90,028,532)	(0.00)	Change in loans to staffs due to change in staff amortisation.
Investment Securities	17,959,060,879	17,936,381,659	(22,679,220)	(0.00)	-
Current Tax Assets	25,939,828	16,472,447	(9,467,381)	(0.36)	Due to change in tax liability with the change in profit.
Investment in Subsidiaries	117,500,000	117,500,000	-	-	-
Investment in Associates	104,906,556	100,000,000	(4,906,556)	(0.05)	Due to change in the accounting policies.
Investment Property	51,050,852	51,050,852	-	-	-
Property and Equipment	102,313,106	1,895,061,498	871,930,438	0.85	Inclusion of the right of use assets as per NFRS-16.
Goodwill and Intangible Assets	20,332,467	19,937,610	394,857	0.02	Change in the amortisation of intangibles.
Deferred Tax Assets	78,830,745	92,450,588	13,619,843	0.17	Final calculation of current year deferred tax.
Other Assets	269,179,341	349,415,369	80,236,028	0.30	Change in assumption in calculating deferred employee expenses.
<b>Total Assets</b>	<b>120,226,578,410</b>	<b>121,083,468,422</b>	<b>857,679,724</b>	<b>0.01</b>	-
<b>Liabilities</b>					
Due to Banks and Financial Institutions	3,750,284,110	3,750,284,110	-	-	-
Due to Nepal Rastra Bank	1,033,236,275	1,032,979,556	(256,719)	(0.02)	Petty adjustments of accrued interest payable.
Derivative Financials Instrument	-	-	-	-	-
Deposits from Customers	104,655,370,357	104,675,072,263	19,701,906	0.02	Good for payment amount transferred to Deposits as per NRB Directives.
Borrowings	25,016,438	25,016,438	-	-	-
Current Tax Liabilities	-	-	-	-	-
Provisions	3,506,030	3,506,030	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Liabilities	1,356,160,801	2,273,529,660	917,368,859	67.64	Impact of lease liability under NFRS 16, interest payment on debentures and other petty adjustments.
Debt Securities Issued	1,301,484,796	1,246,489,291	(54,995,504)	(4.23)	Interest payable reclassified to other liabilities.
Subordinated Liabilities	-	-	-	-	-
<b>Total Liabilities</b>	<b>112,125,058,806</b>	<b>113,006,877,348</b>	<b>881,818,542</b>	<b>0.79</b>	-
<b>Equity</b>					
Share Capital	5,657,180,857	5,657,180,857	-	-	-
Share Premium	-	-	-	-	-
Retained Earnings	822,177,459	805,522,228	(16,655,231)	(2.03)	Change in profit and regulatory reserve adjustment.
Reserves	1,622,161,289	1,613,887,989	(8,273,300)	(0.51)	Transfer to Regulatory reserves
<b>Total Equity Attributable to Equity Shareholders</b>	<b>8,101,519,604</b>	<b>8,076,591,074</b>	<b>(24,928,531)</b>	<b>(0.31)</b>	<b>Change in Profit.</b>
Non Controlling Interest	-	-	-	-	-
<b>Total Equity</b>	<b>8,101,519,604</b>	<b>8,076,591,074</b>	<b>(24,928,531)</b>	<b>(0.31)</b>	-
<b>Total Equity and Liabilities</b>	<b>120,226,578,410</b>	<b>121,083,468,422</b>	<b>856,890,011</b>	<b>0.71</b>	-



Particulars	Unaudited Financial Statement	Audited Financial Statement	Variance Amount	Variance %	Reasons for Variance
Interest Income	11,560,035,657	11,563,216,298	3,180,641	0.03	Interest refunded to Customers as per NRB Directives and revised staff amortisation calculation.
Interest Expense	8,183,456,616	8,233,436,921	49,980,305	0.61	Interest cost under NFRS 16
<b>Net Interest Income</b>	<b>3,376,579,041</b>	<b>3,329,779,376</b>	<b>(46,799,665)</b>	<b>(1.39)</b>	-
Fees and Commission Income	495,465,067	497,493,264	2,028,197	0.41	Petty adjustment.
Fees and Commission Expense	49,808,888	49,951,529	142,642	0.29	Petty adjustment.
<b>Net Fee and Commission Income</b>	<b>445,656,180</b>	<b>447,541,735</b>	<b>1,885,555</b>	<b>0.42</b>	-
<b>Net Interest, Fee and Commission Income</b>	<b>3,822,235,221</b>	<b>3,777,321,111</b>	<b>(44,914,110)</b>	<b>(1.18)</b>	-
Net Trading Income	8,444,762	8,444,762	-	-	-
Other Operating Income	43,502,341	46,878,501	3,376,160	7.76	Petty adjustment.
<b>Total Operating Income</b>	<b>3,874,182,323</b>	<b>3,832,644,373</b>	<b>(41,537,950)</b>	<b>(1.07)</b>	-
Impairment charge/(reversal) for loans and other losses	73,048,290	74,712,188	1,663,898	2.28	Impairment added by the Statutory Auditors and NRB.
<b>Net Operating Income</b>	<b>3,801,134,033</b>	<b>3,757,932,185</b>	<b>(43,201,848)</b>	<b>(1.14)</b>	-
Operating Expense	-	-	-	-	-
Personnel Expenses	1,160,213,604	1,216,354,519	56,140,915	4.84	Change in assumption in calculating finance charge under NFRS and staff bonus.
Other Operating Expenses	544,584,260	394,298,916	(150,285,344)	(27.60)	Change in Lease expenss and other petty adjustment.
Depreciation and Amortisation	134,347,455	213,905,277	79,557,822	59.22	Impact of depreciation of Right to use assets under NFRS 16
<b>Operating Profit</b>	<b>1,961,988,714</b>	<b>1,933,373,473</b>	<b>28,615,241</b>	<b>1.46</b>	-
Non Operating Income	-	-	-	-	-
Non Operating Expense	2,281,822	2,281,822	-	-	-
<b>Profit before Income Tax</b>	<b>1,959,706,892</b>	<b>1,931,091,650</b>	<b>(28,615,241)</b>	<b>(1.46)</b>	-
Income Tax Expense	-	-	-	-	-
Current Tax	589,681,078	600,303,236	10,622,158	1.80	Due to change in profit before tax and revised computation of income tax under Income Tax Act.
Deferred Tax	-	(11,016,873)	(11,016,873)	-	-
<b>Profit for the Period</b>	<b>1,370,025,814</b>	<b>1,341,805,287</b>	<b>(28,220,526)</b>	<b>(2.06)</b>	-







**मुक्तिनाथ क्यापिटल लिमिटेडको  
लेखापरीक्षकको प्रतिवेदन  
र वित्तीय विवरण**

---

**Muktinath Capital Limited's  
Auditor's Report &  
Financial Statements**



**N. B. S. M. & Associates**  
Chartered Accountants  
6<sup>th</sup> Floor, Block C & D, Four Square Complex  
Narayan Chaur, Naxal, Kathmandu, Nepal

T +977.1.4433069  
T +977.1.4415242  
info@nbsm.com.np  
www.nbsm.com.np

## INDEPENDENT AUDITOR'S REPORT

The Shareholders of Muktinath Capital Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of M/s Muktinath Capital Limited, Kathmandu, Nepal (hereinafter the company), which comprises the statement of financial position as at Ashad 32, 2079 [July 16, 2022] and the statement of profit or loss, statement of other comprehensive income, statement of cash flows & statement of changes in equity for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at Ashad 32, 2079 (July 16, 2022) and its financial performance and its cash flows for the year then ended on that date in accordance with Nepal Financial Reporting Standards (NFRSs).

#### Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSA's). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Institute of Chartered Accountant of Nepal's code for professional accountants (ICAN Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Our Audit Approach and Responses
<b>1. Valuation of Investment</b>	
Investment of the company comprises of investments in listed Shares, Initial Public Offerings, Mutual Funds and Fixed Deposits.	Our audit approach regarding valuation of investment, impairment, its accounting includes:
The classifications, valuations and disclosures of the aforesaid investment shall be done in line with NFRS 9 financial instruments; NFRS 13 Fair Value Measurements; NFRS 7 Financial Instruments: Disclosure. Investment made in listed securities and mutual fund has been treated as investment held for trading and recognised as Fair Value Through Profit and Loss. And investment in fixed deposits have been measured at amortised cost.	<p>a. We ensured classifications and accounting of investments made by company and its valuation were in accordance to NFRS 9 and NFRS 13 Issued by Accounting Standards Board of Nepal.</p> <p>b. We ensured the correctness of the valuation of investment valued at amortised cost through sample verification of effective interest rate and amortization schedule.</p> <p>c. For the investment made on quoted equity instruments &amp; units of mutual fund, we ensured that fair value has been done at the closing transaction rate in NEPSE as on 31.03.2079. Investment in promoters shares has been recorded at cost and separately disclosed.</p>

In association with  
**MOORE**



**N. B. S. M. & Associates**

Chartered Accountants  
6<sup>th</sup> Floor, Block C & D, Four Square Complex  
Narayan Chaur, Naxal, Kathmandu, Nepal

T +977.1.4433069  
T +977.1.4415242  
info@nbsm.com.np  
www.nbsm.com.np

**2. Revenue Recognition**

Revenue comprises of Income from Merchant Banking Activities, Interest Income from fixed deposit, Other Income, and Net Gain/ (loss) due to fair value change on financial instruments held for trading.

In view of primary business of the company being the merchant banking we have considered merchant banking income and portfolio management service income as key audit matters in our audit.

Our audit approach regarding revenue recognition with respect to merchant banking income and portfolio management service income includes the following among other things:

- a. Ensured the portfolio management service revenue has been recognised on the basis of pms contract agreed with the client at the time of agreement.
- b. Ensured the related fees like performance fees, exit fees has been calculated and recorded as per the agreement in the timely manner.
- c. In case of contract based income, relevant NFRS accounting treatment has been adopted.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material 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 Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSA's 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 NSA's, 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.





**N. B. S. M. & Associates**

Chartered Accountants  
6<sup>th</sup> Floor, Block C & D, Four Square Complex  
Narayan Chaur, Naxal, Kathmandu, Nepal

T +977.1.4433069  
T +977.1.4415242  
info@nbsm.com.np  
www.nbsm.com.np

• 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.

• Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

We have obtained information and explanations asked for, which, to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, proper books of account as required by law have been kept by the organization in so far as it appears from our examination of those books of account of the company. In our opinion the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity & statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes have been prepared in accordance with the requirements of Companies Act, 2063 and are in agreement with the books of accounts maintained by the company. In our opinion and to the best of information and according to the explanation given to us and from the examination of the books of accounts of the company, we have not come across any case where the board of directors or any employee of the company have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused any loss or damage to the company.

**For N. B. S. M. & Associates**

Chartered Accountants

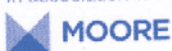
CA. Rajesh Kumar Sah, FCA  
Partner

Date : 2079/04/25

Place: Kathmandu

UDIN : 220824CA00546USJ4i

In association with





# Muktinath Capital Limited

## Statement of Financial Position

As on Ashad 32, 2079 (16 July 2022)

Figures in NPR

Particulars	Notes	As on Ashad 32, 2079	As on Ashad 31, 2078
<b>Assets</b>			
Cash and Cash Equivalents	4.1	56,791,298.57	150,926,503.49
Investment Securities- Investment Securities through FVTPL	4.2	63,796,297.95	85,181,579.00
Investment Securities- Investment Securities through FVTOCI	4.3	-	-
Financial Investment-Held for Maturity	4.4	20,000,000.00	27,500,000.00
Other Financial Assets	4.5	22,745,906.62	51,210,070.55
Other Assets	4.6	823,230.81	177,542.12
Current Tax Assets	4.7	-	-
Investment Property	4.8	33,115,680.00	33,115,680.00
Property and Equipment	4.9	10,250,495.88	7,892,076.62
Right of Use Asset	4.9.1	8,665,042.57	-
Intangible Assets	4.11	969,081.12	1,029,150.45
Deferred Tax Assets	4.11	9,790,074.44	389,415.03
<b>Total Assets</b>		<b>226,947,107.96</b>	<b>357,422,017.26</b>
<b>Liabilities</b>			
Due to Public/Refundable to Investors	4.12	-	-
Other Financial Liabilities	4.13	28,439,866.35	100,637,281.55
Other Liabilities	4.14	7,546,163.71	881,788.80
Current Tax Liabilities	4.70	193,164.11	4,005,283.74
Other Provisions	4.15	817,975.00	7,300,391.00
Deferred Tax Liabilities	4.11	-	-
<b>Total Liabilities</b>		<b>36,997,169.17</b>	<b>112,824,745.09</b>
<b>Equity</b>			
Share Capital	4.16	202,500,000.00	202,500,000.00
Retained Earning		(16,908,208.39)	37,465,050.17
Reserves	4.17	4,358,147.18	4,632,222.00
<b>Total Equity</b>		<b>189,949,938.79</b>	<b>244,597,272.17</b>
<b>Total Liability and Equity</b>		<b>226,947,107.96</b>	<b>357,422,017.26</b>
Contingent liabilities and commitment			

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For N. B. S. M. & Associates  
Chartered Accountants

Sitaram Kaphle  
(Chairman/ Director)

Dandapani Dhakal  
(Director)

Til Bahadur Gurung  
(Director)

Paban Dhakal  
(Director)

CA. Rajesh Kumar Sah, FCA  
Partner  
Date : 2079/04/25  
Place: Kathmandu

Adarsh Raj Pandey  
(Director)

Jagdish Dahal  
(Director)

Kabindra Bikram Dhoj Joshi  
(CEO)

Pawan Regmi  
(Accounts Officer)





# Muktinath Capital Limited

## Statement of Profit or Loss

For the Period commencing on Shrawan 1, 2078 and ending on Ashad 32, 2079

Particulars	Notes	For the Period Ended Ashad 32, 2079	For the Period Ended Ashad 31, 2078
<b>Revenue</b>			
Revenue from Operation	4.18	31,628,430.70	21,444,783.26
Net Gain/(Loss) on Financial Investments-HFT	4.19	(28,522,040.12)	63,774,978.79
Other Income	4.20	11,581,291.20	11,242,766.79
<b>Total Revenue</b>		<b>14,687,681.78</b>	<b>96,462,528.84</b>
<b>Expenses</b>			
Personnel Expenses	4.21	16,113,643.06	20,335,115.25
Operating Expenses	4.22	16,114,311.21	13,856,623.61
Depreciation and Amortization	4.23	5,506,027.87	2,703,069.09
<b>Total Expenses</b>		<b>37,733,982.13</b>	<b>36,894,807.95</b>
<b>Profit before Tax from Continuing Operations</b>		<b>(23,046,300.35)</b>	<b>59,567,720.89</b>
Income Tax			Figures in NPR
Current Year Tax		2,634,067.19	17,774,856.23
Deferred Tax (Income)/Expenses	4.24	(9,400,659.41)	120,953.77
<b>Profit for the Year</b>		<b>(16,279,708.14)</b>	<b>41,671,910.89</b>
Earning Per Share		(8.04)	20.58

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For N. B. S. M. & Associates  
Chartered Accountants

Sitaram Kaphle  
(Chairman/ Director)

Dandapani Dhakal  
(Director)

Til Bahadur Gurung  
(Director)

Paban Dhakal  
(Director)

CA. Rajesh Kumar Sah, FCA  
Partner  
Date : 2079/04/25  
Place: Kathmandu

Adarsh Raj Pandey  
(Director)

Jagdish Dahal  
(Director)

Kabindra Bikram Dhoj Joshi  
(CEO)

Pawan Regmi  
(Accounts Officer)



# Muktinath Capital Limited

Figures in NPR

## Statement of Cash Flow

For the Period commencing on Shrawan 1, 2078 and ending on Ashad 32, 2079

Particulars	For the Period Ended Ashad 32, 2079	For the Period Ended Ashad 31, 2078
<b>Cash Flows From Operating Activities</b>		
Merchant Banking Income	11,605,008.00	8,333,620.00
Mero Share Online Income	4,190,750.00	3,669,380.00
Underwriting Income	797,120.00	1,593,370.00
Portfolio Management Income	12,613,123.89	4,643,907.94
Pledge Income	202,400.00	427,200.00
Auction Income	285,000.00	420,000.00
Issue Management Income	500,000.00	625,000.00
IPO Issue Income	-	107,500.00
RTS Income	1,435,028.81	1,624,805.32
Other Income	5,644,529.50	1,654,780.52
Less: Personnel Expenses	(16,113,643.06)	(20,335,115.25)
Less: Operating Expenses	(14,256,538.23)	(13,856,623.61)
<b>Operating Cash Flows Before Changes in Operating Assets and Liabilities</b>	<b>6,902,778.91</b>	<b>(11,092,175.08)</b>
<b>(Increase)/Decrease In Operating Assets</b>		
(Increase)/Decrease In Financial Assets	28,464,163.93	(46,920,566.26)
(Increase)/Decrease In Other Assets	(645,688.69)	(93,883.48)
<b>Increase/(Decrease) In Operating Liabilities</b>		
Increase/(Decrease) In due to Public/Investor	-	(375,265.97)
Increase/(Decrease) In Financial Liabilities	(72,197,415.20)	88,454,351.85
Increase/(Decrease) In Provisions	(6,482,416.00)	5,430,904.03
Increase/(Decrease) In Other Liabilities	934,630.04	570,147.03
<b>Net Cash Flow from Operating Activities Before Tax Paid</b>	<b>(43,023,947.00)</b>	<b>35,973,512.12</b>
Income Taxes Paid	(2,634,067.19)	(7,783,871.12)
<b>Net Cash Flow from Operating Activities</b>	<b>(45,658,014.19)</b>	<b>28,189,641.00</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Investment Securities	(56,060,991.22)	(367,350,359.57)
Sale of Investment Securities	48,924,232.15	371,069,873.84
Liquidation from Fixed deposit	7,500,000.00	-
Investment in Fixed Deposit	-	(22,500,000.00)
Purchase of Property and Equipment	(6,584,230.17)	(4,454,950.43)
Receipt from the Sale of Property and Equipment	-	-
Purchase of Intangible Assets	(352,560.00)	(1,206,975.60)
Receipt from the Sale of Intangible Assets	-	-
Purchase of Investment Properties	-	-
Receipt from the Sale of Investment Properties	-	-
Increase in ROU	(11,390,403.21)	-
Interest Received	5,246,704.37	9,018,592.14
Dividend Received	690,057.33	569,394.13
<b>Net Cash used In Investing Activities</b>	<b>(12,027,190.75)</b>	<b>(14,854,425.49)</b>
<b>Cash Flows From Financing Activities</b>		
Receipt from Issue of Shares	-	-
Dividends Paid	(36,450,000.00)	-
Interest Paid	-	-
<b>Net Cash from Financing Activities</b>	<b>(36,450,000.00)</b>	<b>-</b>
<b>Net Increase (Decrease) In Cash And Cash Equivalents</b>	<b>(94,135,204.94)</b>	<b>13,335,215.51</b>
Cash and Cash Equivalents at Shrawan 1, 2078	150,926,503.49	137,591,287.98
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents Held	-	-
<b>Cash and Cash Equivalents at Ashad end 2079</b>	<b>56,791,298.57</b>	<b>150,926,503.49</b>

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For N. B. S. M. & Associates  
Chartered Accountants  
CA. Rajesh Kumar Sah, FCA  
Partner

Date : 2079/04/25  
Place: Kathmandu

Sitaram Kaphle  
(Chairman/ Director)

Adarsh Raj Pandey  
(Director)

Dandapani Dhakal  
(Director)

Jagdish Dahal  
(Director)

Til Bahadur Gurung  
(Director)

Kabindra Bikram Dhoj Joshi  
(CEO)

Paban Dhakal  
(Director)

Pawan Regmi  
(Accounts Officer)





# Muktinath Capital Limited

## Statement of Other Comprehensive Income

For the Period commencing on Shrawan 1, 2078 and ending on Ashad 32, 2079

Figures in NPR

Particulars	Notes	For the Period Ended Ashad 32, 2079	For the Period Ended Ashad 31, 2078
<b>Profit for the Year</b>		<b>(16,279,708.14)</b>	<b>41,671,910.89</b>
Gains/(Losses) on Remeasuring Available for Sale Financial Assets		-	-
Gains/(Losses) on Acturial Valuation of Defined Benefit Liability		-	-
<b>Total Other Comprehensive Income/(Loss)</b>		<b>(16,279,708.14)</b>	<b>41,671,910.89</b>
Income Tax Income/(Expense) relating to components of other comprehensive income		-	-
<b>Total Comprehensive Income for the Year, Net of Tax</b>		<b>(16,279,708.14)</b>	<b>41,671,910.89</b>

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For N. B. S. M. & Associates  
Chartered Accountants

Sitaram Kaphle  
(Chairman/ Director)

Dandapani Dhakal  
(Director)

Til Bahadur Gurung  
(Director)

Paban Dhakal  
(Director)

CA. Rajesh Kumar Sah, FCA  
Partner  
Date : 2079/04/25  
Place: Kathmandu

Adarsh Raj Pandey  
(Director)

Jagdish Dahal  
(Director)

Kabindra Bikram Dhoj Joshi  
(CEO)

Pawan Regmi  
(Accounts Officer)





# Muktinath Capital Limited

## Statement of Changes in Equity

For the Period commencing on Shrawan 1, 2078 and ending on Ashad 32, 2079

Figures in NPR

Particulars	Share Capital	General Reserve	Available for Sale	Fair Value Reserve	CSR Reserve	Retained Earnings	Total
<b>Balance as at Shrawan 1, 2077</b>	<b>202,500,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,312.00</b>	<b>377,049.28</b>	<b>202,925,361.28</b>
Profit for the Year						41,671,910.89	41,671,910.89
Change in Fair Value				-		-	-
Apportion to General Reserve		4,167,191.00				(4,167,191.00)	-
Corporate Social Responsibility Reserve					416,719.00	(416,719.00)	-
<b>Balance as at Ashad 31, 2078</b>	<b>202,500,000.00</b>	<b>4,167,191.00</b>	<b>-</b>	<b>-</b>	<b>465,031.00</b>	<b>37,465,050.17</b>	<b>244,597,272.17</b>
<b>Balance as at Shrawan 1, 2078</b>	<b>202,500,000.00</b>	<b>4,167,191.00</b>	<b>-</b>	<b>-</b>	<b>465,031.00</b>	<b>37,465,050.17</b>	<b>244,597,272.17</b>
Change in accounting policy - Effect of Transition to NFRS 15						(2,150,951.51)	(2,150,951.51)
Change in accounting policy - Effect of Transition to NFRS 16						507,401.09	507,401.09
<b>Restated Balance as at Shrawan 1, 2078</b>	<b>202,500,000.00</b>	<b>4,167,191.00</b>	<b>-</b>	<b>-</b>	<b>465,031.00</b>	<b>35,821,499.75</b>	<b>242,953,721.75</b>
Profit for the Year	-	-	-	-	-	(16,279,708.14)	(16,279,708.14)
Change in Fair Value	-	-	-	-	-	-	-
Apportion to General Reserve	-	-	-	-	-	-	-
Corporate Social Responsibility Reserve	-	-	-	-	-	-	-
Distribution of Dividend (including Tax)	-	-	-	-	-	(36,450,000.00)	(36,450,000.00)
Change in Corporate Social Responsibility Reserve	-	-	-	-	(274,074.82)	-	(274,074.82)
<b>Balance as at Ashad 32, 2079</b>	<b>202,500,000.00</b>	<b>4,167,191.00</b>	<b>-</b>	<b>-</b>	<b>190,956.18</b>	<b>(16,908,208.39)</b>	<b>189,949,938.79</b>

Notes 1 to 6.5 Forms integral part of Financial Statements

As per our attached report of even date

For N. B. S. M. & Associates  
Chartered Accountants

Sitaram Kaphle  
(Chairman/ Director)

Dandapani Dhakal  
(Director)

Til Bahadur Gurung  
(Director)

Paban Dhakal  
(Director)

CA. Rajesh Kumar Sah, FCA  
Partner

Date : 2079/04/25  
Place: Kathmandu

Adarsh Raj Pandey  
(Director)

Jagdish Dahal  
(Director)

Kabindra Bikram Dhoj Joshi  
(CEO)

Pawan Regmi  
(Accounts Officer)





## प्रबन्धपत्रमा प्रस्तुतित संशोधन सम्बन्धी तीन महले विवरण

१. विकास बैंकको चुक्ता पूँजी रु. ५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रुपैयाँ चौरासी पैसा मात्र) बाट १३.५ प्रतिशतले हुन आउने रकम ७६,३७,९२,४९५.६७ (अक्षरेपी छहतर करोड सैंतीस लाख उन्नाइस हजार चार सय पन्ध्र रुपैयाँ सतसठ्ठी पैसा बोनस सेयर वितरण पश्चात जारी तथा चुक्ता पूँजी रु. ६,४२,०९,००,२७२.५९ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) पुन्याउने प्रस्ताव पारित गर्ने र सोही बमोजिम प्रबन्धपत्रको सम्बन्धित दफा संशोधन गर्ने ।

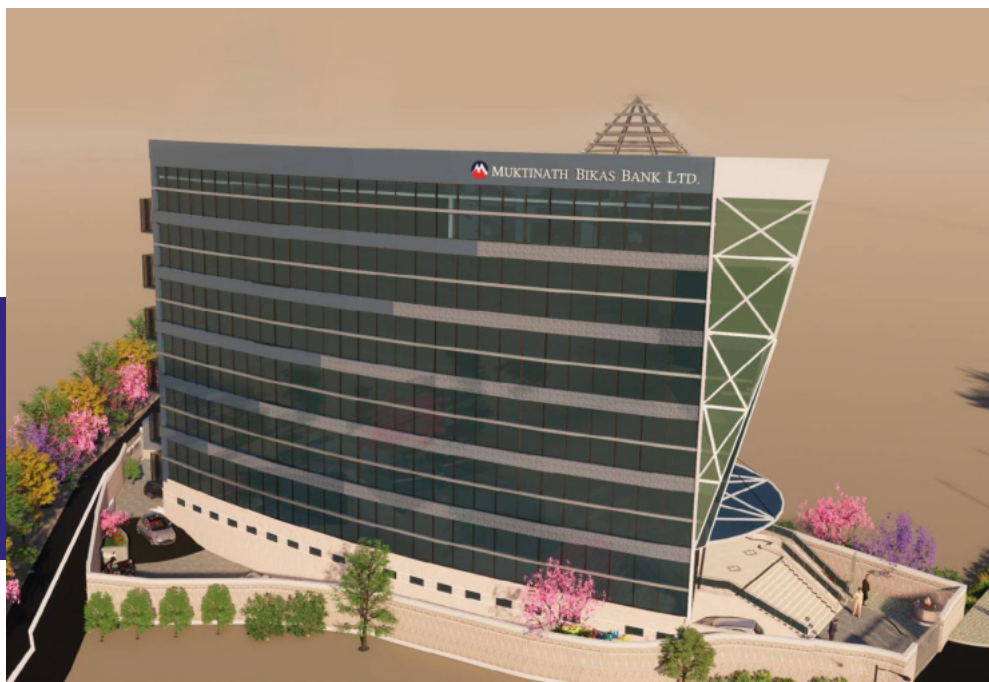
साविकको व्यवस्था	संशोधित व्यवस्था	संशोधन गर्नुपर्ने कारण
<p><b>दफा ५ को उपदफा (ख) मा:</b></p> <p>विकास बैंकको जारी पूँजी रु. ५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रुपैयाँ चौरासी पैसा मात्र) हुनेछ । जसलाई प्रति सेयर रु. १००/- का दरले ५,६५,७९,८०८.५६ (पाँच करोड पैसठ्ठी लाख एकहतर हजार आठ सय आठ दशमलव पाँच छ थान साधारण सेयरमा विभाजन गरिएको छ ।</p>	<p><b>दफा ५ को उपदफा (ख) मा:</b></p> <p>विकास बैंकको जारी पूँजी रु. ६,४२,०९,००,२७२.५९ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) हुनेछ । जसलाई प्रति सेयर रु. १००/- का दरले ६,४२,०९,००२.७२ (छ करोड बयालीस लाख नौ हजार दुई दशमलव सात दुई थान साधारण सेयरमा विभाजन गरिएको छ ।</p>	<p>सोही वार्षिक साधारण सभाबाट हाल कायम जारी तथा चुक्ता पूँजी रु. ५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रुपैयाँ चौरासी पैसा मात्र) को १३.५ प्रतिशतका दरले बोनस सेयर जारी गरे पश्चात कायम हुन आउने चुक्ता पूँजी ६,४२,०९,००,२७२.५९ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) पुग्ने भएकोले ।</p>
<p><b>दफा ५ को उपदफा (ग) मा:</b></p> <p>विकास बैंकको चुक्ता पूँजी रु. ५,६५,७९,८०,८५६.८४ (अक्षरेपी पाँच अर्ब पैसठ्ठी करोड एकहतर लाख असी हजार आठ सय छपन्न रुपैयाँ चौरासी पैसा मात्र) हुनेछ ।</p>	<p><b>दफा ५ को उपदफा (ग) मा:</b></p> <p>विकास बैंकको चुक्ता पूँजी रु. ६,४२,०९,००,२७२.५९ (अक्षरेपी छ अर्ब बयालीस करोड नौ लाख दुई सय बहतर रुपैयाँ एकाउन्न पैसा मात्र) हुनेछ ।</p>	





## निर्माणधिन केन्द्रीय कार्यालय भवन, लाजिम्पाट, काठमाडौं

(मिति २०७८-०९-०९ गते लिइएको फोटो)



केन्द्रीय कार्यालय भवनको प्रस्तावित नमुना,  
लाजिम्पाट, काठमाडौं



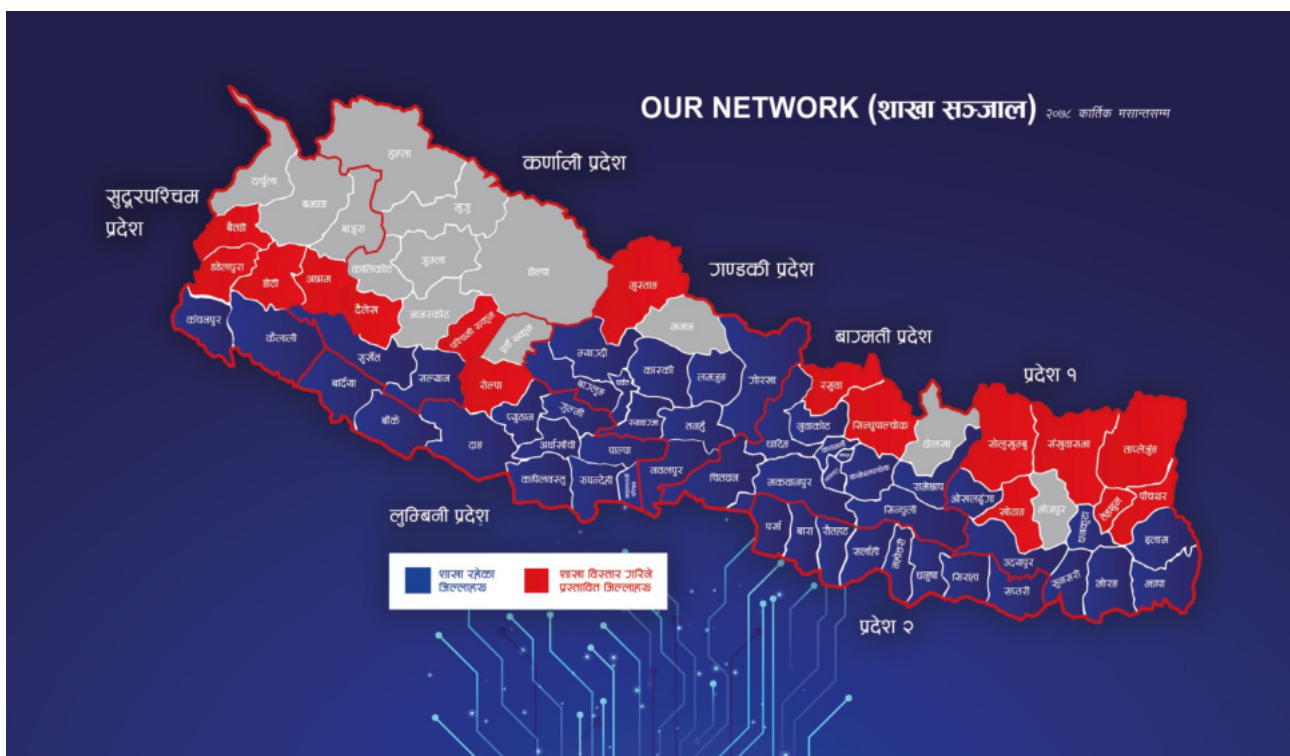
## OUR NETWORK (शाखा सञ्जाल)

प्रदेश १			३८	सितापाईला शाखा	९८०२३०६०४०	७८	बसुन्धारा शाखा	९८०२३०६१३६
१	सिद्धिचरण शाखा	९८०२३०६०३१	३९	नयाँ बानेश्वर शाखा	९८०२३०६०४८	७९	लगनटोल शाखा	९८०२३०६१३५
२	मानेभञ्ज्याङ्ग शाखा	९८०२३०६०४५	४०	न्यूरोड शाखा	९८०२३०६०४९	८०	जमल शाखा	९८०२३०६१३९
३	रामपुर शाखा	९८०२३०६०३२	४१	कुलेश्वर शाखा	९८०२३०६०५०	८१	मन्थली शाखा	९८०२३०६१५४
४	कटारी शाखा	९८०२३०६०४६	४२	चावहिल शाखा	९८०२३०६०५२	८२	पाँचखाल शाखा	९८०२३०६१४६
५	धनकुटा शाखा	९८०२३०६१२२	४३	कोटेश्वर शाखा	९८०२३०६०६१	८३	पनौती शाखा	९८०२३०६१५७
६	इटहरी शाखा	९८०२३०६०६३	४४	माछापौखरी शाखा	९८०२३०६०६०	८४	गणेश चोक शाखा	९८०२३३६१६२
७	इनरुवा शाखा	९८०२३०६०६४	४५	ठमेल शाखा	९८०२३०६०७०	८५	सातदोबाटो शाखा	९८०२३३६१५९
८	धरान शाखा	९८०२३०६०६५	४६	जोरपाटी शाखा	९८०२३०६०७१	८६	लोकन्थली शाखा	९८०२३३६१६३
९	दुहवी शाखा	९८०२३०६१२३	४७	बतिसपुतली शाखा	९८०२३०६०८४	८७	बौद्ध शाखा	९८०२३३६१६१
१०	बिराटनगर शाखा	९८०२३०६०५१	४८	ढुंगेअड्डा शाखा	९८०२३०६०९५	८८	त्रिपुरेश्वर शाखा	९८०२३३६१६०
११	उर्लाबारी शाखा	९८०२३०६०६८	४९	कीर्तिपुर शाखा	९८०२३०६०९६	८९	वनस्थली शाखा	९८०२३३६१६५
१२	इलाम शाखा	९८०२३०६१३२	५०	टोखा शाखा	९८०२३०६०९९	९०	कलंकी शाखा	९८०२३३६१६६
१३	दमक शाखा	९८०२३०६०५८	५१	कुमारीपाटी शाखा	९८०२३०६०५५	९१	गुन्डु घुस्सेटेन्सन काउन्टर	९८०२३३६१६९
१४	बिर्तामोड शाखा	९८०२३०६०७६	५२	कृष्णडोल शाखा	९८०२३०६०८०	९२	रामकोट घुस्सेटेन्सन काउन्टर	९८०२३३६१७४
१५	पथरी शाखा	९८०२३३६१५३	५३	मैसपाटी शाखा	९८०२३०६०८१	९३	स्यूचाटार घुस्सेटेन्सन काउन्टर	९८०२३३६१७३
१६	बेलवारी शाखा	९८०२३०६१४०	५४	इमाडोल शाखा	९८०२३०६०८८	९४	सौखु घुस्सेटेन्सन काउन्टर	९८०२३३६१७७
१७	रङ्गेली शाखा	९८०२३०६१४१	५५	बाडेगाउँ शाखा	९८०२३०६०९७	गण्डकी प्रदेश		
१८	गाइघाट शाखा	९८०२३०६१४२	५६	कमलबिनायक शाखा	९८०२३०६०५४	९५	स्याङ्जा शाखा	९८०२३०६००१
१९	कञ्चनबारी शाखा	९८०२३३६१७०	५७	सुर्यविनायक शाखा	९८०२३०६०९८	९६	वालिङ शाखा	९८०२३०६००२
२०	काकडभिट्टा शाखा	९८०२३०६१३३	५८	ठिमी शाखा	९८०२३०६०८६	९७	गल्छाङ शाखा	९८०२३०६००३
मधेश प्रदेश			५९	जोठाटार शाखा	९८०२३०६१००	९८	बयारघारी शाखा	९८०२३०६००६
२१	बिरगंज शाखा	९८०२३०६०३३	६०	घाटिङ्गबेशी शाखा	९८०२३०६०२७	९९	चापाकोट शाखा	९८०२३०६०१८
२२	चन्द्रपुर शाखा	९८०२३०६०५९	६१	गल्छी शाखा	९८०२३०६०२८	१००	फेदिसोला शाखा	९८०२३०६१०१
२३	लालबन्दी शाखा	९८०२३०६०६६	६२	पुटभारबजार घुस्सेटेन्सन काउन्टर	९८०२३०६११२	१०१	अर्जुनचौपारी शाखा	९८०२३०६१०२
२४	बर्दिया शाखा	९८०२३०६०६७	६३	आदमघाट शाखा	९८०२३०६११३	१०२	बिरुवा शाखा	९८०२३०६१०३
२५	जनकपुर शाखा	९८०२३०६०६२	६४	सल्यानटार शाखा	९८०२३०६११४	१०३	मिर्गि शाखा	९८०२३०६१०४
२६	मिर्चैया शाखा	९८०२३०६०७३	६५	घार्क शाखा	९८०२३०६११५	१०४	जुगले शाखा	९८०२३०६१०५
२७	जोलबजार शाखा	९८०२३०६०७५	६६	बेनिघाट शाखा	९८०२३०६११६	१०५	महेन्द्रपुर शाखा	९८०२३३६१३८
२८	लाहान शाखा	९८०२३०६०७४	६७	आरुघाट शाखा	९८०२३०६०२९	१०६	गगनगौडा शाखा	९८०२३०६००५
२९	पिडारीचोक शाखा	९८०२३०६१३७	६८	नारायणगढ शाखा	९८०२३०६०१५	१०७	वैदान शाखा	९८०२३०६००८
३०	राजविराज शाखा	९८०२३०६१५८	६९	खोलेसिमल शाखा	९८०२३०६११०	१०८	हरीचोक शाखा	९८०२३०६०११
३१	बरहथवा शाखा	९८०२३०६१४५	७०	पार्वतीपुर शाखा	९८०२३०६०३९	१०९	हेम्जा शाखा	९८०२३०६०२३
३२	गरुडा शाखा	९८०२३०६१४४	७१	पर्सा शाखा	९८०२३०६०४१	११०	नयाँपुल शाखा	९८०२३०६०१४
३३	कोल्हवी शाखा	९८०२३०६१४३	७२	हाकिमचोक शाखा	९८०२३०६०८३	१११	छोरेपाटन शाखा	९८०२३०६०२२
३४	आर्दशनगर शाखा	९८०२३०६११६	७३	टाँडी शाखा	९८०२३०६१२५	११२	बुढिबजार शाखा	९८०२३०६०२४
बागमती प्रदेश			७४	हेटौडा शाखा	९८०२३०६०३७	११३	काहँखोला शाखा	९८०२३०६०२६
३५	बनेपा शाखा	९८०२३०६०८९	७५	मनहरी शाखा	९८०२३०६०३८	११४	अमरसिंह चोक शाखा	९८०२३०६०७८
३६	महाराजगञ्ज शाखा	९८०२३०६०३०	७६	बट्टार शाखा	९८०२३०६१२४			
३७	कमलादी शाखा	९८०२३०६०३५	७७	कमलामाई शाखा	९८०२३०६०३९			





११५	जिरो कि.मि. शाखा	९८०२३०६०७९	१३७	विरोटा शाखा	९८०२३०६१७५	१५८	कोहलपुर शाखा	९८०२३०६१२०
११६	लामाचौर शाखा	९८०२३०६०८२	१३८	रामबजार शाखा	९८०२३०६१७६	१५९	गुलरिया शाखा	९८०२३३६०९०
११७	चिप्लेढुंगा शाखा	९८०२३०६०२०	१३९	बजार शाखा	९८०२३०६१७८	१६०	सन्धिखर्क शाखा	९८०२३३६१५५
११८	नदीपुर शाखा	९८०२३०६१२१	लुम्बिनी प्रदेश			१६१	सिसहनिया शाखा	९८०२३३६१५६
११९	वेगनास ताल शाखा	९८०२३०६१२९	१४०	रामपुर शाखा	९८०२३०६१३४	१६२	विजुवार शाखा	९८०२३०६१४८
१२०	दमौली शाखा	९८०२३०६००७	१४१	पाल्पा शाखा	९८०२३०६०२५	१६३	चौराहा चोक शाखा	९८०२३०६१६४
१२१	मिमाद शाखा	९८०२३०६००९	१४२	ताँहु शाखा	९८०२३०६१०८	१६४	जितपुर शाखा	९८०२३०६१४९
१२२	हुम्रे शाखा	९८०२३०६०१०	१४३	सराई शाखा	९८०२३०६१०९	१६५	बर्दघाट शाखा	९८०२३३६१६८
१२३	दुलेगाँडा शाखा	९८०२३०६०१२	१४४	बुटवल शाखा	९८०२३०६०१७	१६६	सेमलार शाखा	९८०२३३६१७६
१२४	बेशीशहर शाखा	९८०२३०६१३०	१४५	मैरहवा शाखा	९८०२३०६०१९	१६७	चन्द्रौटा शाखा	९८०२३३६१७२
१२५	आँबुखैरेनी शाखा	९८०२३०६१३१	१४६	हरैया शाखा	९८०२३०६१०६	कर्णाली प्रदेश		
१२६	कार्काजेटा शाखा	९८०२३०६०२१	१४७	रामापुर कोलोनी शाखा	९८०२३०६११७	१६८	श्रीनगर शाखा	९८०२३०६०४२
१२७	कुरुमा शाखा	९८०२३०६०७७	१४८	झाईमरटोल शाखा	९८०२३०६०५६	१६९	थारमारे शाखा	९८०२३०६०४३
१२८	बेनी शाखा	९८०२३०६०२३	१४९	कोटीहवा शाखा	९८०२३०६०५७	१७०	लुहाम शाखा	९८०२३०६०४४
१२९	गोरखा शाखा	९८०२३०६०२२	१५०	रिडी शाखा	९८०२३०६१११	१७१	बिरेन्द्रनगर शाखा	९८०२३०६०८७
१३०	बाग्लुङ शाखा	९८०२३०६०१६	१५१	तम्घास शाखा	९८०२३०६०२१	सुदुरपश्चिम प्रदेश		
१३१	जैजाकोट शाखा	९८०२३०६१२६	१५२	भुमही शाखा	९८०२३०६०३४	१७२	धनगढी शाखा	९८०२३०६०७२
१३२	गिरुबारी शाखा	९८०२३०६१०७	१५३	गोपिजांज शाखा	९८०२३०६११९	१७३	लम्की शाखा	९८०२३०६१२८
१३३	डेढगाउँ शाखा	९८०२३०६११८	१५४	घोराही शाखा	९८०२३०६०८४	१७४	महेन्द्रनगर शाखा	९८०२३०६०९४
१३४	दलदले शाखा	९८०२३०६०३६	१५५	लम्ही शाखा	९८०२३०६१२७	१७५	सुखड शाखा	९८०२३०६१५१
१३५	नागढुंगा शाखा	९८०२३०६००४	१५६	तुल्सीपुर शाखा	९८०२३०६०४७	१७६	मलारी शाखा	९८०२३३६१५२
१३६	कावासोती शाखा	९८०२३०६१४७	१५७	नेपालगञ्ज शाखा	९८०२३०६०५३	१७७	राजीपूर शाखा	९८०२३०६१५०





## प्रोक्सी फारम

दफा ७१ को उपदफा (३) संग सम्बन्धित

श्री सञ्चालक समिति  
मुक्तिनाथ विकास बैंक लिमिटेड  
केन्द्रीय कार्यालय,  
काठमाण्डौ महानगरपालिका, वडा नं. २८, कमलादी,  
काठमाडौं

विषय : प्रतिनिधी नियुक्त गरेको बारे ।

महाशय,

जिल्ला महा/उप/न.पा./गा.पा. वडा नं. बस्ने म/हामी  
त्यस बैंकको सेयरधनीको हैसियतले मिति २०७९ साल पुष ३० गते शनिबारका दिन हुने **सोडो वार्षिक साधारण सभामा**, म/हामी स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले, उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि जिल्ला महा/उप/न.पा./गा.पा. वडा नं. बस्ने श्री लाई प्रतिनिधि नियुक्त गरी पठाएको छु / छौ ।

### प्रोक्सी पाउनेको:

दस्तखत:

नाम:

ठेगाना :

सेयरधनी नं./डिम्याट नं.:

सेयर संख्या:

मिति:

### निवेदक:

दस्तखत:

नाम:

ठेगाना:

सेयरधनी नं./डिम्याट नं.:

सेयर संख्या:

### द्रष्टव्य:

यो निवेदन साधारणसभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै बैंकको रजिष्टर्ड कार्यालय, काठमाडौं महानगरपालिका, वडा नं. २८, कमलादी, काठमाडौंमा पेश गरी सक्नुपर्नेछ । सेयरधनी वाहेक अन्य व्यक्तिलाई प्रतिनिधि नियुक्त गर्न पाइने छैन ।

सेयरधनीको नाम: श्री सेयरधनी परिचय नं./डिम्याट नं.: सेयर संख्या: ..

मिति २०७९ साल पुष ३० गते शनिबारका दिन हुने, मुक्तिनाथ विकास बैंक लिमिटेडको सोरौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको ।

## प्रवेश-पत्र

सेयरधनीको दस्तखत

कम्पनी सचिव

सभामा भाग लिन आउँदा यो प्रवेश-पत्रमा अनिवार्य रूपमा नाम, दस्तखत, सेयरधनी परिचय नं. /डिम्याट नं.: तथा कुल सेयर संख्या उल्लेख गरी, साथमा लिई आउनु पर्नेछ ।



टिपोट:

Blank lined area for notes or comments.



टिपोटः

Blank lined area for report content.





टिपोट:

Blank lined area for notes or comments.

# धन्यवाद



**मुक्तिनाथ विकास बैंक**  
**MUKTINATH BIKAS BANK**

# सहयात्री समृद्धिको...



**Winner of  
EUROPEAN  
MICROFINANCE  
AWARD 2020**

**Winner of  
Best Presented  
Annual Report ( BPA)  
Award- 2019, 2020 & 2021**



**Honorable Mention in  
Global SME  
Finance  
Awards 2021  
SME FINANCIER OF THE YEAR-ASIA**

**Recipient of  
Certificate of Merit  
(Financial Services Sector)  
SAFA BPA Award- 2021**



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

"नेपाल राष्ट्र बैंकबाट 'ख' वर्गको इजाजतपत्र प्राप्त राष्ट्रिय स्तरको विकास बैंक"

केन्द्रीय कार्यालय, कमलादी, काठमाडौं  
फोन: ०१-४१६८६८३ (हन्डिङ्ग लाईन)  
Email: [info@muktinathbank.com.np](mailto:info@muktinathbank.com.np)  
Website: [www.muktinathbank.com.np](http://www.muktinathbank.com.np)  
टोल फ्री नं. १६६६-०१४-९९९९



जनता बैंकमा होइन, बैंक जनतामा जानु पर्दछ