

# दशौं तथा एघारौं वार्षिक प्रतिवेदन

आर्थिक वर्ष २०७८/७९ र २०७९/८०



 ग्रीन डेभलपमेन्ट बैंक लिमिटेड  
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फोन नं.: ०६१-५८३५९०, ५८३६३४

# सञ्चालक समिति



गणेश कुमार श्रेष्ठ  
अध्यक्ष



कृष्ण शंकर श्रेष्ठ  
सञ्चालक



मनोविराज श्रेष्ठ  
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सुर्य प्रसाद लम्साल  
सञ्चालक



प्रज्वल श्रेष्ठ  
सञ्चालक

कम्पनी सचिव  
प्रकाश गुरुङ

लेखापरीक्षक  
सुजन काफ्ले एण्ड एशोशियट्स  
चार्टर्ड एकाउण्टेण्ट्स

“समृद्धिको लागि सहकार्य”

# दशौं तथा एघारौं वार्षिक प्रतिवेदन

आर्थिक वर्ष २०७८/७९ र २०७९/८०





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## डेभलपमेन्ट बैंक सम्बन्धि जानकारी

डेभलपमेन्ट बैंकको नाम	ग्रीन डेभलपमेन्ट बैंक लि.
कम्पनीको प्रकार	पब्लिक लिमिटेड कम्पनी
रजिष्टर्ड कार्यालय	पोखरा ०८, न्युरोड, कास्की
कम्पनी रजिष्ट्रारको कार्यालयमा दर्ता मिति	वि.सं. २०६९/०७/२६
दर्ता नम्बर	१०७२०६/०६९/०७०
नेपाल राष्ट्र बैंकबाट वित्तीय कारोबार गर्न इजाजतपत्र प्राप्त गरेको मिति	वि.सं. २०७०/०४/०९
३ जिल्ला कार्यक्षेत्र ( बाग्लुङ, म्याग्दी र कास्की)	वि.सं. २०७०/०४/०९
५ जिल्ला कार्यक्षेत्र (बाग्लुङ, म्याग्दी, कास्की, तनहुँ र नवलपुर)	वि.सं. २०७६/०२/१४
अधिकृत पुँजी	रु. ५१,९०,००,०००/००
जारी तथा चुक्ता पुँजी	रु. ५१,९०,००,०००/००
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सर्वसाधारण समुह	४५ प्रतिशत
कुल निक्षेप	३ अर्ब ८५ करोड
कुल कर्जा	३ अर्ब २९ करोड
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## दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति २०८०/११/२९)

(दाम्रो पटक प्रकाशित मिति २०८०/११/३०)

श्री शेयरधनी महानुभावहरु,

यस डेभलपमेन्ट बैंकको सञ्चालक समितिको मिति २०८०/११/२४ गते अपरान्ह ३.३० बजे बसेको २०६ औं बैठकको निर्णय बमोजिम यस बैंकको दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभा निम्न उल्लेखित मिति, समय र स्थानमा देहायका प्रस्तावहरु उपर छलफल गरि निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरुलाई सभामा सहभागी हुनका लागि हार्दिक अनुरोध गर्दछु।

**सभा बस्ने मिति, समय र स्थान:**

मिति : २०८० साल चैत २७ गते, मंगलबार (तदनुसार ९ अप्रिल, २०२४)

समय : बिहान ११:०० बजे।

स्थान : मेजेष्टिक लेक फ्रन्ट होटेल एण्ड सुइट, पोखरा-६, कास्की।

**छलफलका विषयहरु :**

क. सामान्य प्रस्ताव

- १) आ.व.२०७८/७९ र २०७९/८० को सञ्चालक समितिको प्रतिवेदन छलफल गरी पारित गर्ने।
- २) लेखापरीक्षकको प्रतिवेदन सहितको २०७९ र २०८० आषाढ मसान्तको वासलात तथा आ.व.२०७८/७९ र २०७९/८० को नाफा नोक्सान हिसाब र सोही अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरण तथा अनुसूचीहरु माथि छलफल गरी पारित गर्ने।
- ३) सञ्चालक समितिले प्रस्ताव गरे बमोजिम आ.व.२०७८/७९ को मुनाफा तथा संचित मुनाफा रकम समेतवाट यस डेभलपमेन्ट बैंकको हाल कायम चुक्ता पूँजी रु.५१,९०,००,०००/- (अक्षरेपी एकाउन्ड करोड नब्बे लाख रुपैयाँ मात्र) को ०।२० प्रतिशतले हुन आउने नगद लाभांश रु.१०,३८,०००/- (अक्षरेपी दश लाख अठतीस हजार रुपैयाँ मात्र) लाभांशमा लाग्ने कर प्रयोजनार्थ वितरण गर्ने प्रस्ताव उपर छलफल गरि पारित गर्ने।
- ४) लेखापरिक्षण समितिको सिफारिश बमोजिम आ.व. २०८०/८१ को लागि बाह्य लेखापरिक्षक नियुक्ति गर्ने र निजको पारिश्रमिक तोक्ने।
- ५) सर्वसाधारण शेयरधनीहरुको प्रतिनिधित्व गर्ने २ (दुई) जना सञ्चालकहरुको नियुक्ती अनुमोदन गर्ने।
- ६) संस्थापक शेयरधनीहरुको प्रतिनिधित्व गर्ने ३ जना सञ्चालकहरुको निर्वाचन गर्ने।
- ७) स्वतन्त्र सञ्चालक नियुक्त हुनुभएको जानकारी सम्वन्धमा।
- ८) सञ्चालकको बैठक भत्ता संशोधन सम्वन्धमा।

ख. विशेष प्रस्ताव

- १) सञ्चालक समितिले प्रस्ताव गरे बमोजिम आ.व.२०७८/७९ सम्मको मुनाफावाट हाल कायम चुक्ता पूँजी

रु.५१,९०,००,०००/- (अक्षरूपी एकाउन्न करोड नब्बे लाख रुपैयाँ मात्र) को ३।८ प्रतिशतका दरले हुन आउने रकम रु.१,९७,२२,०००/- (अक्षरूपी एक करोड सन्तानब्बे लाख वाईस हजार रुपैयाँ मात्र) बोनस शेयर वितरण गर्ने प्रस्ताव उपर छलफल गरि पारित गर्ने र सोही बमोजिम डेभलपमेन्ट बैंकको प्रबन्धपत्रमा बैंकको अधिकृत, जारी तथा चुक्ता पूँजी वृद्धी गर्न आवश्यक संशोधन प्रस्ताव पारित गर्ने ।

- २) यस ग्रीन डेभलपमेन्ट बैंक लि र अन्य उपयुक्त बैंक तथा वित्तीय संस्थाहरु एक आपसमा गाभ्ने/गाभिने वा प्राप्ति (Merger/Acquisition) को लागि उपयुक्त संस्थाको पहिचान गर्ने, उपयुक्त देखिएमा सो सम्बन्धी सम्झौतापत्र (MOU) मा हस्ताक्षर गरी अन्य आवश्यक सम्पूर्ण कार्यहरु गर्न/गराउन सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने ।
  - ३) डेभलपमेन्ट बैंकको प्रबन्धपत्र र नियमावलीमा आवश्यक संशोधन गरी अभिलेख गराउँदा आवश्यक थपघट, संशोधन वा परिमार्जन गर्नु परेमा सो सम्बन्धी सम्पूर्ण अख्तियारी सञ्चालक समितिलाई प्रदान गर्ने ।
  ४. सञ्चालक समितिले प्रस्ताव गरे बमोजिम बैंकको संस्थापक शेयर र सर्वसाधारण शेयरको अनुपात परिवर्तन गर्ने प्रस्ताव उपर छलफल गरि पारित गर्ने ।
- ग. विविध ।

सञ्चालक समितिको आज्ञाले,  
कम्पनी सचिव





## दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभा सम्बन्धी सामान्य जानकारी

१. दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभा प्रयोजनका लागि मिति २०८०/१२/०९ गते (१) एक दिन बैंकको शेयरधनी दर्ता किताब बन्द गर्ने निर्णय गरिएको छ। मिति २०८०/१२/०८ गतेसम्म नेपाल स्टक एक्सचेञ्ज लिमिटेडमा कारोबार भई सि.डि.एस.एण्ड क्लियरिङ लिमिटेडबाट राफसाफ समेत भई प्रचलित नियमानुसार यस बैंकको शेयर रजिष्ट्रार श्री मुक्तिनाथ क्यापिटल लिमिटेड, नारायणचौर, नक्साल, काठमाण्डौंमा रहेका शेयरधनी दर्ता किताबमा अद्यावधिक भई कायम हुन आएका शेयरधनीहरू मात्र वार्षिक साधारण सभामा भाग लिन तथा मतदान दिन सक्नेछन्।
२. वार्षिक सभामा भाग लिन आउनुहुने शेयरधनीहरू महानुभावहरूले आफ्नो शेयर प्रमाणपत्रमा उल्लेखित परिचयपत्र नं/ हितग्राही खाता नं. (BOID) को विवरण सहित आफ्नो परिचय खुल्ने प्रमाण (जस्तै: नागरिकता प्रमाणपत्र वा अन्य कुनै परिचयपत्र) साथमा लिई आउनु हुन अनुरोध छ।
३. सभामा भाग लिने प्रत्येक शेयरधनी महानुभावहरूले सभा हुने स्थानमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नुपर्नेछ। शेयरधनी हाजिरी पुस्तिका बिहान ८:३० बजे देखि खुल्ला रहने छ।
४. कुनै शेयरधनी साधारण सभामा स्वयं उपस्थित हुन नसक्ने भएमा साधारण सभामा भाग लिन तथा मतदान गर्न प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले प्रचलित कम्पनी कानूनले तोकेको ढाँचामा प्रतिनिधि पत्र (प्रोक्सी फारम) भरी सभा शुरू हुनुभन्दा कम्तीमा ४८ घण्टा अगावै बैंकको केन्द्रीय कार्यालय, पोखरा ०८, न्युरोड, कास्कीमा दर्ता गराई सक्नुपर्नेछ। बैंकको शेयरधनी बाहेक अरूलाई प्रतिनिधि (प्रोक्सी) दिन पाइने छैन। सभामा भाग लिनका लागि प्रतिनिधि नियुक्त गरीसकेपछि उक्त प्रतिनिधि बदर गरी अर्को प्रतिनिधि नियुक्त गर्ने भएमा सोको लिखित सूचना सभा सुरु हुनु भन्दा ४८ घण्टा अगावै केन्द्रीय कार्यालयमा दर्ता गरी सक्नु पर्नेछ।
५. प्रतिनिधि नियुक्त गरीसकेको शेयरधनी आफै सभामा उपस्थित भई हाजिरी पुस्तिकामा दस्तखत गरेमा निजले दिएको प्रतिनिधि (प्रोक्सी) स्वतः बदर हुनेछ। यसरी प्रतिनिधि मुकरर गर्दा आफ्नो नाममा रहेको सम्पूर्ण शेयरको प्रतिनिधि एकै व्यक्तिलाई गर्नु पर्दछ एक भन्दा बढी व्यक्तिलाई आधा आधा वा अरु कुनै किसिमबाट छुट्टायर दिएमा बदर हुनेछ।
६. सर्वसम्मतबाट प्रतिनिधि चयन भएको अवस्थामा बाहेक एक भन्दा बढी व्यक्तिहरूको संयुक्त नाममा (साभा गरी) शेयर लिएको रहेछ भने शेयरधनीको दर्ता किताबमा दर्ता क्रमानुसार पहिलो नाम उल्लेख भएको व्यक्ति एक जनाले मात्र साधारण सभामा भाग लिन पाउनेछ।
७. नाबालक वा अशक्त/विक्षिप्त व्यक्ति शेयरधनीको तर्फबाट यस बैंकको शेयरधनी दर्ता किताबमा संरक्षकको रूपमा नाम दर्ता भैरहेको व्यक्तिले मात्र सभामा भाग लिन वा प्रतिनिधि (प्रोक्सी) तोक्न सक्नु हुनेछ।
८. कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिले शेयरवालाको हैसियतले सभामा भाग लिन तथा मतदान गर्न पाउने छ।
९. छलफलका विषयसूची मध्ये विविध शिर्षक अन्तर्गत छलफल गर्न ईच्छुक शेयरधनीले आफुले छलफल गर्न चाहेको विषयबारे सभा हुनु भन्दा ७ (सात) दिन अगावै कम्पनी सचिव मार्फत सञ्चालक समितिको अध्यक्षलाई लिखित रूपमा दिनु पर्नेछ। तर यसलाई छलफल र पारित हुने प्रस्तावको रूपमा समावेश गरिने छैन।
१०. सञ्चालक निर्वाचन सम्बन्धी विस्तृत जानकारीको लागि बैंकको केन्द्रीय कार्यालय पोखरा म.न.पा. ०८, न्युरोड, कास्की स्थित निर्वाचन अधिकृतको कार्यालयमा सम्पर्क राख्नुहुन अनुरोध गरिन्छ।
११. अन्य विस्तृत जानकारी तथा वार्षिक प्रतिवेदनका लागि बैंकको केन्द्रीय कार्यालयमा सम्पर्क गर्नुहुन वा बैंकको वेबसाईट [www.greenbank.com.np](http://www.greenbank.com.np) मा हेर्नुहुन अथवा फोन नं. ०६१-५८३५९०/५८३६३४ (कार्यालय समय भित्र) मा सम्पर्क गर्नुहुन अनुरोध गरिन्छ।

## प्रोक्सी फाराम

श्री सञ्चालक समिति,  
ग्रीन डेभलपमेन्ट बैंक लि.  
पोखरा-८, न्यूरोड

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

..... जिल्ला ..... न.पा./गा.पा. वडा नं. .... बस्ने  
म/हामी..... ले त्यस कम्पनीको शेयरधनीको हैसियतले २०८०  
साल चैत्र २७ गते मंगलबारका दिन हुने दशौं र एघारौं संयुक्त वार्षिक साधारण सभामा स्वयं उपस्थित भई छलफल तथा नि-  
र्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा भाग लिनका लागि ..... जिल्ला .....  
न.पा/गा.पा. वडा नं. .... बस्ने त्यस कम्पनीका शेयरधनी श्री ..... शेयरधनी  
नम्बर/BOID No. .... लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी  
पठाएको छु/छौं ।

निवेदक,

दस्तखत : .....

नाम : .....

ठेगाना : .....

शेयरधनी नं./BOID No. ....

शेयर संख्या : .....

मिति : .....

द्रष्टव्य : यो निवेदन साधारण सभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै बैंकको केन्द्रीय कार्यालयमा पेश गरी सक्नुपर्नेछ ।



## प्रवेश पत्र

शेयरधनीको नाम : .....

शेयर संख्या : .....

शेयरधनीको सही : .....

२०८० साल चैत्र २७ गते मंगलबारका दिन हुने ग्रीन डेभलपमेन्ट बैंक लिमिटेडको दशौं र एघारौं संयुक्त वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र ।

.....  
कम्पनी सचिव

द्रष्टव्य :

१) शेयरधनी आफैले माथिका खाली ठाउँहरू भर्नुहोला ।

२) सभाकक्षमा प्रवेश गर्न यो प्रवेश-पत्र प्रस्तुत गर्न अनिवार्य छ ।

## ग्रीन डेभलपमेन्ट बैंक लिमिटेडको दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभामा प्रस्तुत अध्यक्षको मन्तव्य

आदरणीय शेयरधनी महानुभावहरू,

यस ग्रीन डेभलपमेन्ट बैंकको दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभामा भाग लिन उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरू तथा सभाको गरिमा बढाउन हाम्रो निमन्त्रणा स्वीकार गरी पाल्नुभएका अतिथिज्यूहरू लगायत उपस्थित सम्पूर्णमा बैंकको सञ्चालक समिति तथा मेरो व्यक्तिगत तर्फबाट यस सम्मानित साधारण सभामा हार्दिक स्वागत तथा अभिवादन व्यक्त गर्दछु।

बाग्लुङ, म्याग्दी, कास्की, तनहुँ र नवलपुर जिल्ला कार्यक्षेत्र भई १५ वटा शाखा कार्यालयहरूबाट ग्राहकहरूलाई सर्वसुलभ तरिकाले बैंकिङ्ग सेवा प्रदान गर्दै आईरहेकोमा शाखा स्थापनाकाल देखिनै योजना अनुसार व्यवसाय वृद्धि गर्न नसकेको र भविष्यमा समेत व्यवसाय वृद्धि हुने सम्भावना नदेखिएकोले नेपाल राष्ट्र बैंकको स्वीकृतिमा आर्थिक वर्ष ०७८/०७९ को कार्तिक १ गते देखि अक्षेते शाखा बन्द गरिएको व्यहोरा यहाँहरूलाई यस सभामा जानकारी गराउन चाहन्छु। व्यवसाय वृद्धिको सम्भावना भएका बैंकको कार्यक्षेत्रका कतिपय स्थानहरूमा अझै पनि सर्वसुलभ बैंकिङ्ग सेवा उपलब्ध नभएको अवस्थामा हाम्रो बैंकले आवश्यकता र व्यवसायीक सम्भाव्यता अध्ययन गरी थप शाखा सञ्चालन वृद्धि गर्दै लैजाने लक्ष्य लिएको छ। आर्थिक वर्ष २०७७/७८ को अन्त सम्ममा निक्षेप तर्फ रु.१ अर्ब ८५ करोड ३४ लाख तथा कर्जा लगानी तर्फ रु.१ अर्ब ८९ करोड ९५ लाखको लक्ष्य हासिल गर्न सफल भएकोमा आर्थिक वर्ष २०७८/७९ को अन्त्य सम्ममा बैंकले निक्षेप तर्फ रु. २ अर्ब ८८ करोड ५२ लाख तथा कर्जा लगानी तर्फ रु.२ अर्ब ५७ करोड १९ लाख लक्ष्य हासिल गर्न सफल भएको जुन गत आर्थिक वर्षको तुलनामा निक्षेप तर्फ ५५.६७ प्रतिशतले र कर्जामा ३६.६६ प्रतिशतले वृद्धि भएको छ। आर्थिक वर्ष २०७९/८० को अन्त्य सम्ममा बैंकले निक्षेप तर्फ रु.३ अर्ब ८५ करोड ९७ लाख तथा कर्जा लगानी तर्फ रु.३ अर्ब २९ करोड ७१ लाख लक्ष्य हासिल गर्न सफल भएको जुन गत आर्थिक वर्षको तुलनामा निक्षेप तर्फ ३३.७८ प्रतिशत र कर्जा तर्फ २८.२० प्रतिशतले वृद्धि भएको छ। बैंकले हाल डिजिटल बैंकिङ्ग अर्न्तगत Mobile Banking, QR Code, IPS, Connect IPS, ATM/ Debit Card, QR मार्फत नगद भुक्तानी जस्ता अत्याधुनिक सेवाहरू प्रदान गर्दै आईरहेको छ। साथै निकट भविष्यमा बैंकले थप प्रविधि मैत्री बैंकिङ्ग सेवाहरू प्रदान गर्दै जाने लक्ष्य रहेको व्यहोरा समेत जानकारी गराउन चाहन्छु।

समग्र अर्थतन्त्र एवं व्यक्तिको जीवनमा समेत बैंकिङ्ग क्षेत्रको अहम भूमिका रहने हुँदा हाम्रा ग्राहकवर्गलाई आवश्यक सेवाहरू सरल र सुलभ ढंगले प्रदान गर्दै देशको आर्थिक वृद्धिमा टेवा पुऱ्याउन बैंक प्रतिबद्ध रहेको छ। त्यसैगरी बैंकले नेपाल सरकारबाट तोकिएको प्राथमिकताका क्षेत्रहरूलाई मध्यनजर गर्दै दिगो विकासका लागि कृषि, पर्यटन लगायत लघु, साना तथा मझौला उद्योग तथा व्यवसायलाई प्रवाह गर्ने कर्जामा थप सहजिकरण गर्दै यस क्षेत्रमा थप कर्जा प्रवाह गर्न सम्पूर्ण शाखा कार्यालयहरूलाई प्रोत्साहित गरिएको छ। कार्यक्षेत्रमा रहेका सबैलाई बैंकिङ्ग पहुँच र वित्तीय समावेशिताको आवश्यकतालाई मध्यनजर गर्दै बैंकिङ्ग गतिविधिहरू लगायत वित्तीय साक्षरता कार्यक्रमहरू सञ्चालनमा तिव्रता दिईएको छ। बैंकले संस्थागत सामाजिक उत्तरदायित्व अर्न्तगत समुदायको दिगो आर्थिक र सामाजिक विकासका लागि विभिन्न किसिमका योगदानहरू गरिरहेकोमा आगामी दिनमा समेत त्यस्ता कार्यहरूलाई निरन्तरता दिईनेछ। बैंकिङ्ग व्यवसायमा देखापर्ने नयाँ नयाँ चुनौतिहरूलाई रणनीतिक कार्ययोजनाका साथ सामना गर्न सक्षम हुँदै जानुपर्ने आजको यथार्थ तथ्यलाई आत्मसात

गर्दै हाम्रा सम्पूर्ण सामुहिक प्रयास यसै दिशातर्फ निर्दिष्ट हुनुपर्ने पक्षलाई हामीले गम्भीरताका साथ बोध गरेका छौं खास गरेर बैंकिङ्ग व्यवसायमा उपयुक्त आधुनिक प्रविधिले निम्त्याउने जोखिमको सहि व्यवस्थापन गर्दै अन्य व्यवसायका अन्तरनिहित अधिक जोखिमको प्रभावकारी व्यवस्थापनमा सञ्चालक समिति र बैंक व्यवस्थापन दृढताकासाथ लागि परेको छ ।

यस बैंकको उत्तरोत्तर प्रगति तथा समृद्धिको लागि प्रत्यक्ष तथा अप्रत्यक्ष रूपले सहयोग तथा सुझाव दिई बैंकको कार्यदक्षता तथा सेवा अभिवृद्धि गर्न मद्दत गर्नुहुने सम्पूर्ण शेयरधनी महानुभावहरु, स्थानिय निकाय, पत्रकार मित्रहरु, सुरक्षाकर्मी साथीहरु, कर्मचारी संचय कोष, ग्राहक महानुभावहरु, पूर्व सञ्चालकहरु, बैंकको हित तथा प्रगतिको लागि मार्गनिर्देशन गर्ने नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्रबोर्ड, नेपाल स्टक एक्सचेञ्ज लि., सिडिएस तथा क्लियरिङ्ग लि., मुक्तिनाथ क्यापिटल लि. लगायतका नियामक निकायहरु तथा बैंकको उन्नतिमा अनवरत रूपले लागि पर्ने बैंकका सञ्चालकहरु, प्रमुख कार्यकारी अधिकृत लगायत सम्पूर्ण कर्मचारीहरु प्रति हार्दिक आभार प्रकट गर्दै आगामी वर्षमा अभ्ग गुणस्तरीय बैंकिङ्ग सेवाहरु उपलब्ध गराई शेयरधनीहरुलाई उचित प्रतिफल दिलाउने तथा क्रियाशिल रहने प्रतिबद्धता व्यक्त गर्दै यस गरिमामय दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभामा यहाँहरुलाई पुनः एक पटक स्वागत गर्दछु ।

अन्त्यमा, सञ्चालक समितिको वार्षिक प्रतिवेदनका साथै आर्थिक वर्ष २०७८/०७९ र २०७९ /०८० को वासलात, नाफा नोक्सान हिसाव, नगद प्रवाह विवरण र सोसँग सम्बन्धित अनुसूचीहरु र गत वर्षमा बैंकले सम्पादन गरेका कार्यहरुको समीक्षा र भावी कार्यक्रमहरु सहितको वार्षिक प्रतिवेदन उपर छलफल गरी अनुमोदन एवं स्वीकृत गरी दिनु हुन सम्पूर्ण शेयरधनी महानुभावहरु समक्ष हार्दिक अनुरोध गर्दछु ।

धन्यवाद ।

गणेश कुमार श्रेष्ठ  
अध्यक्ष

## ग्रीन डेभलपमेन्ट बैंक लिमिटेडको दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट अध्यक्षद्वारा प्रस्तुत वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

यस ग्रीन डेभलपमेन्ट बैंकको दशौं तथा एघारौं संयुक्त वार्षिक साधारण सभामा भाग लिन उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरू तथा सभाको गरिमा बढाउन हाम्रो निमन्त्रणा स्वीकार गरी पाल्नुभएका विभिन्न नियमनकारी निकायका प्रतिनिधिहरूज्यूहरू, बाह्य लेखा परिक्षकज्यू, पत्रकार महानुभावहरू, उपस्थित सम्पूर्ण अतिथिज्यूहरू लगायत बैंकका कर्मचारीवर्गहरूमा बैंकको सञ्चालक समितिको तर्फबाट पुनः हार्दिक स्वागत तथा अभिवादन व्यक्त गर्दछु।

शेयरधनी महानुभावहरूले भौतिक तथा विद्युतीय माध्यम तथा बैंकको वेबसाईट मार्फत प्राप्त गर्नु भएको यस डेभलपमेन्ट बैंकको सञ्चालक समितिको तर्फबाट यस साधारण सभामा पेश गरिएको वार्षिक प्रतिवेदन तथा लेखापरीक्षण प्रतिवेदनको अध्ययनबाट यहाँहरूलाई लागेका कुराहरू, सुझाव सल्लाहहरूलाई यस बैंकको भावी रणनीति, विकास योजना तथा कार्यक्षमता अभिवृद्धिका लागी मार्ग निर्देशनको रूपमा ग्रहण गरिने तथ्य विश्वास दिलाउन चाहन्छु।

बैंक तथा वित्तीय संस्था सम्बन्धी ऐन २०७३, कम्पनी ऐन २०६३, धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को परिधिभित्र रही Nepal Financial Reporting Standard (NFRS) बमोजिम तयार गरिएको सञ्चालक समितिको वार्षिक प्रतिवेदन, लेखापरीक्षकको प्रतिवेदनसहित २०७९ र २०८० असार मसान्तको वासलात, आर्थिक वर्ष २०७८/७९ र २०७९/८० को नाफा नोक्सान हिसाब, नाफा नोक्सान बाँडफाँड हिसाब, नगद प्रवाह विवरण र सम्बन्धित अनुसूचीहरू लगायत अन्तराष्ट्रिय तथा राष्ट्रिय आर्थिक परिदृश्य, यस अवधिमा विकास बैंकले हासिल गरेको उपलब्धि तथा भावी कार्यक्रम तथा रणनीतिहरू यहाँहरू समक्ष प्रस्तुत गर्दछु। यस सम्मानित सभा समक्ष पेश गरिएका सम्पूर्ण प्रस्तावहरू सर्वसम्मतिबाट पारित गरिदिनुहुन सम्पूर्ण शेयरधनी महानुभावहरूमा हार्दिक अनुरोध गर्दछु।

### १. अन्तर्राष्ट्रिय आर्थिक परिदृश्य

कोभिड महामारी, भू-राजनीतिक तनाव र मुद्रास्फीति नियन्त्रणका लागि अवलम्बन गरिएको कसिलो मौद्रिक नीतिका कारण विश्व अर्थतन्त्र शिथिल बनेको छ। सन २०२२ मा ३.५ प्रतिशतले विस्तार भएको विश्व अर्थतन्त्र सन २०२३ मा ३.० प्रतिशत र सन २०२४ मा २.९ प्रतिशतले वृद्धि हुने प्रक्षेपण रहेको छ। सन २०२२ मा २.६ प्रतिशतले विस्तार भएको विकसित अर्थतन्त्रको वृद्धिदर सन २०२३ मा १.५ प्रतिशतमा सीमित हुने र सन २०२२ मा ४.१ प्रतिशतले विस्तार भएको उदीयमान तथा विकासोन्मुख अर्थतन्त्रको वृद्धिदर सन २०२३ मा ४.० प्रतिशतले वृद्धि हुने प्रक्षेपण रहेको छ।

विकसित एवम उदीयमान मुलुकहरूका केन्द्रीय बैंकले अवलम्बन गरेको कसिलो मौद्रिक नीतिको कार्यदिशाका कारण मुद्रास्फीति घटने क्रममा रहेको छ। फलस्वरूप, कोभिड महामारी, रुस यूक्रेन युद्ध र अन्तर्राष्ट्रिय भू-राजनीतिक तनावका कारण विश्वव्यापी रूपमा उच्च रहेको मुद्रास्फीति क्रमशः कम हुँदै जान थालेको छ। सन २०२२ मा विश्वको औसत उपभोक्ता मुद्रास्फीति ८.७ प्रतिशत रहेकोमा सन २०२३ मा ६.९ प्रतिशत र सन २०२४ मा ५.८ प्रतिशत रहने कोषको प्रक्षेपण छ। सन २०२२ मा विकसित र विकासोन्मुख मुलुकहरूको मुद्रास्फीति क्रमशः ७.३ प्रतिशत र ९.८ प्रतिशत रहेकोमा सन २०२३ मा क्रमशः ४.६ प्रतिशत र ८.५ प्रतिशत तथा सन २०२४ मा क्रमशः ३.० प्रतिशत र ७.८ प्रतिशत रहने प्रक्षेपण

छ । तर, पछिल्लो समय इजरायल-हमासबीच शुरु भएको युद्धका कारण विश्व आपूर्ति प्रणाली थप प्रभावित हुने जोखिम भने बढेको छ ।

मुद्रास्फीति नियन्त्रणका लागि विश्वका अधिकांश केन्द्रीय बैंकहरूले अवलम्बन गरेको मौद्रिक नीतिको कसिलो कार्यदिशा केही समय अझै कायम रहने देखिन्छ । अमेरिकी फेडरल रिजर्भले सन २०२३ जुलाईमा फेडरल फण्ड रेट वृद्धि गरी ५.२५-५.५० प्रतिशत पुऱ्याएकोमा सन २०२३ सेप्टेम्बरमा पनि सोही नीतिगत दरलाई निरन्तरता दिएको छ । बैंक अफ इल्याण्डले पछिल्लो पटक सन २०२३ अगष्टमा बैंक दर ०.२५ प्रतिशतले वृद्धि गरी ५.२५ प्रतिशत पुऱ्याएकोमा सन २०२३ सेप्टेम्बरमा पनि सो दरलाई निरन्तरता दिएको छ । भारतीय रिजर्भ बैंकले सन २०२३ फेब्रुअरीदेखि रिपो रेटलाई ६.५० प्रतिशत र स्थायी तरलता सुविधाको ब्याजदरलाई ६.७५ प्रतिशत कायम गरेकोमा सो दरहरूलाई सन २०२३ अक्टुबरको मौद्रिक नीतिको समीक्षा गर्दा समेत यथावत नै राखेको छ ।

## २. राष्ट्रिय आर्थिक परिदृश्य

२०८० असोज मसान्तमा वार्षिक बिन्दुगत उपभोक्ता मुद्रास्फीति ७.५० प्रतिशत रहेको छ । अघिल्लो वर्षको सोही अवधिमा यस्तो मुद्रास्फीति ८.५० प्रतिशत रहेको थियो । २०८० असोज मसान्तमा वार्षिक बिन्दुगत आधारमा खाद्यान्न समूहको मूल्य वृद्धि ८.३८ प्रतिशत र गैर-खाद्य तथा सेवा समूहको मूल्य वृद्धि ६.८१ प्रतिशत रहेको छ । अघिल्लो वर्षको सोही अवधिमा यस्तो समूहको मूल्य वृद्धि क्रमशः ८.०५ प्रतिशत र ८.८५ प्रतिशत रहेको थियो । आर्थिक वर्ष २०८०/८१ मा वार्षिक औसत उपभोक्ता मुद्रास्फीति ६.५० प्रतिशतको सीमाभित्र रहने गरी मौद्रिक व्यवस्थापन गरिने नीति लिइएकोमा पहिलो तीन महिनाको औसत उपभोक्ता मुद्रास्फीति ७.७४ प्रतिशत कायम भएको छ । समीक्षा अवधिमा खासगरी खाद्य तथा पेय पदार्थ समूहको मूल्य वृद्धि दर उच्च रहेको छ ।

आर्थिक वर्ष २०७९/८० मा कुल वस्तु निर्यातमा २१.४ प्रतिशतले कमी आई रु.१५७ अर्ब १४ करोड कायम भएको छ । अघिल्लो वर्ष यस्तो निर्यात ४१.७ प्रतिशतले बढेको थियो । गन्तव्यका आधार मा भारततर्फ भएको निर्यात ३१.३ प्रतिशतले घटेको छ भने चीन तथा अन्य मुलुकतर्फ भएको निर्यात क्रमशः ११८.३ प्रतिशत र १०.७ प्रतिशतले वृद्धि भएको छ । वस्तुगत आधारमा जिंक शिट, पार्टिकल बोर्ड, अलैंची, ऊनी गलैंचा, पोलिष्टर धागो लगायतका वस्तुको निर्यात बढेको छ भने सोयाविन तेल, पाम तेल, पिना, लत्ताकपडा, सुन चाँदीका सामान तथा गरगहना लगायतका वस्तुको निर्यात घटेको छ ।

आर्थिक वर्ष २०७९/८० मा विप्रेषण आप्रवाह २१.२ प्रतिशतले वृद्धि भई रु.१२२० अर्ब ५६ करोड पुगेको छ । अघिल्लो वर्ष विप्रेषण आप्रवाह ४.८ प्रतिशतले बढेको थियो । अमेरिकी डलरमा विप्रेषण आप्रवाह १२.१ प्रतिशतले वृद्धि भई ९ अर्ब ३३ करोड पुगेको छ । अघिल्लो वर्ष यस्तो आप्रवाह २.२ प्रतिशतले बढेको थियो । आर्थिक वर्ष २०८०/८१ को तीन महिनामा विप्रेषण आप्रवाह ३० प्रतिशतले बढेको छ । विप्रेषण आप्रवाहमा भएको उल्लेख्य वृद्धिका कारण चालु खाता तथा शोधनान्तर स्थिति बचतमा राख्न सहयोग पुगेको छ । चालु आर्थिक वर्षको तीन महिनामा चालु खाता रु.५९ अर्ब ९ करोड र शोधनान्तर स्थिति रु.९९ अर्ब ७ करोडले बचतमा रहेको छ । अघिल्लो आर्थिक वर्षको सोही अवधिमा चालु खाता रु.३५ अर्ब २४ करोडले घाटामा र शोधनान्तर स्थिति रु.१२ अर्ब ४३ करोडले बचतमा रहेको थियो ।

बाह्य क्षेत्रमा सुधार भई ब्याजदर घट्दो क्रममा रहेकोले निजी माग विस्तार हुने र यसबाट आर्थिक क्रियाकलाप चलायमान बनाउन सहयोग पुग्ने देखिन्छ । बाह्य रोजगारीमा जानेको संख्या बढेको हुनाले विप्रेषण आप्रवाह पनि सन्तोषप्रद रहने अनुमान छ । तर, उल्लेख्य संख्यामा युवाहरू वैदेशिक रोजगारी र अध्ययनको लागि विदेशिने क्रम बढेकोले आन्तरिक माग

केही हदसम्म प्रभावित भएको छ ।

कोरोना माहामारी पछि व्यवसायीक गतिविधीमा सुस्तता, बढ्दो मुद्रास्फीति, घरजग्गा कारोवारमा कमी तथा शेयर बजारको उच्च गिराबटको कारण नेपालको समग्र वित्तीय प्रणालीमा निष्कृत्य कर्जाको अनुपातमा उल्लेख्य वृद्धि भएको छ । आ.व. २०७८/७९ मा निष्कृत्य कर्जा १.३१ प्रतिशत, आ.व. २०७९/८० को असार मसान्तमा ३.४८ प्रतिशत रहेकोमा चालु आर्थिक वर्षको दाम्रो त्रैमासको अन्त्यमा निष्कृत्य कर्जा ४.०२ प्रतिशत पुगको छ । चालु र विगतको आर्थिक वर्षमा निष्कृत्य कर्जामा भएको उल्लेख्य वृद्धिका कारण देशको समग्र वित्तिय क्षेत्रको मुनाफामा प्रतिकुल प्रभाव परेको छ ।

**यस बैंकको आ.व. २०७८/७९ र २०७९/८० को कारोबारको सिंहावलोकन :**

यस डेभलपमेन्ट बैंकले आर्थिक वर्ष २०७८/७९ मा व्यवसाय विस्तारमा उत्साहजनक उपलब्धिहरु हासिल गर्न सफल भएको छ । प्रतिकुल परिस्थितिका बाबजुत पनि बैंकले निक्षेप संकलनमा ५५.६६ प्रतिशतले वृद्धि गरी रु.२ अर्ब ८८ करोड ५२ लाख र कर्जा लगानी तर्फ ३६.६६ प्रतिशतले वृद्धि गरी रु.२ अर्ब ५९ करोड ६० लाख पुऱ्याउन सफल भएको छ । साथै आर्थिक वर्ष २०७८/०७९ मा बैंकले रु.१ करोड ८६ लाख ७५ हजार खुद मुनाफा गरेको छ ।

यस बैंकको आ.व. २०७९/८० मा निक्षेप संकलनमा ३३.७८ प्रतिशतले वृद्धि गरी रु.३ अर्ब ८५ करोड ९७ लाख र कर्जा लगानी तर्फ २८.२० प्रतिशतले वृद्धि गरी रु.३ अर्ब २९ करोड ७१ लाख पुऱ्याउन सफल भएको छ । साथै आर्थिक वर्ष २०७९/०८० मा बैंकले रु. १ करोड ६४ लाख ९५ हजार खुद मुनाफा गरेको छ ।

बैंकको आ.व. २०७८/७९ र २०७९/८० मा रहेका वित्तिय विवरणहरुको तुलनात्मक स्थिति निम्न अनुसार रहेको छ ।

शिर्षक	आ.व. २०७८/०७९	आ.व. २०७९/०८०	वृद्धि प्रतिशत
चुक्ता पूँजी	५१,९०,००,०००/००	५१,९०,००,०००/००	-
कूल सम्पत्ति	३,७३,२५,७५,०६३/००	४,७७,१५,२९,०६९/००	२७.८३
कूल निक्षेप संकलन	२,८८,५२,६३,८०८/००	३,८५,९७,९१,०७५/००	३३.७८
कूल कर्जा सापटी तथा लगानी	२,५७,१९,०४,९३१/००	३,२९,७१,०६,७५०/००	२८.२०
सञ्चालन खर्च	८,५२,६५,११४/००	९,३१,५०,६१६/००	९.२५
खुद मुनाफा	१,८६,७५,०७२/००	१,६४,९५,६७१/००	-११.६७
प्रतिशेयर आमदानी	३.६०	३.१८	-११.६७

**कुल सम्पत्ति :**

आर्थिक वर्ष २०७८/७९ को अन्त्यमा डेभलपमेन्ट बैंकको कुल सम्पत्ति रु.३ अर्ब ७३ करोड २५ लाख रहेकोमा आर्थिक वर्ष २०७९/८० को अन्त्यमा २७.८३ प्रतिशतले वृद्धि भई कुल सम्पत्ति रु.४ अर्ब ७७ करोड १५ लाख पुगेको छ ।

**निक्षेप परिचालन:**

आर्थिक वर्ष २०७८/७९ को अन्त्यमा डेभलपमेन्ट बैंकले रु.२ अर्ब ८८ करोड ५२ लाख निक्षेप परिचालन भएकोमा आर्थिक वर्ष २०७९/८० को अन्त्यमा निक्षेप संकलनमा ३३.७८ प्रतिशतको वृद्धि हासिल गरी कुल निक्षेप दायित्व रु.३ अर्ब ८५ करोड ९७ लाख पुगेको छ ।

**कर्जा विस्तार तथा व्यवस्थापन:**

गत आ.व. को अन्त्यमा कायम रहेको कुल कर्जा रकम रु. २ अर्ब ५९ करोड ६० लाखमा २७.१३ प्रतिशतले वृद्धि भई यस आ.व. को अन्त्यमा रु. ३ अर्ब ३० करोड ०२ लाख पुगेको छ। स्वीकारयोग्य धितो राखी प्रवाह भएका कर्जाहरू तुलनात्मक रूपमा बढी सुरक्षित हुने हुँदा बैंकले यस्ता कर्जाहरूलाई पहिलो प्राथमिकतामा राखेको छ। त्यस्तै साना तथा मझौला कर्जाहरू तुलनात्मक रूपमा सुरक्षित र बढी प्रतिफल प्रदान गर्ने हुँदा बैंकले यस्ता कर्जाहरूलाई समेत उच्च प्राथमिकतामा राखेको छ। यस्ता कर्जाको परिचालनमा शाखाहरूको उल्लेख्य सहभागिता रहेको छ। क्षेत्रगत सीमा अन्तर्गत बैंकको आफ्नो कर्जा नीति अनुरूप सीमा कायम गरिएको हुँदा 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 लगायत एकल ग्राहक कर्जा सम्बन्धमा पनि तोकिएको कर्जा सीमाको पूर्णरूपले अनुपालना गरेको छ।

राष्ट्रिय तथा अन्तराष्ट्रिय अर्थतन्त्रमा भएको मन्दी तथा समग्र वित्तिय प्रणालीमा समेत निष्कृत्य कर्जाको मात्रामा भएको वृद्धिको प्रभाव स्वरूप बैंकको गत तथा चालु आर्थिक वर्षको निष्कृत्य कर्जामा वृद्धि भएको छ। बैंकको प्रतिफललाई वृद्धि गर्न निष्कृत्य कर्जा व्यवस्थापन तथा न्युनिकरण गरि कर्जा असुली प्रकृया र जोखिम व्यवस्थापन प्रणालीलाई प्रभावकारी बनाइने छ।

**आय :**

बैंकको आम्दानीलाई सञ्चालन र गैह्र सञ्चालन गरी २ भागमा छुट्टाइएको छ। सञ्चालन आम्दानी अन्तर्गत ब्याज आम्दानी, शुल्क तथा कमिशन र अन्य सञ्चालन आम्दानीलाई समावेश गरिएको छ। आ.व. २०७८/७९ मा बैंकले सञ्चालन र गैह्र सञ्चालन आम्दानी अन्तर्गत क्रमशः रु. १३ करोड २० लाख र रु. १९ लाख ४९ हजार आय गरेकोमा आ.व. २०७९/८० मा क्रमशः रु. १७ करोड ३४ लाख र रु. ८ लाख ६४ हजार आय गरेको छ।

आ.व. २०७८/७९ मा बैंकको व्याज आम्दानी र व्याज खर्च क्रमशः रु. ३० करोड ९२ लाख र रु. १९ करोड १० लाख भएकोमा आ.व. २०७९/८० मा क्रमशः रु. ५२ करोड ३४ लाख र रु. ३६ करोड ४७ लाख भएको छ। आ.व. २०७९/८० मा गत वर्षको तुलनामा खुद व्याज आम्दानी रु. ४ करोड ५ लाख (३४.३३ प्रतिशत) ले वृद्धि भएको छ।

**सञ्चालन खर्च :**

आर्थिक वर्ष २०७८/७९ मा डेभलपमेन्ट बैंकको सञ्चालन खर्च रु. ८ करोड ५२ लाख रहेकोमा आर्थिक वर्ष २०७९/८० मा ९.२५ प्रतिशतले वृद्धि भई रु. ९ करोड ३१ लाख भएको छ।

**प्रतिशेयर आम्दानी :**

आर्थिक वर्ष २०७८/७९ को अन्त्यमा डेभलपमेन्ट बैंकको प्रति शेयर आम्दानी रु. ३.६० रहेकोमा आर्थिक वर्ष २०७९/८० मा ११.६७ प्रतिशतले कमी भई रु. ३.१८ रहेको छ।

**४) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नु पर्ने कुराका सम्बन्धमा सञ्चालक समितिको धारणा:**

चालु आ.व. २०८०/८१ को पौष मसान्त सम्मको आर्थिक कारोवारको विवरण निम्न अनुसार रहेको छ।



क्र.सं.	शिर्षक	आ.व. २०८०/८१ (६ महिनाको अवधिमा)
१.	निक्षेप संकलन	४ अर्ब ०७ करोड ४१ लाख
२.	कर्जा सापट तथा लगानी	३ अर्ब ५१ करोड ७७ लाख
३.	कुल सम्पत्ति	४ अर्ब ७८ करोड १९ लाख
४.	शाखा कार्यालय	१५

बैंकलाई दिगो, भरपर्दो र कम जोखिम हुने तवरले सञ्चालन गरि प्रतिफलको स्तरमा सुधार गर्दै लैजानु पर्ने आवश्यकता महसुस भएको छ । यसका लागि हाम्रो प्रयास व्यवसाय विस्तारमा केन्द्रित गरिनेछ । बैंकले उच्च क्षमता भएका कर्मचारी भर्ना गर्ने र भएका कर्मचारीको मनोबल उकासी उत्पादकत्व बढाउने कार्य गरिनेछ । सम्भाव्य क्षेत्रहरूमा शाखा संजाल वृद्धि गर्दै व्यवसाय विस्तारको आधार तयार गर्दै लगिनेछ । ग्राहकहरूको सन्तुष्टिलाई प्राथमिकतामा राखि काम गर्ने संस्कार र कार्यप्रणालिको विकास गर्दै लगिनेछ । प्रविधिमा भएको विकासले बैंकिङ्ग व्यवसाय लगायत ग्राहकहरूको जीवन शैलीमा ठूलो बदलाव आईरहेको परिप्रेक्ष्यमा बैंकले प्रविधिको प्रयोगमा जोड दिँदै आफ्ना वस्तु र सेवा प्रदान गर्नेछ । नेपालको बैंकिङ्ग क्षेत्रमा हुने परिवर्तनहरूको कारण सिर्जना हुने अवसरको सदुपयोग र चुनौतिको सामना गर्न उच्च स्तरको सजगता अपनाई अगाडि बढिनेछ ।

#### ५) औद्योगिक तथा व्यवसायिक सम्बन्ध :

बैंकले आफ्नो सेवाको विस्तार एवम् प्रवर्धनको लागि विभिन्न उद्योगि, व्यवसायी तथा व्यवसायिक प्रतिष्ठान, संघ, संस्था एवं ग्राहक वर्गहरूसँगको व्यवसायिक सम्बन्धलाई अत्यन्त महत्व दिँदै आएको छ । कास्की जिल्लाको रुपा गाउँपालिकामा कृषी तथा पशुपालन व्यवसायमा संलग्न कृषकहरूलाई लागि बैंकले धितो लिई वा नलिई सहूलियपुर्ण कर्जा प्रवाह गर्न गाउँपालिकाले प्रस्ताव गरे बमोजिम उक्त गाउँपालिकाको सिफारिस तथा जमानीमा सहूलियतपुर्ण कर्जा प्रवाह सम्बन्धी सम्झौता गरी सहूलियपुर्ण कर्जा प्रवाह गर्दै आएको छ । बैंकले युवा तथा साना व्यवसायी स्वरोजगार कोष र पोखरा महानगरपालिको सहकार्यमा आधारित साभेदारी स्वरोजगार कार्यक्रम अर्न्तगत पोखरा महानगरपालिका वडा कार्यालयहरू बाट सिफारिस भई आएका स्वरोजगार बन्न चाहने लक्षित समुदायका युवा तथा साना व्यवसायीहरूलाई श्रम, सीप र उत्पादनमुलक कार्यमा लगाई स्थानिय श्रोत साधनको अधिकतम उपयोग गर्ने रोजगारीका अवसर सिर्जना गरी सामाजिक, आर्थिक रुपान्तरण र विकास कार्यमा परिचालन गर्ने उद्देश्यले कोषसँग कर्जा लगानीको लागि सम्झौता गरेको छ । बैंकले प्रदान गरेको स्तरिय बैंकिङ्ग सेवाको कारणले गर्दा औद्योगिक तथा व्यवसायिक प्रतिष्ठानहरूको साथै हाम्रा ग्राहकहरूसँगको व्यवसायिक सम्बन्ध सौहार्दपूर्ण रहेको छ । आगामी दिनहरूमा यस्ता सम्बन्धहरूलाई अभि बढि फराकिलो, बलियो र लाभदायक बनाउँदै लगिनेछ ।

#### ६) सञ्चालक समितिमा भएको हेरफेर र सोको कारण :

- यस बैंकको उन्नती र प्रगतीका लागि सदैव क्रियाशिल रही बैंकलाई स्थापित गराउन महत्वपुर्ण भूमिका निर्वाह गर्ने अभिभावकका रुपमा रहनुभएका स्वतन्त्र सञ्चालक श्री राधेश्याम कमरोज्यूको मिति २०७८ श्रावण २३ गते भएको असामयिक दुखद निधन भएको छ ।
- रिक्त रहेको स्वतन्त्र सञ्चालक पदमा मिति २०७८ साल आश्विन ३१ गते आईतवारका दिन सञ्चालक समितिको १६९ औं बैठकबाट नागार्जुन नगरपालिका-२, काठमाण्डौं निवासी श्री भरत कुमार शाक्यलाई नियुक्त गरियो ।
- स्वतन्त्र सञ्चालक श्री भरत कुमार शाक्यले आफ्नो व्यक्तिगत कारण देखाई मिति २०७८/११/३० मा दिनुभएको

- राजिनामा २०७८ साल चैत्र ११ गते बसेको सञ्चालक समितिको १७४ औं बैठकबाट स्वीकृत गरियो ।
- सर्वसाधारण सञ्चालक श्री प्रकाश कुमार श्रेष्ठले आफ्नो व्यक्तिगत कारण देखाई मिति २०७९/०९/१३ मा दिनुभएको राजिनामा २०७९ साल पौष १४ गते बिहबार बसेको सञ्चालक समितिको १८६ औं बैठकबाट स्वीकृत गर्ने निर्णय गरियो ।
  - रिक्त रहेको स्वतन्त्र सञ्चालक पदमा काठमाण्डौ महानगरपालिका वडा नं १६, नयाँबजार निवासी श्रीमती नारायणी देवी श्रेष्ठलाई २०७९ साल माघ १६ गते सोमवार बसेको सञ्चालक समितिको १८७ औं बैठकबाट नियुक्त गर्ने निर्णय गरियो ।
  - रिक्त रहेको सर्वसाधारण शेयरधनीहरूको प्रतिनिधित्व गर्ने सञ्चालक पदमा हरिनास गाँउपालिका वडा नं ३, स्याङ्जा निवासी श्री सुर्य प्रसाद लम्साल लाई बाँकी कार्यकालको लागी आगामी वार्षिक साधारण सभाबाट अनुमोदन गर्ने गरी सर्वसाधारण समुह अन्तर्गतको सञ्चालक पदमा मिति २०७९ साल चैत्र १७ गते शुक्रवार सञ्चालक समितिको १८९ औं बैठकबाट नियुक्ति गर्ने निर्णय गरियो ।
  - सर्वसाधारण शेयरधनीहरूको प्रतिनिधित्व गर्ने सञ्चालक लेकसिटी होल्डिङ्ग प्रा.लि.का प्रतिनिधी श्री विश्व मोहन अधिकारीले आफ्नो व्यक्तिगत कारण देखाई मिति २०७९/०९/१५ मा दिनुभएको राजिनामा मिति २०७९ साल चैत्र २० गते सोमवार सञ्चालक समितिको १९० औं बैठकबाट स्वीकृत गर्ने निर्णय गरियो ।
  - रिक्त रहेको सर्वसाधारण सञ्चालक पदमा मिति २०८० साल फागुन १६ गते बुधवारका दिन सञ्चालक समितिको २०५ औं बैठकबाट काठमाडौं महानगरपालिका-१४, काठमाण्डौं निवासी श्री प्रज्वल श्रेष्ठलाई नियुक्त गरियो ।

#### ७) कारोबारलाई असर पार्ने मुख्य कुराहरू :

बैंकको कारोबारलाई असर गर्ने मुख्य कुराहरू निम्नानुसार रहेका छन् :

- देशको राजनैतिक अस्थिरताले बैकिङ्ग लगायत समग्र आर्थिक क्षेत्रलाई पार्ने प्रतिकूल प्रभाव ।
- देशको अर्थतन्त्र पुनरात्थान तथा वृद्धिको स्तर र यसले सिर्जना गर्ने आर्थिक अवसर तथा चुनौतीहरू ।
- समय समयमा देखिने तरलताको अभाव वा अधिक तरलताको अवस्था ।
- सरकारको बजेट कार्यक्रम र त्यसको कार्यान्वयनको स्थिति ।
- नियमनकारी निकायहरूबाट समय समयमा परिवर्तन हुने नीतिका कारणबाट सिर्जित हुन सक्ने जोखिमहरू ।
- आर्थिक र सामाजिक परिवर्तनको कारण ग्राहकहरूको रुची र आँकाक्षामा आउने परिवर्तनहरू ।
- प्रविधिमा भैरहेको अदभुत विकास र यसले समग्र जनजीवनमा पारिरहेको प्रभाव ।
- बैकिङ्ग क्षेत्रमा बढ्दै गईरहेको प्रतिस्पर्धा ।
- व्याजदरमा देखिएको तीव्र उतार चढाव ।
- कार्य सञ्चालनका विधिहरूमा भैरहेको परिवर्तन ।
- जोखिमहरू बृद्धि र कार्यसञ्चालनमा बढ्दै गईरहेको जटिलता ।
- बैकिङ्ग क्षेत्रका अन्य बैंक तथा वित्तिय संस्थाहरूले गर्ने कार्यहरू तथा लिने रणनीतिहरू ।
- बैंकका आन्तरिक क्षमताहरू ।

#### ८) लेखापरीक्षण प्रतिवेदनको कैफियत उपर सञ्चालक समितिको प्रतिक्रिया :

लेखापरीक्षण प्रतिवेदनमा औल्याइएका कैफियतहरू उपर सञ्चालक समिति गम्भिर रहेको छ। भएका त्रुटि कमी कमजोरीहरूलाई सुधार गर्न र आगामी दिनहरूमा यस्ता कमी कमजोरी हुन नदिन सजग रही, लेखापरीक्षकले दिनु भएको सुभावहरूलाई

कार्यान्वयन गर्न व्यवस्थापनलाई निर्देशन गरिएको छ ।

९) लाभास बाँडफाड गर्न सिफारिस गरिएको रकम :

आ.व.२०७८/७९ को मुनाफा तथा संचित मुनाफा रकम बाट यस डेभलपमेन्ट बैंकको हाल कायम चुक्ता पूँजी रु.५१,९०,००,०००/- (अक्षरेपी एकाउन करोड नब्बे लाख रुपैयाँ मात्र) को ३।८ प्रतिशतका दरले हुन आउने रकम रु.१,९७,२२,०००/- (अक्षरुपी एक करोड सन्तानब्बे लाख बाईस हजार रुपैयाँ मात्र) बोनस शेयर वितरण गर्ने र ०।२० प्रतिशतले हुन आउने नगद लाभांश रु. १०,३८,०००/- (अक्षरेपी दश लाख अठतीस हजार रुपैयाँ मात्र) लाभांशमा लाग्ने कर प्रयोजनार्थ वितरण गर्ने ।

१०) शेयर जफत सम्बन्धमा :

यस आ.व. मा कुनै शेयर जफत गरिएको छैन ।

११) कम्पनी र यसको सहायक कम्पनीको कारोवार प्रगति :

यस कम्पनीको कुनै सहायक कम्पनी छैन ।

१२) कम्पनी र यसका सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोवारहरु :

नरहेको ।

१३) कम्पनीका आधारभूत शेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारी :

नरहेको ।

१४) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरुले लिएको शेयरको स्वामित्वको विवरण :

सि.नं.	सञ्चालक तथा पदाधिकारीहरुको नाम	पद	शेयर संख्या
१.	श्री सुर्य प्रसाद लम्साल	सञ्चालक	२००
२.	श्रीमती नारायणी देवी श्रेष्ठ	सञ्चालक	१००

१५) कम्पनीसंग सम्बन्धित सम्भौताहरुमा कुनै सञ्चालक तथा निजका आफन्तको व्यक्तिगत स्वार्थ सम्बन्धी जानकारीको

व्यहोरा : यस प्रकारको कुनै पनि जानकारी प्राप्त भएको छैन ।

१६) कम्पनीले आफ्नो शेयर आफै खरिद गरिएको विवरण :

कम्पनीले आफ्नो शेयर आफै खरिद गरेको छैन ।

१७) आन्तरिक नियन्त्रण व्यवस्था :

बैंकले आन्तरिक नियन्त्रण सशक्त र प्रभावकारी बनाउनका साथै आइपर्न सक्ने जोखिमहरुको न्यूनिकरण एवम व्यवस्थापनको लागि आन्तरिक नियन्त्रण प्रणालीलाई सुदृढ बनाउँदै लगेको छ । जोखिमहरुको पहिचान गरी यसको समुचित व्यवस्थापन गर्नको लागि लेखापरीक्षण समिति, जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति तथा सम्पत्ति शुद्धिकरण समितिहरुले सक्रियता पूर्वक कार्य गर्दै आएका छन् । संगठनात्मक संरचनालाई वैज्ञानिक र जोखिम नियन्त्रण हुन सक्ने हिसावले समयानुकूल परिवर्तन गर्दै लगेका छौ । विभिन्न नीति, नियम, निर्देशिका तर्जुमा गरी आवश्यकता बमोजिम संसोधन

र परिमार्जन गरी कार्यान्वयन गर्ने गरिएको छ । आन्तरिक लेखापरीक्षण कार्यलाई अझ बढी चुस्त, दुरुस्त बनाउन, समग्र कारोबारको निरीक्षण गर्न र जोखिमलाई न्युनीकरण गर्न नियमित आन्तरिक लेखापरीक्षण गर्नुका साथै लेखापरीक्षकले औल्याएका कैफियतहरु र बाह्य लेखापरीक्षकले उठाएका टिप्पणीहरु लेखापरीक्षण समितिमा छलफल भै उक्त समितिको सिफारिस बमोजिम सञ्चालक समितिको बैठकमा छलफल गर्ने गरिएको छ ।

**१८) आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :**

आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण निम्न अनुसार रहेको छ ।

सि.नं	विवरण	रकम रु.
१	कर्मचारी खर्च (आ.व.२०७९/८०)	४,९८,८४,११६/-
२	कर्मचारी खर्च (आ.व.२०७८/७९)	४,५३,३१,१६७/-
३	कार्यालय सञ्चालन खर्च (आ.व.२०७९/८०)	२,९७,२३,०३८/-
४	कार्यालय सञ्चालन खर्च (आ.व.२०७८/७९)	२,५२,२०,७६१/-

**१९) लेखा परीक्षण समितिका पदाधिकारीहरुको नाम, निजहरुको काम, कर्तव्य र सुविधा :**

क्र.सं	नाम	पद
१.	श्री सुर्य प्रसाद लम्साल	संयोजक (सञ्चालक)
२.	श्री कृष्ण शंकर श्रेष्ठ	सदस्य (सञ्चालक)
३.	श्री दुर्गा प्रसाद श्रेष्ठ, वित्त तथा योजना विभाग प्रमुख	सदस्य सचिव

लेखापरीक्षण समितिले कम्पनी ऐन २०६३ तथा नेपाल राष्ट्र बैंकवाट जारी निर्देशिका अर्न्तगत रहेर कार्य सम्पादन गर्दै आएको छ । लेखापरीक्षण समितिका संयोजक र सञ्चालक सदस्यलाई प्रति बैठक भत्ता रु.४,०००/- प्रदान गर्ने गरिएको छ । बैठक भत्ता वाहेक अन्य सुविधा प्रदान गरिएको छैन ।

२०) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेरधनी वा निजका आफन्तले कम्पनीलाई बुझाउन बाँकी भएको रकम : छैन ।

**२१) सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरुलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको विवरण :**

सि.नं.	विवरण	विवरण	पारिश्रमिक, भत्ता तथा सुविधाको रकम रु. (२०७९/८०)	पारिश्रमिक, भत्ता तथा सुविधाको रकम रु. (२०७८/७९)
१	सञ्चालक समिति	अध्यक्ष श्री गणेश कुमार श्रेष्ठ	१०८,०००/-	८८,०००/-
		सदस्य श्री कृष्ण शंकर श्रेष्ठ	१३०,०००/-	१२२,०००/-
		सदस्य श्री मनोविज्ञान श्रेष्ठ	१०६,०००/-	९०,०००/-
		सदस्य श्री प्रकाश कुमार श्रेष्ठ	६५,०००/-	११०,०००/-
		सदस्य श्री विश्व मोहन अधिकारी	४५,०००/-	८६,०००/-
		सदस्य श्री सुर्य प्रसाद लम्साल	४४,५००/-	-
		सदस्य श्रीमती नारायणी देवी श्रेष्ठ	४१,०००/-	-
		सदस्य श्री भरत कुमार शाक्य	-	२८,२५०/-
		सदस्य स्व: श्री राधेश्याम कमारो	-	१३,५००/-

आर्थिक वर्ष २०७८/७९ मा सञ्चालक समितिको बैठक १५ पटक बसेको र सञ्चालक समितिको बैठकमा उपस्थित हुँदाको बैठक भत्ता नियमावलीमा उल्लेख भए बमोजिम अध्यक्ष एवम् सञ्चालकहरूलाई प्रति बैठक भत्ता क्रमश रु. ५,०००/- र रु. ४,०००/- प्रदान गरिएको छ। आर्थिक वर्ष २०७८/७९ मा उपसमिति बैठक भत्ता प्रति बैठक रु. ४,०००/- प्रदान गरिएको छ। यस बाहेक सञ्चालकहरूलाई मासिक रुपमा पत्रपत्रिका तथा टेलिफोन सुविधा वापत रु. १,५००/- प्रदान गरिएको छ। त्यस्तै आर्थिक वर्ष २०७८/७९ मा प्रमुख कार्यकारी अधिकृतलाई वार्षिक तलव, भत्ता वापत रु. ४९,०५,०७५।७२ भुक्तानी गरिएको छ। विल मोवाइल खर्च भुक्तानी, दुर्घटना विमा, औषधि उपचार विमा र विदा नियमअनुसार प्रदान गरिएको छ। प्रमुख कार्यकारी अधिकृतको पारिश्रमिक समेत व्यवस्थापनका अन्य कर्मचारीको पारिश्रमिक र सुविधा गरी समिक्षा वर्षमा जम्मा रु. ८३,३८,७२३/- (अक्षरूपी त्रियासी लाख अट्तिहजार सात सय तेइस रुपैया) मात्र खर्च भएको जानकारी गराउँदछु।

आर्थिक वर्ष २०७९/८० मा सञ्चालक समितिको बैठक १९ पटक बसेको र सञ्चालक समितिको बैठकमा उपस्थित हुँदाको बैठक भत्ता नियमावलीमा उल्लेख भए बमोजिम अध्यक्ष एवम् सञ्चालकहरूलाई प्रति बैठक भत्ता क्रमश रु. ५,०००/- र रु. ४,०००/- प्रदान गरिएको छ। आर्थिक वर्ष २०७९/८० मा उपसमिति बैठक भत्ता प्रति बैठक रु. ४,०००/- प्रदान गरिएको छ। यस बाहेक सञ्चालकहरूलाई मासिक रुपमा पत्रपत्रिका तथा टेलिफोन सुविधा वापत रु. १,५००/- प्रदान गरिएको छ। त्यस्तै आर्थिक वर्ष २०७९/८० मा प्रमुख कार्यकारी अधिकृतलाई वार्षिक तलव, भत्ता वापत रु. २७,३०,९२९।५१ भुक्तानी गरिएको छ। विल मोवाइल खर्च भुक्तानी, दुर्घटना विमा, औषधि उपचार विमा र विदा नियमअनुसार प्रदान गरिएको छ। प्रमुख कार्यकारी अधिकृतको पारिश्रमिक समेत व्यवस्थापनका अन्य कर्मचारीको पारिश्रमिक र सुविधा गरी समिक्षा वर्षमा जम्मा रु. ६६,९६,३१६/- (अक्षरूपी छैसठ्ठी लाख छ्यानब्बे हजार तीन सय सोह्र रुपैया) मात्र खर्च भएको जानकारी गराउँदछु।

सञ्चालकहरूको पारिश्रमिक, भत्ता तथा सुविधा रकममा अन्य उपसमितिहरूको बैठक भत्ता समेत समावेश गरिएको छ।

२	लेखा परिक्षक	<b>बाह्य</b>	
		श्री सुजन काप्ले एण्ड एशोशियट्स (२०७९/८०)	३,१०,७५०/-
		श्री निरन्जन गौतम एण्ड एशोशियट्स (२०७८/७९)	२,२६,०००/-
		<b>आन्तरिक</b>	
		श्री विवेक श्रेष्ठ एण्ड एशोशियट्स (२०७९/८०)	१,९७,७५०/-
		श्री विवेक श्रेष्ठ एण्ड एशोशियट्स (२०७८/७९)	१,६९,५००/-
		(तलब, भत्ता तथा अन्य सुविधा)	

२२) शेरधनीहरूले बुझिलिन बाँकी रहेको लाभांश रकम :  
केही नभएको

२३) पूँजीको पर्याप्तता :

नेपाल राष्ट्र बैंकको निर्देशन अनुसार बैंकको प्राथमिक पूँजी अनुपात ५.५ प्रतिशत र पूँजीकोष अनुपात ११ प्रतिशत हुनुपर्ने व्यवस्था रहको छ। आर्थिक वर्ष २०७९/८० मा यस बैंकको प्राथमिक पूँजी अनुपात १६.६८ र पूँजीकोष अनुपात १८.२६ प्रतिशत कायम रहेको छ। यसरी २०८० को आषाढ मसान्त सम्ममा नेपाल राष्ट्र बैंकको न्युनतम मापदण्ड भन्दा प्राथमिक पूँजी अनुपात र पूँजीकोष अनुपात क्रमश : ११.१८ प्रतिशत र ७.२६ प्रतिशतले बढी रहेको छ। आर्थिक वर्ष २०७८/७९ मा यस बैंकको प्राथमिक पूँजी अनुपात १८.८८ र पूँजीकोष अनुपात २०.०७ प्रतिशत कायम रहेको थियो।

२४) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरणः  
सम्पत्ति सम्बन्धी विवरण यसै साथ संलग्न वित्तीय विवरणमा उल्लेख भएको ।

२५) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारेबारको विवरण :  
यस कम्पनीको कुनै सम्बद्ध कम्पनी रहेको छैन ।

२६) यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा नभएको ।

२७) अन्य :

(अ) कर्मचारी व्यवस्थापन :

बैंकिङ्ग क्षेत्रमा कार्यरत कर्मचारीहरू व्यवसायिक रूपमा दक्ष रहनु पर्छ । व्यवसायीक कारोबारमा भएको वृद्धि साथै समग्र विभागीय क्रियाकलापहरूलाई प्रभावकारी रूपमा सम्पादन गर्न चालु आर्थिक वर्षमा नायब प्रमुख कार्यकारी अधिकृत साथै विभागीय प्रमुखहरू नियुक्त गरिएको छ । कम्पनीको उन्नति प्रगतिमा कर्मचारीहरूको क्रियाशिलताको महत्वपूर्ण भूमिका रहने हुँदा, कर्मचारीहरूको पेशागत दक्षता र क्षमतामा अभिवृद्धि गर्ने तर्फ निरन्तर प्रयासरत रहेका छौं । समय सापेक्ष कर्मचारीहरूको क्षमता अभिवृद्धि गर्न आन्तरिक रूपमा विज्ञहरूलाई आमन्त्रण गरी साथै बाह्य तालिमप्रदायक संस्थाहरूमा आवश्यकता अनुसार कर्मचारीहरूलाई तालिमहरू प्रदान गर्दै आएका छौं ।

(आ) समितिहरू :

नेपाल राष्ट्र बैंकद्वारा जारी गरिएको एकीकृत निर्देशन नं. ६ मा उल्लेखित व्यवस्था एवं काम, कर्तव्य, उत्तरदायित्व बमोजिम सञ्चालकको संयोजकत्वमा देहाय बमोजिमको समिति/उप-समिति गठन भएको छ ।

१) समिति/उप-समितिको नाम : लेखा परीक्षण

क्र.सं	नाम	पद
१.	श्री सुर्य प्रसाद लम्साल	संयोजक (सञ्चालक)
२.	श्री कृष्ण शंकर श्रेष्ठ	सदस्य (सञ्चालक)
३.	श्री सुन्दर पौडेल, अनुपालना विभाग	सदस्य सचिव

२) समिति/उप-समितिको नाम : जोखिम व्यवस्थापन

क्र.सं	नाम	पद
१.	श्री कृष्ण शंकर श्रेष्ठ	संयोजक (सञ्चालक)
२.	श्री सुर्य प्रसाद लम्साल	पदेन सदस्य (सञ्चालक)
३.	श्री दुर्गा प्रसाद श्रेष्ठ, वित्त तथा योजना विभाग प्रमुख	सदस्य
४.	श्री रमेश बज्जरा, जोखिम तथा अनुपालना विभाग	सदस्य सचिव

३) समिति/उप-समितिको नाम : सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समिति (AML/CFT)

क्र.सं	नाम	पद
१.	श्री मनोविज्ञान श्रेष्ठ	संयोजक (सञ्चालक)
२.	श्री रमेश बज्जरा, जोखिम तथा अनुपालना विभाग प्रमुख	सदस्य
३.	श्री अनुप के.सी, अनुपालना अधिकृत - ए.म.एल/सि.फ.टी	सदस्य सचिव

४) समिति/उप-समितिको नाम : कर्मचारी सेवा सुबिधा समिति

क्र.सं	नाम	पद
१.	श्रीमती नारायणी देवी श्रेष्ठ	संयोजक (सञ्चालक)
२.	श्री हरि वहादुर बुढाथोकी, प्रमुख कार्यकारी अधिकृत	सदस्य
३.	श्री दुर्गा प्रसाद श्रेष्ठ, वित्त, योजना तथा संचालन विभाग प्रमुख	सदस्य
४.	श्री अनुप के.सी, मानव श्रोत साधन विभाग प्रमुख	सदस्य सचिव

५) समिति/उप-समितिको नाम : पदपूर्ति समिति

क्र.सं	नाम	पद
१.	श्री प्रकाश गुरुङ्ग, नायव प्रमुख कार्यकारी अधिकृत	संयोजक
२.	श्री अनुप के.सी, जनशक्ती व्यवस्थापन विभाग प्रमुख	सदस्य
३.	श्रीमती मनिषा गौतम, जनशक्ती व्यवस्थापन विभाग	सदस्य

**संस्थागत सामाजिक उत्तरदायित्व :**

संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत बैंकले शिक्षा, स्वास्थ्य, वातावरण संरक्षण, साँस्कृतिक प्रवर्द्धन, वित्तिय साक्षरता, र मानव परोपकार सम्बन्धी विभिन्न कार्यक्रमहरु सञ्चालन गर्दै आएको र आगामी दिनमा पनि यस्ता मानविय कार्यहरुलाई निरन्तरता दिने प्रतिवद्धता लिएको छ । वित्तिय साक्षरता अभिवृद्धि गर्न पोखरा महानगरपालिका अन्तर्गत विभिन्न वडा कार्यालयहरुसँगको समन्वय र सहकार्यमा महिला र समुदायमा पिछडिएका वर्गहरुलाई लक्षित गरि वित्तिय साक्षरता कार्यक्रमहरु सञ्चालन गर्दै आईरहेको छ । साथै बैंकका विभिन्न शाखा कार्यालयहरुद्वारा निजी तथा सामुदायीक विद्यालय एवं क्याम्पसहरुमा वित्तिय साक्षरता कार्यक्रम मार्फत विद्यार्थीहरुलाई वित्तिय सचेतना अभिवृद्धि गरिएको छ ।

**भावी योजना र कार्यक्रम :**

आगामी दिनमा बाह्य तथा आन्तरिक परिस्थितिको मूल्याङ्कन गरी बैंकलाई मर्जरमा लग्ने अथवा स्तरोन्नती गरी प्रदेश स्तरीय विकास बैंकको रुपमा स्थापित गरी अगाडी बढ्ने योजना रहेको यस सम्मानीत सभालाई जानकारी गराउँदछु ।

**धन्यवाद ज्ञापन**

अन्तमा, बैंकलाई विश्वास गरि साथ दिईरहनु भएका आदरणीय ग्राहक महानुभावहरु, बैंक सञ्चालनको जिम्मेवारी प्रदान गरि अमूल्य सुझाव एवं उचित मार्गदर्शन प्रदान गरी सहयोग पुऱ्याउनु हुने शेयरधनी महानुभावहरु, बैंकको उन्नतिका लागि मेहेनत, ईमान्दारिता र उच्च मनोबलका साथ योगदान गरिरहनु भएका बैंक व्यवस्थापन तथा सम्पूर्ण कर्मचारीहरु प्रति आभार तथा धन्यवाद व्यक्त गर्दछु ।

लेखा परिक्षण मार्फत बैंकलाई अभू बलियो, जोखिम रहित र सशक्त बनाउनका लागि अहम् सल्लाह, सुझाव र सहयोग प्रदान गर्नुहुने आन्तरिक तथा बाह्य लेखा परिक्षकज्यूहरु श्री विवेक श्रेष्ठ एण्ड एसोसियट्स चार्टर्ड एकाउन्टेण्ट्स, श्री सुजन काफ्ले एण्ड एसोसियट्स चार्टर्ड एकाउन्टेण्ट्स र श्री निरञ्जन गौतम एण्ड एसोसियट्स चार्टर्ड एकाउन्टेण्ट्स साथै यस बैंकको शेयर रजिष्ट्रार श्री Muktinath Capital Limited लगायत संघ संस्थाहरु तथा सम्पूर्ण सुभेच्छुक व्यक्तिहरु प्रति हार्दिक धन्यवाद दिन चाहन्छु ।

साथै बैंकको सफलताको लागि लगातार रुपमा सल्लाह, सुझाव तथा मार्गनिर्देशन गर्नुहुने नियमनकारी निकायहरु श्री नेपाल राष्ट्र बैंक, श्री कम्पनी रजिष्ट्रारको कार्यालय, श्री नेपाल धितोपत्र बोर्ड, श्री नेपाल स्टक एक्सचेन्ज लिमिटेड, श्री सि.डि.एस. एण्ड क्लियरिङ लिमिटेडलाई विशेष आभार व्यक्त गर्दै भविष्यमा पनि अभू उच्चस्तरको सहयोगको अपेक्षा राख्दै धन्यवाद ज्ञापन गर्दछु ।

गणेश कुमार श्रेष्ठ  
अध्यक्ष  
सञ्चालक समिति  
ग्रीन डेभलपमेन्ट बैंक लि.





## धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को नियम २६ को उपनियम २ सँग सम्बन्धित वार्षिक विवरण

१. सञ्चालक समितिको प्रतिवेदन : यसै प्रतिवेदनसँग सम्लग्न रहेको ।
२. लेखापरीक्षकको प्रतिवेदन : यसै प्रतिवेदनसँग सम्लग्न रहेको ।
३. लेखापरीक्षण भएको वित्तीय विवरण : यसै प्रतिवेदनसँग सम्लग्न रहेको ।
४. कानूनी कारवाही सम्बन्धी विवरण :
  - (क) आ.व. २०७८/७९ र २०७९/८० मा संस्थाले वा संस्थाको विरुद्धमा कुनै मुद्दा दायर भएको भए :  
यस समीक्षा अवधिमा संस्थाको संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्धमा कुनै मुद्दा मामिला दायर भएको जानकारीमा नआएको ।
  - (ख) यस संस्थाका संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको वा सो सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भए:  
संस्थालाई यस सम्बन्धमा कुनै सूचना वा जानकारी प्राप्त नभएको ।
  - (ग) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए :  
संस्थाले कुनै मुद्दा दायर नगरेको र अन्यत्रबाट पनि कुनै मुद्दा दायर भएको विषयमा यस संस्थालाई सम्बन्धित अदालत वा कार्यालयबाट कुनै सूचना वा जानकारी प्राप्त नभएको ।
५. संगठित संस्थाको शेयर कारोबार तथा प्रगतिको विवरण:
  - (क) धितो बजारमा भएको संगठित संस्थाको शेयरको कारोबार सम्बन्धमा व्यवस्थापनको धारणा:  
यस डेभलपमेन्ट बैंकका शेयरहरू नेपाल स्टक एक्सचेन्जमा सूचिकृत भई नेपाल धितोपत्र बोर्डको रेखदेखमा खुल्ला बजारले निर्धारण गरेको मूल्य बमोजिम कारोबार भैरहेको छ ।
  - (ख) गत आर्थिक वर्षहरूको त्रैमासिक रूपमा शेयरको विवरण: यस अवधिको शेयर कारोबार विवरण नेपाल स्टक एक्सचेन्ज लिमिटेडको वेबसाईट [www.nepalstock.com.np](http://www.nepalstock.com.np) का अनुसार यसप्रकार रहेको छ:

आ.व. २०७९/८०

सि.नं.	विवरण	प्रथम त्रयमास	दोश्रो त्रयमास	तेश्रो त्रयमास	चौथो त्रयमास
१.	अधिकतम मूल्य	३०५	२६५	२८३	३३०
२.	न्यूनतम मूल्य	२२०.८०	२२२.२०	२३५.५०	२३६
३.	अन्तिम मूल्य	२३१	२८२	२५५.३०	३०६
४.	कुल कारोवार शेयर संख्या	५७३,७३४	२४२,५९८	४१६,५६१	४५४,२५१
५.	कुल कारोवार संख्या	३५९९	१६८३	१३५३	३६११
६.	कुल कारोवार भएको दिन	६१	५४	५६	६२

आ.व. २०७८/७९

सि.नं.	विवरण	प्रथम त्रयमास	दोश्रो त्रयमास	तेश्रो त्रयमास	चौथो त्रयमास
१.	अधिकतम मूल्य	५२०	४४०	४२५	३०७
२.	न्यूनतम मूल्य	३५४	२८८	२८५	१८२
३.	अन्तिम मूल्य	३७६	३९०	४१३	२३०
४.	कुल कारोवार शेयर संख्या	२२,८२,७०८	८,५१,५१२	५,६९,३७२	२,९६,७८८
५.	कुल कारोवार संख्या	१६,०३१	६,७११	४,९१६	२,९३९
६.	कुल कारोवार भएको दिन	५७	५९	५८	६४

**६. समस्या तथा चुनौतीहरू:**

**आन्तरिक समस्या तथा चुनौती :**

- दक्ष जनशक्ति व्यवस्थापन
- बढ्दो संचालन खर्च
- व्याजदरमा हुने परिवर्तन
- राष्ट्रिय तथा अन्तराष्ट्रिय आर्थिक मन्दी एवं मुद्रास्फितीका कारणले ऋणहरूको कर्जा भुक्तानी गर्न सक्ने क्षमतामा कमी,
- कारोवारको वृद्धिसँगै हुने सञ्चालन जोखिम

**वाह्य समस्या तथा चुनौती :**

- अस्वस्थ प्रतिस्पर्धा,
- विश्वव्यापी रुपमा फैलिएको कोरोना भाईरस र रुस यूक्रेन युद्धले समग्र अर्थतन्त्रमा पारेको प्रभाव,
- बैंकहरूप्रति राष्ट्रिय रुपमा फैलिएको नकारात्मक प्रचारले कर्जा असुलीमा पारेको प्रभाव,
- कर्जाको माग र निक्षेपको वृद्धी विचको सन्तुलन नहुनु,
- लगानी योग्य परियोजनाहरूको अभाव हुनु ।

**रणनीति :**

- व्यवसायको आकारमा वृद्धी
- वजारको माग अनुरूपम व्याजदरमा समयानुकुल परिमार्जन ।
- दक्ष जनशक्ति विकास
- सञ्चालन खर्चको व्यवस्थापन
- लगानीयोग्य परियोजनाको खोजी
- जोखिम व्यवस्थापनका लागि आन्तरिक नियन्त्रण प्रणालीको विकास
- समयानुकुल प्रविधिको प्रयोग
- सेवाको गुणस्तरको वृद्धी

**७. संस्थागत सुशासन:**

संस्थागत सुशासनका लागि आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न बाह्य एवं आन्तरिक लेखापरिक्षकको व्यवस्थाको साथै आन्तरिक लेखापरिक्षण समिति, जोखिम व्यवस्थापन समिति, सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समिति, सञ्चालक समिति लगायत बैंकका सबै तहका पदाधिकारीहरूलाई पदिय दायित्व अनुरूप क्रियाशिल गराईएको छ । नियमनकारी निकायहरबाट प्रदान गरिएका नीति निर्देशन अनुरूप बैंकको कारोवारलाई व्यवस्थित गर्न आवश्यक नीति नियम तथा निर्देशिकाहरू तर्जुमा गरी कार्यान्वयन गरिएको छ ।

**Independent Auditor's Report**  
**To the Shareholders of Green Development Bank Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have Audited the accompanying financial statements of the Green Development Bank Limited ("Bank") which comprise the statement of financial position as at Ashadh 31<sup>st</sup>, 2080 (July 16, 2023), and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, and summary of significant accounting Policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Bank as at Ashadh 31<sup>st</sup>, 2080 (July 16, 2023), and of the financial performance and of its cashflow for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSS).

**Basis for opinion**

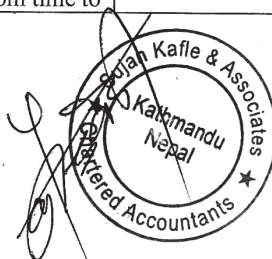
We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the Bank under provision of Company Act, 2063 and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to communicate in this report.

S.N	Key Audit Matters	How the matters were addressed in our Audit
1.	<b>Identification of Non-performing Advances and provisioning of advances</b> (Refer Note no. 4.6 & 4.7 of Notes to Financial statements.)  Loan and advances include Term loans, overdrafts, Repayable on Demands, and other Loans. These advances are covered by movable/immovable, assets guarantees and other collaterals. Loans and advances constitute 69.17% of the 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	Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of income recognition, asset classification provisioning pertaining to advances. In particular: <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 provisioning pertaining to advances.</li> </ul>

UDIN: 240114CA019408GQ2z



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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk 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 purposes of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management,
- Conclude on the appropriateness of the 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated

UDIN: 240114CA019408GQ2z



<p>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>	<ul style="list-style-type: none"> <li>• We have analyzed and understood systems/applications used and key IT tested the operational effectiveness of relevant controls, including involvement of manual process and manual controls in relation recognition, asset classification 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 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>2. <b>Investment Securities valuation</b> (Refer Note no. 4.8 of Notes to Financial statements.)</p> <p>The Bank has total investment securities of Rs. 498,988,217 as at 31 Ashadh 2080 classified into different categories as Investment securities measured at amortized cost and Investment in equity measured at fair value through other comprehensive income, which in aggregate represent 10.46% of the total assets of the Bank.</p> <p>Classification of investment into different categories as Investment securities measured at amortized cost and Investment in equity measured at fair value through other comprehensive income warrant management judgement and it impacts on valuation of investment securities and impairment allowance.</p> <p>Due to the percentage of volume over total assets and the requirement of management measurement judgment of impairment allowance, we have considered this as key audit matter.</p>	<p>We applied following procedures in respect of Investment verification:</p> <p>Review of accounting policies adopted by the Bank based on Nepal Financial Reporting Standards and the Directives issued by NRB and compliance of the same.</p> <p>Evaluation of management's assessment to categorize investments into different categories as Investment securities measured at amortized cost and Investment in equity measured at fair value through other comprehensive income.</p> <p>Verification of valuation of investment on sampling basis in reference to its cost and quoted market price as the case may be.</p> <p>Verification of impairment allowance provided for different investments in commensurate with NFRSs and NRB Directives.</p> <p><b>Our Result:</b> Accounting policies, classification, valuation, and impairment allowances for the investments are considered acceptable.</p>

UDIN: 240114CA019408GQ2z



3.	<p><b>Information Technology</b></p> <p>The Information Technology of the Bank is Complex and involves a large number of independent and interdependent IT Systems used in the operation of the Bank for processing and recording a large volume of transaction. 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 control are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for financial reporting.</p> <p>We have considered this as a 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 Guideliness 2012 issued by NRB and 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 understanding of the Bank's IT control environment, Its policies, and key changes during the audit period.</li> <li>• Reviewed the IS Audit Report and discussed with IT team on compliance to Key IS controls.</li> <li>• Reviewed the design, implementation, and operating effectiveness of the Bank's General IT controls over the key IT system that are critical to financial reporting on test check basis.</li> </ul> <p><b>Our Result:</b> We considered the information technology system and their relevant controls to be adequate.</p>
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#### Other Information

Management is responsible for other Information. Other Information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover other information and we will not express 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. When we read the annual report, if we conclude that there is a material misstatement, therein, we are required to request the management and those charged with governance to correct the material misstatement.

#### Responsibility 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 Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Bank's financial reporting process.

UDIN: 240114CA019408GQ2z



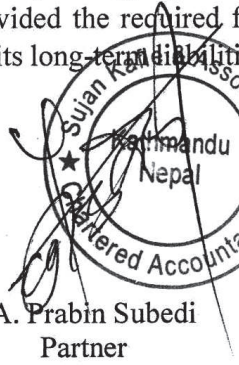
in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

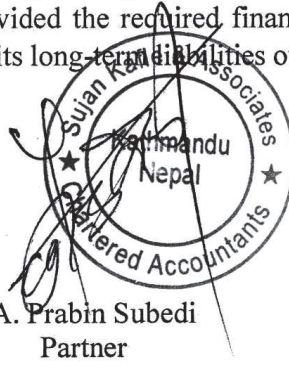
### Report on other Legal and Regulatory Requirements

We 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 financial statements have been prepared in accordance with all material respect in accordance with the provisions of the Companies Act 2063. and they are in agreement with the books of accounts of the Bank, and the accounts and records of the Bank 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 Bank has taken adequate action for the protection of the interest of depositors and investors, the capital fund and risk bearing fund are adequately maintained; the provision for possible impairment of the assets of the bank are adequate as per directives issued by Nepal Rastra Bank; the business of the Bank was conducted satisfactorily, and the Bank's transaction were found to be within the scope of its authority. We have not come across cases where the Bank has acted against the interest of depositors and investors. Further, Bank's internal control system is reasonably adequate, and we did not come across cases of accounting related fraud and 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, caused loss or damage to the Bank, or committed any misappropriation of the funds or violation of directives of Nepal Rastra Bank. Also, the Bank has provided the required financial and other information to its shareholders and the Bank appears to be able to serve its long-term liabilities out of its assets.

Date: 2024.01.12  
Place: Kathmandu

  
CA. Prabin Subedi  
Partner



UDIN: 240114CA019408GQ2z

**Green Development Bank Ltd.**  
**Statement of Financial Position**  
As on 31 Asar 2080

Particulars	Note	31.03.2080	32.03.2079
<b>Assets</b>			
Cash and Cash Equivalents	4.1	618,140,730	797,926,566
Due from Nepal Rastra Bank	4.2	161,981,395	101,224,913
Placement with Bank and Financial Institutions	4.3	50,000,000	-
Derivative Financial Instruments	4.4	-	-
Other Trading Assets	4.5	-	-
Loans and Advances to BFIs	4.6	3,131,566	24,150,270
Loans and Advances to Customers	4.7	3,297,106,750	2,571,904,931
Investment Securities	4.8	498,988,217	142,285,584
Current Tax Assets	4.9	3,930,483	1,012,733
Investment in Subsidiaries	4.1	-	-
Investment in Associates	4.11	-	-
Investment Property	4.12	-	-
Property and Equipment	4.13	80,826,526	74,172,344
Goodwill and Intangible Assets	4.14	1,135,424	1,419,280
Deferred Tax Assets	4.15	-	475,043
Other Assets	4.16	56,287,978	18,003,398
<b>Total Assets</b>		<b>4,771,529,069</b>	<b>3,732,575,063</b>

Particulars	Note	31.03.2080	32.03.2079
<b>Liabilities</b>			
Due to Bank and Financial Institutions	4.17	216,349,987	208,661,102
Due to Nepal Rastra Bank	4.18	-	-
Derivative Financial Instruments	4.19	-	-
Deposits from Customers	4.2	3,859,791,075	2,885,263,808
Borrowings	4.21	25,000,000	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred Tax Liabilities	4.15	1,816,355	-
Other Liabilities	4.23	79,323,703	73,044,767
Debt Securities Issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>Total Liabilities</b>		<b>4,182,281,120</b>	<b>3,166,969,677</b>
<b>Equity</b>			
Share Capital	4.26	519,000,000	519,000,000
Share Premium		1,809	1,809
Retained Earnings		27,759,961	21,268,959
Reserves	4.27	42,486,178	25,334,618
<b>Total Equity Attributable to Equity Holders</b>		<b>589,247,948</b>	<b>565,605,385</b>
Non Controlling Interest			
<b>Total Equity</b>		<b>589,247,948</b>	<b>565,605,385</b>
<b>Total Liabilities and Equity</b>		<b>4,771,529,069</b>	<b>3,732,575,063</b>
Contingent Liabilities and Commitments	4.28	41,644,059	16,392,990
Net Assets Value per share		113.54	108.98

Mr. Durga Prasad Shrestha  
Head: Finance & Planning

Mr. Hari Bahadur Budathoki  
Chief Executive Officer

Prabin Subedi  
Sujan Kafle & Associates  
Chartered Accountants

Mr. Surya Prasad Lamsal  
Director

Mrs. Narayani Devi Shrestha  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

Date :  
Place :



**Green Development Bank Ltd.**  
**Statement of Profit or Loss**  
For the year ended 31 Asar 2080

<b>Particulars</b>	<b>Note</b>	<b>31.03.2080</b>	<b>32.03.2079</b>
Interest Income	4.29	523,470,910	309,260,116
Interest Expense	4.30	364,719,256	191,078,394
<b>Net Interest Income</b>		<b>158,751,654</b>	<b>118,181,722</b>
Fee and Commission Income	4.31	16,089,615	11,788,577
Fee and Commission Expense	4.32	319,069	660,714
<b>Net Fee and Commission Income</b>		<b>15,770,546</b>	<b>11,127,864</b>
<b>Net Interest, Fee and Commission Income</b>		<b>174,522,200</b>	<b>129,309,586</b>
Net Trading Income	4.33	-	-
Other Operating Income	4.34	(1,042,546)	2,754,682
<b>Total Operating Income</b>		<b>173,479,654</b>	<b>132,064,268</b>
Impairment Charge/ (Reversal) for Loans and Other Losses	4.35	54,502,370	16,364,325
<b>Net Operating Income</b>		<b>118,977,284</b>	<b>115,699,943</b>
<b>Operating Expense</b>			
Personnel Expenses	4.36	49,884,116	45,331,167
Other Operating Expenses	4.37	29,723,038	25,220,761
Depreciation & Amortisation	4.38	13,543,462	14,713,186
<b>Operating Profit</b>		<b>25,826,668</b>	<b>30,434,829</b>
Non Operating Income	4.39	-	-
Non Operating Expense	4.40	864,735	1,949,948
<b>Profit Before Income Tax</b>		<b>24,961,933</b>	<b>28,484,881</b>
Income Tax Expense	4.41	8,466,262	9,809,810
Current Tax		9,343,694	10,099,732
Deferred Tax		(877,432)	(289,923)
<b>Profit for the Period</b>		<b>16,495,671</b>	<b>18,675,072</b>
<b>Profit Attributable to:</b>			
Equity-holders of the Bank		16,495,671	18,675,072
Non-Controlling Interest		-	-
<b>Profit for the Period</b>		<b>16,495,671</b>	<b>18,675,072</b>
<b>Earnings per Share</b>			
Basic Earnings per Share		3.18	3.60
Diluted Earnings per Share		3.18	3.60

.....  
Mr. Durga Prasad Shrestha  
Head: Finance & Planning

.....  
Mr. Hari Bahadur Budathoki  
Chief Executive Officer

.....  
Prabin Subedi  
Sujan Kafle & Associates  
Chartered Accountants

.....  
Mr. Surya Prasad Lamsal  
Director

.....  
Mrs. Narayani Devi Shrestha  
Director

.....  
Mr. Manobigyan Shrestha  
Director

.....  
Mr. Krishna Shankar Shrestha  
Director

.....  
Mr. Ganesh Kumar Shrestha  
Chairman

Date :  
Place :

**Green Development Bank Limited**  
**Statement of Other Comprehensive Income**  
 For the year ended 31 Asar 2080

Particulars	31.03.2080	NPR 32.03.2079
<b>Profit for the year</b>	<b>16,495,671</b>	<b>18,675,072</b>
<b>Other Comprehensive Income, Net of Income Tax</b>		
<b>a) Items that will not be reclassified to profit or loss</b>		
Gains/(losses) from investment in equity instruments measured at fair value	10,562,768	(11,922,616)
Gains/(losses) on revaluation		
Actuarial gains/(losses) on defined benefit plans		
Income tax relating to above items	3,168,830.4	(3,576,784.8)
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>	<b>7,393,937.5</b>	<b>(8,345,831.2)</b>
<b>b) Items that are or may be reclassified to profit or loss</b>		
Gains/(losses) on cash flow hedge		
Exchange gains/(losses)(arising from translating financial assets of foreign operation)		
Income tax relating to above items		
Reclassify to profit or loss		
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>		
<b>c) Share of other comprehensive income of associate accounted as per equity method</b>		
<b>Other Comprehensive Income for the year, Net of Income Tax</b>	<b>7,393,938</b>	<b>(8,345,831)</b>
<b>Total Comprehensive Income for the Period</b>	<b>23,889,609</b>	<b>10,329,241</b>
Total Comprehensive Income attributable to:		
Equity-Holders of the Bank	23,889,609	10,329,241
Non-Controlling Interest		
<b>Total Comprehensive Income for the Period</b>	<b>23,889,609</b>	<b>10,329,241</b>

.....  
 Mr. Durga Prasad Shrestha  
 Head: Finance & Planning

.....  
 Mr. Hari Bahadur Budathoki  
 Chief Executive Officer

.....  
 Prabin Subedi  
 Sujan Kafle & Associates  
 Chartered Accountants

.....  
 Mr. Surya Prasad Lamsal  
 Director

.....  
 Mrs. Narayani Devi Shrestha  
 Director

.....  
 Mr. Manobigyan Shrestha  
 Director

.....  
 Mr. Krishna Shankar Shrestha  
 Director

.....  
 Mr. Ganesh Kumar Shrestha  
 Chairman

Date :  
 Place :

Green Development Bank Ltd.  
Statement of Changes in Equity  
For the year ended 31 Asar 2080

Particulars	Attributable to Equity-Holders of the Bank							Non-Controlling Interest	Total Equity			
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve			Retained Earning	Other Reserve	Total
<b>Balance at Shrawan 01, 2078</b>	519,000,000	1,809	10,663,156	-	5,197,209	9,075,710	-	10,499,614	270,302	554,707,799	-	554,707,799
<b>Comprehensive Income for the year</b>								18,675,072				
Profit for the year												8,345,831
Other Comprehensive Income, Net of Tax												568,346
Gains/(losses) from investment in equity instruments measured at fair value												
Gains/(losses) on revaluation												
Actuarial gains/(losses) on defined benefit plans												
Gains/(losses) on cash flow hedge												
Exchange gains/(losses) arising from translating financial assets of foreign operation)												
<b>Total Comprehensive Income for the year</b>								18,675,072		18,675,072		18,675,072
Transfer to Reserves during the year								(8,474,073)	566,001	8,345,831		
Transfer from Reserves during the year								568,346		568,346		
Transactions with Owners, directly recognized in Equity												
Share Issued												
Share Based Payments												
Dividend to Equity-Holders												
Bonus Shares Issued												
Cash Dividend Paid												
Previous year Adjustment												
<b>Total Contributions by and Distributions</b>								10,759,345	566,001	565,605,385		10,897,587
<b>Balance at Asar 32, 2079</b>	519,000,000	1,809	14,398,170	-	9,370,268	729,879	-	21,268,958	836,301	565,605,385	-	565,605,385
<b>Balance at Shrawan 01, 2079</b>	519,000,000	1,809	14,398,170	-	9,370,268	729,879	-	21,268,958	836,301	565,605,385	-	565,605,385
<b>Comprehensive Income for the year</b>								16,495,671				
Profit for the year												
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value												
Gains/(losses) on revaluation												
Actuarial gains/(losses) on defined benefit plans												
Gains/(losses) on cash flow hedge												
Exchange gains/(losses) arising from translating financial assets of foreign operation)												
<b>Total Comprehensive Income for the year</b>								16,495,671		16,495,671		16,495,671
Transfer to Reserves during the year								(10,024,448)	(214,293)	(7,393,938)		(7,393,938)
Transfer from Reserves during the year								19,779	(266,825)	(247,046)		(247,046)
Transactions with Owners, directly recognized in Equity												
Share Issued												
Share Based Payments												
Dividend to Equity-Holders												
Bonus Shares Issued												
Cash Dividend Paid												
Previous year Adjustment												
<b>Total Contributions by and Distributions</b>								6,491,003	(481,118)	589,247,948		23,642,563
<b>Balance at Asar 31, 2080</b>	519,000,000	1,809	17,697,304	-	16,309,874	8,123,816	-	27,759,961	355,182	589,247,948	-	589,247,948

Date :  
Place :

**Green Development Bank Ltd.**  
**Statement of Cash Flows**  
 For the year ended 31 Asar 2080

Particulars	31.03.2080	NPR 32.03.2079
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest Received	523,470,910	309,260,116
Fee and Other Income Received	16,089,615	11,788,577
Dividend Received	-	-
Receipts from Other Operating Activities	(1,042,546)	2,754,682
Interest Paid	(364,719,256)	(191,078,394)
Commissions and Fees Paid	(319,069)	(660,714)
Cash Payment to Employees	(49,884,116)	(45,331,167)
Other Expenses Paid	(85,090,143)	(43,535,034)
<b>Operating Cash Flows before Changes in Operating Assets and Liabilities</b>	<b>38,505,395</b>	<b>43,198,067</b>
<b>(Increase) Decrease in Operating Assets</b>		
Due from Nepal Rastra Bank	(60,756,482)	(37,012,351)
Placement with Banks and Financial Institutions	(50,000,000)	-
Other Trading Assets	-	-
Loans and Advances to BFIs	21,018,704	20,597,986
Loans and Advances to Customers	(725,201,819)	(717,067,283)
Other Assets	(40,727,286)	(2,588,829)
<b>Increase (Decrease) in Operating Liabilities</b>		
Due to Banks and Financial Institutions	7,688,885	205,245,853
Due to Nepal Rastra Bank	-	-
Deposit from Customers	974,527,267	1,031,801,891
Borrowings	25,000,000	-
Other Liabilities	8,095,291	33,829,766
<b>Net Cash Flow from Operating Activities before Tax Paid</b>	<b>198,149,954</b>	<b>578,005,101</b>
Income Tax Paid	(8,466,262)	(9,809,810)
<b>Net Cash Flow from Operating Activities</b>	<b>189,683,692</b>	<b>568,195,291</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investment Securities	(356,702,633)	(31,820,284)
Receipts from Sale of Investment Securities	-	-
Purchase of Property and Equipment	(20,197,643)	(61,611,309)
Receipts from Sale of Property and Equipment	-	-
Purchase of Intangible Assets	283,856	785,263
Purchase of Investment Properties	-	-
Receipts from Sale of Investment Properties	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net Cash Used in Investing Activities</b>	<b>(376,616,420)</b>	<b>(92,646,330)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from Issue of Debt Securities	-	-
Repayments of Debt Securities	-	-
Receipts from Issue of Subordinated Liabilities	-	-
Repayments of Subordinated Liabilities	-	-
Receipt from Issue of Shares	-	-
Dividends Paid	-	-
Interest Paid	-	-
Other Receipts/Payments	7,146,892	(7,777,485)
<b>Net Cash from Financing Activities</b>	<b>7,146,892</b>	<b>(7,777,485)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(179,785,837)</b>	<b>467,771,476</b>
Cash and Cash Equivalents at Shrawan 01, 2079	797,926,566	330,155,090
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held	-	-
<b>Cash and Cash Equivalents at Asar 31, 2080</b>	<b>618,140,730</b>	<b>797,926,566</b>

<b>Mr. Durga Prasad Shrestha</b> Head: Finance & Planning	<b>Mr. Hari Bahadur Budathoki</b> Chief Executive Officer	<b>Prabin Subedi</b> Sujan Kafle & Associates Chartered Accountants
<b>Mr. Surya Prasad Lamsal</b> Director	<b>Mrs. Narayani Devi Shrestha</b> Director	<b>Mr. Manobigyan Shrestha</b> Director

.....  
**Mr. Krishna Shankar Shrestha**  
 Director

.....  
**Mr. Ganesh Kumar Shrestha**  
 Chairman

Date :  
Place :

## GREEN DEVELOPMENT BANK LIMITED

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

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements, unless otherwise indicated.

#### 1. Reporting Entity

Green Development Bank Limited is a limited liability company domiciled in Nepal which has been in operation in Nepal since 2070 (BS). The development bank is registered with the Office of Company Registrar as a public limited company and carries out banking activities in Nepal under the license from Nepal Rastra Bank as Class “Kha” licensed institution (Regional Level-5 Districts (2076/02/14). It's registered and corporate office are at Pokhara, Nepal since 05/05/2076 were in Baglung, Nepal earlier.

The development bank offers maximum banking services of banking products and services including loans and advances, deposits etc. to wide range of clients encompassing individuals, corporates, large public sector companies, government corporations, etc. as authorized by the Nepal Rastra Bank (Central Bank of Nepal).

The development bank is listed on Nepal Stock Exchange and its stock symbol is “GRDBL”.

#### 2. Basis of Preparation

The financial statements of the development bank have been prepared on accrual basis of accounting except the Cash Flow information, which is prepared on a cash basis, using the direct method. The financial statements comprise the Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Accounts of the Development bank. The accounting policies are consistently applied to all the years presented, except for the changes in accounting policies disclosed specifically.

##### 2.1. Statement of Compliance

The financial statements have been prepared and approved by the Board of Directors in accordance with Nepal Financial Reporting Standards 2018 (NFRS) and as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and in the format issued by Nepal Rastra Bank in Directive No. 4 of NRB Directives, 2079.

Accounting Standard Board Nepal has resolved carve-outs for implementation of NFRS on September 13, 2018 (28, 2075) and November 20, 2019 (Mangsir 04, 2076). Bank has opted to use carve outs with alternative treatment specified therein as below:

Carve- Out Number	Alternative treatment	Bank's Treatment
5(Sept 2018)	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial assets or group of financial assets measured at amortized cost is impaired. If any such evidence exists the entity shall apply paragraph 63 to determine the amount of any impairment loss unless the entity is bank and Financial institution registered as per Bank and Financial Institution Act 2073. Such entities shall measure impairment loss on loan and advance as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for Loan Loss provisioning and amount determined as per Para 63 of NAS 39 and shall apply impairment Para 63 of NAS 39 to measure the impairment loss on Financial assets other than Loan and advances.	Bank has adopted NAS 39 for impairment of financial assets. For loan and advances to customers, impairment loss is taken as higher of regulatory requirement and NFRS requirement.

## 2.2. Reporting Period

Reporting Period is a period from the first day of Shrawan (mid-July) of any year to the last day of Asar (mid-July) of the next year as per Nepali calendar-

	Nepali Calendar	English Calendar
Current Year	2079/80	2022/23
Previous Year	2078/79	2021/22
Current Year Period	Shrawan 01, 2079 to Asar 31, 2080	July 17, 2022 to July 16, 2023
Previous Year Period	Shrawan 01, 2078 to Asar 32, 2079	July 17, 2021 to July 16, 2022

### 2.3. Functional and Presentation Currency

The financial statement of the development bank is presented in Nepalese Rupees (NPR), which is the currency of the primary economic environment in which it operates. Financial information is presented in Nepalese Rupees. There was no change in the presentation and functional currency during the year under review. The figures are rounded to nearest integer, except otherwise indicated.

### 2.4. Use of Estimates, Assumptions and Judgment

The Development bank, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the development bank is required to make judgments in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate. The accounting policies have been included in the relevant notes for each item of the financial statements and the effect and nature of the changes, if any, have been disclosed. The NFRS requires the development bank to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements. The development bank applies estimates in preparing and presenting the financial statements and such estimates and underlying assumptions are reviewed periodically. The revision to accounting estimates are recognized in the period in which the estimates are revised and are applied prospectively. Disclosures of the accounting estimates have been included in the relevant sections of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

### 2.5. Changes in Accounting Policies

The Company has consistently applied the accounting policies to all periods presented in these financial statements except for new or revised statements and interpretations implemented during the year. The nature and effect of new standards and interpretations are discussed in note that follows.

### 2.6. New Reporting standards issued but not effective

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

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

NFRS-9 has been complied for the classification of Financial Instruments.

Few carve- outs on applicable Accounting Standards as provided by the Institute of Chartered Accountants of Nepal have been used by the Bank, the quantitative and qualitative impacts of the same have been disclosed.

## 2.7. Discounting

Non-current assets and liabilities are discounted where discounting is material. Interest income and expenses have been recognized on unwinding of financial assets and liabilities respectively.

## 2.8. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately, unless they are immaterial as permitted by the Nepal Accounting Standard – NAS 1 on ‘Presentation of Financial Statements’. Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of the development bank. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

## 2.9. Prior Period Errors

Prior Period Errors are omissions or misstatements in an entity’s financial statements. Such omissions may relate to one or more prior periods. Correction of an error is done by calculating the cumulative effect of the change on the financial statements of the period as if new method or estimate had always been used for all the affected prior years’ financial statements. Sometimes such changes may not be practicable. In such cases, it is applied to the latest period possible by making corresponding adjustment to the opening balance of the period.

## 3. Significant Accounting Policies

The principal accounting policies applied by the development bank in the preparation of these financial statements are presented below. These policies have been consistently applied to all the years presented unless stated otherwise.

### 3.1. Basis of Measurement

The Financial Statements of the development bank have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position:

- Available for sale investments (quoted) are measured at fair value.
- Liabilities for defined benefit obligations are recognized at the present value of the defined benefit obligation less the fair value of the plan assets.
- Financial assets and financial liabilities held at amortized cost at measured using a rate that is a close approximation of effective interest rate.

### 3.2. Basis of consolidation

#### a. Business Combinations and Goodwill

Development bank does not have any subsidiary. There are no such entities which are required to be consolidated but not done during the year.



**b. Non-Controlling Interest**

Development bank does not have a Subsidiary. So, the non-controlling interest has not been calculated separately.

**c. Subsidiaries**

Subsidiaries are entities that are controlled by the development bank. Development bank does not have any subsidiary.

**d. Loss of Control**

When the development bank loses control over a Subsidiary, it derecognizes the assets and liabilities of the former subsidiary from the consolidated statement of financial position. Development bank does not have any subsidiary.

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

The development bank does not have any special purpose entity.

**f. Transaction elimination on consolidation**

The development bank does not have any subsidiary.

**3.3. Cash and cash equivalents**

Cash and Cash Equivalents include cash in hand, balances with banks and money at call and at short notice. These are subject to insignificant risk of changes in their fair value and are used by the development bank in the management of short-term commitments.

Details of the Cash and Cash Equivalents are given in Note 4.1 to the Financial Statements.

**3.4. Financial assets and Financial Liabilities**

**3.4.1. Initial Recognition**

**a. Date of Recognition**

All financial assets and liabilities are initially recognized on the trade date, i.e. the date on which the development bank becomes a party to the contractual provisions of the instrument. This includes 'regular way trades. Regular way trade means purchases or sales of financial assets that required delivery of assets within the time frame generally established by regulation or convention in the market place.

Investment in Share, debenture, government bond, NRB bond, reverse repo, outright purchase shall be recognized in the books when the Development Bank made commitment to purchase such securities.

### 3.4.2. Classification and Subsequent Measurement of Financial Instruments

#### 1. Classification and Subsequent Measurement of Financial Assets

Development bank has classified financial asset on the basis of purpose for which it has hold such financial asset (Business Model Test)

Financial assets have been divided into following categories

(a) Financial asset measured at amortized cost

Financial asset is measured at mortised cost if both of the following condition are met

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

(b) Financial asset measured at fair value

- Fair value through other comprehensive income—financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Fair value through profit or loss—any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

#### 2. Classification and Subsequent Measurement of Financial Liabilities

At the inception, the development bank determines the classification of its financial liabilities. Accordingly, financial liabilities are classified as:

- a. Financial liabilities at fair value through profit or loss
  - i. Financial liabilities held for trading
  - ii. Financial liabilities designated at fair value through profit or loss
- b. Financial liabilities at amortized cost

**(a) 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 fair value through profit or loss. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss.

**(b) Financial Liabilities at Amortized Cost**

Financial instruments issued by the development bank that are not classified as fair value through profit or loss are classified as financial liabilities at amortized cost, where the substance of the contractual arrangement results in it having an obligation either to deliver cash or another financial asset to another institution, or to exchange financial assets or financial liabilities with another institution under conditions that are potentially unfavorable to the development bank or settling the obligation by delivering variable number of development bank's own equity instruments.

After initial recognition, such financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Within this category, deposits and debt instruments with fixed maturity period have been recognized at amortized cost using the method that very closely approximates effective interest rate method. The amortization is included in 'Interest Expenses' in the Statement of Profit or Loss. Gains and losses are recognized in the Statement of Profit or Loss when the liabilities are derecognized.

### 3.4.3. De-recognition of Financial Assets and Liabilities

#### a. De-recognition of Financial Assets

The development bank derecognizes a financial asset (or where applicable a part of financial asset or part of a group of similar financial assets) when:

- The rights to receive cash flows from the asset have expired; or
- The development bank has transferred its rights to receive cash flows from the asset or
- The development bank has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either development bank has transferred substantially all the risks and rewards of the asset or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### b. De-recognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability.

The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

### Amortized Cost Measurement

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

### 3.4.4. Fair Value Measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date

in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of liability reflects its non-performance risk.

The fair values are determined according to the following hierarchy as per NFRS 13:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. (PARA 76)

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. (PARA 81)

Level 3 inputs are unobservable inputs for the asset or liability. (PARA 86)

The Bank measures the fair value of an instrument using quoted prices in an active market if available. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transaction on arm's length basis.

Further, all unquoted investments are recorded at cost.

#### **3.4.5. Impairment of Financial Assets**

The development bank assesses at each reporting date, whether there is any objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss is impaired. A financial asset or group of financial assets is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more events, that have occurred after the initial recognition of the asset (an 'incurred loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include:

Indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganization; Default or delinquency in interest or principal payments;

And where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

##### **a. Impairment of Financial Assets carried at Amortized Cost**

For financial assets carried at amortized cost, such as amounts due from banks, held to maturity investments etc., the development bank first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant or collectively for financial assets that are not individually significant. In the event development bank determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with

similar credit risk characteristics such as collateral type, past due status and other relevant factors and collectively assesses them for impairment. However, assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

**i. Individually Assessed Financial Assets**

The criteria used to determine whether there is objective evidence of impairment include and not limited to:

- Known Cash Flow difficulties experienced by the borrowers;
- Past due contractual payments of either principal or interest;
- Breach of loan covenants or conditions;
- The probability that the borrower will enter bankruptcy or other financial reorganization; and
- A significant downgrading in credit rating by an external credit rating agency.

If there is objective evidence that an impairment loss on financial assets measured at amortized cost has been incurred, the amount of the loss is measured by discounting the expected future cash flows of a financial asset at its original effective interest rate and comparing the resultant present value with the financial asset's current carrying amount. The impairment allowances on individually significant accounts are reviewed more regularly when circumstances require. This normally encompasses re-assessment of the enforceability of any collateral held and the timing and amount of actual and anticipated receipts. Individually assessed impairment allowances are only released when there is reasonable and objective evidence of reduction in the established loss estimate. Interest on impaired assets continues to be recognized through the unwinding of the discount.

Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the development bank. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting

the allowance account. If a future write off is later recovered, the recovery is credited to the impairment charges for loans and other losses.

When impairment losses are determined for those financial assets where objective evidence of impairment exists, the following common factors are considered:

- The development bank's aggregate exposure to the customer;
- The viability of the customer's business model and their capacity to trade successfully out of financial difficulties and generate sufficient cash flows to service debt obligations;
- The amount and timing of expected receipts and recoveries;
- The extent of other creditors' commitments ranking ahead of, or pari-pasu with the development bank and the likelihood of other creditors continuing to support the company;
- The realizable value of security and likelihood of successful repossession;

About 20 to 30 percent of total exposure has selected for individual impairment. NRB provision and loan limit has considered as basis of selection. After that such loans are tested for impairment on several possible criteria. Loans which are not individually impaired has been reclassified for collective impairment.

#### ii. **Collectively Assessed Financial Assets**

Impairment is assessed on a collective basis in two circumstances:

- To cover losses which have been incurred but have not yet been identified on loans subject to individual assessment; and
- For homogeneous groups of loans that are not considered individually significant.

#### **Implemented Policy**

As per the decision of ICAN on NFRS carve out, impairment shall be recognized higher of NRB provision and impairment computed as per NFRS 39. Impairment under impairment testing as under NFRS is amounting to Rs 53,558,624 which is less than impairment computed under NRB provision amounting to Rs 104,653,534. Hence, Development Bank has recognized higher amount of impairment amounting to as per NRB provision.

#### **3.5. Trading Assets**

One of the categories of financial assets at fair value through profit or loss is "held for trading" financial assets. All financial assets acquired or held for the purpose of selling in the short term or for which there is a recent pattern of short-term profit taking are trading assets.

#### **3.6. Property, Plant and Equipment**

##### **a. Recognition**

Two conditions are satisfied for recognition of PPE

- It is probable that future economic benefits associated with the assets will flow to the entity; and
- The cost of the assets can be measured reliably

#### b. Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to, replace part of an item of property, plant & equipment. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of computer equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fixed asset amounting less than Rs 5,000 was not recognized as PPE rather charged off to revenue.

#### c. Depreciation

Depreciation is calculated by using the written down value method on cost or valuation of the Property & Equipment other than freehold land and leasehold properties. Depreciation on leasehold properties is calculated by using the straight-line method on cost or valuation of the property. The rates of depreciations are given below:

*Rate of Depreciation per annum (%)*

Asset Category	For the year ended 16 July 2023	For the year ended 16 July 2022
Buildings	5%	5%
Motor Vehicles	20%	20%
Computer Equipment	25%	25%
Furniture, Office Equipment	25%	25%
Other Assets	15%	15%
Leasehold Properties	10 years (SLM Basis)	10 years (SLM Basis)

#### d. Changes in Estimates

The asset's methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

#### e. Capital Work in Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development, awaiting capitalization.

**f. De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in the Statement of Profit or Loss when the item is derecognized.

**3.7. Goodwill and Intangible Assets**

**Goodwill**

Goodwill is recognized when purchase consideration is more than fair value of net assets of entity in case of business combination. After initial recognition, goodwill is value at cost less impairment. Goodwill is tested for impairment every year with or without any indication of impairment.

**Intangible Assets**

Initially intangible assets are measured at fair value. Subsequently measured at amortized cost on the basis of useful life of Intangible assets

**Computer Software & Licenses**

Cost of purchased licenses and all computer software costs incurred, licensed for use by the development bank, which are not integrally related to associated hardware, which can be clearly identified, reliably measured, and it's probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category 'Intangible assets' and carried at cost less accumulated amortization and any accumulated impairment losses. Intangible asset amounting less than Rs 5,000 was charged off to revenue.

**Amortization of Intangible Assets**

Intangible Assets, except for goodwill, are amortized on a straight-line basis in the Statement of Profit or Loss from the date when the asset is available for use, over the best of its useful economic life based on a pattern in which the asset's economic benefits are consumed by the development bank. Amortization methods, useful lives, residual values are reviewed at each financial year end and adjusted if appropriate. The development bank assumes following useful life of intangible assets.

<b>Asset Category</b>	<b>For the year ended 16 July 2023</b>	<b>For the year ended 16 July 2022</b>
Computer Software	5 years	5 years
Licenses	5 years	5 years



### 3.8. Investment Property

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business.

#### Measurement

Investment property is accounted for under Cost Model in the Financial Statements. Accordingly, after recognition as an asset, the property is carried at its cost, less impairment losses. If any property is reclassified to investment property due to changes in its use, fair value of such property at the date of reclassification becomes its cost for subsequent accounting.

#### De-recognition

Investment properties are derecognized when they are disposed of or permanently withdrawn from use since no future economic benefits are expected. Transfers are made to and from investment property only when there is a change in use. When the use of a property changes such that it is reclassified as Property, Plant and Equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

### 3.9. Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation.

#### A. Current Tax

Current tax assets and liabilities consist of amounts expected to be recovered from 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 provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except: Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credits and unused tax losses (if any), to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, carried forward unused tax credits and unused tax losses can be utilized except.

Current and deferred tax assets and liabilities are offset only to the extent that they relate to income taxes imposed by the same taxation authority.

### 3.10. Deposits, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the bank's sources of funding. Deposits include non-interest-bearing deposits, saving deposits, term deposits, call deposits and margin deposits. The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The fair value of fixed interest-bearing deposits is considered as the interest receivable on these deposits plus carrying amount of these deposits. The fair value of debt securities issued is also considered as the carrying amount of these debt securities issued. Sub-ordinated liabilities are liabilities subordinated, at the event of winding up, to the claims of depositors, debt securities issued and other creditors.

### 3.11. Provisions

A provision is recognized if, as a result of a past event, the development 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 recognized 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. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows. A provision for onerous contracts is recognized when the expected benefits to be derived by the development bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured as the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Provision is not recognized for future operating losses.

Before a provision is established, the development bank recognizes any impairment loss on the assets associated with that contract. The expense relating to any provision is presented in the Statement of Profit or Loss net of any reimbursement.

### 3.12. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to development bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

#### A. Interest Income

For all financial assets measured at amortized cost, interest bearing financial assets classified as Fair value through other comprehensive income, interest income is recorded using the rate that closely approximates the EIR because the development bank considers that the cost of exact calculation of effective interest rate method exceeds the benefit that would be derived from such compliance. 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.

Further, Interest income on Loans and Advances is recognized as per the guideline on recognition of interest income, 2019 issued by NRB.

#### **B. Fee and Commission Income**

Fees earned for the provision of services over a period of time are accrued over that period. These fees include Service fees, commission income. Loan syndication fees are recognized as revenue when the syndication has been completed and the development bank retained no part of the loan package for itself, or retained a part at the same effective interest rate as for the other participants. Portfolio and other management advisory fees and service distribution fees are recognized based on the applicable contracts, usually on a time apportionment basis.

#### **C. Dividend Income**

Dividend income is on equity instruments are recognized in the statement of profit and loss within other income when the development bank's right to receive payment is established.

#### **D. Net Trading Income**

Net trading income comprises gains less losses relating to trading assets and liabilities, and includes all realized interest, dividend and foreign exchange differences as wells as unrealized changes in fair value of trading assets and liabilities.

#### **E. Net Income from other financial instrument at fair value through Profit or Loss**

Trading assets such as equity shares and mutual fund are recognized at fair value through profit or loss. No other financial instrument is designated at fair value through profit or loss. The development bank has no income under the heading net income from other financial instrument at fair value through profit or loss.

### **3.13. Interest Expense**

For financial liabilities measured at amortized cost using the rate that closely approximates effective interest rate, interest expense is recorded using such rate. 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.

### **3.14. Employee Benefits**

Employee benefits include:

- I. Short term employee benefits are measured on an undiscounted basis and are expenses as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Development bank has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Short term

employee benefit includes following benefits which is expected to be paid within 12 months from reporting period.

- a. Wages, salaries and social security contributions;
- b. annual leave and paid sick leave;
- c. Profit sharing and bonuses, and
- d. Non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees

II. Post employments benefits are as follows:

#### **A. Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which a financial institution pays fixed contribution into a separate Development bank (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods, as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits). The contribution payable by the employer to a defined contribution plan in proportion to the services rendered to Development bank by the employees and is recorded as an expense under ‘Personnel expense’ as and when they become due. Unpaid contribution is recorded as a liability under ‘Other Liabilities’.

The development bank contributed 10% on the salary of each employee to the Employees’ Provident Fund. The above expenses are identified as contributions to ‘Defined Contribution Plans’ as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits). Gratuity is also the part of defined contribution plan.

#### **B. Defined Benefit Plans**

Development bank has not made any benefit to its employees under defined benefit plans.

#### **C. Unutilized Accumulated Leave**

The development bank’s liability towards the accumulated leave which is expected to be utilized beyond one year from the end of the reporting period is treated as other long-term employee benefits.

Liability under accumulated leave is determined on the basis of actuarial valuation report.

### **3.15. Finance and Operating Leases**

When development bank is the lessee, leased assets are not recognized on the Statement of Financial Position.

Bank has only involved in operating leases. Lease is accounted as per NFRS 16, “Leases”. Right to use asset and lease liability is recognized in SOFP and Interest on Lease Liability and depreciation on Right to Use Asset are recognized in SOPL.

### **3.16. Foreign Currency Transactions, Translation and Balance**

All foreign currency transactions are translated into the functional currency, which is Nepalese Rupees, using the exchange rates prevailing at the dates when the transactions were affected. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Nepalese Rupees using the spot foreign exchange rate ruling at that date and all

differences arising on non-trading activities are taken to 'Other Operating Income' in the Statement of Profit or Loss.

However, the development bank has no foreign exchange transactions and thus no any income related to such transaction.

### **3.17. Financial guarantee and loan commitment**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts may have various legal forms, such as a guarantee, some types of letters of credit, etc. Where the development bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, etc. whether cancellable or not and the development bank had not made payments at the reporting date, those instruments are included in these financial statements as commitments.

However, the company does not have any such financial guarantee and loan commitment.

### **3.18. Share capital and reserves**

Share capital and reserves are different classes of equity claims. Equity claims are claims on the residual interest in the assets of the entity after deducting all its liabilities. Changes in equity during the reporting period comprise income and expenses recognized in the statement of financial performance; plus, contributions from holders of equity claims, minus distributions to holders of equity claims.

### **3.19. Earnings per share**

The development 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 the development 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, if any.

Earnings per share is calculated and presented in the face of Statement of Profit and loss

### **3.20. Segment reporting**

The development bank has identified the key segments of business on the basis of business on the nature of banking operations. It helps management to assess the performance of the business segments. The business segments identified are Banking (including Loans and Deposits), Cards, Remittance and Treasury.

### **3.21. Proposed Dividend**

The Development Bank has proposed 3.80% bonus share amounting to Rs. 19,722,000 and 0.20% cash dividend amounting to Rs. 1,038,000.

**Green Development Bank Ltd.**  
**Notes to Financial Statements**  
 For the year ended 31 Asar 2080

**Cash and Cash Equivalent** 4.1

Particulars	NPR	
	31.03.2080	32.03.2079
Cash in Hand	52,970,331	40,208,231
Balances with BFIs	565,170,399	757,718,335
Money at Call and Short Notice	-	-
Other	-	-
<b>Total</b>	<b>618,140,730</b>	<b>797,926,566</b>

**Due from Nepal Rastra Bank** 4.2

Particulars	NPR	
	31.03.2080	32.03.2079
Statutory Balances with NRB	161,981,395	101,224,913
Securities purchased under Resale Agreement	-	-
Other Deposit and Receivable from NRB	-	-
<b>Total</b>	<b>161,981,395</b>	<b>101,224,913</b>

**Placements with Banks and Financial Institutions** 4.3

Particulars	NPR	
	31.03.2080	32.03.2079
Placement with Domestic BFIs	50,000,000	-
Placement with Foreign BFIs	-	-
Less: Allowances for Impairment	-	-
<b>Total</b>	<b>50,000,000</b>	-

**Derivative Financial Instruments** 4.4

Particulars	NPR	
	31.03.2080	32.03.2079
<i>Held for Trading</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts.	-	-
Others	-	-
<b>Total</b>	-	-

**Other Trading Assets** 4.5

Particulars	NPR	
	31.03.2080	32.03.2079
Treasury Bills	-	-
Government Bonds	-	-
NRB Bonds	-	-
Domestic Corporate Bonds	-	-
Equities	-	-
Other Trading Assets	-	-
<b>Total</b>	-	-

#### Loans and Advances to BFIs

4.6

Particulars	NPR	
	31.03.2080	32.03.2079
Loans to Micro-Finance Institutions	3,159,466	25,176,528
Other	-	-
Allowances for Impairment	(41,073)	(1,258,826)
<b>Sub-Total</b>	<b>3,118,393</b>	<b>23,917,702</b>
Interest Receivable	13,173	232,568
<b>Total</b>	<b>3,131,566</b>	<b>24,150,270</b>
4.6.1 Allowances for Impairment		
Balance at Shrawan 01	1,258,826	1,959,581
Impairment Losss for the year:	(1,217,753)	(700,755)
Charge for the year		
Recoveries/Reversal	(1,217,753)	(700,755)
Amount Written Off		
Balance at Asar End	<b>41,073</b>	<b>1,258,826</b>

#### Loans and Advances to Customers

4.7

Particulars	NPR	
	31.03.2080	32.03.2079
Loans and Advances measured at Amortized Cost	3,369,620,349	2,606,413,113
Less: Impairment Allowances	-	-
Collective Impairment	(50,937,751)	(34,874,119)
Individual Impairment	(53,674,710)	(14,018,219)
<b>Net Amount</b>	<b>3,265,007,887</b>	<b>2,557,520,775</b>
Loans and Advances measured at FVTPL		
Interest Receivable	32,098,863	14,384,155
<b>Total</b>	<b>3,297,106,750</b>	<b>2,571,904,931</b>

Loans & Advances to Customers include subsidy loan provided by Nepal Rastra Bank amounting to Rs. 355,548,123.35 and subsidy loan provided by Province amounting to Rs. 4,667,015.53

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

Particulars	NPR	
	31.03.2080	32.03.2079
<b>Product</b>		
Term Loans	1,543,052,030	653,894,465
Overdraft	316,265,434	1,000,161,161
Trust Receipt/Import Loans	-	-
Demand and other Working Capital Loans	-	-
Personal Residential Loans	599,088,402	70,059,729
Real Estate Loans	59,019,866	125,568
Margin Lending Loans	22,671,957	11,043,110
Hire Purchase Loans	152,374,611	333,474,112
Deprived Sector Loans	386,976,088	392,443,549
Bills Purchased	-	-
Staffs Loans	36,240,227	22,515,583
Other	245,852,877	122,695,836
<b>Sub-Total</b>	<b>3,361,541,491</b>	<b>2,606,413,113</b>
Interest Receivable	32,098,863	14,384,155
<b>Grand Total</b>	<b>3,393,640,354</b>	<b>2,620,797,268</b>

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

Particulars	NPR	
	31.03.2080	32.03.2079
Nepalese Rupee	3,361,541,491	2,606,413,113
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>Sub-Total</b>	<b>3,361,541,491</b>	<b>2,606,413,113</b>
Interest Receivable	32,098,863	14,384,155
<b>Grand Total</b>	<b>3,393,640,354</b>	<b>2,620,797,268</b>

4.7.3: Analysis of Loans and Advances - By Collateral

Particulars	NPR	
	31.03.2080	32.03.2079
<b>Secured</b>		
Moveable/Immoveable Assets	3,142,939,930	2,463,444,016
Gold and Silver	37,267,358	38,671,000
Guarantee of Domestic BFIs	-	-
Government Guarantee	-	-
Guarantee of International Rated Bank	-	-
Collateral of Export Document	-	-
Collateral of Fixed Deposit Receipt	78,320,436	99,459,000
Collateral of Government Securities	-	-
Counter Guarantee	-	-
Personal Guarantee	44,101,584	-
Other Collateral	58,912,184	35,542,293
<b>Subtotal</b>	<b>3,361,541,491</b>	<b>2,637,116,309</b>
<b>Interest Receivable</b>	<b>32,098,863</b>	<b>14,384,155</b>
<b>Grand Total</b>	<b>3,393,640,354</b>	<b>2,651,500,465</b>

4.7.4: Allowance for Impairment

Particulars	NPR	
	31.03.2080	32.03.2079
<b>Specific Allowance for Impairment</b>		
Balance at Shrawan 01	14,018,219	7,449,958
Impairment Loss for the year		
Charge for the year	39,656,491	6,568,261
Recoveries/Reversals during the year		
Write-Offs		
Exchange Rate Variance on Foreign Currency		
Other Movement		
Balance at Asar End	53,674,710	14,018,219
<b>Collective Allowances for Impairment</b>		
Balance at Sharawan 01	34,874,119	24,377,301
Impairment Loss for the year		
Charge/(Reversal) for the year	16,063,632	10,496,818
Exchange Rate Variance on Foreign Currency		
Other Movement		
Balance at Asar End	50,937,751	34,874,119
<b>Total Allowances for Impairment</b>	<b>104,612,461</b>	<b>48,892,338</b>

**Investment Securities**

4.8

Particulars	NPR	
	31.03.2080	32.03.2079
Investment Securities measured at Amortized Cost	469,901,760	118,742,900
Investment in Equity measured at FVTOCI	29,086,457	23,542,684
<b>Total</b>	<b>498,988,217</b>	<b>142,285,584</b>

4.8.1: Investment Securities measured at Amortized Cost

Particulars	NPR	
	31.03.2080	32.03.2079
Debt Securities	-	-
Government Bonds	469,901,760	118,742,900
Government Treasury Bills	-	-
Nepal Rastra Bank Bonds	-	-
Nepal Rastra Bank Deposit Instruments	-	-
Other	-	-
Less: Specific Allowances for Impairment	-	-
<b>Total</b>	<b>469,901,760</b>	<b>118,742,900</b>

4.8.2: Investment in Equity measured at FVTOCI

Particulars	NPR	
	31.03.2080	32.03.2079
Equity Instruments		
Quoted Equity Securities	29,086,457	23,542,684
Unquoted Equity Securities	-	-
<b>Total</b>	<b>29,086,457</b>	<b>23,542,684</b>



4.8.3: Information relating to Investment in Equities

Particulars	31.03.2080	
	Cost	Fair Value
Investment in Quoted Equity		
Prabhu Life Insurance Ltd.(Promoters Share)		
50,000 Promoter's Shares of Rs. 100 Each	5,000,000	16,142,500
Prabhu Select Fund		
2,50,000 units of 10 each	2,500,000	2,212,500
Prabhu Capital Protfolio Management Scheme	4,981,005	5,731,457
SCT		
50,000 Promoter's Shares of Rs. 100 Each	5,000,000	5,000,000
Investment in Unquoted Equity		
Prabhu Life Insurance Ltd.		
50,000 Promoter's Shares of Rs. 100 Each		
<b>Total</b>	<b>17,481,005</b>	<b>29,086,457</b>

**Current Tax Assets**

4.9

Particulars	31.03.2080	NPR
		32.03.2079
<b>Current Tax Assets</b>	-	-
Current year Income Tax Assets	35,259,048	22,997,605
Tax Assets of Prior Periods	-	-
<b>Current Tax Liabilities</b>	-	-
Current year Income Tax Liabilities	9,343,694	10,099,732
Tax Liabilities of Prior Periods	21,984,872	11,885,139
<b>Total</b>	<b>3,930,483</b>	<b>1,012,733</b>

**Investment in Subsidiaries**

4.10

Particulars	31.03.2080	NPR
		32.03.2079
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
<b>Total Investment</b>	-	-
Less: Impairment Allowances	-	-
<b>Net Carrying Amount</b>	-	-

**4.10.1: Investment in Quoted Subsidiaries**

	31.03.2080	32.03.2079
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

**4.10.2: Investment in Unquoted Subsidiaries**

	31.03.2080	32.03.2079
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

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

	Percentage of Ownership	Percentage of Ownership
	31.03.2080	32.03.2079
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
<b>Total</b>		

#### 4.10.4: Non Controlling Interest of the Subsidiaries

	31.03.2080	32.03.2079
Equity Interest held by NCI (%)		
Profit (Loss) allocated during the year		
Accumulated Balances of NCI as on Asar End		
Dividend Paid to NCI		
	<b>31.03.2080</b>	<b>32.03.2079</b>

Equity Interest held by NCI (%)  
 Profit (Loss) allocated during the year  
 Accumulated Balances of NCI as on Asar End  
 Dividend Paid to NCI

#### Investment in Associates

Particulars	31.03.2080	4.11
		NPR
		32.03.2079
Investment in Quoted Associates	-	-
Investment in Unquoted Associates	-	-
<b>Total Investment</b>	-	-
Less: Impairment Allowances	-	-
Net Carrying Amount	-	-

#### 4.11.1: Investment in Quoted Associates

	31.03.2080	32.03.2079
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

#### 4.11.2: Investment in Unquoted Associates

	31.03.2080	32.03.2079
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

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

	31.03.2080	32.03.2079
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		

4.11.4: Equity Value of Associates

	31.03.2080	32.03.2079
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		

**Investment Properties**

4.12

Particulars	NPR	
	31.03.2080	32.03.2079
<b>Investment Properties measured at Fair Value</b>		
Balance as on Shrawan 01.	-	-
Addition/(Disposal) during the year.	-	-
Net Changes in fair value during the year.	-	-
Adjustment/Transfer.	-	-
<b>Net Amount</b>	-	-
<b>Investment Properties measured at Cost</b>		
Balance as on Shrawan 01	-	-
Addition/(Disposal) during the year	-	-
Net Changes in fair value during the year	-	-
Adjustment/Transfer	-	-
<b>Net Amount</b>	-	-
<b>Total</b>	-	-

**Other Assets**

4.16

Particulars	NPR	
	31.03.2080	32.03.2079
Assets held for Sale	-	-
Other Non-Banking Assets	-	-
Bills Receivable	-	-
Accounts Receivable	22,841,161	8,405,045
Accrued Income	-	-
Prepayments and Deposits	5,785,197	1,154,615
Income Tax Deposit	-	-
Deferred Employee Expenditure	13,507,176	7,881,375
Other Assets	14,154,445	562,363
<b>Total</b>	<b>56,287,978</b>	<b>18,003,398</b>

**Due to Banks and Financial Institutions**

4.17

Particulars	NPR	
	31.03.2080	32.03.2079
Money Market Deposits	-	-
Interbank Borrowing	-	-
Other Deposits from BFIs	216,349,987	208,661,102
Settlement and Clearing Accounts	-	-
<b>Total</b>	<b>216,349,987</b>	<b>208,661,102</b>

**Due to Nepal Rastra Bank**

4.18

Particulars	NPR	
	31.03.2080	32.03.2079
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of Last Resort facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other Payable to NRB	-	-
<b>Total</b>	-	-

**Derivative Financial Instruments**

4.19

Particulars	31.03.2080	NPR
		32.03.2079
<i>Held for Trading</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts.	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Deposits from Customers**

4.20

Particulars	31.03.2080	NPR
		32.03.2079
<i>Institutional Customers:</i>	-	-
Term Deposits.	313,047,721	244,559,168
Call Deposits	268,169,441	225,434,027
Current Deposits.	44,477,798	23,058,651
Others.	-	13,564
<i>Individual Customers:</i>	-	-
Term Deposits	2,512,899,230	1,813,793,008
Saving Deposits	698,317,107	524,679,572
Current Deposits	18,617,736	30,561,397
Others	-	16,600,832
<b>Sub-Total</b>	<b>3,855,529,033</b>	<b>2,878,700,220</b>
Interest payable on deposits	4,262,041	6,563,587
<b>Total</b>	<b>3,859,791,075</b>	<b>2,885,263,808</b>

4.20.1: Currency wise analysis of deposit from customers

Particulars	31.03.2080	NPR
		32.03.2079
Nepalese Rupee	3,855,529,033	2,878,700,220
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>Total</b>	<b>3,855,529,033</b>	<b>2,878,700,220</b>

**Borrowings**

4.21

Particulars	31.03.2080	NPR
		32.03.2079
<i>Domestic Borrowings</i>	-	-
Nepal Government	-	-
Other Institutions	-	-
Other	25,000,000	-
Sub Total	-	-
<i>Foreign Borrowings</i>	-	-
Foreign Banks and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
<b>Total</b>	<b>25,000,000</b>	<b>-</b>

**Provisions** 4.22

Particulars	NPR	
	31.03.2080	32.03.2079
Provisions for Redundancy	-	-
Provisions for Restructuring	-	-
Pending Legal Issues and Tax Litigation	-	-
Onerous Contracts	-	-
Other Provisions	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

4.22.1: Movement in Provision

Particulars	NPR	
	31.03.2080	32.03.2079
Balance at Shrawan 01	-	-
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of Discount	-	-
Balance at Asar end	-	-

**Other Liabilities** 4.23

Particulars	NPR	
	31.03.2080	32.03.2079
Liabilities for employees defined benefit obligations	1,124,287	3,800,158
Liabilities for long service leave	4,439,108	2,983,510
Liabilities for employees defined benefit Contribution	-	-
Short term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	1,243,404	234,383
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	-	-
Employee bonus payable	2,773,548	3,164,987
Deposit Fund	7,500,000	7,500,000
Manager's Cheque	500,918	189,131
Lease Liabilities	54,973,059	47,148,569
Other Liabilities	6,769,380	8,024,029
<b>Total</b>	<b>79,323,703</b>	<b>73,044,767</b>

4.23.1: Defined Benefit Obligation

NPR

The amounts recognised in the statements of financial positions are as follows :

Particulars	NPR	
	31.03.2080	32.03.2079
Present value of unfunded obligations	4,439,108	2,983,510
Present value of funded obligations	-	-
Total present value of obligations	-	-
Fair value of plan assets	-	-
Present value of net obligations	-	-
Recognised liability for defined benefit obligations	<b>4,439,108</b>	<b>2,983,510</b>

4.23.2: Plan Assets

Plan assets comprise NPR

Particulars	NPR	
	31.03.2080	32.03.2079
Equity securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

Particulars	NPR	
	31.03.2080	32.03.2079
Defined benefit obligations at Sawan 1	2,983,513	1,968,929
Actuarial losses	1,568,546	1,545,550
Benefits paid by the plan	(1,384,906)	(1,519,611)
Current service costs and interest	1,271,958	988,645
<b>Defined benefit obligations at Asar end</b>	<b>4,439,111</b>	<b>2,983,513</b>

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

Particulars	NPR	
	31.03.2080	32.03.2079
Fair value of plan assets at Sawan 1	-	-
Contributions paid into the plan	-	-
Benefits paid during the year	-	-
Actuarial (losses) gains	-	-
Expected return on plan assets	-	-
<b>Fair value of plan assets at Asar end</b>	<b>-</b>	<b>-</b>

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

Particulars	NPR	
	31.03.2080	32.03.2079
Current service costs	1,019,942	879,824
Interest on obligation	252,016	108,821
Expected return on plan assets	-	-
Actuarial Losses /(Gain)	1,568,546	1,545,550
<b>Total</b>	<b>2,840,504</b>	<b>2,534,195</b>

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

Particulars	NPR	
	31.03.2080	32.03.2079
Actuarial (gain)/loss	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### 4.23.7: Actuarial assumptions

Particulars	NPR	
	31.03.2080	32.03.2079
Discount rate	10%	11%
Expected return on plan asset	-	-
Future salary increase	6%	6%
Withdrawal rate	15%	12%

#### Debt securities issued

4.24

Particulars	NPR	
	31.03.2080	32.03.2079
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Subordinated Liabilities

4.25

Particulars	NPR	
	31.03.2080	32.03.2079
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Share capital**

4.26

Particulars	31.03.2080	NPR
		32.03.2079
Ordinary shares	519,000,000	519,000,000
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
<b>Total</b>	<b>519,000,000</b>	<b>519,000,000</b>

4.26.1: Ordinary Shares

Particulars	31.08.2080	NPR
		32.03.2079
Authorized Capital		
5,190,000 Ordinary share of Rs. 100 each	519,000,000	519,000,000
Issued capital		
5,190,000 Ordinary share of Rs. 100 each	519,000,000	519,000,000
Subscribed and paid up capital		
5,190,000 Ordinary share of Rs. 100 each	519,000,000	519,000,000
<b>Total</b>	<b>519,000,000</b>	<b>519,000,000</b>

4.26.2: Ordinary share ownership

Particulars	31.03.2080	32.03.2079
<b>Domestic ownership</b>		
Nepal Government	-	-
"A" class licensed institutions	-	-
Other licensed intitutions	-	-
Other Institutions	1.30%	2.01%
Public	43.70%	42.99%
Promoters	55.00%	55.00%
<b>Foreign ownership</b>		
<b>Total</b>	<b>100%</b>	<b>100%</b>

**Reserves**

4.27

Particulars	31.03.2080	NPR
		32.03.2079
Statutory general reserve	17,697,304	14,398,170
Exchange equilisation reserve	-	-
Corporate social responsibility reserve	419,277	521,145
Capital redemption reserve	-	-
Regulatory reserve	16,309,874	9,370,267
Investment adjustment reserve	-	-
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	8,123,816	729,879
Dividend equalisation reserve	-	-
Actuarial gain	(64,093)	(64,093)
Special reserve	-	-
Other reserve	-	379,250
<b>Total</b>	<b>42,486,178</b>	<b>25,334,618</b>

**Contingent liabilities and commitments**

4.28

Particulars	31.03.2080	NPR
		32.03.2079
Contingent liabilities	-	-
Undrawn and undisbursed facilities	41,644,059	16,392,990
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
<b>Total</b>	<b>41,644,059</b>	<b>16,392,990</b>

#### 4.28.1: Contingent Liabilities

Particulars	31.03.2080	NPR
		32.03.2079
Acceptance and documentary credit	-	-
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	-	-
Underwriting commitment	-	-
Other commitments	-	-
<b>Total</b>		

#### 4.28.2: Undrawn and undisbursed facilities

Particulars	31.03.2080	NPR
		32.03.2079
Undisbursed amount of loans	-	-
Undrawn limits of overdrafts	39,144,059	14,892,990.00
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	2,500,000	1,500,000
<b>Total</b>	<b>41,644,059</b>	<b>16,392,990</b>

#### 4.28.3: Capital commitments

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

Particulars	31.03.2080	NPR
		32.03.2079
Capital commitments in relation to Property and Equipment		
Approved and contracted for		
Approved but not contracted for		
<b>Sub total</b>		
Capital commitments in relation to Intangible assets		
Approved and contracted for		
Approved but not contracted for		
<b>Sub total</b>		
<b>Total</b>		

#### 4.28.4: Lease commitments

Particulars	31.03.2080	NPR
		32.03.2079
Operating lease commitments		
Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year		
Later than 1 year but not later than 5 years		
Later than 5 years		
<b>Sub total</b>		
<b>Finance lease commitments</b>		
Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year		
Later than 1 year but not later than 5 years		
Later than 5 years		
<b>Sub total</b>		
<b>Grand total</b>		

#### 4.28.5: Litigation

Bank neither has any litigation nor has initiated any litigation.



Property Plant and Equipment

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery & Other	Equipment & others	Right to Use Asset (ROU)	Total
<b>Balance as on Asar end 2076</b>	-	-	11,472,431	-	6,056,357	-	-	15,995,089	-	-
Addition during the Year	-	-	2,515,964	-	1,012,700	-	7,734	7,639,689	-	-
Acquisition	-	-	1,012,700	-	1,012,700	-	7,734	7,639,689	-	-
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	2,515,964	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	(3,028,009)	-	(113,039)	-	-	2,913,564	-	-
<b>Balance as on Asar end 2077</b>	-	-	10,960,386	-	6,956,018	-	117,862	26,548,342	-	44,582,609
Addition during the Year	-	-	3,611,344	-	378,000	-	-	3,738,097	-	7,727,441
Acquisition	-	-	3,611,344	-	378,000	-	-	3,738,097	-	7,727,441
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2078</b>	-	-	14,571,730	-	7,334,018	-	117,862	30,286,439	-	52,310,050
Addition during the Year	-	-	3,568,627	-	265,092	-	-	5,936,751	-	9,770,470
Acquisition	-	-	3,568,627	-	265,092	-	-	5,936,751	-	9,770,470
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2079</b>	-	-	18,140,357	-	7,599,111	-	117,862	36,223,190	-	62,080,521
Addition during the Year	-	-	5,163,165	-	-	-	-	4,160,365	-	9,323,530
Acquisition	-	-	5,163,165	-	-	-	-	4,160,365	-	9,323,530
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	2,318,254	-	-	-	28,860	460,764	-	24,639,189
Adjustment/Revaluation	-	-	-	-	-	-	-	8,033	-	13,246,783
<b>Balance as on Asar end 2080</b>	-	-	20,985,269	-	7,599,111	-	89,002	39,930,824	-	68,604,253
<b>Depreciation and Impairment</b>	-	-	-	-	-	-	-	-	-	-
As on Asar end 2076	-	-	1,743,242	-	2,655,271	-	-	7,407,181	-	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	1,248,897	-	835,216	-	17,015	4,396,465	-	6,713,422
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	2,992,139	-	3,490,487	-	17,015	11,822,765	-	18,322,407
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	1,534,572	-	718,306	-	15,127	4,445,417	-	6,713,422
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	4,526,711	-	4,208,793	-	32,142	16,268,182	-	25,035,829
<b>Balance as on Asar end 2078</b>	-	-	1,581,970	-	648,519	-	4,821	4,425,622	-	13,927,923
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	6,108,681	-	4,857,312	-	36,964	20,693,804	-	38,963,752
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	1,262,095	-	548,359	-	8,588	4,406,814	-	13,451,569
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	7,370,776	-	5,405,671	-	53,589	25,100,618	-	52,223,358
<b>Balance as on Asar end 2080</b>	-	-	13,614,493	-	2,193,439	-	35,413	14,830,206	-	16,380,847
<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-
Net Book Value	-	-	13,614,493	-	2,193,439	-	35,413	14,830,206	-	16,380,847
<b>As on Asar end 2077</b>	-	-	7,068,247	-	3,465,531	-	100,847	14,725,577	-	26,260,202
<b>As on Asar end 2078</b>	-	-	10,045,019	-	3,125,225	-	85,720	14,018,257	-	27,274,221
<b>As on Asar end 2079</b>	-	-	12,031,676	-	2,741,798	-	80,899	15,229,386	-	27,274,221
<b>As on Asar end 2080</b>	-	-	13,614,493	-	2,193,439	-	35,413	14,830,206	-	80,826,526

.....  
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Sujan Kafle & Associates  
Chartered Accountants

.....  
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Director

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Mr. Hari Bahadur Budathoki  
Chief Executive Officer

.....  
Mrs. Narayani Devi Shrestha  
Director

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Mr. Ganesh Kumar Shrestha  
Chairman

.....  
Mr. Durga Prasad Shrestha  
Head: Finance & Planning

.....  
Mr. Surya Prasad Lamsal  
Director

.....  
Mr. Krishna Shankar Shrestha  
Director

**Goodwill and Intangible Assets**

4.14

NPR

Particulars	Goodwill	Software			Total Asar end
		Purchased	Developed	Other	
<b>Balance as on Asar end 2077</b>		<b>4,844,558</b>			<b>4,844,558</b>
Addition during the Year		847,500			847,500
Acquisition		847,500			
Capitalization					
Disposal during the year					
Adjustment/Revaluation					
<b>Balance as on Asar end 2078</b>		<b>5,692,058</b>			<b>5,692,058</b>
Addition during the Year		-			-
Acquisition		-			
Capitalization					
Disposal during the year					
Adjustment/Revaluation					
<b>Balance as on Asar end 2079</b>		<b>5,692,058</b>			<b>5,692,058</b>
Addition during the Year		-			-
Acquisition		-			
Capitalization					
Disposal during the year					
Adjustment/Revaluation					
<b>Balance as on Asar end 2080</b>		<b>5,692,058</b>			<b>5,692,058</b>
<b>Amortisation and Impairment</b>					
<b>Balance as on Asar 2077</b>		<b>2,700,802</b>			<b>2,700,802</b>
Impairment for the year					
Amortisation charge for the year		786,713			786,713
Disposals					
Adjustment					
<b>Balance as on Asar 2078</b>		<b>3,487,515</b>			<b>3,487,515</b>
Impairment for the year					
Amortisation charge for the year		785,263			785,263
Disposals					
Adjustment					
<b>Balance as on Asar 2079</b>		<b>4,272,778</b>			<b>4,272,778</b>
Impairment for the year					
Amortisation charge for the year		283,856			283,856
Disposals					
Adjustment					
<b>Balance as on Asar 2080</b>		<b>4,556,634</b>			<b>4,556,634</b>
<b>Capital Work in Progress</b>					
<b>Net Book Value</b>		<b>1,135,424</b>			<b>1,135,424</b>
<b>As on Asar end 2078</b>		<b>2,204,543</b>			<b>2,204,543</b>
<b>As on Asar end 2079</b>		<b>1,419,280</b>			<b>1,419,280</b>
<b>As on Asar end 2080</b>		<b>1,135,424</b>			<b>1,135,424</b>

.....  
 Mr. Durga Prasad Shrestha  
 Head: Finance & Planning

.....  
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 Chief Executive Officer

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 Director

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 Mr. Ganesh Kumar Shrestha  
 Chairman

**Green Development Bank Ltd.**  
**Notes to Financial Statements**  
For the year ended 31 Asar 2080

**Deferred Tax**

**4.15**

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Current Year
			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		3,168,830	3,168,830
Property and Equipment	1,185,583		(1,185,583)
Employees' Defined Benefit Plan			-
Lease Liabilities	-		-
Provisions			-
Other Temporary Differences	758,004	591,111	(166,893)
<b>Deferred tax on temporary differences</b>			<b>1,816,355</b>
Deferred tax on carry forward of unused tax losses			-
Deferred tax due to changes in tax rate			-
Net Deferred Tax Asset (Liabilities) as on year end of .....			
Deferred Tax (Asset)/ Liabilities as on Shrawan 01,2079			(475,043)
Origination/(Reversal) during the year			2,291,398
Deferred Tax expense (income) recognized in profit or loss			(877,432)
Deferred Tax expense (income) recognized in OCI			3,168,830
Deferred Tax expense (income) recognized directly in Equity			-
			<b>Previous Year</b>
<b>Deferred tax on temporary differences on following items</b>			
Loans and Advances to BFIs			
Loans and Advances to Customers			
Investment Properties			
Investment Securities		312,805	312,805
Property and Equipment	374,502		(374,502)
Employees' Defined Benefit Plan			-
Lease Liabilities		278,306	278,306
Provisions			-
Other Temporary Differences	691,653		(691,653)
<b>Deferred tax on temporary differences</b>			<b>(475,044)</b>
Deferred tax on carry forward of unused tax losses			-
Deferred tax due to changes in tax rate			-
Net Deferred Tax Asset (Liabilities) as on year end of .....			
Deferred Tax (Asset)/ Liabilities as on Shrawan 01,2078			3,039,021
Origination/(Reversal) during the year			(3,514,065)
Deferred Tax expense (income) recognized in profit or loss			(289,923)
Deferred Tax expense (income) recognized in OCI			(3,576,785)
Deferred Tax expense (income) recognized directly in Equity			352,643

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Mr. Ganesh Kumar Shrestha  
Chairman

**Green Development Bank Ltd.**  
**Notes to Financial Statements**  
 For the year ended 31 Asar 2080

**Interest Income** **4.29**

Particulars	31.03.2080	NPR
		32.03.2079
Cash and cash equivalent	12,082,580	7,345,960
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	-	-
Loans and advances to customers	450,643,430	270,768,532
Investment securities	39,064,086	10,967,917
Loan and advances to staff	3,746,512	2,596,464
Other Interest Income	17,934,302	17,581,243
<b>Total interest income</b>	<b>523,470,910</b>	<b>309,260,116</b>

**Interest Expenses** **4.30**

Particulars	31.03.2080	NPR
		32.03.2079
Due to bank and financial institutions	6,451,772	1,709,750
Due to Nepal Rastra Bank	-	-
Deposits from customers	358,207,210	189,368,644
Borrowing	60,274	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Charges	-	-
<b>Total Interest expense</b>	<b>364,719,256</b>	<b>191,078,394</b>

**Fees and Commission Income** **4.31**

Particulars	31.03.2080	NPR
		32.03.2079
Loan administration fees	604,506	737,372
Service fees	14,490,534	10,110,367
Consortium fees	-	-
Commitment fees	54,725	63,881
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	278,950	154,850
Prepayment and swap fees	-	-
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	418,188	420,407
Commission on letter of credit	-	-
Commission on guarantee contracts issued	-	-
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	242,712	301,701
<b>Total Fees and Commission Income</b>	<b>16,089,615</b>	<b>11,788,577</b>

### Fees and Commission Expense

4.32

Particulars	31.03.2080	NPR
		32.03.2079
ATM management fees	319,069	660,714
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees.	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
<b>Total Fees and Commission Expense</b>	<b>319,069</b>	<b>660,714</b>

### Net Trading income

4.33

Particulars	31.03.2080	NPR
		32.03.2079
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
<b>Net trading income</b>	<b>-</b>	<b>-</b>

### Other Operating Income

4.34

Particulars	31.03.2080	NPR
		32.03.2079
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	(3,446,032)	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	-	-
Gain/loss on sale of property and equipment	(909,867)	-
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other Operating Income	3,313,352	2,754,682
<b>Total</b>	<b>(1,042,546)</b>	<b>2,754,682</b>

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

4.35

Particulars	31.03.2080	NPR
		32.03.2079
Impairment charge/(reversal) on loan and advances to BFIs	(1,217,753)	327,295
Impairment charge/(reversal) on loan and advances to customers	55,720,124	16,037,030
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>54,502,370.2</b>	<b>16,364,324.7</b>

**Personnel Expenses**

**4.36**

Particulars	31.03.2080	NPR
		32.03.2079
Salary	20,801,165	19,681,844
Allowances	17,052,426	13,426,291
Gratuity Expense	1,575,737	2,007,309
Provident Fund	1,891,642	1,914,497
Uniform	-	892,000
Training & development expense	1,291,394	465,995
Leave encashment	2,840,505	2,457,602
Medical	-	-
Insurance	564,864	179,179
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	897,225	1,070,573
Other expenses related to staff	195,610	70,890
<b>Subtotal</b>	<b>47,110,568</b>	<b>42,166,180</b>
Employees Bonus	2,773,548	3,164,987
<b>Grand total</b>	<b>49,884,116</b>	<b>45,331,167</b>

**Other Operating Expense**

**4.37**

Particulars	31.03.2080	NPR
		32.03.2079
Directors' fee	358,000	310,000
Directors' expense	346,978	120,703
Auditors' remuneration	310,750	395,500
Other audit related expense	673,794	73,495
Professional and legal expense	-	-
Office administration expense	5,079,529	4,333,874
Operating lease expense	-	-
Operating expense of investment properties	-	-
Corporate social responsibility expense	200	81,025
Onerous lease provisions	-	-
Depreciation ROU	-	-
Interest on Lease Liability	5,297,885	4,675,031
Other Expenses	17,655,901	15,231,134
<b>Total</b>	<b>29,723,038</b>	<b>25,220,761</b>

4.37.1: Office Administrative Expenses

Particulars	31.03.2080	NPR
		32.03.2079
Light,Electricity & Water	1,735,696	1,530,664
Postage, Telex, Telephone & Fax	263,480	284,661
Office Equipment, Furniture Repair	-	-
Printing & Stationery	1,697,161.99	1,282,512
Other-Meeting Expenses	57,965.00	75,170
Other-Internet Expenses	1,325,226	1,160,866
<b>Total</b>	<b>5,079,529</b>	<b>4,333,873</b>

### Depreciation and Amortisation

4.38

Particulars	31.03.2080	NPR
		32.03.2079
Depreciation on property and equipment	6,233,892	6,660,932
Depreciation on investment property	-	-
Amortisation of intangible assets	283,856	785,263
Depreciation ROU	7,025,714	7,266,991
<b>Total</b>	<b>13,543,462</b>	<b>14,713,186</b>

### Non Operating Income

4.39

Particulars	31.03.2080	NPR
		32.03.2079
Recovery of loan written off	-	-
Other income	-	-
<b>Total</b>		

### Non Operating Expenses

4.40

Particulars	32.03.2079	NPR
		32.03.2079
Loan written off	-	1,949,948
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	864,735	-
<b>Total</b>	<b>864,735</b>	<b>1,949,948</b>

### Income Tax Expenses

Particulars	32.03.2079	32.03.2079
<b>Current tax expense</b>		-
Current year	9,343,694	10,099,732
Adjustments for prior years	-	-
<b>Deferred tax expense</b>		-
Origination and reversal of temporary differences	(877,432)	(289,923)
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
<b>Total income tax expense</b>	<b>8,466,261.7</b>	<b>9,809,809.6</b>

**Green Development Bank Ltd.**  
**Statement of Distributable Profit or Loss**  
 For the year ended 31 Asar 2080  
 (As per NRB Regulation)

Particulars	31.03.2080	32.03.2079
<b>Net profit or (loss) as per statement of profit or loss</b>	16,495,671	18,675,072
<b>Opening Figures</b>	<b>21,268,959</b>	<b>10,499,614</b>
<b>Appropriations:</b>		
a. General reserve	3,299,134	3,735,014
b. Foreign exchange fluctuation fund		
c. Capital redemption reserve		
d. Corporate social responsibility fund	164,957	186,751
e. Employees' training fund		
f. Other		
> Investment adjustment reserve	-	-
> Cash dividend	-	-
> Bonus Share issued	-	-
> Corporate Social Responsibility Fund	-	-
> Employee training fund	(379,250)	379,250
> Share issue expenses written off	-	-
> Others	(19,779)	(568,346)
<b>Profit or (loss) before regulatory adjustment</b>	<b>34,699,568</b>	<b>25,442,017</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	(8,017,170)	(3,698,015)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	-	-
e. Deferred tax assets recognised (-)/ reversal (+)	1,077,563	(475,043)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-)		
<b>Distributable profit or (loss)</b>	<b>27,759,962</b>	<b>21,268,959</b>

.....  
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 Director

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 Mr. Krishna Shankar Shrestha  
 Director

.....  
 Mr. Ganesh Kumar Shrestha  
 Chairman

Date :  
 Place :



#### 4. SIGNIFICANT ACCOUNTING POLICIES (Disclosures)

##### A. Staff Loans measured at fair value

Under previous NAS, staff loans were recorded at cost less repayments net of loan loss provision, if any. Under NFRS, the Development bank has to measure the staff loans granted below the market interest rate at their fair value, calculate based on the market interest rate of similar products.

The fair value of such loans as at Asar 31 2080 was Rs 40,844,523 and their previous NAS carrying amount was Rs. 51,699,716. The difference between the fair value and NAS carrying amount was Rs. 10,815,193 has been netted off against staff loans & recognized as deferred employee expenditure in other assets.

The fair value of such loans as at Asar 32 2079 was Rs 22,818,030 And their previous NAS carrying amount was Rs. 30,699,404. The difference between the fair value and NAS carrying amount was Rs. 7,881,374 has been netted off against staff loans & recognized as deferred employee expenditure in other assets.

##### B. Adjustment on loan impairment

In compliance with the NRB Directives and subsequent amendment there to, specific loan loss provisions were made based on the arrears time period and General provision were made at a specified rate given by NRB time to time.

##### C. Financial Investments- Available for Sale

Under previous NAS, the Development bank recognized its investment portfolios which are not held for trading activities at their cost. Under NFRS, the Development bank has designated such investments as available-for-sale investments and measured at fair value. Such investments include equity investments, mutual Funds and portfolio management scheme.

As at Asar 31 2080 fair value of investment which are available for sale was amounting to Rs. 498,988,217. Such investment was in quoted and unquoted securities.

As at Asar 32 2079 fair value of investment which are available for sale was amounting to Rs. 142,285,584. Such investment was in quoted securities.

#### **D. Deferred Taxation**

The deferred tax asset previously identified under NAS accounts were reversed and relevant assets/liabilities were recognized where necessary.

As on Asar 31 2080 deferred tax liability of Rs 1,816,355 was recognized for deductible temporary difference.

As on Asar 32 2079 deferred tax assets of Rs 475,043 was recognized for deductible temporary difference.

#### **E. Interest Income**

Income amounting to Rs 17,495,313 was recognized for financial year 2079/80 for accrual of interest on loans, Interest benefit for staff loans and amortization of development bonds as an impact of interest unwinding.

Income amounting to Rs 4,278,232 was recognized for financial year 2078/79 for accrual of interest on loans, Interest benefit for staff loans and amortization of development bonds as an impact of interest unwinding.

#### **F. Personnel Cost**

As a result of actuarial valuation for the fiscal year 2079/80, Rs 30,724 was reversed from Personnel expenses.

Additional expense of Rs 633,677 was deducted in Personnel expenses as result of actuarial valuation for the fiscal year 2078/79.

1. Bonus to staffs -as per the Labor Act, 10% bonus has been levied after bonus before income tax.
2. Income Tax – tax has been computed on the basis of profit computed from NFRS. The difference due to previous year has been booked in deferred tax.

#### **G. Operating Lease**

Development Bank has implemented NFRS 16, "Leases" for the accounting of RoU Assets and Lease Liability. All operating leases of the Development bank is for the contract of more than 1 years. Right to use assets, lease liability, interest on lease liability and depreciation on RoU was computed on individual contracts. Total Lease Liability at the beginning of the year was Rs 47,148,569, addition of Rs 24,639,189 and disposal of Rs 11,669,802 while Total RoU asset was Rs 43,788,587 at the beginning of the year, addition of Rs 24,639,189 and disposal of Rs 11,249,088 was made during the year resulting the balance to Rs 57,178,688. After charging depreciation on ROU assets amounting to Rs 7,025,714 and interest on lease liability amounting

to Rs 5,297,885 to Statement of Profit or Loss, closing ROU asset is Rs 50,152,974 and Lease Liability is Rs 54,973,059.

## 5. Disclosures and Additional Information

### 5.1. Risk Management

In compliance with Nepal Rastra Bank Directives 6 on "Corporate Governance", the Board of Bank has established a Risk Management Committee with clear terms of reference. As at the date of this report, the Bank's Risk Management Committee comprised of the following:

S. No.	Members of Risk Management	Designation
1	Non-Executive Director from Promoter	Coordinator
2	Non-Executive Director from Public	Member
3	Finance and Planning Head	Member
4	Risk Department Head	Member-Secretary

The Committee meets at least four times annually to oversee and review the fundamental prudential risks including operational, credit, market, reputational, capital and liquidity risk etc.

The responsibilities of Risk Management Committee are as follows:

- Formulate policies and guidelines for identification, measurement, monitoring and control all major risk categories.
- Ensuring the Bank has clear, comprehensive and well documented policies and procedure.
- Defining the Bank's overall risk tolerance in relation to credit risk.
- Ensuring that Bank's significant risks exposure is maintained at prudent levels and consistent with the available capital.

Apart from Board Level Risk Management Committee the other committees and groups as mentioned below supports for Overall Risk Management.

### Risk Governance

Risk Management Committee was formed to review the credit risk, market risk and liquidity risk of the Bank. Apart from the Assets Liability Management Committee has been formed to monitor Liquidity risk as well as market risk, AML CFT committee in order to monitor the operational risk. The committee and subcommittee have effectively discharged their duties & responsibility.

Risk Management Department conducts periodical financial surveillance and monitoring. In addition to this, the risk management committee analyses the Stress testing of the bank as required by Nepal Rastra Bank and its impact and corrective action to mitigate the risk.

The major risk areas and mitigation mechanism is as given below:

### **5.1.1. Credit Risk**

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

Bank has implemented various System/ Policies/ Procedures/ Guidelines for the effective management of Credit Risk. For each type of loan, credit policies and procedures define criteria for granting loans in a safe and sound manner including but not limited purpose of credit and source of repayment, collection of relevant information based on the different client risk profiles, use of adequate tools, adequacy, enforceability and liquidity status of collaterals, as well as the practical aspects of their mobilization.

Standardized loan application forms have been in use for facilitating collection and analysis of all the relevant data for evaluating credit worthiness and proper evaluation of the credit risk of the prospective borrower. The factors considered in evaluating loan applications normally included prospects of the business, management of the firm/company, financial analysis-income statement, balance sheet, cash flow statement, key financial indicators, and key risk and mitigates. Further, inspection and supervision are also conducted before approval of the loan for pre-analysis and after the disbursement of the loan as well for monitoring the utilization of the loan.

#### **Maximum exposure to credit risk**

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

### **5.1.2. Market Risk**

Risks arising out of adverse movements in interest rates and equity prices are covered under Market Risk Management. Market Risk is the potential for loss of earnings or economic value due to adverse changes in financial market rates or prices. Institution exposure to market risk arises principally from customer driven transactions.

In line with Risk Management Guidelines prescribed by NRB, the Bank focuses on risk management in addition to that interest rate risk is assessed at a regular interval to strengthen market risk management. The market risk is managed within the risk tolerances and market risk limits set by ALCO. ALCO regularly meets, analyses and takes decision over the Market Risk by analyzing the internal as well as external factor.

### **5.1.3. Liquidity Risk**

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

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 fixed nature asset positions is not available to the Bank on acceptable terms. The Liquidity Risk is managed by ALCO. The ALCO has developed the Treasury circular for overall liquidity management of bank.

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

S.N.	Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
1	Cash Balance	53,050.00					53,050.00
2	Balance with Banks & FIs	727,152.00					727,152.00
3	Investment in Foreign Banks						
4	Call Money						
5	Government Securities				199,901.00	270,000.00	469,901.00
6	Nepal Rastra Bank Bonds						
7	Inter Bank & FI Lending						
8	Loans & Advances	665,692.15	665,692.15	665,692.15	665,692.15	665,692.15	3,328,460.73
9	Interest Receivable	37,833.00					37,833.00
10	Reverse Repo						
11	Receivables from other Institutions under Commitment						
12	Payment to be made for facilities under s.no 20,21 & 22						
13	Others						
	<b>Total Assets (A)</b>	<b>1,483,727.15</b>	<b>665,692.15</b>	<b>665,692.15</b>	<b>865,593.15</b>	<b>935,692.15</b>	<b>4,616,396.73</b>
14	Current Deposits	63,097.00					63,097.00
15	Saving Deposits	139,663.40	139,663.40	139,663.40	139,663.40	139,663.40	698,317.00
16	Fixed Deposits	565,189.20	565,189.20	565,189.20	565,189.20	565,189.20	2,825,946.00
17	Debentures						
18	Borrowings:						
19	Other Liabilities and Provisions	126,885.06					126,885.06
20	Payable to other institutions under Commitment						
21	Unutilized Approved Facilities						
22	Letter of Credit/Guarantee (Net of Margin)						
23	Repo						
24	Payment to be made for facilities under S.No 11						
25	Others						
	<b>Total Liabilities (B)</b>	<b>894,834.66</b>	<b>704,852.60</b>	<b>704,852.60</b>	<b>704,852.60</b>	<b>704,852.60</b>	<b>3,714,245.06</b>

#### **5.1.4. Operational Risk**

Operational risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies, employee errors, system failures, fraud or other criminal activity, any event that disrupts business processes.

Operational risk exposures are managed through a consistent set of management processes that drive risk identification, assessment, control and monitoring. For the control of operational risk of institution, it has Financial Administration Policy, Employee Bylaws, Operational Manual, AML/CFT Policy, Suspicious Transaction Identification Procedure, and Politically Exposed Person Policy, which guides the day-to-day operations.

Each risk control owner is responsible for identifying risks that are material and for maintaining an effective control environment across the organization. Risk control owners have responsibility for the control of operational risk arising from the management of the following activities: External Rules & Regulations, Liability, Legal Enforceability, Damage or Loss of Physical Assets, Safety & Security, Internal Fraud or Dishonesty, External Fraud, Information Security, Processing Failure, and Model. Operational risks can arise from all business lines and from all activities carried out by the Bank. Operational risk management approach seeks to ensure management of operational risk by maintaining a complete process universe defined for all business segments, products and functions processes.

#### **5.1.5. Internal Control**

The Board is committed to managing risks and in controlling its business and financial activities in a manner which enables it to maximize profitable business opportunities, avoid or reduce risks which can cause loss or reputational damage, ensure compliance with applicable laws and regulations and enhance resilience to external events. To achieve this, the Board has adopted policies and procedures of risk identification, risk evaluation, risk mitigation and control/monitoring.

The effectiveness of the Company's internal control system is reviewed regularly by the Board, its Committees, Management and Internal Audit. The Audit Committee has reviewed the effectiveness of the Bank's system of internal control during the year and provided feedback to the Board as appropriate. The bank has outsourced the Internal Audit function to maintain independency on the internal control system of institution. The Internal Audit monitors compliance with policies/standards and the effectiveness of internal control structures across the Bank through its program of business/unit audits. The Internal Audit function is focused on the areas of greatest risk as determined by a risk-based assessment methodology. Internal Audit reports are quarterly forwarded to the Audit Committee. The findings of all audits are reported to the Chief Executive Officer and Business Heads for initiating immediate corrective measures.

### **5.2. Capital management**

Capital management approach is driven by its desire to maintain a strong capital base to support the development of its business and to meet the regulatory capital requirements.

### 5.3. Qualitative Disclosures

Bank has maintained capital adequacy as per directive issued by NRB. For the purpose, the Bank has developed Internal Capital Adequacy Assessment Process (ICAAP) which acts as a guiding document for reporting the ongoing assessment of the Bank's risks, how the Bank intends to mitigate those risks and how much current and future capital is necessary having considered other mitigating factors.

#### 5.3.1. Capital structure and capital adequacy

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

Amount in Rs '000

1.2 CAPITAL		Current Period	Previous Period
<b>(A) Core Capital (Tier 1)</b>		<b>563,963.45</b>	<b>565,605.77</b>
a	Paid up Equity Share Capital	519,000.00	519,000.00
b	Irredeemable Non-cumulative preference shares		
c	Share Premium	1.81	1.81
d	Proposed Bonus Equity Shares		
e	Statutory General Reserves	17,697.30	25,335.00
f	Retained Earnings	27,264.33	21,268.96
g	Un-audited current year cumulative profit/(loss)		
h	Capital Redemption Reserve		
i	Capital Adjustment Reserve		
j	Debenture Redemption Reserve		
k	Dividend Equalization Reserves		
l	Other Free Reserve		
n	Less: Goodwill		
o	Less: Fictitious Assets		
	Less: Investment in equity in licensed Financial		
p	Institutions		
	Less: Investment in equity of institutions with		
q	financial interests		
	Less: Investment in equity of institutions in excess		
r	of limits		
	Less: Investments arising out of underwriting		
s	commitments		
t	Less: Reciprocal crossholdings		
	Less: Purchase of land & building in excess of		
u	limit and unutilized		
v	Less: Other Deductions		
<b>Adjustments under Pillar II</b>			
SRP 6.4a(1)	Less: Shortfall in Provision	-	
SRP 6.4a(2)	Less: Loans & Facilities extended to related parties and restricted lending	-	

**b. Tier 2 capital and a breakdown of its components**

<b>(B) Supplementary Capital (Tier 2)</b>		<b>53,569.93</b>	<b>34,874.12</b>
a	Cumulative and/or Redeemable Preference Share		
b	Subordinated Term Debt		
c	Hybrid Capital Instruments		
d	General loan loss provision	53,569.93	34,874.12
e	Exchange Equalization Reserve		
f	Investment Adjustment Reserve		
g	Asset Revaluation Reserve		
h	Other Reserves		
<b>Total Capital Fund (Tier I and Tier II)</b>		<b>617,533.37</b>	<b>600,479.89</b>

**c. Capital adequacy ratio**

<b>1.3 CAPITAL ADEQUACY RATIOS</b>	<b>Current Period</b>	<b>Previous Period</b>
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	16.66%	19.25%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	18.24%	20.44%

**d. Risk weighted exposure for credit risk**

<b>A. Balance Sheet Exposures</b>	<b>Book Value</b>	<b>S P</b>	<b>Eligible CRM</b>	<b>Net Value</b>	<b>Risk Weight</b>	<b>Risk Weighted Exposures</b>
	<b>a</b>	<b>b</b>	<b>c</b>	<b>d=a-b-c</b>	<b>e</b>	<b>f=d*e</b>
Cash Balance	52,970.33			52,970.33	0%	-
Balance With Nepal Rastra Bank	161,981.40			161,981.40	0%	-
Gold				-	0%	-
Investment in Nepalese Government Securities	469,901.76			469,901.76	0%	-
All Claims on Government of Nepal				-	0%	-
Investment in Nepal Rastra Bank securities				-	0%	-
All claims on Nepal Rastra Bank				-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)				-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)			-	-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)			-	-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)			-	-	100%	-



Claims on Foreign Government and Central Bank (ECA -7)		-	-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework				0%	-
Claims on Other Multilateral Development Banks		-	-	100%	-
Claims on Domestic Public Sector Entities		-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)		-	-	20%	-
Claims on Public Sector Entity (ECA 2)		-	-	50%	-
Claims on Public Sector Entity (ECA 3-6)		-	-	100%	-
Claims on Public Sector Entity (ECA 7)		-	-	150%	-
Claims on domestic banks that meet capital adequacy requirements	565,170.40	-	565,170.40	20%	113,034.08
Claims on domestic banks that do not meet capital adequacy requirements		-	-	100%	-
Claims on foreign bank (ECA Rating 0-1)		-	-	20%	-
Claims on foreign bank (ECA Rating 2)		-	-	50%	-
Claims on foreign bank (ECA Rating 3-6)		-	-	100%	-
Claims on foreign bank (ECA Rating 7)		-	-	150%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement		-	-	20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)		-	-	80%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)		-	-	85%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)		-	-	90%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)		-	-	100%	-
Claims on Domestic Corporates (Unrated)	113,374.44	-	113,374.44	100%	113,374.44
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)	2,153,437.16		-	2,153,437.16	75%	1,615,077.87
Claims fulfilling all criterion of regularity retail except granularity			-	-	100%	-
Claims secured by residential properties	583,389.15		-	583,389.15	60%	350,033.49
Claims not fully secured by residential properties			-	-	150%	-
Claims secured by residential properties (Overdue)	15,699.25		-	15,699.25	100%	15,699.25
Claims secured by Commercial real estate			-	-	100%	-
Past due claims (except for claims secured by residential properties)	94,000.49		-	94,000.49	150%	141,000.74
High Risk claims	358,906.75		-	358,906.75	150%	538,360.12
Lending Against Securities (Bonds)			-	-	100%	-
Lending Against Shares (upto Rs. 2.5 Million)	9,653.49		-	9,653.49	100%	9,653.49
Investments in equity and other capital instruments of institutions listed in stock exchange	12,215.62		-	12,215.62	100%	12,215.62
Investments in equity and other capital instruments of institutions not listed in the stock exchange	5,000.00		-	5,000.00	150%	7,500.00
Staff loan secured by residential property	21,950.00			21,950.00	50%	10,975.00
Interest Receivable/claim on government securities	11,102.09			11,102.09	0%	-
Cash in transit and other cash items in the process of collection				-	20%	-
Other Assets (as per attachment)	172,373.55	-	-	172,373.55	100%	172,373.55
<b>TOTAL (A)</b>	<b>4,801,125.88</b>	-	-	<b>4,801,125.88</b>		<b>3,099,297.65</b>

<b>B. Off Balance Sheet Exposures</b>	<b>Book Value</b>	<b>S P</b>	<b>Eligible CRM</b>	<b>Net Value</b>	<b>Risk Weight</b>	<b>Risk Weighted Exposures</b>
Revocable Commitments				-	0%	-
Bills Under Collection				-	0%	-
Forward Exchange Contract Liabilities			-	-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty			-	-	20%	-
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			-	-	50%	-
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			-	-	40%	-
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			-	-	100%	-
Financial Guarantee	2,500.00		-	2,500.00	100%	2,500.00
Acceptances and Endorsements			-	-	100%	-
Unpaid portion of Partly paid shares and Securities			-	-	100%	-
Irrevocable Credit commitments (short term)	41,644.06		-	41,644.06	20%	8,328.81
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>44,144.06</b>	-	-	<b>44,144.06</b>		<b>10,828.81</b>
<b>Total RWE for credit Risk Before Adjustment (A) +(B)</b>	<b>4,845,269.93</b>	-	-	<b>4,845,269.93</b>		<b>3,110,126.46</b>
<b>Adjustments under Pillar II</b>						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE						-
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE						-
<b>Total RWE for Credit Risk after Bank's adjustments under Pillar II</b>	<b>4,845,269.93</b>	-	-	<b>4,845,269.93</b>		<b>3,110,126.46</b>

e. Risk weighted exposure for operational risk

S.N.	Particulars	Fiscal Year		
		2076/077	2077/078	2078/079
1	Net Interest Income	79,324.00	81256.33	118,181.72
2	Commission and Discount Income	6806.36	10412.67	11,788.58
3	Other Operating Income	1069.24	1408.64	2,754.68
4	Exchange Fluctuation Income			
5	Addition/Deduction in Interest Suspense during the period	(16,855.00)	(13,818.00)	4,278.23
6	<b>Gross income (a)</b>	<b>70,344.60</b>	<b>79,259.64</b>	<b>137,003.21</b>
7	<b>Alfa (b)</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
8	<b>Fixed Percentage of Gross Income [c=(a×b)]</b>	<b>2,035.80</b>	<b>7,074.45</b>	<b>20,550.48</b>
9	<b>Capital Requirement for operational risk (d) (average of c)</b>	<b>14,330.37</b>		
10	<b>Risk Weight (reciprocal of capital requirement of 10% in times (e))</b>	<b>10</b>		
11	<b>Equivalent Risk Weight Exposure [f=(d×e)]</b>	<b>143,303.74</b>		
<b>SRP 6.4a (8) Adjustments under Pillar II (If Gross Income for the last three years is negative)</b>				
1	Total Credit and Investment (net of Specific Provision) of releted month	-		
2	Capital Requirement for Operational Risk (5% of net credit and investment)	-		
3	<b>Risk Weight (reciprocal of capital requirement of 11% in times)</b>	<b>9.09</b>		
4	<b>Equivalent Risk Weight Exposure (g)</b>	<b>-</b>		
5	<b>Equivalent Risk Weight Exposure [h=f+g]</b>	<b>143,303.74</b>		

a. Total Risk Weighted Exposure:

a. Total Risk Weighted Exposure:

1. 1 RISK WEIGHTED EXPOSURES		Current Period	Previous Period
a	Risk Weighted Exposure for Credit Risk	3,110,126.46	2,712,743.96
b	Risk Weighted Exposure for Operational Risk	143,303.74	111,458.27
c	Risk Weighted Exposure for Market Risk	-	-
<b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>		<b>3,229,377.79</b>	<b>3,253,430.20</b>
<b>SRP 6.4a (5)</b>	<i>ALM policies &amp; practices are not satisfactory, add 1% of net interest income to RWE</i>		
<b>SRP 6.4a (6)</b>	<i>Add .....% of the total deposit due to insufficient Liquid Assets</i>	1,181.82	812.56
<b>SRP 6.4a (7)</b>	<i>Add RWE equivalent to reciprocal of capital charge of 2-5% of gross income</i>	-	-
<b>SRP 6.4a (9)</b>	<i>Overall risk management policies and precedures are not satisfactory. Add 4% of RWE</i>	-	-
<b>SRP 6.4a (10)</b>	<i>If desired level of disclosure requirement has not been achieved, Add .....% of RWE</i>	130,137.21	84,726.88
<b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b>		<b>3,384,749.23</b>	<b>2,937,983.96</b>

5.4. Classification of financial assets and financial liabilities

Particulars	As at 2080-03-31		As at 2079-03-32	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Assets</b>				
<b>Assets carried at Amortized Cost</b>				
Cash and Cash Equivalent	618,140,730	618,140,730	797,926,566	797,926,566
Statutory Balances and Due from Nepal Rastra Bank	161,981,395	161,981,395	101,224,913	101,224,913
Placement with Bank and Financial Institutions	50,000,000	50,000,000	-	-
Loans and Advances to Customers	3,291,917,357	3,291,917,357	2,572,137,499	2,572,137,499
Investment Securities	469,901,760	469,901,760	118,742,900	118,742,900
Investment in Subsidiaries	-	-	-	-
<b>Fair Value through Profit &amp; Loss (FVTPL)</b>				
Investment Securities	-	-	-	-
<b>Fair Value through Other Comprehensive Income (FVTOCI)</b>				
Investment Securities	17,481,005	29,086,457	22,500,000	23,542,684
<b>Liabilities</b>				
<b>Liabilities carried at Amortized Cost</b>				
Due to Bank and Financial Institutions	216,349,987	216,349,987	208,661,102	208,661,102
Due to Nepal Rastra Bank	-	-	-	-
Deposit from Customers	3,859,791,075	3,859,791,075	2,885,264,311	2,885,264,311
Borrowings	25,000,000	25,000,000	-	-
<b>Fair Value through Profit &amp; Loss (FVTPL)</b>				
Derivative Financial Instruments	-	-	-	-

## 5.5. Segment Analysis

### 5.5.1. General Information

An operating segment is a component that engages in business activities from which it earns revenue and incurs expense, including revenues and expenses that relating to transaction with any of groups other components, whose operating results are reviewed by management.

Business segments have been identified and reported taking into account the function, products and the services offered by the bank and the departmental operation carried out by the bank. Segment results that are reported to the Bank's include directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Bank operates in the following segments:

#### **Banking:**

It includes the general function carried out by the banks. Lending and deposits are included in the Banking operation. The major sources of the income include the interest income and the processing fees on the loan granted.

#### **Treasury:**

Investments made by the banks is covered by this segment. The investment includes the investment made on the government bonds and the various listed and the un-listed securities including the units of the mutual funds. The income of this segment includes the interest and the dividend income.

#### **Card:**

It includes the technology-based services offered by the bank.

#### **Remittance:**

It covers the remittance services offered by the bank to its valued customers. The Bank serves as a remittance agent to various remittance companies to send and pay international as well as domestic remittance.

**A. Information about reportable segment (NFRS)**

Particulars	Amount in Rs					
	Banking	Treasury	Card	Remittance	All Others	Total
(a) Revenue from external customers	465,133,965	51,146,666	278,950.00	418,188	24,858,058	541,835,826
(b) Intersegment revenues						
<b>(c) Net Revenue</b>	<b>465,133,965</b>	<b>51,146,666</b>	<b>278,950.00</b>	<b>418,188</b>	<b>24,858,058</b>	<b>541,835,826</b>
(d) Interest Revenue	450,643,430	51,146,666	-	-	-	
(e) Interest Expense	364,658,982	60,274	-	-	-	
<b>(f) Net interest revenue (b)</b>	<b>85,984,448</b>	<b>51,086,392</b>				
(g) Impairment Charge	54,502,370					54,502,370
(h) Personnel Expenses	42,743,556	4,700,131	25,634	38,429	2,284,335	49,792,085
(i) Other operating expenses	26,292,557	2,835,829	15,466	23,186	1,378,256	30,545,295
(j) Depreciation and Amortization	11,626,260	1,278,437	6,972	10,453	621,340	13,543,462
<b>(k) Segment profit/(loss)</b>	<b>(34,689,761)</b>	<b>42,271,996</b>	<b>230,876.96</b>	<b>346,119</b>	<b>20,574,127</b>	<b>28,733,358</b>
(l) Entity's interest in the profit or loss of associates accounted for using equity method						
(m) Other material non-cash items:						
.....						
.....						
.....						
(n) Impairment of assets	-					
(o) Segment assets	4,187,871,619	498,988,217		23,202,708	61,838,918	4,771,901,463
(p) Segment liabilities	4,076,141,062	25,000,000			670,760,401	4,771,901,463

**B. Reconciliation of reportable segment profit or loss**

Particulars	Current Quarter
Total Profit before tax for reportable segment	28,484,881
profit before tax for other segment	-
Elimination of intersegment profit	-
Elimination of discontinues operation	-
Uncollected Amounts:	-
-Other Corporate Expenses	-
<b>Profit before tax</b>	<b>28,484,881</b>

### 5.5.2. Measurement of operating segment profit or loss, assets and liabilities

The bank has identified the major segments on the basis of the nature of the operation. The bank has accounted the inter segment transaction if any as per the banking policy.

### 5.5.3. Reconciliation of reportable segment revenues, profit or loss, assets and liabilities:

#### Revenue

Particulars	Amount (Rs.)
Total revenue for reportable segments	516,977,768
Other revenues	24,858,058
Elimination of intersegment profits	-
<b>Entity's revenues</b>	<b>541,835,826</b>

#### Profit or Loss

Particulars	Amount (Rs.)
Total profit or loss for reportable segments	8,159,230
Other profit or loss	20,574,127
Elimination of intersegment profits	
Unallocated amounts:	
<b>Profit or loss before income tax</b>	<b>28,733,358</b>

#### Assets

Particulars	Amount (Rs.)
<b>Total assets for reportable segments</b>	<b>4,710,062,544</b>
Other assets	61,838,918
Unallocated amounts:	
<b>Entity's assets</b>	<b>4,771,901,463</b>

#### Liabilities

Particulars	Amount (Rs.)
<b>Total liabilities for reportable segments</b>	<b>4,101,141,062</b>
Other liabilities	670,760,401
Unallocated amounts:	
<b>Entity's liabilities</b>	<b>4,771,901,463</b>

### 5.5.4. Information about the products and the services

Amount in Rs

S.N	Description	Revenue
(a)	General Banking-Loan to customers, BFIs, Others	465,133,965
(b)	Treasury: Investment of the bonds, Dividend income	51,146,666



(c)	Card: Mobile, Internet Banking and SCT card fees	278,950
(d)	Remittance	418,188

### 5.6. Share options and share based payment

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

### 5.7. Contingent liabilities and commitment (Rs.)

Particulars	31-03-2080(Rs.)	32-03-2079(Rs.)
Contingent liabilities	-	-
Undrawn and undisbursed facilities	41,644,059	1,500,000
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
<b>Total</b>	<b>41,644,059</b>	<b>1,500,000</b>

#### Litigations:

Litigations are anticipated in the context of business operations due to the nature of the transactions involved.

However, the Development bank has no any litigations.

### 5.8. Related Parties disclosures

#### a. Related party

The bank has identified following as related parties under NAS 24:

1. Directors
2. Key Management Personnel of the Bank and
3. Related parties of the above two

#### b. Key Managerial Personnel

Key Management Personnel (KMP) of the Development bank include members of the Board, Chief Executive Officer and all top-level executives. Followings are a list of Board of Directors and CEO bearing office.

S.N.	Name of the Key Management Personnel	Post
1	Mr. Ganesh Kumar Shrestha	Chairman
2	Mr. Krishna Shankar Shrestha	Director
3	Mr. Manobigyan Shrestha	Director
4	Mrs. Narayani Devi Shrestha	Director
5	Mr. Surya Prasad Lamsal	Director
6	Mr. Hari Bahadur Budhathoki	Chief Executive Officer

### c. Compensation to the Members of the Board

All the members of the Board are non-executive directors and no executive compensation is paid to the directors. Specific non-executive allowances paid to the directors till current period ended Asar 2080 are as under-

Particulars	Amount (NPR)
Board Meeting Fees	358,000
Other Allowances	181,500
Board Meeting Expenses	451,333

These allowances are approved by the Annual General Meeting of the bank.

### d. Compensation to Management Level Employees

#### Compensation to Chief Executive Officer of the Bank

Particulars	31-03-2080 (Rs.)
Short Term Employee Benefits	2,303,732.41
Employee Bonus & Welfare	112,404.21
Post Employee Benefits	1,85,792.88
Festival Allowances	109,000.01
Other Allowances	20,000.00
<b>Total</b>	<b>2,730,929.51</b>

#### Compensation to Senior Management Personal of the Bank

Particulars	31-03-2080 (Rs.)
Short Term Employee Benefits	3,189,412.85
Employee Bonus & Welfare	209,065.89
Post Employee Benefits	312,197.22
Festival Allowances	254,711.02
Other Allowances	-
<b>Total</b>	<b>3,965,386.98</b>

Senior Management Personnel indicates staff of Manager Level and above.

### 5.9. Merger and Acquisition

There are no merger or acquisitions transaction during the year

### 5.10. Additional disclosures of non-consolidated entities

There are no such entities which are required to be consolidated but not done during the year.

### 5.11. Events after reporting date

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

### 5.12. Effect on Non-Banking Assets

The Bank does not have any Non-Banking Assets (NBA)

### 5.13. Change of estimate

There is no change in estimate during the current year.

### 5.14. Earnings per share

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

Amount in Rs

Particulars	Year ended	Year ended
	31-03-2080	32-03-2079
Profit attributable to equity shareholders (a)	16,495,671	18,675,072
Weighted average of number of equity shares used in computing basic earnings per share (b)	5,190,000	5,190,000
Adjusted weighted average of number of equity shares used in computing basic earnings per share		
Basic and diluted earnings per equity share of NPR 100 each (a/b)	3.18	3.60

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

Pursuant to the requirement of NAS 33, the company has retrospectively adjusted and restated the Basic Earnings per Share (BEPS) and Diluted Earnings Per Share (DEPS) for previous year.

### 5.15. Non-performing assets

The Details of performing and non-performing loan and its changes are presented below

Particulars	Current Year	Previous Year	Change	
			Amount	%
<b>Pass Loan (Performing Loans)</b>	<b>3,232,766,506.57</b>	<b>2,600,364,360.87</b>	<b>632,402,145.70</b>	<b>24.32%</b>
<b>Non-Performing Loans (NPL)</b>	<b>95,722,564.96</b>	<b>39,106,655.38</b>	<b>56,615,909.58</b>	<b>144.77%</b>
Restructured/Rescheduled	-	-	-	
Substandard	28,825,131.83	15,971,792.47	<b>12,853,339.36</b>	<b>80.48%</b>
Doubtful	48,500,818.40	13,950,315.21	<b>34,550,503.19</b>	<b>247.67%</b>
Loss	18,396,614.73	9,184,547.70	<b>9,212,067.03</b>	<b>100.30%</b>
<b>Gross Loans &amp; Advances</b>	<b>3,328,489,071.53</b>	<b>2,639,471,016.25</b>	<b>689,018,055.28</b>	<b>26.10%</b>

### 5.16. Concentration of Deposits, Loans & Advances and Contingents

*Amount in Rs*

Particulars	Loans & Advances and Bills Purchased	Loans & Advances and Bills Purchased
	Current Year	Previous Year
Total Amount Outstanding	3,328,460,730	1,928,560,918
Highest Exposure of a Single Unit	59,647,460	62,900,000
Concentration of Exposure (%)	1.79%	3.26%

For the calculation of concentration, loans and advances is total loans extended to the customers except staff loans and interest accruals on loans and the deposits is total deposits from the customers excluding interest payables.

Single Obligor Limit and Sector-wise Limit (Directive No. 3) for both funded and non-funded are within the limit as prescribed by NRB directives.

### 5.17. Reserves

#### 5.17.1. General Reserve

Section 44 of Bank and Financial Institutions Act 2073 requires the Bank to allocate at least 20% of the net profits of every year to General Reserve until it is twice the paid-up capital. The Bank has appropriated NPR 3,366,382 of the net profits to General Reserve in the current year.

*Amount in Rs*

Particulars	Current Year	Previous Year
<b>Opening General Reserve</b>	<b>14,398,170</b>	<b>10,663,156</b>
20% of Profit to be transferred	3,299,134	3,735,014
<b>Closing General Reserve</b>	<b>17,697,304</b>	<b>14,398,170</b>

### 5.17.2. Investment Adjustment Reserve

During this fiscal year there is no such transaction requiring investment adjustment reserve.

### 5.17.3. Regulatory Reserve

Regulatory reserves include any amount derived as result of NFRS conversion and adoption with effect in retained earnings. As required by NRB Directive 4, the Bank has created Regulatory Reserve and movement of reserve during the year is as follows:

*Amount in Rs*

Fiscal Year	Interest Receivable	Short Loan Loss Provision on NBA	Deferred Tax Assets	Acturial Loss Recognised	Goodwill	Fair Value Recognised in OCI	Total
Opening Balance as on 1st Shrawan 2076	4,016,636.00	-	427,775.00	64,093.00	-	-	4,508,504.00
Changes in FY 2076/77	501,510.00	-	174,745.00	-	-	-	676,255.00
Balance as on 31st Ashad 2077	4,518,146.00	-	602,520.00	64,093.00	-	-	5,184,759.00
Changes in FY 2077/78	12,451.00	-	-	-	-	-	12,451.00
Balance as on 31st Ashad 2078	4,530,597.00	-	602,520.00	64,093.00	-	-	5,197,210.00
Changes in FY 2078/79	3,698,015.00	-	475,043.00	-	-	-	4,173,058.00
Balance as on 31st Ashad 2079	8,228,612.00	-	1,077,563.00	64,093.00	-	-	9,370,268.00
Changes in FY 2079/80	8,017,170.00	-	1,077,563.00	-	-	-	6,939,607.00
Balance as on 31st Ashad 2080	16,245,782.00	-	-	64,093.00	-	-	16,309,875.00

### 5.17.4. Corporate Social Responsibility

As per the NRB Directive 6.16 on the Corporate Social Responsibility, the Bank has allocated 1% of the net profit after tax of current fiscal year for CSR activities amounting Rs 164,957 for current year and Rs 186,751 for previous year.

During the current year Rs 266,825 was used for CSR purpose from the opening available fund of Rs. 521,146.

*Amount in Rs*

Particulars	31-03-2080	32-03-2079
Opening Balance	521,146	334,395
Transfer to Retained Earning	(266,825)	-
Transfer to Reserve	164,957	186,751
Closing Balance	419,278	521,146

### 5.18. Disclosure related to Training Expenses

As per NRB Directive 6(6), Bank should spend 3% of total personnel expense of previous year on training and personal development of employees. In current fiscal year the bank spent Rs 1,291,393.83 for training and development expense where the amount to be transferred to training fund was Rs 845,246. The opening balance of employee training fund was Rs 379,250 was expended and amount of Rs.66,897.83 was extra expended during the year. Amount transferred to Training fund for the fiscal year is shown below.

Employee Expenses	Amount (Rs)
Employee Basic Salary	18,999,709
Employee Grade Expenses	682,134

Staff Development Expenses	1,527,840.00
Employee Dearness Allowance	1,745,454
Business Promotion Expenses	5,219,718
<b>Total Employee Expenses</b>	<b>28,174,855</b>
Amount to be transferred to Training Fund	845,246
Less: Expenses for the year	-1,291,393.83
Add: Opening Balance of Training Fund	379,250.00
<b>Amount Excess Expended</b>	<b>66,897.83</b>

### 5.19. Interest Income

As per NAS 18 para 20 Revenue is recognized to the extent that it is probable that the economic benefits will flow to Bank and the revenue can be reliably measured. The cash interest income and AIR having overdue date less than 365 days are recognized as Interest Income. Similarly, the bank has complied with the Guideline issued by NRB "Guideline on Recognition of Interest Income, 2019" which was effective from 2021/2022.

Particulars	FY 2079-80	FY 2078-79
Total AIR on Asar end	37,833,426	17,441,451
AIR calculated but suspended to recognize in Interest Income	5,721,390	2,824,728
AIR recognized as income	32,112,036	14,616,723
<b>Charge to PL</b>	<b>17,495,312</b>	<b>4,278,231</b>

AIR transferred to regulatory reserve during the year is presented in table below. Total interest collection during the month of Sharwan amounting to Rs 6,325,082. As directed by NRB, Bank has deducted total interest collection after excluding 5,721,390 AIR of bad loan from total collection from AIR to be transferred to regulatory reserve during the year.

Particulars	Amount (Rs)
AIR booked as income during this fiscal year	37,833,426
Less: Interest of Bad Loan suspended	5,721,390
Less: Collection of interest During the month of Sharawan 2080	6,325,082
Net AIR reserve in regulatory reserve	25,786,954
Bonus	2,578,695
Tax	6,962,478
<b>AIR to be transferred to Regulatory Reserve</b>	<b>16,245,781</b>
AIR Transferred upto previous year	(8,228,612)
<b>AIR to be transferred during this year</b>	<b>8,017,170</b>

**5.20. Additional disclosure on COVID relaxation 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	31 <sup>st</sup> Asar 2080		32 <sup>nd</sup> Asar 2079	
	No. of Customer	Amount	No. of Customer	Amount
List of additional working capital provided/renewed (10% and 20%) and more; also repayment, provision and expiry status. (as per unified directive 2/78 point no. 44-3)	-	-	1	432,318.64





नेपाल राष्ट्र बैंक  
वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/ग्रीन/०८०/८१  
च.नं.: १३९

श्री ग्रीन डेभलपमेन्ट बैंक लिमिटेड,  
पोखरा, कास्की ।



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

मिति : २०८०/१०/११

विषय: वार्षिक वित्तीय विवरण प्रकाशन गर्ने सहमति सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण, नाफा वा नोक्सानको विवरण, विस्तृत आयको विवरण (Statement of Comprehensive Income), नगद प्रवाह विवरण, इक्विटीमा भएको परिवर्तनको विवरण, सोसँग सम्बन्धित अनुसूचीहरू, लेखापरीक्षकको प्रतिवेदन लगायतका वार्षिक वित्तीय विवरणहरू साधारणसभा प्रयोजनको लागि प्रकाशन गर्न सहमति प्रदान गरिएको ब्यहोरा निर्णयानुसार अनुरोध छ । साथै, यस बैंकबाट सहमति प्रदान गरिएको वित्तीय विवरणमा उल्लेखित सञ्चित मुनाफाबाट संस्थाको चूक्ता पूँजीको ३.८ प्रतिशतले हुने रकम रु.१ करोड ९७ लाख २२ हजार बराबरको शेर लाभांश र कर प्रयोजनको लागि सोही चूक्ता पूँजीको ०.२० प्रतिशतले हुने रकम रु.१० लाख ३८ हजार बराबरको नगद लाभांश अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी आगामी साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र यस बैंकको मिति २०८०/०२/३२ को पत्र मार्फत स्वीकृत भएको लाभांश वितरण गर्न सहमति प्रदान गरिएको ब्यहोरा समेत निर्णयानुसार जानकारी गराउँदछु ।

१. कर्जा स्वीकृत/नवीकरण गर्दा ऋणीको नियमित आयस्रोत, नगद प्रवाह तथा तिर्न सक्ने क्षमताको पर्याप्त र यथोचित विश्लेषण गर्नुहुन तथा कर्जा प्रवाह पश्चात् अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
२. संस्थाको वार्षिक साधारण सभा निर्धारित समय भित्र नै सम्पन्न गर्नुहुन ।
३. कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC), संस्थागत सुशासन, अनुपालना, सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।
४. Supervisory Information System (SIS) मा नियमित रूपमा रिपोर्टिङ्ग गर्नुहुन ।

भवदीय,

(विनय सिग्देल)  
उप-निर्देशक

बोधार्थ:

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



उपरोक्त सम्बन्धमा नेपाल राष्ट्र बैंक, वित्तिय संस्था सुपरिवेक्षण विभागको मिति २०८०/१०/११ गतेको पत्रसंख्या वि.सं.सु.वि./गैरस्थलगत/ग्रीन/०८०/८१ च.नं. १३९ बमोजिम बैंकको आ.व. ०७९/८० को वार्षिक वित्तीय विवरण प्रकाशन गर्न स्विकृतपत्र प्रदान गर्नुभएकोमा विशेष धन्यवाद सहित आभार प्रकट गर्दछौं। उल्लेखित निर्देशनहरूका सम्बन्धमा देहाय बमोजिम प्रष्ट पारिएको व्यहोरा जानकारीको लागि अनुरोध छ।

- कर्जा स्वीकृत /नवीकरण गर्दा ऋणीको नियमित आयस्रोत, नगद प्रवाह तथा तिर्न सक्ने क्षमताको विश्लेषण एवं कर्जा सदुपयोगिताको सुनिश्चतता हुने एकिकन गरिने व्यहोरा जानकारी गराउँदछौं।
- संस्थाको वार्षिक साधारण सभा निर्धारित समय सिमा भित्रै सम्पन्न गर्ने व्यहोरा जानकारी गराउदछौं।
- संस्थाको सस्थागत सुशासन, आन्तरिक लेखापरिक्षण, आन्तरिक नियन्त्रण प्रणाली, समग्र जोखिम व्यवस्थापन, कर्जा प्रवाह र ब्यवस्थापन, ग्राहाक पहिचान (KYC) तथा अनुपालन लगायतका बिषयहरूमा आन्तरिक लेखापरिक्षण, बाह्य लेखापरिक्षण र ने.रा. बैंकबाट औंलाईएका कैफियतहरू पूनः नदोहोरिने प्रतिवद्धता व्यक्त गर्दछौं।
- Supervisory Information System (SIS) मा नियमित रुपमा विवरण अद्यावधिक गरिने व्यहोरा जानकारी गराउदछौं।

**ग्रीन डेभलपमेन्ट बैंक लिमिटेडको**  
**प्रबन्धपत्रमा गर्नुपर्ने प्रस्तावित थप तथा संसोधनहरूको विवरण**

क्र.सं.	साविकको व्यवस्था	हाल गर्नु पर्ने संसोधन तथा थप गर्नुपर्ने व्यवस्था	कारण र औचित्य
१	दफा ६ (क) डेभलपमेन्ट बैंकको अधिकृत पूँजी रु. ५१,९०,००,०००/- (अक्षरेपी एकाउन्न करोड नब्बे लाख मात्र) हुने छ। सो पूँजीलाई प्रति शेयर रु.१००/- दरका ५१,९०,००० (एकाउन्न लाख नब्बे हजार) थान साधारण शेयरमा विभाजन गरिएको छ।	दफा ६ (क) डेभलपमेन्ट बैंकको अधिकृत पूँजी रु. ५३,८७,२२,०००/- (अक्षरेपी त्रिपन्न करोड सतासी लाख बाईस हजार मात्र) हुने छ। सो पूँजीलाई प्रति शेयर रु.१००/- दरका ५३,८७,२२० (त्रिपन्न लाख सतासी हजार दुई सय वीस) थान साधारण शेयरमा विभाजन गरिएको छ।	दशौं वार्षिक साधारण सभाबाट पारित भई बोनस शेयर वितरण गरेपश्चात चुक्ता पूँजी रु. ५३,८७,२२,०००/- (अक्षरेपी त्रिपन्न करोड सतासी लाख बाईस हजार मात्र) पुग्ने र सोहि बमोजिम अधिकृत, जारी र चुक्ता पूँजी बृद्धि गर्नुपर्ने भएकोले।

२	दफा ६ (ख) डेभलपमेन्ट बैंकको जारी पूँजी रु. ५१,९०,००,०००/- (अक्षरेपी एकाउन् करोड नब्बे लाख मात्र) हुने छ । सो पूँजीलाई प्रति शेयर रु.१००/- दरका ५१,९०,००० (एकाउन् लाख नब्बे हजार) थान साधारण शेयरमा विभाजन गरिएको छ ।	दफा ६ (ख) डेभलपमेन्ट बैंकको जारी पूँजी रु. ५३,८७,२२,०००/- (अक्षरेपी त्रिपन्न करोड सतासी लाख बाईस हजार मात्र) हुने छ । सो पूँजीलाई प्रति शेयर रु.१००/- दरका ५३,८७,२२० (त्रिपन्न लाख सतासी हजार दुई सय वीस) थान साधारण शेयरमा विभाजन गरिएको छ ।	
३	दफा ६ (ग) डेभलपमेन्ट बैंकको चुक्ता पूँजी रु. ५१,९०,००,०००/- (अक्षरेपी एकाउन् करोड नब्बे लाख मात्र) हुने छ । सो पूँजीलाई प्रति शेयर रु.१००/- दरका ५१,९०,००० (एकाउन् लाख नब्बे हजार) थान साधारण शेयरमा विभाजन गरिएको छ ।	दफा ६ (ग) डेभलपमेन्ट बैंकको चुक्ता पूँजी रु. ५३,८७,२२,०००/- (अक्षरेपी त्रिपन्न करोड सतासी लाख बाईस हजार मात्र) हुने छ । सो पूँजीलाई प्रति शेयर रु.१००/- दरका ५३,८७,२२० (त्रिपन्न लाख सतासी हजार दुई सय वीस) थान साधारण शेयरमा विभाजन गरिएको छ ।	

**ग्रीन डेभलपमेन्ट बैंक लिमिटेडको**

**नियमावलीमा गर्नुपर्ने प्रस्तावित थप तथा संसोधनहरूको विवरण**

क्र.सं.	साविकको व्यवस्था	हाल गर्नुपर्ने संसोधन तथा थप गर्नुपर्ने व्यवस्था	कारण र औचित्य
१	<u>नियम ३२.</u> <u>उपनियम (१)</u> <u>खण्ड (ख)</u> सञ्चालक समितिको बैठकमा उपस्थित भए बापत अध्यक्ष र अन्य सञ्चालकले पाउने प्रति बैठक भत्ता क्रमशः रु ५,००० र रु ४,००० हुनेछ ।	<u>नियम ३२.</u> <u>उपनियम (१)</u> <u>खण्ड (ख)</u> सञ्चालक समितिको बैठकमा उपस्थित भए बापत अध्यक्ष र अन्य सञ्चालकले पाउने प्रति बैठक भत्ता क्रमशः रु. १५,००० र रु. १२,००० हुनेछ ।	समय सापेक्ष सञ्चालक समितिको भत्ता बढाउनु पर्ने भएकोले ।

**NIRANJAN GAUTAM & ASSOCIATES**  
**Chartered Accountants**

ICAN Regd. No. 911  
PAN No.: 112870827

Tilottama-3, Rupandehi  
Mob. No.: 9851195722  
Email: niranjangautamca1@gmail.com

**Independent Auditor's Report**

**To the Shareholders of Green Development Bank Ltd.**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the General Purpose financial statements of the M/S Green Development Bank Ltd. (the "Bank"), which comprise the statement of financial position as at Ashadh 32, 2079 (July 16, 2022), and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the company as at 32 Ashad, 2079 (16 July 2022), and of its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

**Basis for opinion**

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the *Auditors Responsibilities for the Audit of the Financial Statements* section of our Report. We are independent of the Company in accordance with the *ICAN's Handbook of Code of Ethics for Professional Accountants* together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

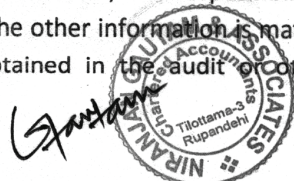
**Other Information**

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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

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materially misstated. If based on the work we have performed, we conclude that there is material misstatement of the other information, we are required to report that fact.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matter described in the Basis for Opinion section, we have determined that there are no key audit matters to communicate in our report.

### **Responsibility 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.

Audit committee as those charged with Governance are responsible for overseeing the Company's financial reporting process.

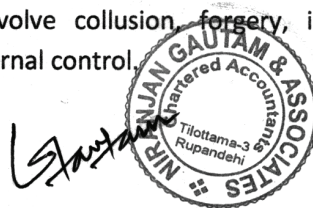
### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained 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.

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- 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 purposes 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 management,
- Conclude on the appropriateness of the 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

**Report on the requirements of Bank and Financial Institutions Act, 2073 and Companies Act, 2063**

As per Section 66(3) of Bank and Financial Institutions Act, 2073 we declare that-

- replies to the queries as per the demand were provided,
- the balance sheet, off-balance sheet transactions, profit and loss account, cash flow statement and other financial statements, as well, have been prepared in such format and in accordance with such procedures as prescribed by the Rastra Bank, and whether or not they actually matched with the accounts, records, books and ledgers maintained by the bank and financial institution,
- the accounts, records, books and ledgers have been maintained accurately in accordance with prevailing laws,

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- any official of the bank or financial institution has not committed any act contrary to the prevailing laws or committed any irregularity or caused any loss or damage to the bank or financial institution,
- credits have been written off as per the Credit Write-off Byelaws or directives of the Rastra Bank,
- the transactions of the financial institution have been carried on in a satisfactory manner as prescribed by the Rastra Bank,
- matters to be informed to the shareholders have been adequately provided in notes to accounts and other disclosure

We did not come across, based on our audit, cases of accounting related fraud and 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 caused loss or damage to the Bank or committed any misappropriation of the funds of Bank and materially complied with the provisions of the Companies Act 2063 as well.



.....  
Niranjana Gautam | Proprietor

**Place:** Kathmandu, Nepal

**Date:** Chaitra 26, 2079

Green Development Bank Ltd.  
Statement of Financial Position  
As on 32 Asar 2079

Particulars	Note	32.03.2079	31.03.2078
<b>Assets</b>			
Cash and Cash Equivalents	4.1	797,926,566	330,155,090
Due from Nepal Rastra Bank	4.2	101,224,913	64,212,561
Placement with Bank and Financial Institutions	4.3	-	-
Derivative Financial Instruments	4.4	-	-
Other Trading Assets	4.5	-	-
Loans and Advances to BFIs	4.6	24,150,270	44,748,256
Loans and Advances to Customers	4.7	2,571,904,931	1,854,837,647
Investment Securities	4.8	142,285,584	110,465,300
Current Tax Assets	4.9	1,012,733	2,042,693
Investment in Subsidiaries	4.10	-	-
Investment in Associates	4.11	-	-
Investment Property	4.12	-	-
Property and Equipment	4.13	74,172,344	27,274,221
Goodwill and Intangible Assets	4.14	1,419,280	2,204,543
Deferred Tax Assets	4.15	475,043	-
Other Assets	4.16	18,003,398	14,859,653
<b>Total Assets</b>		<b>3,732,575,063</b>	<b>2,450,799,965</b>
<b>Liabilities</b>			
Due to Bank and Financial Institutions	4.17	208,661,102	3,415,249
Due to Nepal Rastra Bank	4.18	-	-
Derivative Financial Instruments	4.19	-	-
Deposits from Customers	4.2	2,885,263,808	1,853,461,917
Borrowings	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred Tax Liabilities	4.15	-	3,039,021
Other Liabilities	4.23	73,044,767	36,175,980
Debt Securities Issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>Total Liabilities</b>		<b>3,166,969,677</b>	<b>1,896,092,167</b>
<b>Equity</b>			
Share Capital	4.26	519,000,000	519,000,000
Share Premium		1,809	1,809
Retained Earnings		21,268,959	10,499,613
Reserves	4.27	25,334,618	25,206,377
<b>Total Equity Attributable to Equity Holders</b>		<b>565,605,385</b>	<b>554,707,799</b>
Non Controlling Interest			
<b>Total Equity</b>		<b>565,605,385</b>	<b>554,707,799</b>
<b>Total Liabilities and Equity</b>		<b>3,732,575,063</b>	<b>2,450,799,965</b>
Contingent Liabilities and Commitments	4.28	16,392,990	53,893,398
Net Assets Value per share		108.98	106.88

Mr. Durga Prasad Shrestha  
Head: Finance and Planning

Mr. Hari Bahadur Budhathoki  
Chief Executive Officer

Niranjana Gautam  
Niranjana Gautam & Associates  
Chartered Accountants

Mr. Surya Prasad Lamsal  
Director

Mrs. Narayani Devi Shrestha  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

Date :  
Place :

**Green Development Bank Ltd.**  
**Statement of Profit or Loss**  
 For the year ended 31 Asar 2079

Particulars	Note	32.03.2079	31.03.2078
Interest Income	4.29	309,260,116	181,370,817
Interest Expense	4.30	191,078,394	100,114,487
<b>Net Interest Income</b>		<b>118,181,722</b>	<b>81,256,330</b>
Fee and Commission Income	4.31	11,788,577	10,412,672
Fee and Commission Expense	4.32	660,714	1,128,467
<b>Net Fee and Commission Income</b>		<b>11,127,864</b>	<b>9,284,204</b>
<b>Net Interest, Fee and Commission Income</b>		<b>129,309,586</b>	<b>90,540,535</b>
Net Trading Income	4.33	-	-
Other Operating Income	4.34	2,754,682	1,408,641
<b>Total Operating Income</b>		<b>132,064,268</b>	<b>91,949,175</b>
Impairment Charge/ (Reversal) for Loans and Other Losses	4.35	16,364,325	(284,125)
<b>Net Operating Income</b>		<b>115,699,943</b>	<b>92,233,300</b>
<b>Operating Expense</b>			
Personnel Expenses	4.36	45,331,167	40,253,822
Other Operating Expenses	4.37	25,220,761	24,414,203
Depreciation & Amortisation	4.38	14,713,186	7,500,135
<b>Operating Profit</b>		<b>30,434,829</b>	<b>20,065,141</b>
Non Operating Income	4.39	-	-
Non Operating Expense	4.40	1,949,948	1,001,450
<b>Profit Before Income Tax</b>		<b>28,484,881</b>	<b>19,063,690</b>
Income Tax Expense	4.41	9,809,810	6,083,047
Current Tax		10,099,732	6,331,095
Deferred Tax		(289,923)	(248,049)
<b>Profit for the Period</b>		<b>18,675,072</b>	<b>12,980,644</b>
<b>Profit Attributable to:</b>			
Equity-holders of the Bank		18,675,072	12,980,644
Non-Controlling Interest		-	-
<b>Profit for the Period</b>		<b>18,675,072</b>	<b>12,980,644</b>
<b>Earnings per Share</b>			
Basic Earnings per Share		3.60	2.50
Diluted Earnings per Share		3.60	2.50

Mr. Durga Prasad Shrestha  
Head: Finance and Planning

Mr. Hari Bahadur Budhathoki  
Chief Executive Officer

Niranjan Gautam  
Niranjan Gautam & Associates  
Chartered Accountants

Mr. Surya Prasad Lamsal  
Director

Mrs. Narayani Devi Shrestha  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

Date :  
Place :



Green Development Bank Limited  
Statement of Other Comprehensive Income  
For the year ended 31 Asar 2079

Particulars	NPR	
	31.03.2079	31.03.2078
<b>Profit for the year</b>	<b>18,675,072</b>	<b>12,980,644</b>
<b>Other Comprehensive Income, Net of Income Tax</b>		
<b>a) Items that will not be reclassified to profit or loss</b>		
Gains/(losses) from investment in equity instruments measured at fair value	(11,922,616)	12,965,300
Gains/(losses) on revaluation		
Actuarial gains/(losses) on defined benefit plans		
Income tax relating to above items	(3,576,784.8)	3,889,590.0
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>	<b>(8,345,831.2)</b>	<b>9,075,710.0</b>
<b>b) Items that are or may be reclassified to profit or loss</b>		
Gains/(losses) on cash flow hedge		-
Exchange gains/(losses)(arising from translating financial assets of foreign operation)		-
Income tax relating to above items		-
Reclassify to profit or loss		-
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>		
<b>c) Share of other comprehensive income of associate accounted as per equity method</b>		
<b>Other Comprehensive Income for the year, Net of Income Tax</b>	<b>(8,345,831)</b>	<b>9,075,710</b>
<b>Total Comprehensive Income for the Period</b>	<b>10,329,241</b>	<b>22,056,354</b>
Total Comprehensive Income attributable to:		
Equity-Holders of the Bank	10,329,241	22,056,354
Non-Controlling Interest		
<b>Total Comprehensive Income for the Period</b>	<b>10,329,241</b>	<b>22,056,354</b>

Mr. Durga Prasad Shrestha  
Head: Finance and Planning

Mr. Hari Bahadur Budhathoki  
Chief Executive Officer

Niranjan Gautam  
Niranjan Gautam & Associates  
Chartered Accountants

Mr. Surya Prasad Lamsal  
Director

Mrs. Narayani Devi Shrestha  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

Date :  
Place :

**Green Development Bank Ltd.**  
**Statement of Changes in Equity**  
 For the year ended 31<sup>st</sup> Asar 2079

Particulars	Attributable to Equity-Holders of the Bank								Non-Controlling Interest	Total Equity		
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning			Other Reserve	Total
<b>Balance at Shrawan 01, 2077</b>	500,000,000	5,001,809	8,067,027	-	5,184,759	-	-	45,437,829	260,023	533,651,446	-	533,651,446
<b>Comprehensive Income for the year</b>								12,980,644	-	12,980,644	-	12,980,644
Profit for the year								12,980,644	-	12,980,644	-	12,980,644
Other Comprehensive Income, Net of Tax								-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value								-	-	-	-	-
Gains/(losses) on revaluation								-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans								-	-	-	-	-
Gains/(losses) on cash flow hedge								-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation)								-	-	-	-	-
<b>Total Comprehensive Income for the year</b>								12,980,644	-	12,980,644	-	12,980,644
Transfer to Reserves during the year								(5,618,859)	10,279	4,661,020	-	4,661,020
Transfer from Reserves during the year								5,000,000	-	5,000,000	-	5,000,000
Transactions with Owners, directly recognized in Equity								-	-	-	-	-
Share Issued								-	-	-	-	-
Share Based Payments								-	-	-	-	-
Dividend to Equity-Holders								-	-	-	-	-
Bonus Shares Issued								-	-	-	-	-
Cash Dividend Paid								-	-	-	-	-
Previous year Adjustment								(19,000,000)	-	(19,000,000)	-	(19,000,000)
<b>Total Contributions by and Distributions</b>								(4,638,217)	10,279	(4,627,938)	-	(4,627,938)
<b>Balance at Asar 31, 2078</b>	519,000,000	4,809	10,663,156	-	5,197,209	9,075,710	-	10,499,614	270,302	554,707,799	-	554,707,799
<b>Balance at Shrawan 01, 2078</b>	519,000,000	4,809	10,663,156	-	5,197,209	9,075,710	-	10,499,614	270,302	554,707,799	-	554,707,799
<b>Comprehensive Income for the year</b>								18,675,072	-	18,675,072	-	18,675,072
Profit for the year								18,675,072	-	18,675,072	-	18,675,072
Other Comprehensive Income, Net of Tax								-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value								-	-	-	-	-
Gains/(losses) on revaluation								-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans								-	-	-	-	-
Gains/(losses) on cash flow hedge								-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation)								-	-	-	-	-
<b>Total Comprehensive Income for the year</b>								18,675,072	-	18,675,072	-	18,675,072
Transfer to Reserves during the year								(8,474,073)	566,001	(7,908,072)	-	(7,908,072)
Transfer from Reserves during the year								568,346	-	568,346	-	568,346
Transactions with Owners, directly recognized in Equity								-	-	-	-	-
Share Issued								-	-	-	-	-
Share Based Payments								-	-	-	-	-
Dividend to Equity-Holders								-	-	-	-	-
Bonus Shares Issued								-	-	-	-	-
Cash Dividend Paid								-	-	-	-	-
Previous year Adjustment								-	-	-	-	-
<b>Total Contributions by and Distributions</b>								(7,908,072)	566,001	(7,342,071)	-	(7,342,071)
<b>Balance at Asar 31, 2079</b>	519,000,000	4,809	14,398,170	-	9,370,268	(8,346,831)	-	21,268,958	836,301	565,605,385	-	565,605,385

	<b>Mr. Hari Bahadur Budhathoki</b> Chief Executive Officer	<b>Niranjan Gautam</b> Niranjan Gautam & Associates Chartered Accountants
	<b>Mrs. Narayani Devi Shrestha</b> Director	<b>Mr. Manohigyan Shrestha</b> Director
	<b>Mr. Durga Prasad Shrestha</b> Head: Finance and Planning	<b>Mr. Ganesh Kumar Shrestha</b> Chairman
	<b>Mr. Surya Prasad Lamsal</b> Director	<b>Mr. Krishna Shankar Shrestha</b> Director

Date :  
Place :

Green Development Bank Ltd.  
Statement of Cash Flows  
For the year ended 31 Asar 2079

Particulars	32.03.2079	NPR 31.03.2078
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest Received	309,260,116	181,370,817
Fee and Other Income Received	11,788,577	10,412,672
Dividend Received	-	-
Receipts from Other Operating Activities	2,754,682	1,408,641
Interest Paid	(191,078,394)	(100,114,487)
Commissions and Fees Paid	(660,714)	(1,128,467)
Cash Payment to Employees	(45,331,167)	(40,253,822)
Other Expenses Paid	(43,535,034)	(25,131,528)
<b>Operating Cash Flows before Changes in Operating Assets and Liabilities</b>	<b>43,198,067</b>	<b>26,563,826</b>
<b>(Increase) Decrease in Operating Assets</b>		
Due from Nepal Rastra Bank	(37,012,351)	20,950,501
Placement with Banks and Financial Institutions	-	-
Other Trading Assets	-	-
Loans and Advances to BFLs	20,597,986	25,122,152
Loans and Advances to Customers	(717,067,283)	(719,168,993)
Other Assets	(2,588,829)	(4,814,339)
<b>Increase (Decrease) in Operating Liabilities</b>		
Due to Banks and Financial Institutions	205,245,853	(104,382)
Due to Nepal Rastra Bank	-	-
Deposit from Customers	1,031,801,891	536,611,669
Borrowings	-	-
Other Liabilities	33,829,766	22,998,428
<b>Net Cash Flow from Operating Activities before Tax Paid</b>	<b>578,005,101</b>	<b>(91,841,139)</b>
Income Tax Paid	(9,809,810)	(6,083,047)
<b>Net Cash Flow from Operating Activities</b>	<b>568,195,291</b>	<b>(97,924,186)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investment Securities	(31,820,284)	(55,465,300)
Receipts from Sale of Investment Securities	-	-
Purchase of Property and Equipment	(61,611,309)	(8,514,154)
Receipts from Sale of Property and Equipment	-	-
Purchase of Intangible Assets	785,263	(60,787)
Purchase of Investment Properties	-	-
Receipts from Sale of Investment Properties	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net Cash Used in Investing Activities</b>	<b>(92,646,330)</b>	<b>(64,040,241)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from Issue of Debt Securities	-	-
Repayments of Debt Securities	-	-
Receipts from Issue of Subordinated Liabilities	-	-
Repayments of Subordinated Liabilities	-	-
Receipt from Issue of Shares	-	19,000,000
Dividends Paid	-	-
Interest Paid	-	-
Other Receipts/Payments	(7,777,485)	(10,924,290)
<b>Net Cash from Financing Activities</b>	<b>(7,777,485)</b>	<b>8,075,710</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>467,771,476</b>	<b>(153,888,718)</b>
Cash and Cash Equivalents at Shrawan 01, 2078	330,155,090	484,043,808
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held		
<b>Cash and Cash Equivalents at Asar 31, 2079</b>	<b>797,926,566</b>	<b>330,155,090</b>

Mr. Durga Prasad Shrestha  
Head: Finance and Planning

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Chief Executive Officer

Niranjana Gautam  
Niranjana Gautam & Associates  
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Director

Mrs. Narayani Devi Shrestha  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

Date :  
Place :

## GREEN DEVELOPMENT BANK LIMITED

As on Asar 32, 2079 (July 16, 2022)

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements, unless otherwise indicated.

#### 1. Reporting Entity

Green Development Bank Limited is a limited liability company domiciled in Nepal which has been in operation in Nepal since 2070 (BS). The development bank is registered with the Office of Company Registrar as a public limited company and carries out banking activities in Nepal under the license from Nepal Rastra Bank as Class “Kha” licensed institution (Regional Level-5 Districts (2076/02/14). It's registered and corporate office are at Pokhara, Nepal since 05/05/2076 were in Baglung, Nepal earlier

The development bank offers maximum banking services of banking products and services including loans and advances, deposits etc. to wide range of clients encompassing individuals, corporates, large public sector companies, government corporations, etc. as authorized by the Nepal Rastra Bank (Central Bank of Nepal).

The development bank is listed on Nepal Stock Exchange and its stock symbol is “GRDBL”.

#### 2. Basis of Preparation

The financial statements of the development bank have been prepared on accrual basis of accounting except the Cash Flow information, which is prepared on a cash basis, using the direct method. The financial statements comprise the Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Accounts of the Development bank. The accounting policies are consistently applied to all the years presented, except for the changes in accounting policies disclosed specifically.

##### 2.1. Statement of Compliance

The financial statements have been prepared and approved by the Board of Directors in accordance with Nepal Financial Reporting Standards 2018 (NFRS) and as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and in the format issued by Nepal Rastra Bank in Directive No. 4 of NRB Directives, 2077.

Accounting Standard Board Nepal has resolved carve-outs for implementation of NFRS on September 13, 2018 (28, 2075) and November 20, 2019 (Mangsir 04, 2076). Bank has opted to use carve outs with alternative treatment specified therein as below:

Carve- Out Number	Alternative treatment	Bank's Treatment
5(Sept 2018)	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial assets or group of financial assets measured at amortized cost is impaired. If any such evidence exists the entity shall apply paragraph 63 to determine the amount of any impairment loss unless the entity is bank and financial institution registered as per Bank and Financial Institution Act 2073. Such entities shall measure impairment loss on loan and advance as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for Loan Loss provisioning and amount determined as per Para 63 of NAS39 and shall apply impairment Para 63 of NAS 39 to measure the impairment loss on financial assets other than Loan and advances.	Bank has adopted NAS 39 for impairment of financial assets. For loan and advances to customers, impairment loss is taken as higher of regulatory requirement and NFRS requirement.

## 2.2. Reporting Period

Reporting Period is a period from the first day of Shrawan (mid-July) of any year to the last day of Asar (mid-July) of the next year as per Nepali calendar-

	Nepali Calendar	English Calendar
Current Year	2078/79	2021/22
Previous Year	2077/78	2020/21
Current Year Period	Shrawan 01, 2078 to Asar 32, 2079	July 16, 2021 to July 16, 2022
Previous Year Period	Shrawan 01, 2077 to Asar 31, 2078	July 16, 2020 to July 15, 2021

### 2.3. Functional and Presentation Currency

The financial statement of the development bank is presented in Nepalese Rupees (NPR), which is the currency of the primary economic environment in which it operates. Financial information is presented in Nepalese Rupees. There was no change in the presentation and functional currency during the year under review. The figures are rounded to nearest integer, except otherwise indicated.

### 2.4. Use of Estimates, Assumptions and Judgment

The Development bank, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the development bank is required to make judgments in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate. The accounting policies have been included in the relevant notes for each item of the financial statements and the effect and nature of the changes, if any, have been disclosed. The NFRS requires the development bank to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements. The development bank applies estimates in preparing and presenting the financial statements and such estimates and underlying assumptions are reviewed periodically. The revision to accounting estimates are recognized in the period in which the estimates are revised and are applied prospectively. Disclosures of the accounting estimates have been included in the relevant sections of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

### 2.5. Changes in Accounting Policies

The Company has consistently applied the accounting policies to all periods presented in these financial statements except for new or revised statements and interpretations implemented during the year. The nature and effect of new standards and interpretations are discussed in note that follows.

### 2.6. New Reporting standards issued but not effective

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

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

NFRS-9 has been complied for the classification of Financial Instruments.

Few carve- outs on applicable Accounting Standards as provided by the Institute of Chartered Accountants of Nepal have been used by the Bank, the quantitative and qualitative impacts of the same have been disclosed.

## 2.7. Discounting

Non- current assets and liabilities are discounted where discounting is material. Interest income and expenses have been recognized on unwinding of financial assets and liabilities respectively.

## 2.8. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately, unless they are immaterial as permitted by the Nepal Accounting Standard – NAS 1 on ‘Presentation of Financial Statements’. Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of the development bank. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

## 2.9. Prior Period Errors

Prior Period Errors are omissions or misstatements in an entity’s financial statements. Such omissions may relate to one or more prior periods. Correction of an error is done by calculating the cumulative effect of the change on the financial statements of the period as if new method or estimate had always been used for all the affected prior years’ financial statements. Sometimes such changes may not be practicable. In such cases, it is applied to the latest period possible by making corresponding adjustment to the opening balance of the period.

## 3. Significant Accounting Policies

The principal accounting policies applied by the development bank in the preparation of these financial statements are presented below. These policies have been consistently applied to all the years presented unless stated otherwise.

### 3.1. Basis of Measurement

The Financial Statements of the development bank have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position:

- Available for sale investments (quoted) are measured at fair value.
- Liabilities for defined benefit obligations are recognized at the present value of the defined benefit obligation less the fair value of the plan assets.
- Financial assets and financial liabilities held at amortized cost at measured using a rate that is a close approximation of effective interest rate.

### 3.2. Basis of consolidation

#### a. Business Combinations and Goodwill

Development bank does not have any subsidiary. There are no such entities which are required to be consolidated but not done during the year.

#### b. Non-Controlling Interest

Development bank does not have a Subsidiary. So, the non-controlling interest has not been calculated separately.

#### c. Subsidiaries

Subsidiaries are entities that are controlled by the development bank. Development bank does not have any subsidiary.

#### d. Loss of Control

When the development bank loses control over a Subsidiary, it derecognizes the assets and liabilities of the former subsidiary from the consolidated statement of financial position. Development bank does not have any subsidiary.

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

The development bank does not have any special purpose entity.

#### f. Transaction elimination on consolidation

The development bank does not have any subsidiary.

### 3.3. Cash and cash equivalents

Cash and Cash Equivalents include cash in hand, balances with banks and money at call and at short notice. These are subject to insignificant risk of changes in their fair value and are used by the development bank in the management of short-term commitments.

Details of the Cash and Cash Equivalents are given in Note 4.1 to the Financial Statements.

### 3.4. Financial assets and Financial Liabilities

#### 3.4.1. Initial Recognition

##### a. Date of Recognition

All financial assets and liabilities are initially recognized on the trade date, i.e. the date on which the development bank becomes a party to the contractual provisions of the instrument. This includes 'regular way trades. Regular way trade means purchases or sales of financial assets that required delivery of assets within the time frame generally established by regulation or convention in the market place.



Investment in Share, debenture, government bond, NRB bond, reverse repo, outright purchase shall be recognized in the books when the Development Bank made commitment to purchase such securities.

### 3.4.2. Classification and Subsequent Measurement of Financial Instruments

#### 1. Classification and Subsequent Measurement of Financial Assets

Development bank has classified financial asset on the basis of purpose for which it has hold such financial asset (Business Model Test)

Financial assets have been divided into following categories

##### (a) Financial asset measured at amortized cost

Financial asset is measured at mortised cost if both of the following condition are met

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

##### (b) Financial asset measured at fair value

- Fair value through other comprehensive income—financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Fair value through profit or loss—any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

#### 2. Classification and Subsequent Measurement of Financial Liabilities

At the inception, the development bank determines the classification of its financial liabilities. Accordingly, financial liabilities are classified as:

- a. Financial liabilities at fair value through profit or loss
  - i. Financial liabilities held for trading
  - ii. Financial liabilities designated at fair value through profit or loss
- b. Financial liabilities at amortized cost

##### (a) **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 fair value through profit or loss. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss.

Financial instruments issued by the development bank that are not classified as fair value through profit or loss are classified as financial liabilities at amortized cost, where the substance of the contractual arrangement results in it having an obligation either to deliver cash or another financial asset to another institution, or to exchange financial assets or financial liabilities with another institution under conditions that are potentially unfavorable to the development bank or settling the obligation by delivering variable number of development bank's own equity instruments.

After initial recognition, such financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Within this category, deposits and debt instruments with fixed maturity period have been recognized at amortized cost using the method that very closely approximates effective interest rate method. The amortization is included in 'Interest Expenses' in the Statement of Profit or Loss. Gains and losses are recognized in the Statement of Profit or Loss when the liabilities are derecognized.

### 3.4.3. De-recognition of Financial Assets and Liabilities

#### a. De-recognition of Financial Assets

The development bank derecognizes a financial asset (or where applicable a part of financial asset or part of a group of similar financial assets) when:

- The rights to receive cash flows from the asset have expired; or
- The development bank has transferred its rights to receive cash flows from the asset or
- The development bank has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either development bank has transferred substantially all the risks and rewards of the asset or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### b. De-recognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability.

The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

### Amortized Cost Measurement

The Amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or

minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

#### 3.4.4. Fair Value Measurement

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

The fair values are determined according to the following hierarchy as per NFRS 13:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. (PARA 76)

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. (PARA 81)

Level 3 inputs are unobservable inputs for the asset or liability. (PARA 86)

The Bank measures the fair value of an instrument using quoted prices in an active market if available. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transaction on arm's length basis.

Further, All unquoted investments are recorded at cost.

#### 3.4.5. Impairment of Financial Assets

The development bank assesses at each reporting date, whether there is any objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss is impaired. A financial asset or group of financial assets is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more events, that have occurred after the initial recognition of the asset (an 'incurred loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include:

Indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganization;

Default or delinquency in interest or principal payments;

And where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

**a. Impairment of Financial Assets carried at Amortized Cost**

For financial assets carried at amortized cost, such as amounts due from banks, held to maturity investments etc., the development bank first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant or collectively for financial assets that are not individually significant. In the event development bank determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics such as collateral type, past due status and other relevant factors and collectively assesses them for impairment. However, assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

**i. Individually Assessed Financial Assets**

The criteria used to determine whether there is objective evidence of impairment include and not limited to:

- Known Cash Flow difficulties experienced by the borrowers;
- Past due contractual payments of either principal or interest;
- Breach of loan covenants or conditions;
- The probability that the borrower will enter bankruptcy or other financial reorganization; and
- A significant downgrading in credit rating by an external credit rating agency.

If there is objective evidence that an impairment loss on financial assets measured at amortized cost has been incurred, the amount of the loss is measured by discounting the expected future cash flows of a financial asset at its original effective interest rate and comparing the resultant present value with the financial asset's current carrying amount. The impairment allowances on individually significant accounts are reviewed more regularly when circumstances require. This normally encompasses re-assessment of the enforceability of any collateral held and the timing and amount of actual and anticipated receipts. Individually assessed impairment allowances are only released when there is

reasonable and objective evidence of reduction in the established loss estimate. Interest on impaired assets continues to be recognized through the unwinding of the discount.

Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the development bank. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write off is later recovered, the recovery is credited to the impairment charges for loans and other losses.

When impairment losses are determined for those financial assets where objective evidence of impairment exists, the following common factors are considered:

- The development bank's aggregate exposure to the customer;
- The viability of the customer's business model and their capacity to trade successfully out of financial difficulties and generate sufficient cash flows to service debt obligations;
- The amount and timing of expected receipts and recoveries;
- The extent of other creditors' commitments ranking ahead of, or pari-pasu with the development bank and the likelihood of other creditors continuing to support the company;
- The realizable value of security and likelihood of successful repossession;

About 20 to 30 percent of total exposure has selected for individual impairment. NRB provision and loan limit has considered as basis of selection. After that such loans are tested for impairment on several possible criteria. Loans which are not individually impaired has been reclassified for collective impairment.

## ii. **Collectively Assessed Financial Assets**

Impairment is assessed on a collective basis in two circumstances:

- To cover losses which have been incurred but have not yet been identified on loans subject to individual assessment; and
- For homogeneous groups of loans that are not considered individually significant.

## **Implemented Policy**

As per the decision of ICAN on NFRS carve out, impairment shall be recognized higher of NRB provision and impairment computed as per NFRS 39. Impairment under impairment testing as under NFRS is amounting to Rs 12,156,187 which is less than impairment computed under NRB provision amounting to Rs 50,151,164. Hence, Development Bank has recognized higher amount of impairment amounting to as per NRB provision.

### 3.5. Trading Assets

One of the categories of financial assets at fair value through profit or loss is “held for trading” financial assets. All financial assets acquired or held for the purpose of selling in the short term or for which there is a recent pattern of short-term profit taking are trading assets.

### 3.6. Property, Plant and Equipment

#### a. Recognition

Two conditions are satisfied for recognition of PPE

- It is probable that future economic benefits associated with the assets will flow to the entity; and
- The cost of the assets can be measured reliably

#### b. Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to, replace part of an item of property, plant & equipment. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of computer equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fixed asset amounting less than Rs 5,000 was not recognized as PPE rather charged off to revenue.

#### c. Depreciation

Depreciation is calculated by using the written down value method on cost or valuation of the Property & Equipment other than freehold land and leasehold properties. Depreciation on leasehold properties is calculated by using the straight-line method on cost or valuation of the property. The rates of depreciations are given below:

*Rate of Depreciation per annum (%)*

Asset Category	Current Year	Previous Year
Buildings	5%	5%
Motor Vehicles	20%	20%
Computer Equipment	25%	25%
Furniture, Office Equipment	25%	25%
Other Assets	15%	15%

Leasehold Properties	10 years(SLM Basis)	10 years(SLM Basis)
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**d. Changes in Estimates**

The asset's methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

**e. Capital Work in Progress**

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development, awaiting capitalization.

**f. De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in the Statement of Profit or Loss when the item is derecognized.

**3.7. Goodwill and Intangible Assets**

**Goodwill**

Goodwill is recognized when purchase consideration is more than fair value of net assets of entity in case of business combination. After initial recognition, goodwill is value at cost less impairment. Goodwill is tested for impairment every year with or without any indication of impairment.

**Intangible Assets**

Initially intangible assets are measured at fair value. Subsequently measured at amortized cost on the basis of useful life of Intangible assets

**Computer Software & Licenses**

Cost of purchased licenses and all computer software costs incurred, licensed for use by the development bank, which are not integrally related to associated hardware, which can be clearly identified, reliably measured, and it's probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category 'Intangible assets' and carried at cost less accumulated amortization and any accumulated impairment losses. Intangible asset amounting less than Rs 5,000 was charged off to revenue.

**Amortization of Intangible Assets**

Intangible Assets, except for goodwill, are amortized on a straight-line basis in the Statement of Profit or Loss from the date when the asset is available for use, over the best of its useful economic life based on a pattern in which the asset's economic benefits are consumed by the development bank. Amortization methods, useful lives, residual values

are reviewed at each financial year end and adjusted if appropriate. The development bank assumes following useful life of intangible assets.

Asset Category	Current Year	Previous Year
Computer Software	5 years	5 years
Licenses	5 years	5 years

### 3.8. Investment Property

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business.

#### Measurement

Investment property is accounted for under Cost Model in the Financial Statements. Accordingly, after recognition as an asset, the property is carried at its cost, less impairment losses. If any property is reclassified to investment property due to changes in its use, fair value of such property at the date of reclassification becomes its cost for subsequent accounting.

#### De-recognition

Investment properties are derecognized when they are disposed of or permanently withdrawn from use since no future economic benefits are expected. Transfers are made to and from investment property only when there is a change in use. When the use of a property changes such that it is reclassified as Property, Plant and Equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

### 3.9. Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation.

#### A. Current Tax

Current tax assets and liabilities consist of amounts expected to be recovered from 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 provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:



Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credits and unused tax losses (if any), to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, carried forward unused tax credits and unused tax losses can be utilized except.

Current and deferred tax assets and liabilities are offset only to the extent that they relate to income taxes imposed by the same taxation authority.

### **3.10. Deposits, debt securities issued and subordinated liabilities**

Deposits, debt securities issued and subordinated liabilities are the bank's sources of funding. Deposits include non-interest-bearing deposits, saving deposits, term deposits, call deposits and margin deposits. The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The fair value of fixed interest-bearing deposits is considered as the interest receivable on these deposits plus carrying amount of these deposits. The fair value of debt securities issued is also considered as the carrying amount of these debt securities issued. Sub-ordinated liabilities are liabilities subordinated, at the event of winding up, to the claims of depositors, debt securities issued and other creditors.

### **3.11. Provisions**

A provision is recognized if, as a result of a past event, the development 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 recognized 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. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows. A provision for onerous contracts is recognized when the expected benefits to be derived by the development bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured as the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Provision is not recognized for future operating losses.

Before a provision is established, the development bank recognizes any impairment loss on the assets associated with that contract. The expense relating to any provision is presented in the Statement of Profit or Loss net of any reimbursement.

### **3.12. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to development bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

#### A. Interest Income

For all financial assets measured at amortized cost, interest bearing financial assets classified as Fair value through other comprehensive income, interest income is recorded using the rate that closely approximates the EIR because the development bank considers that the cost of exact calculation of effective interest rate method exceeds the benefit that would be derived from such compliance. 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.

Further, Interest income on Loans and Advances is recognized as per the guideline on recognition of interest income, 2019 issued by NRB.

#### B. Fee and Commission Income

Fees earned for the provision of services over a period of time are accrued over that period. These fees include Service fees, commission income. Loan syndication fees are recognized as revenue when the syndication has been completed and the development bank retained no part of the loan package for itself, or retained a part at the same effective interest rate as for the other participants. Portfolio and other management advisory fees and service distribution fees are recognized based on the applicable contracts, usually on a time apportionment basis.

#### C. Dividend Income

Dividend income is on equity instruments are recognized in the statement of profit and loss within other income when the development bank's right to receive payment is established.

#### D. Net Trading Income

Net trading income comprises gains less losses relating to trading assets and liabilities, and includes all realized interest, dividend and foreign exchange differences as wells as unrealized changes in fair value of trading assets and liabilities.

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

Trading assets such as equity shares and mutual fund are recognized at fair value through profit or loss. No other financial instrument is designated at fair value through profit or loss. The development bank has no income under the heading net income from other financial instrument at fair value through profit or loss.

### 3.13. Interest Expense

For financial liabilities measured at amortized cost using the rate that closely approximates effective interest rate, interest expense is recorded using such rate. 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.

### 3.14. Employee Benefits

Employee benefits include:

- I. Short term employee benefits are measured on an undiscounted basis and are expenses as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Development bank has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Short term employee benefit includes following benefits which is expected to be paid within 12 months from reporting period.
  - a. Wages, salaries and social security contributions;
  - b. annual leave and paid sick leave;
  - c. Profit sharing and bonuses, and
  - d. Non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees
- II. Post employments benefits are as follows:

#### A. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which a financial institution pays fixed contribution into a separate Development bank (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods, as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits).

The contribution payable by the employer to a defined contribution plan in proportion to the services rendered to Development bank by the employees and is recorded as an expense under 'Personnel expense' as and when they become due. Unpaid contribution is recorded as a liability under 'Other Liabilities'.

The development bank contributed 10% on the salary of each employee to the Employees' Provident Fund. The above expenses are identified as contributions to 'Defined Contribution Plans' as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits).

Gratuity is also the part of defined contribution plan.

#### B. Defined Benefit Plans

Development bank has not made any benefit to its employees under defined benefit plans.

### C. Unutilized Accumulated Leave

The development bank's liability towards the accumulated leave which is expected to be utilized beyond one year from the end of the reporting period is treated as other long-term employee benefits.

Liability under accumulated leave is determined on the basis of actuarial valuation report.

### 3.15. Finance and Operating Leases

When development bank is the lessee, leased assets are not recognized on the Statement of Financial Position.

Bank has only involved in operating leases. Lease is accounted as per NFRS 16, "Leases". Right to use asset and lease liability is recognized in SOFP and Interest on Lease Liability and depreciation on Right to Use Asset are recognized in SOPL.

### 3.16. Foreign Currency Transactions, Translation and Balance

All foreign currency transactions are translated into the functional currency, which is Nepalese Rupees, using the exchange rates prevailing at the dates when the transactions were affected.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Nepalese Rupees using the spot foreign exchange rate ruling at that date and all differences arising on non-trading activities are taken to 'Other Operating Income' in the Statement of Profit or Loss.

However, the development bank has no foreign exchange transactions and thus no any income related to such transaction.

### 3.17. Financial guarantee and loan commitment

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts may have various legal forms, such as a guarantee, some types of letters of credit, etc. Where the development bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, over drafts, etc. whether cancellable or not and the development bank had not made payments at the reporting date, those instruments are included in these financial statements as commitments.

However, the company does not have any such financial guarantee and loan commitment.

### 3.18. Share capital and reserves

Share capital and reserves are different classes of equity claims. Equity claims are claims on the residual interest in the assets of the entity after deducting all its liabilities. Changes in equity during the reporting period comprise income and expenses recognized in the

statement of financial performance; plus, contributions from holders of equity claims, minus distributions to holders of equity claims.

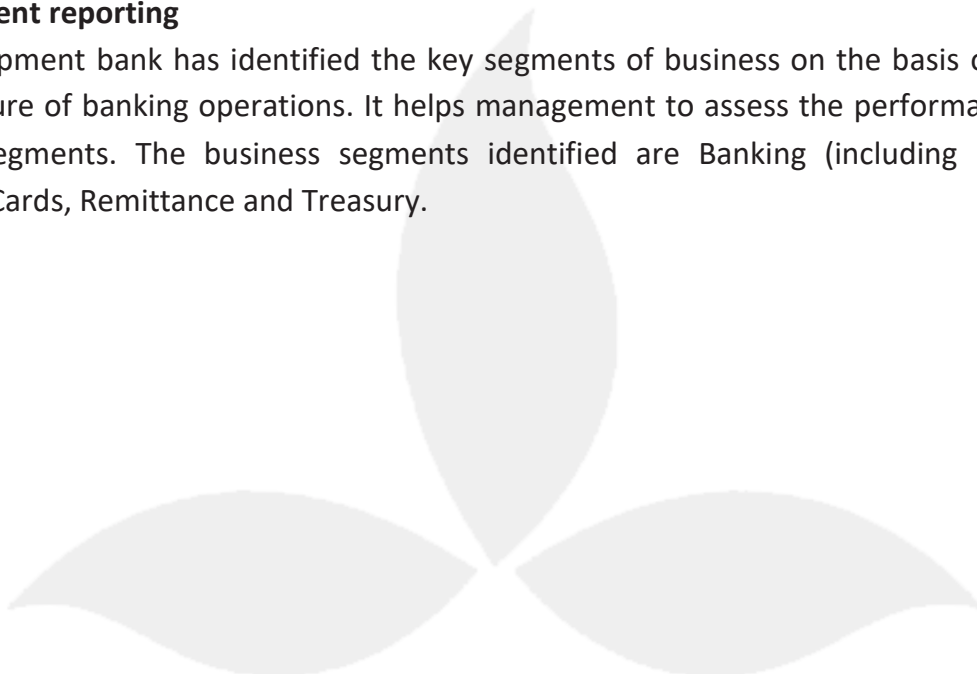
### 3.19. Earnings per share

The development 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 the development 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, if any.

Earnings per share is calculated and presented in the face of Statement of Profit and loss

### 3.20. Segment reporting

The development bank has identified the key segments of business on the basis of business on the nature of banking operations. It helps management to assess the performance of the business segments. The business segments identified are Banking (including Loans and Deposits), Cards, Remittance and Treasury.



**Green Development Bank Ltd.**  
**Notes to Financial Statements**  
For the year ended 32 Asar 2079

**Cash and Cash Equivalent**

4.1

Particulars	32.03.2079	NPR
		31.03.2078
Cash in Hand	40,208,231	38,487,185
Balances with BFIs	757,718,335	291,667,905
Money at Call and Short Notice	-	-
Other	-	-
<b>Total</b>	<b>797,926,566</b>	<b>330,155,090</b>

**Due from Nepal Rastra Bank**

4.2

Particulars	32.03.2079	NPR
		31.03.2078
Statutory Balances with NRB	101,224,913	64,212,561
Securities purchased under Resale Agreement	-	-
Other Deposit and Receivable from NRB	-	-
<b>Total</b>	<b>101,224,913</b>	<b>64,212,561</b>

**Placements with Banks and Financial Institutions**

4.3

Particulars	32.03.2079	NPR
		31.03.2078
Placement with Domestic BFIs	-	-
Placement with Foreign BFIs	-	-
Less: Allowances for Impairment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Derivative Financial Instruments**

4.4

Particulars	32.03.2079	NPR
		31.03.2078
<i>Held for Trading</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts.	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Other Trading Assets**

4.5

Particulars	32.03.2079	NPR
		31.03.2078
Treasury Bills	-	-
Government Bonds	-	-
NRB Bonds	-	-
Domestic Corporate Bonds	-	-
Equities	-	-
Other Trading Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Loans and Advances to BFIs

4.6

Particulars	32.03.2079	NPR
		31.03.2078
Loans to Micro-Finance Institutions	25,176,528	44,633,166
Other	-	-
Allowances for Impairment	(1,258,826)	(1,959,581)
<b>Sub-Total</b>	<b>23,917,702</b>	<b>42,673,585</b>
Interest Receivable	232,568	2,074,671
<b>Total</b>	<b>24,150,270</b>	<b>44,748,256</b>
4.6.1 Allowances for Impairment		
Balance at Shrawan 01	1,959,581	701,154
Impairment Losss for the year:	(700,755)	1,258,427
Charge for the year		1,258,427
Recoveries/Reversal	(700,755)	-
Amount Written Off		-
Balance at Asar End	<b>1,258,826</b>	<b>1,959,581</b>

#### Loans and Advances to Customers

4.7

Particulars	32.03.2079	NPR
		31.03.2078
Loans and Advances measured at Amortized Cost	2,606,413,113	1,878,401,085
Less: Impairment Allowances	-	-
Collective Impairment	(34,874,119)	(24,377,301)
Individual Impairment	(14,018,219)	(7,449,958)
<b>Net Amount</b>	<b>2,557,520,775</b>	<b>1,846,573,827</b>
Loans and Advances measured at FVTPL		-
Interest Receivable	14,384,155	8,263,821
<b>Total</b>	<b>2,571,904,931</b>	<b>1,854,837,647</b>

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

Particulars	32.03.2079	NPR
		31.03.2078
<b>Product</b>		
Term Loans	653,894,465	651,248,000
Overdraft	1,000,161,161	445,182,684
Trust Receipt/Import Loans	-	-
Demand and other Working Capital Loans	-	-
Personal Residential Loans	70,059,729	162,594,000
Real Estate Loans	125,568	20,222,000
Margin Lending Loans	11,043,110	3,116,000
Hire Purchase Loans	333,474,112	179,319,000
Deprived Sector Loans	392,443,549	373,716,834
Bills Purchased		-
Staffs Loans	22,515,583	18,717,404
Other	122,695,836	24,285,162
<b>Sub-Total</b>	<b>2,606,413,113</b>	<b>1,878,401,085</b>
Interest Receivable	14,384,155	8,263,821
<b>Grand Total</b>	<b>2,620,797,268</b>	<b>1,886,664,905</b>

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

Particulars	32.03.2079	NPR
		31.03.2078
Nepalese Rupee	2,606,413,113	1,878,401,085
Indian Rupee		
United States Dollar		
Great Britain Pound		
Euro		
Japanese Yen		
Chinese Yuan		
Other		
<b>Sub-Total</b>	<b>2,606,413,113</b>	<b>1,878,401,085</b>
Interest Receivable	14,384,155	8,263,821
<b>Grand Total</b>	<b>2,620,797,268</b>	<b>1,886,664,905</b>

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

Particulars	32.03.2079	NPR
		31.03.2078
<b>Secured</b>		
Moveable/Immoveable Assets	2,432,740,820	1,810,310,684
Gold and Silver	38,671,000	32,363,000
Guarantee of Domestic BFIs	-	-
Government Guarantee	-	-
Guarantee of International Rated Bank	-	-
Collateral of Export Document	-	-
Collateral of Fixed Deposit Receipt	99,459,000	12,234,000
Collateral of Government Securities	-	-
Counter Guarantee	-	-
Personal Guarantee	-	-
Other Collateral	35,542,293	23,493,401
<b>Subtotal</b>	<b>2,606,413,113</b>	<b>1,878,401,085</b>
<i>Interest Receivable</i>	14,384,155	8,263,821
<b>Grand Total</b>	<b>2,620,797,268</b>	<b>1,886,664,906</b>

#### 4.7.4: Allowance for Impairment

Particulars	32.03.2079	NPR
		31.03.2078
<b>Specific Allowance for Impairment</b>		
Balance at Shrawan 01	7,449,958	23,894,945
Impairment Loss for the year		
Charge for the year	6,568,261	
Recoveries/Reversals during the year		(16,444,988)
Write-Offs		
Exchange Rate Variance on Foreign Currency		
Other Movement		
Balance at Asar End	14,018,219	7,449,958
<b>Collective Allowances for Impairment</b>		
Balance at Sharawan 01	24,377,301	9,474,865
Impairment Loss for the year		
Charge/(Reversal) for the year	10,496,818	14,902,436
Exchange Rate Variance on Foreign Currency		
Other Movement		
Balance at Asar End	34,874,119	24,377,301
<b>Total Allowances for Impairment</b>	<b>48,892,338</b>	<b>31,827,259</b>

#### Investment Securities

4.8

Particulars	32.03.2079	NPR
		31.03.2078
Investment Securities measured at Amortized Cost	118,742,900	80,000,000
Investment in Equity measured at FVTOCI	23,542,684	30,465,300
<b>Total</b>	<b>142,285,584</b>	<b>110,465,300</b>

#### 4.8.1: Investment Securities measured at Amortized Cost

Particulars	32.03.2079	NPR
		31.03.2078
<b>Debt Securities</b>		
Government Bonds	118,742,900	80,000,000
Government Treasury Bills	-	-
Nepal Rastra Bank Bonds	-	-
Nepal Rastra Bank Deposit Instruments	-	-
Other	-	-
Less: Specific Allowances for Impairment	-	-
<b>Total</b>	<b>118,742,900</b>	<b>80,000,000</b>



4.8.2: Investment in Equity measured at FVTOCI

Particulars	32.03.2079	31.03.2078
Equity Instruments		
Quoted Equity Securities	23,542,684	30,465,300
Unquoted Equity Securities		-
<b>Total</b>	<b>23,542,684</b>	<b>30,465,300</b>

4.8.3: Information relating to Investment in Equities

Particulars	32.03.2079	
	Cost	Fair Value
Investment in Quoted Equity		
Prabhu Life Insurance Ltd.(Promoters Share) 50,000 Promoter's Shares of Rs. 100 Each	5,000,000	8,925,000
Prabhu Select Fund 2,50,000 units of 10 each	2,500,000	2,402,500
Prabhu Capital Protfolio Management Scheme SCT 50,000 Promoter's Shares of Rs. 100 Each	10,000,000	7,215,184
Investment in Unquoted Equity		
Prabhu Life Insurance Ltd. 50,000 Promoter's Shares of Rs. 100 Each	5,000,000	5,000,000
<b>Total</b>	<b>22,500,000</b>	<b>23,542,684</b>

**Current Tax Assets** **4.9**

Particulars	32.03.2079		31.03.2078	
				NPR
<b>Current Tax Assets</b>				
Current year Income Tax Assets	22,997,605		13,927,832	
Tax Assets of Prior Periods	-		-	
<b>Current Tax Liabilities</b>				
Current year Income Tax Liabilities	10,099,732		6,331,095	
Tax Liabilities of Prior Periods	11,885,139		5,554,044	
<b>Total</b>	<b>1,012,733</b>		<b>2,042,693</b>	

**Investment in Subsidiaries** **4.10**

Particulars	32.03.2079		31.03.2078	
				NPR
Investment in Quoted Subsidiaries	-		-	
Investment in Unquoted Subsidiaries	-		-	
<b>Total Investment</b>	-		-	
Less: Impairment Allowances	-		-	
<b>Net Carrying Amount</b>	-		-	

4.10.1: Investment in Quoted Subsidiaries

	32.03.2079	31.03.2078
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

4.10.2: Investment in Unquoted Subsidiaries

	32.03.2079	31.03.2078
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

4.10.3: Information relating to Subsidiaries of the Bank

	Percentage of Ownership	Percentage of Ownership
	32.03.2079	31.03.2078
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
<b>Total</b>		

4.10.4: Non Controlling Interest of the Subsidiaries

	<b>32.03.2079</b>	<b>31.03.2078</b>
Equity Interest held by NCI (%)		
Profit (Loss) allocated during the year		
Accumulated Balances of NCI as on Asar End		
Dividend Paid to NCI		

	<b>32.03.2079</b>	<b>31.03.2078</b>
Equity Interest held by NCI (%)		
Profit (Loss) allocated during the year		
Accumulated Balances of NCI as on Asar End		
Dividend Paid to NCI		

**Investment in Associates**

**4.11**

	<b>32.03.2079</b>	<b>31.03.2078</b>
<b>Particulars</b>		<b>NPR</b>
Investment in Quoted Associates	-	-
Investment in Unquoted Associates	-	-
<b>Total Investment</b>	-	-
Less: Impairment Allowances	-	-
<b>Net Carrying Amount</b>	-	-

4.11.1: Investment in Quoted Associates

	<b>32.03.2079</b>	<b>31.03.2078</b>
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

4.11.2: Investment in Unquoted Associates

	<b>32.03.2079</b>	<b>31.03.2078</b>
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

4.11.3: Information relating to Associates of the Bank

	<b>32.03.2079</b>	<b>31.03.2078</b>
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		

4.11.4: Equity Value of Associates

	<b>32.03.2079</b>	<b>31.03.2078</b>
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		

### Investment Properties

4.12

Particulars	NPR	
	32.03.2079	31.03.2078
<b>Investment Properties measured at Fair Value</b>		
Balance as on Shrawan 01.	-	-
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 Shrawan 01	-	-
Addition/(Disposal) during the year	-	-
Net Changes in fair value during the year	-	-
Adjustment/Transfer	-	-
Net Amount		
<b>Total</b>		

### Other Assets

4.16

Particulars	NPR	
	32.03.2079	31.03.2078
Assets held for Sale	-	-
Other Non-Banking Assets	-	-
Bills Receivable	-	-
Accounts Receivable	8,405,045	772,174
Accrued Income	-	-
Prepayments and Deposits	1,154,615	5,927,050
Income Tax Deposit	-	-
Deferred Employee Expenditure	7,881,375	5,526,668
	-	-
Other Assets	562,363	2,633,761
<b>Total</b>	<b>18,003,398</b>	<b>14,859,653</b>

### Due to Banks and Financial Institutions

4.17

Particulars	NPR	
	32.03.2079	31.03.2078
Money Market Deposits	-	-
Interbank Borrowing	-	-
Other Deposits from BFIs	208,661,102	3,415,249
Settlement and Clearing Accounts	-	-
<b>Total</b>	<b>208,661,102</b>	<b>3,415,249</b>

### Due to Nepal Rastra Bank

4.18

Particulars	NPR	
	32.03.2079	31.03.2078
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of Last Resort facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other Payable to NRB	-	-
<b>Total</b>		

### Derivative Financial Instruments

4.19

Particulars	NPR	
	32.03.2079	31.03.2078
<i>Held for Trading</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts.	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Deposits from Customers

4.20

Particulars	NPR	
	32.03.2079	31.03.2078
<i>Institutional Customers:</i>	-	-
Term Deposits.	244,559,168	85,400,000
Call Deposits	225,434,027	8,544,586
Current Deposits.	23,058,651	3,778,246
Others.	13,564	-
<i>Individual Customers:</i>	-	-
Term Deposits	1,813,793,008	972,256,142
Saving Deposits	524,679,572	498,370,386
Current Deposits	30,561,397	83,671,592
Others	16,600,832	196,862,830
<b>Sub-Total</b>	<b>2,878,700,220</b>	<b>1,848,883,782</b>
Interest payable on deposits	6,563,587	4,578,135
<b>Total</b>	<b>2,885,263,808</b>	<b>1,853,461,917</b>

#### 4.20.1: Currency wise analysis of deposit from customers

Particulars	NPR	
	32.03.2079	31.03.2078
Nepalese Rupee	2,878,700,220	1,848,883,782
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>Total</b>	<b>2,878,700,220</b>	<b>1,848,883,782</b>

### Borrowings

4.21

Particulars	NPR	
	32.03.2079	31.03.2078
<i>Domestic Borrowings</i>	-	-
Nepal Government	-	-
Other Institutions.	-	-
Other	-	-
Sub Total	-	-
<i>Foreign Borrowings</i>	-	-
Foreign Banks and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Provisions**

**4.22**

Particulars	NPR	
	32.03.2079	31.03.2078
Provisions for Redundancy	-	-
Provisions for Restructuring	-	-
Pending Legal Issues and Tax Litigation	-	-
Onerous Contracts	-	-
Other Provisions	-	-
<b>Total</b>		

4.22.1: Movement in Provision

Particulars	NPR	
	32.03.2079	31.03.2078
Balance at Shrawan 01	-	-
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of Discount	-	-
Balance at Asar end	-	-

**Other Liabilities**

**4.23**

Particulars	NPR	
	32.03.2079	31.03.2078
Liabilities for employees defined benefit obligations	3,800,158	3,350,562
Liabilities for long service leave	2,983,510	1,968,929
Liabilities for employees defined benefit Contribution	-	-
Short term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	234,383	403,474
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	-	-
Employee bonus payable	3,164,987	1,906,369
Deposit Fund	7,500,000	7,500,000
Manager's Cheque	189,131	1,749,261
Lease Liabilities	47,148,569	-
Other Liabilities	8,024,029	19,297,384
<b>Total</b>	<b>73,044,767</b>	<b>36,175,980</b>

4.23.1: Defined Benefit Obligation

**NPR**

The amounts recognised in the statements of financial positions are as follows :

Particulars	NPR	
	32.03.2079	31.03.2078
Present value of unfunded obligations	2,983,510	1,968,926
Present value of funded obligations	-	-
Total present value of obligations	-	-
Fair value of plan assets	-	-
Present value of net obligations	-	-
Recognised liability for defined benefit obligations	<b>2,983,510</b>	<b>1,968,926</b>

4.23.2: Plan Assets

Plan assets comprise

**NPR**

Particulars	NPR	
	32.03.2079	31.03.2078
Equity securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	-	-
<b>Total</b>		

4.23.3: Movement in the present value of defined benefit obligations

Particulars	NPR	
	32.03.2079	31.03.2078
Defined benefit obligations at Sawan 1	1,968,929	1,089,516
Actuarial losses	1,545,550	327,864
Benefits paid by the plan	(1,519,611)	(142,227)
Current service costs and interest	988,645	693,776
<b>Defined benefit obligations at Asar end</b>	<b>2,983,513</b>	<b>1,968,929</b>

4.23.4: Movement in the fair value of plan assets

Particulars	NPR	
	32.03.2079	31.03.2078
Fair value of plan assets at Sawan 1	-	-
Contributions paid into the plan	-	-
Benefits paid during the year	-	-
Actuarial (losses) gains	-	-
Expected return on plan assets	-	-
<b>Fair value of plan assets at Asar end</b>	<b>-</b>	<b>-</b>

4.23.5: Amount recognised in profit or loss

Particulars	NPR	
	32.03.2079	31.03.2078
Current service costs	879,824	602,117
Interest on obligation	108,821	91,659
Expected return on plan assets	-	-
Actuarial Losses / (Gain)	1,545,550	327,864
<b>Total</b>	<b>2,534,195</b>	<b>1,021,640</b>

4.23.6: Amount recognised in other comprehensive income

Particulars	NPR	
	32.03.2079	31.03.2078
Actuarial (gain)/loss	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

4.23.7: Actuarial assumptions

Particulars	NPR	
	32.03.2079	31.03.2078
Discount rate	11%	9%
Expected return on plan asset	-	-
Future salary increase	6%	6%
Withdrawal rate	-	-

**Debt securities issued**

Particulars	4.24	
	32.03.2079	31.03.2078
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Subordinated Liabilities**

Particulars	4.25	
	32.03.2079	31.03.2078
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Share capital

4.26

Particulars	NPR	
	32.03.2079	31.03.2078
Ordinary shares	519,000,000	519,000,000
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
<b>Total</b>	<b>519,000,000</b>	<b>519,000,000</b>

#### 4.26.1: Ordinary Shares

Particulars	NPR	
	32.03.2079	31.03.2078
Authorized Capital		
5,190,000 Ordinary share of Rs. 100 each	519,000,000	519,000,000
Issued capital		
5,000,000 Ordinary share of Rs. 100 each	500,000,000	500,000,000
190,000 Ordinary share of Rs. 100 each	19,000,000	19,000,000
Subscribed and paid up capital		
5,190,000 Ordinary share of Rs. 100 each	519,000,000	519,000,000
<b>Total</b>	<b>519,000,000</b>	<b>519,000,000</b>

#### 4.26.2: Ordinary share ownership

Particulars	NPR	
	32.03.2079	31.03.2078
<b>Domestic ownership</b>		
Nepal Government	-	-
"A" class licensed institutions	-	-
Other licensed institutions	-	-
Other Institutions	2.01%	2.01%
Public	42.99%	42.99%
Promoters	55.00%	55.00%
<b>Foreign ownership</b>		
<b>Total</b>	<b>100%</b>	<b>100%</b>

#### Reserves

4.27

Particulars	NPR	
	32.03.2079	31.03.2078
Statutory general reserve	14,398,170	10,663,155
Exchange equalisation reserve	-	-
Corporate social responsibility reserve	521,145	334,395
Capital redemption reserve	-	-
Regulatory reserve	9,370,267	5,197,210
Investment adjustment reserve	-	-
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	729,879	9,075,710
Dividend equalisation reserve	-	-
Actuarial gain	(64,093)	(64,093)
Special reserve	-	-
Other reserve	379,250	-
<b>Total</b>	<b>25,334,618</b>	<b>25,206,377</b>

#### Contingent liabilities and commitments

4.28

Particulars	NPR	
	32.03.2079	31.03.2078
Contingent liabilities	-	-
Undrawn and undisbursed facilities	16,392,990	3,000,000
Capital commitment	-	-
Lease Commitment	-	50,893,398
Litigation	-	-
<b>Total</b>	<b>16,392,990</b>	<b>53,893,398</b>

#### 4.28.1: Contingent Liabilities

Particulars	32.03.2079	NPR
		31.03.2078
Acceptance and documentary credit	-	-
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	-	-
Underwriting commitment	-	-
Other commitments	-	-
<b>Total</b>		

#### 4.28.2: Undrawn and undisbursed facilities

Particulars	32.03.2079	NPR
		31.03.2078
Undisbursed amount of loans	-	3,000,000
Undrawn limits of overdrafts	14,892,990.00	-
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	1,500,000	-
<b>Total</b>	<b>16,392,990</b>	<b>3,000,000</b>

#### 4.28.3: Capital commitments

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

Particulars	32.03.2079	NPR
		31.03.2078
Capital commitments in relation to Property and Equipment		
Approved and contracted for		
Approved but not contracted for		
<b>Sub total</b>		
Capital commitments in relation to Intangible assets		
Approved and contracted for		
Approved but not contracted for		
<b>Sub total</b>		
<b>Total</b>		

#### 4.28.4: Lease commitments

Particulars	32.03.2079	NPR
		31.03.2078
Operating lease commitments		
Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year		8,004,309
Later than 1 year but not later than 5 years		35,651,746
Later than 5 years		7,237,343
<b>Sub total</b>		<b>50,893,398</b>
<b>Finance lease commitments</b>		-
Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year		-
Later than 1 year but not later than 5 years		-
Later than 5 years		-
<b>Sub total</b>		
<b>Grand total</b>		<b>50,893,398</b>

#### 4.28.5: Litigation

Bank do not have any either initiated any litigation.



**Property Plant and Equipment**

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery & Other	Equipment & others	Right to Use Asset(ROU)	Total
<b>Balance as on Asar end 2076</b>	-	-	11,472,431	-	6,056,357	-	-	15,995,089	-	44,582,609
Addition during the Year	-	-	2,515,964	-	1,012,700	-	7,734	7,639,689	-	7,727,441
Acquisition	-	-	2,515,964	-	1,012,700	-	7,734	7,639,689	-	-
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/ Revaluation	(3,028,009)	-	-	-	(113,039)	-	110,128	2,913,564	-	-
<b>Balance as on Asar end 2077</b>	-	-	10,960,386	-	6,956,018	-	117,862	26,548,342	-	44,582,609
Addition during the Year	-	-	3,611,344	-	378,000	-	-	3,738,097	-	7,727,441
Acquisition	-	-	3,611,344	-	378,000	-	-	3,738,097	-	-
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/ Revaluation	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2078</b>	-	-	14,571,730	-	7,334,018	-	117,862	30,286,439	51,055,578	52,310,950
Addition during the Year	-	-	3,568,627	-	265,092	-	-	5,936,751	-	9,770,470
Acquisition	-	-	3,568,627	-	265,092	-	-	5,936,751	51,055,578	-
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/ Revaluation	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2079</b>	-	-	18,140,357	-	7,599,111	-	117,862	36,223,190	51,055,578	62,080,521
<b>Depreciation and Impairment</b>	-	-	-	-	-	-	-	-	-	-
<b>As on Asar end 2076</b>	-	-	1,743,242	-	2,655,271	-	-	7,407,181	-	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	1248897.194	-	835,216.13	-	17,015	4,396,465	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2077</b>	-	-	2,992,139	-	3,490,487	-	17,015	11,822,765	-	18,322,407
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	1534571.75	-	718,306.24	-	15,127	4,445,417	-	6,713,422
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2078</b>	-	-	4,526,711	-	4,208,793	-	32,142	16,268,182	-	25,035,829
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	1581970	-	648,519.00	-	4,821	4,425,622	7,266,991	13,927,923
Disposals	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
<b>Balance as on Asar end 2079</b>	-	-	6,108,681	-	4,857,312	-	36,964	20,693,804	7,266,991	38,963,752
<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>Net Book Value</b>	-	-	10,045,019	-	3,125,225	-	85,720	14,018,257	-	38,963,752
<b>As on Asar end 2077</b>	-	-	7,968,247	-	3,465,531	-	100,847	14,725,577	-	26,266,202
<b>As on Asar end 2078</b>	-	-	10,045,019	-	3,125,225	-	85,720	14,018,257	-	27,274,221
<b>As on Asar end 2079</b>	-	-	12,031,676	-	2,741,798	-	80,899	15,529,386	43,788,587	74,172,344

Mr. Durga Prasad Shrestha Head: Finance and Planning	Mr. Han Bahadur Budhatholi Chief Executive Officer	Niranjan Gautam Niranjan Gautam & Associates Chartered Accountants
Mr. Surya Prasad Lamsal Director	Mrs. Narayani Devi Shrestha Director	Mr. Manobigyan Shrestha Director
Mr. Krishna Shankar Shrestha Director	Mr. Ganesh Kumar Shrestha Chairman	

Goodwill and Intangible Assets

4.14  
NPR

Particulars	Goodwill	Software		Other	Total Asar end	Total Asar end
		Purchased	Developed		2078	2077
<b>Balance as on Asar end 2077</b>		<b>4,844,558</b>				<b>4,844,558</b>
Addition during the Year						
Acquisition		847,500			847,500	
Capitalization		847,500				
Disposal during the year						
Adjustment/Revaluation						
<b>Balance as on Asar end 2078</b>		<b>5,692,058</b>			<b>5,692,058</b>	<b>-</b>
Addition during the Year						
Acquisition		-			-	
Capitalization		-				
Disposal during the year						
Adjustment/Revaluation						
<b>Balance as on Asar end 2079</b>		<b>5,692,058</b>			<b>5,692,058</b>	<b>-</b>
<b>Amortisation and Impairment</b>						
<b>Balance as on Asar 2077</b>		<b>2,700,802</b>				<b>2,700,802</b>
Impairment for the year						
Amortisation charge for the year		786,713			786,713	
Disposals						
Adjustment						
<b>Balance as on Asar 2078</b>		<b>3,487,515</b>			<b>3,487,515</b>	
Impairment for the year						
Amortisation charge for the year		785,263			785,263	
Disposals						
Adjustment						
<b>Balance as on Asar 2079</b>		<b>4,272,778</b>			<b>4,272,778</b>	
<b>Capital Work in Progress</b>						
<b>Net Book Value</b>		<b>2,204,543</b>				
<b>As on Asar end 2078</b>		<b>2,204,543</b>			<b>2,204,543</b>	
<b>As on Asar end 2079</b>		<b>1,419,280</b>			<b>1,419,280</b>	

.....  
Mr. Durga Prasad Shrestha  
Head: Finance and Planning

.....  
Mr. Hari Bahadur Budhathoki  
Chief Executive Officer

.....  
Niranjan Gautam  
Niranjan Gautam & Associates  
Chartered Accountants

.....  
Mr. Surya Prasad Lamsal  
Director

.....  
Mrs. Narayani Devi Shrestha  
Director

.....  
Mr. Manobigyan Shrestha  
Director

.....  
Mr. Krishna Shankar Shrestha  
Director

.....  
Mr. Ganesh Kumar Shrestha  
Chairman

Green Development Bank Ltd.  
Notes to Financial Statements  
For the year ended 32 Asar 2079

Deferred Tax

4.15

Particulars	Current Year	
	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	312,805	312,805
Property and Equipment		(374,502)
Employees' Defined Benefit Plan		-
Lease Liabilities	278,306	278,306
Provisions		-
Other Temporary Differences	-	(691,653)
Deferred tax on temporary differences		(475,044)
Deferred tax on carry forward of unused tax losses		-
Deferred tax due to changes in tax rate		-
Net Deferred Tax Asset (Liabilities) as on year end of .....		
Deferred Tax (Asset)/ Liabilities as on Shrawan 01,2078		3,039,021
Origination/(Reversal) during the year		(3,514,065)
Deferred Tax expense (income) recognized in profit or loss		(289,923)
Deferred Tax expense (income) recognized in OCI		(3,576,785)
Deferred Tax expense (income) recognized directly in Equity		352,643
<b>Previous Year</b>		
<b>Deferred tax on temporary differences on following items</b>		
Loans and Advances to BFIs		
Loans and Advances to Customers		
Investment Properties		
Investment Securities	3,889,590	3,889,590
Property and Equipment		(127,247)
Employees' Defined Benefit Plan		-
Lease Liabilities		(276,297)
Provisions		-
Other Temporary Differences	100,974	(447,036)
Deferred tax on temporary differences		3,039,010
Deferred tax on carry forward of unused tax losses		-
Deferred tax due to changes in tax rate		-
Net Deferred Tax Asset (Liabilities) as on year end of .....		
Deferred Tax (Asset)/ Liabilities as on Shrawan 01,2077		(602,520)
Origination/(Reversal) during the year		3,641,530
Deferred Tax expense (income) recognized in profit or loss		(248,049)
Deferred Tax expense (income) recognized in OCI		3,889,579
Deferred Tax expense (income) recognized directly in Equity		-

Mr. Durga Prasad Shrestha  
Head: Finance and Planning

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Niranjan Gautam  
Niranjan Gautam & Associates  
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Director

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Director

Mr. Ganesh Kumar Shrestha  
Chairman

**Green Development Bank Ltd.**  
**Notes to Financial Statements**  
 For the year ended 32 Asar 2079

**Interest Income**

4.29

Particulars	NPR	
	32.03.2079	31.03.2078
Cash and cash equivalent	7,345,960	3,105,610
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	-	3,636,661
Loans and advances to customers	270,768,532	166,720,877
Investment securities	10,967,917	3,526,068
Loan and advances to staff	2,596,464	1,726,673
Other Interest Income	17,581,243	2,654,928
<b>Total interest income</b>	<b>309,260,116</b>	<b>181,370,817</b>

**Interest Expenses**

4.30

Particulars	NPR	
	32.03.2079	31.03.2078
Due to bank and financial institutions	1,709,750	-
Due to Nepal Rastra Bank	-	-
Deposits from customers	189,368,644	100,114,487
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Charges	-	-
<b>Total Interest expense</b>	<b>191,078,394</b>	<b>100,114,487</b>

**Fees and Commission Income**

4.31

Particulars	NPR	
	32.03.2079	31.03.2078
Loan administration fees	737,372	415,253
Service fees	10,110,367	9,299,365
Consortium fees	-	-
Commitment fees	63,881	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	154,850	-
Prepayment and swap fees	-	-
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	420,407	470,384
Commission on letter of credit	-	-
Commission on guarantee contracts issued	-	-
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	301,701	227,670
<b>Total Fees and Commission Income</b>	<b>11,788,577</b>	<b>10,412,672</b>

### Fees and Commission Expense

4.32

Particulars	NPR	
	32.03.2079	31.03.2078
ATM management fees	660,714	270,433
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees.	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	858,034
<b>Total Fees and Commission Expense</b>	<b>660,714</b>	<b>1,128,467</b>

### Net Trading income

4.33

Particulars	NPR	
	32.03.2079	31.03.2078
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transation	-	-
Other	-	-
<b>Net trading income</b>	<b>-</b>	<b>-</b>

### Other Operating Income

4.34

Particulars	NPR	
	32.03.2079	31.03.2078
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	-	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	-	-
Gain/loss on sale of property and equipment	-	-
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other Operating Income	2,754,682	1,408,641
<b>Total</b>	<b>2,754,682</b>	<b>1,408,641</b>

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

4.35

Particulars	NPR	
	32.03.2079	31.03.2078
Impairment charge/(reversal) on loan and advances to BFIs	327,295	-
Impairment charge/(reversal) on loan and advances to customers	16,037,030	(284,125)
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>16,364,324.7</b>	<b>(284,124.6)</b>

**Personnel Expenses**

**4.36**

Particulars	NPR	
	32.03.2079	31.03.2078
Salary	19,681,844	18,950,456
Allowances	13,426,291	12,300,632
Gratuity Expense	2,007,309	1,563,035
Provident Fund	1,914,497	1,876,394
Uniform	892,000	800,000
Training & development expense	465,995	293,922
Leave encashment	2,457,602	1,126,212
Medical	-	-
Insurance	179,179	-
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	1,070,573	1,222,159
Other expenses related to staff	70,890	214,642
<b>Subtotal</b>	<b>42,166,180</b>	<b>38,347,453</b>
Employees Bonus	3,164,987	1,906,369
<b>Grand total</b>	<b>45,331,167</b>	<b>40,253,822</b>

**Other Operating Expense**

**4.37**

Particulars	NPR	
	32.03.2079	31.03.2078
Directors' fee	310,000	298,000
Directors' expense	120,703	201,307
Auditors' remuneration	395,500	514,150
Other audit related expense	73,495	145,346
Professional and legal expense	-	-
Office administration expense	4,333,874	2,801,785
Operating lease expense	-	8,004,309
Operating expense of investment properties	-	-
Corporate social responsibility expense	81,025	119,572
Onerous lease provisions	-	-
Depreciation ROU	-	-
Interest on Lease Liability	4,675,031	-
Other Expenses	15,231,134	12,329,734
<b>Total</b>	<b>25,220,761</b>	<b>24,414,203</b>

4.37.1: Office Administrative Expenses

Particulars	NPR	
	32.03.2079	31.03.2078
Light, Electricity & Water	1,530,664	1,272,400
Postage, Telex, Telephone & Fax	284,661	309,203
Office Equipment, Furniture Repair	-	-
Printing & Stationery	1,282,512	975,018
Other-Meeting Expenses	75,170	-
Other-Internet Expenses	1,160,866	245,164
<b>Total</b>	<b>4,333,873</b>	<b>2,801,785</b>

### Depreciation and Amortisation

4.38

Particulars	NPR	
	32.03.2079	31.03.2078
Depreciation on property and equipment	6,660,932	6,713,422
Depreciation on investment property	-	-
Amortisation of intangible assets	785,263	786,713
Depreciation ROU	7,266,991	-
<b>Total</b>	<b>14,713,186</b>	<b>7,500,135</b>

### Non Operating Income

4.39

Particulars	NPR	
	32.03.2079	31.03.2078
Recovery of loan written off	-	-
Other income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Non Operating Expenses

4.40

Particulars	NPR	
	32.03.2079	31.03.2078
Loan written off	1,949,948	1,001,450
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense.	-	-
<b>Total</b>	<b>1,949,948</b>	<b>1,001,450</b>

### Income Tax Expenses

4.41

Particulars	NPR	
	32.03.2079	31.03.2078
<b>Current tax expense</b>	-	-
Current year	10,099,732	6,331,095
Adjustments for prior years	-	-
<b>Deferred tax expense</b>	-	-
Origination and reversal of temporary differences	(289,923)	(248,049)
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
<b>Total income tax expense</b>	<b>9,809,809.6</b>	<b>6,083,046.5</b>

**Green Development Bank Ltd.**  
**Statement of Distributable Profit or Loss**  
 For the year ended 31 Asar 2079  
 (As per NRB Regulation)

Particulars	32.03.2079	31.03.2078
<b>Net profit or (loss) as per statement of profit or loss</b>	18,675,072	12,980,644
<b>Opening Figures</b>	<b>10,499,614</b>	<b>15,137,829</b>
<b>Appropriations:</b>		
a. General reserve	3,735,014	2,596,129
b. Foreign exchange fluctuation fund		
c. Capital redemption reserve		
d. Corporate social responsibility fund	186,751	129,806
e. Employees' training fund		
f. Other	-	5,000,000
> Investment adjustment reserve	-	-
> Cash dividend	-	1,000,000
> Bonus Share issued	-	19,000,000
> Corporate Social Responsibility Fund	-	119,527
> Employee training fund	379,250	-
> Share issue expenses written off	-	-
> Others	(568,346)	-
<b>Profit or (loss) before regulatory adjustment</b>	<b>25,442,017</b>	<b>10,512,065</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	(3,698,015)	(12,451)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	-	-
e. Deferred tax assets recognised (-)/ reversal (+)	(475,043)	-
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-)		
<b>Distributable profit or (loss)</b>	<b>21,268,959</b>	<b>10,499,614</b>

.....  
 Mr. Durga Prasad Shrestha  
 Head: Finance and Planning

.....  
 Mr. Hari Bahadur Budhathoki  
 Chief Executive Officer

.....  
 Niranjn Gautam  
 Niranjn Gautam & Associates  
 Chartered Accountants

.....  
 Mr. Surya Prasad Lamsal  
 Director

.....  
 Mrs. Narayani Devi Shrestha  
 Director

.....  
 Mr. Manobigyan Shrestha  
 Director

.....  
 Mr. Krishna Shankar Shrestha  
 Director

.....  
 Mr. Ganesh Kumar Shrestha  
 Chairman

Date :  
 Place :



#### 4. SIGNIFICANT ACCOUNTING POLICIES (Disclosures)

##### A. Staff Loans measured at fair value

Under previous NAS, staff loans were recorded at cost less repayments net of loan loss provision, if any. Under NFRS, the Development bank has to measure the staff loans granted below the market interest rate at their fair value, calculate based on the market interest rate of similar products.

The fair value of such loans as at Asar 32 2079 was Rs 18,717,405 and their previous NAS carrying amount was Rs. 22,515,583. The difference between the fair value and NAS carrying amount was Rs. 7,881,374 has been netted off against staff loans & recognized as deferred employee expenditure in other assets.

The fair value of such loans as at Asar 31 2078 was Rs 18,717,405 And their previous NAS carrying amount was Rs. 24,244,072. The difference between the fair value and NAS carrying amount was Rs. 5,526,668 has been netted off against staff loans & recognized as deferred employee expenditure in other assets

##### B. Adjustment on loan impairment

In compliance with the NRB Directives and subsequent amendment there to, specific loan loss provisions were made based on the arrears time period and General provision were made at a specified rate given by NRB time to time.

##### C. Financial Investments- Available for Sale

Under previous NAS, the Development bank recognized its investment portfolios which are not held for trading activities at their cost. Under NFRS, the Development bank has designated such investments as available-for-sale investments and measured at fair value. Such investments include equity investments, mutual Funds and portfolio management scheme.

As at Asar 32 2079 fair value of investment which are available for sale was amounting to Rs 142,285,584. Such investment was in quoted and unquoted securities.

As at Asar 31 2078 fair value of investment which are available for sale was amounting to Rs 30,465,300. Such investment was in quoted securities.

#### **D. Deferred Taxation**

The deferred tax asset previously identified under NAS accounts were reversed and relevant assets/liabilities were recognized where necessary.

As on Asar 32 2079 deferred tax assets of Rs 475,043 was recognized for deductible temporary difference.

As on Asar 31 2078 deferred tax liability of Rs 3,039,021 was recognized for deductible temporary difference.

#### **E. Interest Income**

Income amounting to Rs 4,278,232 was recognized for financial year 2078/79 for accrual of interest on loans, Interest benefit for staff loans and amortization of development bonds as an impact of interest unwinding.

Income amounting to Rs 181,370,817 was recognized for financial year 2077/78 for accrual of interest on loans, Interest benefit for staff loans and amortization of development bonds as an impact of interest unwinding.

Interest amounting to Rs 2,024,631.20 has been deducted from the Interest income as Premium returned to the customer.

#### **F. Personnel Cost**

Additional expense of Rs 633,677 was deducted in Personnel expenses as result of actuarial valuation for the fiscal year 2078/79

Additional expense of Rs 336,582 was deducted in Personnel expenses as result of actuarial valuation for the fiscal year 2077/78

1. Bonus to staffs -as per the Labor Act, 10% bonus has been levied after bonus before income tax.
2. Income Tax – tax has been computed on the basis of profit computed from NFRS. The difference due to previous year has been booked in deferred tax.

## G. Operating Lease

Development Bank has implemented NFRS 16," Leases" for the first time. Lease liability 920,989 which was previously created under NAS 17, has been deducted from deferred tax asset and retained earning. All operating leases of the Development bank is for the contract of more than 1 years. Right to use assets, lease liability, interest on the lease liability and depreciation on RoU was computed on individual contracts. Total RoU asset was Rs 51,055,577 at the beginning of the year after charging depreciation on ROU assets amounting to Rs 7,266,911 and interest on lease liability amounting to Rs 4,675,030 to Statement of Profit or Loss closing ROU asset is Rs 43,788,587 and Lease Liability is Rs 47,148,569.

## 5. Disclosures and Additional Information

### 5.1. Risk Management

In compliance with Nepal Rastra Bank Directives 6 on "Corporate Governance", the Board of Bank has established a Risk Management Committee with clear terms of reference. As at the date of this report, the Bank's Risk Management Committee comprised of the following:

S. No.	Members of Risk Management Committee	Designation
1	Non-Executive Director from Promoter	Member
2	Non-Executive Director from Public	Member
3	Operation and Compliance Head	Member
4	Risk Department Head	Member-Secretary

The Committee meets at least four times annually to oversee and review the fundamental prudential risks including operational, credit, market, reputational, capital and liquidity risk etc.

The responsibilities of Risk Management Committee are as follows:

- Formulate policies and guidelines for identification, measurement, monitoring and control all major risk categories.
- Ensuring the Bank has clear, comprehensive and well documented policies and procedure.
- Defining the Bank's overall risk tolerance in relation to credit risk.
- Ensuring that Bank's significant risks exposure is maintained at prudent levels and consistent with the available capital.

A part from Board Level Risk Management Committee the other committees and groups as mentioned below supports for Overall Risk Management.

## **Risk Governance**

Risk Management Committee was formed to review the credit risk, market risk and liquidity risk of the Bank. Apart from the Assets Liability Management Committee has been formed to monitor Liquidity risk as well as market risk, AML CFT committee in order to monitor the operational risk. The committee and subcommittee have effectively discharged their duties & responsibility.

Risk Management Department conducts periodical financial surveillance and monitoring. In addition to this, the risk management committee analyses the Stress testing of the bank as required by Nepal Rastra Bank and its impact and corrective action to mitigate the risk.

The major risk areas and mitigation mechanism is as given below:

### **5.1.1. Credit Risk**

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

Bank has implemented various System/ Policies/ Procedures/ Guidelines for the effective management of Credit Risk. For each type of loan, credit policies and procedures define criteria for granting loans in a safe and sound manner including but not limited purpose of credit and source of repayment, collection of relevant information based on the different client risk profiles, use of adequate tools, adequacy, enforceability and liquidity status of collaterals, as well as the practical aspects of their mobilization.

Standardized loan application forms has been in use for facilitating collection and analysis of all the relevant data for evaluating credit worthiness and proper evaluation of the credit risk of the prospective borrower. The factors considered in evaluating loan applications normally included prospects of the business, management of the firm/company, financial analysis-income statement, balance sheet, cash flow statement, key financial indicators, and key risk and mitigates. Further, inspection and supervision are also conducted before approval of the loan for pre-analysis and after the disbursement of the loan as well for monitoring the utilization of the loan.

### **Maximum exposure to credit risk**

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

### **5.1.2. Market Risk**

Risks arising out of adverse movements in interest rates and equity prices are covered under Market Risk Management. Market Risk is the potential for loss of earnings or economic value

due to adverse changes in financial market rates or prices. Institution exposure to market risk a rises principally from customer driven transactions.

In line with Risk Management Guidelines prescribed by NRB, the Bank focuses on risk management in addition to that interest rate risk is assessed at a regular interval to strengthen market risk management. The market risk is managed within the risk tolerances and market risk limits set by ALCO. ALCO regularly meets, analyses and takes decision over the Market Risk by analyzing the internal as well as external factor.

### 5.1.3. Liquidity Risk

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. 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 fixed nature asset positions is not available to the Bank on acceptable terms. The Liquidity Risk is managed by ALCO. The ALCO has developed the Treasury circular for overall liquidity management of bank.

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

Particulars						Amount in Rs	
	1-90 days	91-180 days	180-270 days	271-365 days	More than 1 Year	Total	
<b>Assets</b>	<b>1,101,456</b>	<b>187,627</b>	<b>240,451</b>	<b>186,047</b>	<b>1,982,981</b>	<b>3,698,562</b>	
Cash and cash equivalent	40,207					40,207	
Due from Nepal Rastra Bank				40,000	80,000	120,000	
Placement with Bank and FIs	858,943			10,000	12,500	881,443	
Derivative financial instruments.					-	-	
Other trading assets						-	
Loans and Advances to MFIs and Cooperatives	-					-	
Loans and advances to customers	184,865	187,627	240,451	136,047	1,890,481	2,639,471	
Interest Receivable	17,441					17,441	
Investment in subsidiaries						-	
<b>Liabilities</b>	<b>1,645,738</b>	<b>389,678</b>	<b>361,543</b>	<b>277,902</b>	<b>41,606</b>	<b>2,716,467</b>	
Due to Bank and Financial Institution						-	
Due to Nepal Rastra Bank						-	
Derivative financial instruments						-	
Deposits from customers	1,565,922	389,678	361,543	277,902	41,606	2,636,651	
Borrowing						-	
Other liabilities	79,816	-	-	-	-	79,816	
Debt securities issued						-	
<b>Total</b>	<b>1,645,738</b>	<b>389,678</b>	<b>361,543</b>	<b>277,902</b>	<b>41,606</b>	<b>2,716,467</b>	

### 5.1.4. Operational Risk

Operational risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies, employee errors, system failures, fraud or other criminal activity, any event that disrupts business processes.

Operational risk exposures are managed through a consistent set of management processes that drive risk identification, assessment, control and monitoring. For the control of operational risk of institution, it has Financial Administration Policy, Employee Bylaws, Operational Manual, AML/CFT Policy, Suspicious Transaction Identification Procedure, and Politically Exposed Person Policy, which guides the day-to-day operations.

Each risk control owner is responsible for identifying risks that are material and for maintaining an effective control environment across the organization. Risk control owners have responsibility for the control of operational risk arising from the management of the following activities: External Rules & Regulations, Liability, Legal Enforceability, Damage or Loss of Physical Assets, Safety & Security, Internal Fraud or Dishonesty, External Fraud, Information Security, Processing Failure, and Model. Operational risks can arise from all business lines and from all activities carried out by the Bank. Operational risk management approach seeks to ensure management of operational risk by maintaining a complete process universe defined for all business segments, products and functions processes.

#### **5.1.5. Internal Control**

The Board is committed to managing risks and in controlling its business and financial activities in a manner which enables it to maximize profitable business opportunities, avoid or reduce risks which can cause loss or reputational damage, ensure compliance with applicable laws and regulations and enhance resilience to external events. To achieve this, the Board has adopted policies and procedures of risk identification, risk evaluation, risk mitigation and control/monitoring.

The effectiveness of the Company's internal control system is reviewed regularly by the Board, its Committees, Management and Internal Audit. The Audit Committee has reviewed the effectiveness of the Bank's system of internal control during the year and provided feedback to the Board as appropriate. The bank has out sourced the Internal Audit function to maintain independency on the internal control system of institution. The Internal Audit monitors compliance with policies/standards and the effectiveness of internal control structures across the Bank through its program of business/unit audits. The Internal Audit function is focused on the areas of greatest risk as determined by a risk-based assessment methodology. Internal Audit reports are quarterly forwarded to the Audit Committee. The findings of all audits are reported to the Chief Executive Officer and Business Heads for initiating immediate corrective measures.

#### **5.2. Capital management**

Capital management approach is driven by its desire to maintain a strong capital base to support the development of its business and to meet the regulatory capital requirements.

#### **5.3. Qualitative Disclosures**

Bank has maintained capital adequacy as per directive issued by NRB. For the purpose, the Bank has developed Internal Capital Adequacy Assessment Process (ICAAP) which acts as a

guiding document for reporting the ongoing assessment of the Bank's risks, how the Bank intends to mitigate those risks and how much current and future capital is necessary having considered other mitigating factors.

### 5.3.1. Capital structure and capital adequacy

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

Amount in Rs '000

1.2 CAPITAL		Current Period	Previous Period
<b>(A) Core Capital (Tier 1)</b>		<b>565,605.77</b>	<b>556,406.09</b>
a	Paid up Equity Share Capital	519,000.00	519,000.00
b	Irredeemable Non-cumulative preference shares		
c	Share Premium	1.81	1.81
d	Proposed Bonus Equity Shares		
e	Statutory General Reserves	25,335.00	13,326.00
f	Retained Earnings	21,268.96	26,366.00
g	Un-audited current year cumulative profit/(loss)		(2,287.71)
h	Capital Redemption Reserve		
i	Capital Adjustment Reserve		
j	Debenture Redemption Reserve		
k	Dividend Equalization Reserves		
l	Other Free Reserve		
n	Less: Goodwill		
o	Less: Fictitious Assets		
p	Less: Investment in equity in licensed Financial Institutions		
q	Less: Investment in equity of institutions with financial interests		
r	Less: Investment in equity of institutions in excess of limits		
s	Less: Investments arising out of underwriting commitments		
t	Less: Reciprocal crossholdings		
u	Less: Purchase of land & building in excess of limit and unutilized		
v	Less: Other Deductions		
<b>Adjustments under Pillar II</b>			
SRP 6.4a(1)	Less: Shortfall in Provision	-	
SRP 6.4a(2)	Less: Loans & Facilities extended to related parties and restricted lending	-	

**b. Tier 2 capital and a breakdown of its components**

<b>(B) Supplementary Capital (Tier 2)</b>		<b>34,874.12</b>	<b>65,191</b>
a	Cumulative and/or Redeemable Preference Share		
b	Subordinated Term Debt		
c	Hybrid Capital Instruments		
d	General loan loss provision	34,874.12	65,190.95
e	Exchange Equalization Reserve		
f	Investment Adjustment Reserve		
g	Asset Revaluation Reserve		
h	Other Reserves		
<b>Total Capital Fund (Tier I and Tier II)</b>		<b>600,479.89</b>	<b>621,597.04</b>

**c. Capital adequacy ratio**

<b>1.3 CAPITAL ADEQUACY RATIOS</b>	<b>Current Period</b>	<b>Previous Period</b>
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	19.25%	22.76%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	20.44%	25.43%



#### d. Risk weighted exposure for credit risk

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
	a	b	c	d=a-b-c	e	f=d*e
Cash Balance	40,207.31			40,207.31	0%	-
Balance With Nepal Rastra Bank	101,224.91			101,224.91	0%	-
Gold				-	0%	-
Investment in Nepalese Government Securities	80,000.00			80,000.00	0%	-
All Claims on Government of Nepal				-	0%	-
Investment in Nepal Rastra Bank securities	38,742.90			38,742.90	0%	-
All claims on Nepal Rastra Bank				-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)				-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)			-	-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)			-	-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)			-	-	100%	-
Claims on Foreign Government and Central Bank (ECA -7)			-	-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework				-	0%	-
Claims on Other Multilateral Development Banks			-	-	100%	-
Claims on Domestic Public Sector Entities			-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)			-	-	20%	-
Claims on Public Sector Entity (ECA 2)			-	-	50%	-
Claims on Public Sector Entity (ECA 3-6)			-	-	100%	-
Claims on Public Sector Entity (ECA 7)			-	-	150%	-
Claims on domestic banks that meet capital adequacy requirements	782,894.86		-	782,894.86	20%	156,578.97
Claims on domestic banks that do not meet capital adequacy requirements			-	-	100%	-
Claims on foreign bank (ECA Rating 0-1)			-	-	20%	-
Claims on foreign bank (ECA Rating 2)			-	-	50%	-
Claims on foreign bank (ECA Rating 3-6)			-	-	100%	-
Claims on foreign bank (ECA Rating 7)			-	-	150%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement			-	-	20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)			-	-	80%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)			-	-	85%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)			-	-	90%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)			-	-	100%	-
Claims on Domestic Corporates (Unrated)	192,424.61		-	192,424.61	100%	192,424.61
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)	1,456,239.88		-	1,456,239.88	75%	1,092,179.91
Claims fulfilling all criterion of regularity retail except granularity			-	-	100%	-
Claims secured by residential properties	276,026.71		-	276,026.71	60%	165,616.03
Claims not fully secured by residential properties			-	-	150%	-
Claims secured by residential properties (Overdue)	6,371.48		-	6,371.48	100%	6,371.48
Claims secured by Commercial real estate			-	-	100%	-
Past due claims (except for claims secured by residential properties)	39,829.65		-	39,829.65	150%	59,744.47
High Risk claims	613,027.30		-	613,027.30	150%	919,540.96
Lending Against Securities (Bonds)			-	-	100%	-
Investments in equity and other capital instruments of institutions listed in stock exchange			-	-	100%	-
Investments in equity and other capital instruments of institutions not listed in the stock exchange	22,500.00		-	22,500.00	150%	33,750.00
Staff loan secured by residential property			-	-	50%	-
Interest Receivable/claim on government securities	12,168.07			12,168.07	0%	-
Cash in transit and other cash items in the process of collection				-	20%	-
Other Assets (as per attachment)	78,341.03		-	78,341.03	100%	78,341.03
<b>TOTAL (A)</b>	<b>3,739,998.72</b>		<b>-</b>	<b>3,739,998.72</b>		<b>2,704,547.46</b>

<b>B. Off Balance Sheet Exposures</b>	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			-	-	20%	-
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			-	-	50%	-
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			-	-	40%	-
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			-	-	100%	-
Financial Guarantee			-	-	100%	-
Acceptances and Endorsements			-	-	100%	-
Unpaid portion of Partly paid shares and Securities			-	-	100%	-
Irrevocable Credit commitments (short term)			-	-	20%	-
Irrevocable Credit commitments (long term)	16,392.99		-	16,392.99	50%	8,196.50
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>16,392.99</b>	-	-	<b>16,392.99</b>		<b>8,196.50</b>
<b>Total RWE for credit Risk Before Adjustment (A) +(B)</b>	<b>3,756,391.71</b>	-	-	<b>3,756,391.71</b>		<b>2,712,743.96</b>
<b>Adjustments under Pillar II</b>						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE						-
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE						-
<b>Total RWE for Credit Risk after Bank's adjustments under Pillar II</b>	<b>3,756,391.71</b>	-	-	<b>3,756,391.71</b>		<b>2,712,743.96</b>

**e. Risk weighted exposure for operational risk**

S.N.	Particulars	Fiscal Year		
		2075/076	2076/077	2077/078
1	Net Interest Income	71,517.08	79,324.00	81256.33
2	Commission and Discount Income	8246.00	6806.36	10412.67
3	Other Operating Income	844.22	1069.24	1408.64
4	Exchange Fluctuation Income			
5	Addition/Deduction in Interest Suspense during the period	(7,241.00)	(16,855.00)	(13,818.00)
6	<b>Gross income (a)</b>	<b>73,366.30</b>	<b>70,344.60</b>	<b>79,259.64</b>
7	<b>Alfa (b)</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
8	<b>Fixed Percentage of Gross Income [c=(a×b)]</b>	<b>11,004.94</b>	<b>10,551.69</b>	<b>11,888.95</b>
9	<b>Capital Requirement for operational risk (d) (average of c)</b>	<b>11,148.53</b>		
10	<b>Risk Weight (reciprocal of capital requirement of 10%) in times (e)</b>	<b>10</b>		
11	<b>Equivalent Risk Weight Exposure [f=(d×e)]</b>	<b>111,485.27</b>		

**SRP 6.4a (8) Adjustments under Pillar II (If Gross Income for the last three years is negative)**

1	Total Credit and Investment (net of Specific Provision) of releted month	-
2	Capital Requirement for Operational Risk (5% of net credit and investment)	-
3	<b>Risk Weight (reciprocal of capital requirement of 11%) in times</b>	9.09
4	<b>Equivalent Risk Weight Exposure (g)</b>	-
5	<b>Equivalent Risk Weight Exposure [h=f+g]</b>	<b>111,485.27</b>

a. Total Risk Weighted Exposure:

		(Rs. in '000)	
<b>1. 1 RISK WEIGHTED EXPOSURES</b>		<b>Current Period</b>	<b>Previous Period</b>
a	Risk Weighted Exposure for Credit Risk	2,712,743.96	2,234,979.61
b	Risk Weighted Exposure for Operational Risk	111,485.27	114,577.01
c	Risk Weighted Exposure for Market Risk	-	-
<b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>		<b>2,824,229.23</b>	<b>2,349,556.63</b>
<b>Adjustments under Pillar II</b>			
<b>SRP 6.4a (5)</b>	<i>ALM policies &amp; practices are not satisfactory, add 1% of net interest income to RWE</i>	812.56	803.39
<b>SRP 6.4a (6)</b>	<i>Add .....% of the total deposit due to insufficient Liquid Assets</i>	-	-
<b>SRP 6.4a (7)</b>	<i>Add RWE equivalent to reciprocal of capital charge of 2-5% of gross income</i>	-	-
<b>SRP 6.4a (9)</b>	<i>Overall risk management policies and procedures are not satisfactory. Add 3% of RWE</i>	84,726.88	70,486.70
<b>SRP 6.4a (10)</b>	<i>Desired level of disclosure requirement has not been achieved. Add 1% of RWE</i>	28,242.29	23,495.57
<b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b>		<b>2,938,010.96</b>	<b>2,444,342.28</b>

#### 5.4. Classification of financial assets and financial liabilities

*Amount in Rs*

Particulars	As at		As at	
	32-03-2079		31-03-2078	
	Carrying Value	Fair Value	Carrying Value	Fair value
<b>Assets</b>				
<b>Assets carried at Amortized Cost</b>				
Cash and cash equivalent	797,926,566	797,926,566	330,155,090	330,155,090
Statutory Balances and Due from Nepal Rastra Bank	101,224,913	101,224,913	64,212,561	64,212,561
Placement with Bank and Financial Institutions	-	-	-	44,748,256
Loan and advances to customers	2,572,137,499	2,572,137,499	1,854,837,647	1,854,837,647
Investment Securities	118,742,900	118,742,900	80,000,000	80,000,000
Investment in subsidiaries				
<b>Fair Value through Profit and Loss (FVTPL)</b>				
Investment Securities				
<b>Fair Value through Other Comprehensive Income (FVTOCI)</b>				
Investment Securities	22,500,000	23,542,684	17,500,000	30,465,300
<b>Liabilities</b>				
<b>Liabilities carried at Amortised Cost</b>				
Due to Bank and Financial Institutions	208,661,102	208,661,102	3,415,249	3,415,249
Due to Nepal Rastra Bank	-	-	-	-
Deposits from customers	2,885,264,311	2,885,264,311	1,853,461,917	1,853,461,917
Borrowings				
<b>Fair Value through Profit and Loss (FVTPL)</b>				
Derivative financial instruments.				

#### 5.5. Segment Analysis

##### 5.5.1. General Information

An operating segment is a component that engages in business activities from which it earns revenue and incurs expense, including revenues and expenses that relating to transaction with any of groups other components, whose operating results are reviewed by management.

Business segments have been identified and reported taking into account the function, products and the services offered by the bank and the departmental operation carried out by the bank. Segment results that are reported to the Bank's include directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Bank operates in the following segments:

##### **Banking:**

It includes the general function carried out by the banks. Lending and deposits are included in the Banking operation. The major sources of the income include the interest income and the processing fees on the loan granted.

### Treasury:

Investments made by the banks is covered by this segment. The investment includes the investment made on the government bonds and the various listed and the un-listed securities including the units of the mutual funds. The income of this segment includes the interest and the dividend income.

### Card:

It includes the technology-based services offered by the bank.

### Remittance:

It covers the remittance services offered by the bank to its valued customers. The Bank serves as a remittance agent to various remittance companies to send and pay international as well as domestic remittance.

A. Information about reportable segment (NFRS)							Amount in Rs
Particulars	Banking	Treasury	Card	Remittance	All Others	Total	
(a) Revenue from external customers	280,878,898	18,313,877	154,850.00	-	24,455,750	323,803,375	
(b) Intersegment revenues							
(c) <b>Net Revenue</b>	<b>280,878,898</b>	<b>18,313,877</b>	<b>154,850.00</b>	-	<b>24,455,750</b>	<b>323,803,375</b>	
(d) Interest Revenue	270,768,532	18,313,877	-	-	-		
(e) Interest Expense	191,078,394	-	-	-	-		
(f) <b>Net interest revenue (b)</b>	<b>79,690,138</b>	<b>18,313,877</b>					
(g) Impairment Charge	16,364,325					16,364,325	
(h) Personnel Expenses	39,321,913	2,563,869	21,678.38	-	3,423,706	45,331,167	
(i) Other operating expenses	24,141,995	1,574,107	13,309.61	-	2,102,011	27,831,423	
(j) Depreciation and Amortization	12,762,756	832,158	7,036.17	-	1,111,236	14,713,186	
(k) <b>Segment profit/(loss)</b>	<b>(2,790,484)</b>	<b>13,343,743</b>	<b>112,825.84</b>	-	<b>17,818,796</b>	<b>28,484,881</b>	
(l) Entity's interest in the profit or loss of associates accounted for using equity method							
(m) Other material non-cash items:							
.....							
.....							
.....							
(n) Impairment of assets	-						
(o) Segment assets	3,563,881,035	142,285,584		8,405,045	18,003,398	3,732,575,063	
(p) Segment liabilities	3,093,924,910				638,650,153	3,732,575,063	

### B. Reconciliation of reportable segment profit or loss

Particulars	Current Quarter
Total Profit before tax for reportable segment	28,484,881
profit before tax for other segment	-
Elimination of intersegment profit	-
Elimination of discontinues operation	-
Uncollected Amounts:	-
-Other Corporate Expenses	-
<b>Profit before tax</b>	<b>28,484,881</b>

### 5.5.2. Measurement of operating segment profit or loss, assets and liabilities

The bank has identified the major segments on the basis of the nature of the operation. The bank has accounted the inter segment transaction if any as per the banking policy.

### 5.5.3. Reconciliation of reportable segment revenues, profit or loss, assets and liabilities:

#### Revenue

Particulars	Amount (Rs.)
Total revenue for reportable segments	299,347,625
Other revenues	24,455,750
Elimination of intersegment profits	-
<b>Entity's revenues</b>	<b>323,803,375</b>

#### Profit or Loss

Particulars	Amount (Rs.)
Total profit or loss for reportable segments	10,666,085
Other profit or loss	17,818,796
Elimination of intersegment profits	
Unallocated amounts:	
<b>Profit or loss before income tax</b>	<b>28,484,881</b>

#### Assets

Particulars	Amount (Rs.)
<b>Total assets for reportable segments</b>	<b>3,714,876,437</b>
Other assets	18,003,398
Unallocated amounts:	
<b>Entity's assets</b>	<b>3,732,879,437</b>

#### Liabilities

Particulars	Amount (Rs.)
<b>Total liabilities for reportable segments</b>	<b>3,093,925,413</b>
Other liabilities	638,954,527
Unallocated amounts:	
<b>Entity's liabilities</b>	<b>3,732,879,437</b>

### 5.5.4. Information about the products and the services

Amount in Rs

S.N	Description	Revenue
(a)	General Banking-Loan to customers, BFIs, Others	305,803,375
(b)	Treasury: Investment of the bonds, Dividend income	18,313,877

(c)	Card: Mobile, Internet Banking and SCT card fees	-
(d)	Remittance	0

### 5.6. Share options and share based payment

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

### 5.7. Contingent liabilities and commitment (Rs.)

Particulars	32-03-2079(Rs.)	31-03-2078(Rs.)
Contingent liabilities	-	-
Undrawn and undisbursed facilities	1,500,000	3,000,000
Capital commitment	-	-
Lease Commitment	-	50,893,398
Litigation	-	-
<b>Total</b>	<b>1,500,000</b>	<b>98,391,526</b>

#### Litigations:

Litigations are anticipated in the context of business operations due to the nature of the transactions involved.

However, the Development bank has no any litigations.

### 5.8. Related Parties disclosures

#### a. Related party

The bank has identified following as related parties under NAS 24:

1. Directors
2. Key Management Personnel of the Bank and
3. Related parties of the above two

#### b. Key Managerial Personnel

Key Management Personnel (KMP) of the Development bank include members of the Board, Chief Executive Officer and all top-level executives. Followings are a list of Board of Directors and CEO bearing office.

S.N.	Name of the Key Management Personnel	Post
1	Mr. Ganesh Kumar Shrestha	Chairman
2	Mr. Krishna Shankar Shrestha	Director
3	Mr. Manobigyan Shrestha	Director
4	Mrs. Narayani Devi Shrestha	Director
5	Mr. Surya Prasad Lamsal	Director
6	Mr. Hari Bahadur Budhathoki	Chief Executive Officer

### c. Compensation to the Members of the Board

All the members of the Board are non-executive directors and no executive compensation is paid to the directors. Specific non-executive allowances paid to the directors till current period ended Asar 2079 are as under-

Particulars	Amount (NPR)
Board Meeting Fees	310,000
Other Allowances	227,750
Board Meeting Expenses	309,643

These allowances are approved by the Annual General Meeting of the bank.

### d. Compensation to Management Level Employees

#### Compensation to Chief Executive Officer of the Bank

Particulars	32-03-2079(Rs.)
Short Term Employee Benefits	3,153,747.79
Employee Bonus & Welfare	206,972.68
Post Employee Benefits	1,280,675.24
Festival Allowances	250,000.00
Other Allowances	13,680.00
<b>Total</b>	<b>4,905,075.71</b>

#### Compensation to Senior Management Personal of the Bank

Particulars	32-03-2079 (Rs.)
Short Term Employee Benefits	2,987,082.55
Employee Bonus & Welfare	158,424.47
Post Employee Benefits	20,348.80
Festival Allowances	228,852.00
Other Allowances	38,940.00
<b>Total</b>	<b>3,433,647</b>

Senior Management Personnel indicates staff of Manager Level and above.

### 5.9. Merger and Acquisition

There are no merger or acquisitions transaction during the year

### 5.10. Additional disclosures of non-consolidated entities

There are no such entities which are required to be consolidated but not done during the year.



### 5.11. Events after reporting date

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

### 5.12. Effect on Non-Banking Assets

The Bank does not have any Non-Banking Assets (NBA)

### 5.13. Change of estimate

There is no change in estimate during the current year.

### 5.14. Earnings per share

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

Amount in Rs

Particulars	Year ended	Year ended
	32-03-2079	31-03-2078
Profit attributable to equity shareholders (a)	18,675,072	12,980,644
Weighted average of number of equity shares used in computing basic earnings per share (b)	5,190,000	5,000,000
Adjusted weighted average of number of equity shares used in computing basic earnings per share		
Basic and diluted earnings per equity share of NPR 100 each (a/b)	3.60	2.50

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

Pursuant to the requirement of NAS 33, the company has retrospectively adjusted and restated the Basic Earnings per Share (BEPS) and Diluted Earnings Per Share (DEPS) for previous year.

### 5.15. Non-performing assets

The Details of performing and non-performing loan and its changes are presented below

Particulars	Amount in Rs			
	Current Year	Previous Year	Change	
			Amount	%
Pass loan (performing loans)	2,600,364,360.87	1,913,364,835.00	686,999,525.87	35.91%
<b>Non-Performing Loans (NPL)</b>	<b>39,106,655.38</b>	<b>15,196,083.00</b>	<b>23,910,572.38</b>	157.35%
Restructured /rescheduled		-	-	
Substandard	15,971,792.47	2,065,238.00	13,906,554.47	0.00%
Doubtful	13,950,315.21	2,796,865.00	11,153,450.21	398.78%
Loss	9,184,547.70	10,333,980.00	(1,149,432.30)	0.00%
<b>Gross Loans &amp; Advances</b>	<b>2,639,471,016.25</b>	<b>1,928,560,918.00</b>	<b>710,910,098.25</b>	<b>36.86%</b>

### 5.16. Concentration of Deposits, Loans & Advances and Contingents

Particulars	Amount In Rs	
	Loans & Advances and Bills Purchased	Loans & Advances and Bills Purchased
	Current Year	Previous Year
Total Amount Outstanding	1,928,560,918	1,852,299,031
Highest Exposure of a Single Unit	62,900,000	19,762,496
Concentration of exposure (%)	3.26%	1.07%

For the calculation of concentration, loans and advances is total loans extended to the customers except staff loans and interest accruals on loans and the deposits is total deposits from the customers excluding interest payables.

Single Obligor Limit and Sector-wise Limit (Directive No. 3) for both funded and non-funded are within the limit as prescribed by NRB directives.

### 5.17. Reserves

#### 5.17.1. General Reserve

Section 44 of Bank and Financial Institutions Act 2073 requires the Bank to allocate at least 20% of the net profits of every year to General Reserve until it is twice the paid-up capital. The Bank has appropriated NPR 3,735,014 of the net profits to General Reserve in the current year.

Particulars	Amount in Rs	
	Current Year	Previous Year
<b>Opening General Reserve</b>	<b>10,663,156</b>	<b>8,067,027</b>
20% of Profit to be transferred	3,735,014	2,596,129
<b>Closing General Reserve</b>	<b>14,398,170</b>	<b>10,663,156</b>

#### 5.17.2. Investment Adjustment Reserve

During this fiscal year there is no such transaction requiring investment adjustment reserve. Investment in Promoter share of SCT has been made amounting NPR 5 Million.

### 5.17.3. Regulatory Reserve

Regulatory reserves include any amount derived as result of NFRS conversion and adoption with effect in retained earnings. As required by NRB Directive 4, the Bank has created Regulatory Reserve and movement of reserve during the year is as follows:

Amount in Rs

Fiscal Year	Interest Receivable	Short Loan Loss Provision on NBA	Deferred Tax Assets	Actuarial Loss Recognized	Goodwill	Fair Value Loss Recognized in OCI	Total
Opening Balance as on 1st Sharawan 2075	-	-	-	-	-	-	-
Change in FY 2075/76	4,016,636	-	427,775	64,093	-	-	4,508,504
<b>Balance as on 31st Ashad 2076</b>	<b>4,016,636</b>	-	<b>427,775</b>	<b>64,093</b>	-	-	<b>4,508,504</b>
Change in FY 2076/77	501,510	-	174,745	-	-	-	676,255
<b>Balance as on 31st Ashad 2077</b>	<b>4,518,146</b>	-	<b>602,520</b>	<b>64,093</b>	-	-	<b>5,184,758</b>
Change in FY2077/78	12,451	-	-	-	-	-	12,451
<b>Balance as on 31st Ashad 2078</b>	<b>4,530,596</b>	-	<b>602,520</b>	<b>64,093</b>	-	-	<b>5,197,209</b>
Change in FY2078/79	3,698,015	-	475,043	-	-	-	4,173,058
<b>Balance as on 32st Ashad 2079</b>	<b>8,228,611</b>	-	<b>1,077,563</b>	<b>64,093</b>	-	-	<b>9,370,268</b>

### 5.17.4. Corporate Social Responsibility

As per the NRB Directive 6.16 on the Corporate Social Responsibility, the Bank has allocated 1% of the net profit after tax of current fiscal year for CSR activities. The amount allocated for corporate social responsibility reserve is Rs 186,751 for current year and previous year.

	Amount in Rs	
	32-03-2079	31-03-2078
<b>Opening Balance</b>	334,395	324,116
Transfer to retained earning	-	129,806
Transfer to reserve	186,751	(119,527)
<b>Closing balance</b>	<b>521,146</b>	<b>334,395</b>

### 5.18. Disclosure related to Training Expenses

As per NRB Directive 6(6), Bank should spend 3% of total personnel expense of previous year on training and personal development of employees. But due to existing pandemic situation in current fiscal year the bank could spend only 1.10% amounting to Rs 465,995 for training and development expense. Amount transferred to Training fund for the fiscal year is show below.

Employee Expenes	Amount (Rs)
Employee Basic Salary	18,999,709
Employee grade expenes	682,134
Staff Development Allowance	1,527,840
Employee Dearness Allowance	1,745,454
Business Promotion Expenes	5,219,718
<b>Total employee expenses</b>	<b>28,174,855</b>
Amount to be transferred to Training Fund	845,246
Less: Expenes for the year	465,995
<b>Total amount transferred to training fund</b>	<b>379,250</b>

### 5.19. Interest Income

As per NAS 18 para 20 Revenue is recognized to the extent that it is probable that the economic benefits will flow to Bank and the revenue can be reliably measured. The cash interest income and AIR having overdue date less than 365 days are recognized as Interest Income. Similarly, the bank has complied with the Guideline issued by NRB "Guideline on Recognition of Interest Income, 2019" which was effective from 2021/2022.

Particulars	FY 2077-78	FY 2076-77
Total AIR on Asar end	17,441,451	13,563,458
AIR calculated but suspended to recognize in Interest Income	2,824,728	3,224,966
AIR recognized as income	14,616,723	10,338,492
<b>Charge to PL</b>	4,278,231	(6,052,630)

AIR transferred to regulatory reserve during the year is presented in table below. Total interest collection during the month of Sharwan amounting to Rs1,686,048. As directed by NRB, Bank has deducted total interest collection after excluding 2,824,727 AIR of bad loan from total collection from AIR to be transferred to regulatory reserve during the year.

Particulars	Amunt (Rs)
AIR booked as income during this fiscal year	17,441,451
Less: Interest of Bad Loan suspended	2,824,727
Less: Collection of interest During the month of Sharawan 2079	1,686,048
<b>Net AIR reserve in regulatory reserve</b>	<b>12,930,675</b>
Bonus	1,175,515.95
Tax	3,526,548
<b>AIR to be transferred to Regulatory Reserve</b>	<b>8,228,611.64</b>
AIR Transferred upto previous year	(4,530,596.76)
<b>AIR to be transferred during this year</b>	<b>3,698,014.88</b>

### 5.20. Additional disclosure on COVID relaxation 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	32 <sup>nd</sup> Asar 2079		31 <sup>st</sup> Asar 2078	
	No. of Customer	Amount	No. of Customer	Amount
List of additional working capital provided/renewed (10% and 20%) and more; also repayment, provision and expiry status. (as per unified directive 2/78 point no. 44-3)	1	432,318.64	1	437,062.65



नेपाल राष्ट्र बैंक  
वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या : वि.सं.सु.वि./गैरस्थलगत/ग्रीन/०७९/८०  
च.नं. २१५

ग्रीन डेभलपमेन्ट बैंक लिमिटेड,  
पोखरा, कास्की ।



केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
फोन नं.: ०१-४४९२३०७  
Site: www.nrb.org.np  
Email: nrbfisd@nrb.org.np  
पोष्ट बक्स: ७३

मिति : २०८०/०२/३२

**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 शेरधनीहरूको 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. २,१२,६८,९५९।- बाट २०७९ असार मसान्तमा कायम रहेको चुक्ता पुँजी रु. ५९,९०,००,०००/- को ३.८० प्रतिशतले हुन आउने रकम रु.१,९७,२२,०००।०० (अक्षरेपी एक करोड सन्तानब्बे लाख बाइस हजार मात्र) बराबरको बोनस शेर तथा कर प्रयोजनको लागि सोही चुक्ता पुँजीको ०.२० प्रतिशतले हुन आउने रकम रु.१०,३८,०००।०० (अक्षरेपी दश लाख अठ्तीस हजार मात्र) 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 ।

- (१) कर्जा प्रवाह पश्चात अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गरी प्रवाहित कर्जाको नियमित रूपमा अनुगमन गर्ने कार्यलाई प्रभावकारी रूपमा कार्यान्वयन गर्नुहुन ।
- (२) यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७९ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
- (३) यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०७९ बमोजिम ब्याजदर सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
- (४) ग्राहक पहिचान (KYC), अनुपालना तथा कर्जा व्यवस्थापन लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरूको सुधार गर्न समय सीमा सहितको कार्ययोजना बनाइ प्रभावकारी रूपले कार्यान्वयन गर्ने तथा पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

(अमृत बहादुर बुढाथोकी)  
उप-निर्देशक

**बोधार्थ:**

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

उपरोक्त सम्बन्धमा नेपाल राष्ट्र बैंक, वित्तिय संस्था सुपरिवेक्षण विभागको मिति २०८०/२/३२ गतेको पत्रसंख्या वि.सं.सु.वि./गैरस्थलगत/ग्रीन/०७९/८० अन्तरगत यस बैंकको आ.व. ०७८/७९ को वार्षिक वित्तिय विवरण प्रकाशन गर्न तथा लाभांश वितरण गर्न स्विकृतपत्र प्रदान गर्नुभएकोमा विशेष धन्यवाद सहित आभार प्रकट गर्दछौ । उल्लेखित निर्देशनहरूका सम्बन्धमा देहाय बमोजिम प्रष्ट पारिएको व्यहोरा जानकारीको लागि अनुरोध छ ।

१. यस संस्थाबाट कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिताको सुनिश्चितता गरी प्रवाहित कर्जाको नियमित रुपमा गर्ने अनुगमन कार्यलाई प्रभावकारी रुपमा कार्यान्वयन गरिनेछ ।
२. नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशिन नं १९/०७९ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्था पूर्णरुपमा पालना गरिनेछ ।
३. नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशिन नं १५/०७९ बमोजिम ब्याजदर सम्बन्धी ब्यवस्थाको पूर्णरुपमा पालना गरिनेछ ।
४. ग्राहक पहिचान (KYC) तथा अनुपालन लगायतका बिषयहरूमा आन्तरिक लेखापरिक्षण, बाह्य लेखापरीक्षक बाट औंलाईएका कैफियतहरू समय सिमा भित्रै सुधार गरि पूनः नदोहोरिने गरि कार्य गरिने छ ।

**Details of Shareholder Holding 0.50% or above shares**

S.N.	Shareholder's Name	No. of Shares	Amount	Percentage
1	Deep Shankar Shrestha	778,500.00	77,850,000.00	15.00%
2	Ganesh Kumar Shrestha	256,905.00	25,690,500.00	4.95%
3	Krishna Shankar Shrestha	194,625.00	19,462,500.00	3.75%
4	Prayash Narayan Bhari	155,700.00	15,570,000.00	3.00%
5	Mita Murarka Agrawal	147,695.00	14,769,500.00	2.85%
6	Dila Ram Kharel	71,943.00	7,194,300.00	1.39%
7	Keshar Kumar Giri	71,200.00	7,120,000.00	1.37%
8	Rajan Giri	69,203.00	6,920,300.00	1.33%
9	Mitra Lal Gautam	51,906.00	5,190,600.00	1.00%
10	Indrajit Chhantyal	51,900.00	5,190,000.00	1.00%
11	Pradeep Ghimire Sharma	51,900.00	5,190,000.00	1.00%
12	Prakash Kumar Shrestha	51,900.00	5,190,000.00	1.00%
13	Shyam Prasad Shrestha	51,900.00	5,190,000.00	1.00%
14	Birat Kumar Shrestha	39,745.00	3,974,500.00	0.77%
15	Chhewang Lama	37,040.00	3,704,000.00	0.71%
16	Krishna Kumar Shrestha	37,018.00	3,701,800.00	0.71%
17	Krishna Sharma	36,330.00	3,633,000.00	0.70%
18	Jay Prakash Agrawal	35,476.00	3,547,600.00	0.68%
19	Manmohan Shrestha	31,140.00	3,114,000.00	0.60%
20	IBROX International Private Limited	28,662.00	2,866,200.00	0.55%
21	Pawan Kumar Shrestha	28,450.00	2,845,000.00	0.55%
22	Shiva Lal Giri	25,953.00	2,595,300.00	0.50%
23	Babu Ram Kharel	25,951.00	2,595,100.00	0.50%
24	Bijaya Karki	25,950.00	2,595,000.00	0.50%
25	Gopi Lal Shrestha	25,950.00	2,595,000.00	0.50%
26	Manobigyan Shrestha	25,950.00	2,595,000.00	0.50%
27	Nabin Napit	25,950.00	2,595,000.00	0.50%
28	Ramjee Prasad Pokharel	25,950.00	2,595,000.00	0.50%
29	Sandeep Dhungana	25,950.00	2,595,000.00	0.50%
30	Shovita Ojha Shrestha	25,950.00	2,595,000.00	0.50%







# व्यवस्थापन समूह



हरि बहादुर बुढाथोकी  
प्रमुख कार्यकारी अधिकृत



प्रकाश गुरुङ  
नायब प्रमुख कार्यकारी अधिकृत



संयुक्त ब. धारखा  
प्रमुख-कर्जा विभाग



दुर्गा प्रसाद श्रेष्ठ  
प्रमुख वित्त तथा योजना



रमेश बज्जरा  
प्रमुख जोखिम तथा अनुपालना



अनुप के.सी.  
प्रमुख-मानव संसाधन विभाग



लाल ब. क्षेत्री  
प्रमुख सूचना प्रविधि



सुर्य ब. जि.सी.  
प्रमुख कर्जा प्रशासन विभाग



दिपेश सैजू  
इन्चार्ज-लेखा तथा कोष व्यवस्थापन



सुन्दर पौडेल  
इन्चार्ज-ए.एम.एल इकाई

## क्षेत्रीय/शाखा प्रमुखहरू



हरि अधिकारी  
क्षेत्रीय प्रमुख



ध्रुव राज बराल  
छोरेपाटन शाखा



पदम लाल अधिकारी  
बागलुङ बसपार्क शाखा



रविचन्द्र तिमिल्सिना  
तालचोक शाखा



मान बहादुर शाही  
बुद्धचोक शाखा



रमेश राज के.सी.  
पोखरा शाखा



सुदिप न्यौपाने  
दमौली शाखा



सुमन श्रेष्ठ  
जैँडाकोट शाखा/क्षेत्रीय प्रमुख



अमृत कुमार श्रेष्ठ  
बेनी शाखा



जगन्नाथ लामिछाने  
बागमारा शाखा



हेम राज शर्मा  
बागलुङ शाखा



संजय पौडेल  
बजार शाखा



धर्मराज बन्ध्याल  
कावासोती शाखा



दिनेश बराल  
शितलादेवी शाखा



जीवन भुषाल  
दलदले शाखा



चूराज पुन  
दरवाङ शाखा



## विशेषता:

- न्यूनतम रु. १००/- मा खाता खोल्न सकिने
- दैनिक मौज्जातमा उच्चतम व्याज दर
- त्रैमासिक व्याज भुक्तानी
- Mobile Banking सुविधा
- लकर सुविधा
- सुन कर्जा र शेयर कर्जा
- Instant ATM
- छिटो छरितो कर्जा



### केन्द्रीय कार्यालय

पोखरा-८, न्यूरोड, कास्की  
फोन नं.: ०६१-५८३६३८  
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### पोखरा शाखा

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### तालचोक शाखा

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### छोरेपाटन शाखा

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### कावासोती शाखा

कावासोती-२, कावासोती, नवलपुर  
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### दमौली शाखा

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### बागलुङ शाखा

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### बागलुङ बसपार्क शाखा

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### बागमारा शाखा

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### शितलादेवी शाखा

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### दलदले शाखा

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### बेनी शाखा

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### बुद्धचोक शाखा

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### दरबाङ शाखा

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### गैंडाकोट शाखा

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Email: gaindakotbranch@greenbank.com.np

### बगर शाखा

पोखरा-१, बगर, कास्की  
फोन नं.: ०६१-५२०६२०/५२०६२९  
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