

निरन्तर सहयात्रा



वार्षिक प्रतिवेदन

आ.व. २०७७/०७८



लुम्बिनी विकास बैंक लि.
Lumbini Bikas Bank Ltd.

निरन्तर सहयात्रा



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Lumbini Bikas Bank Ltd.**

निरन्तर सहायात्रा

विषय - सूची

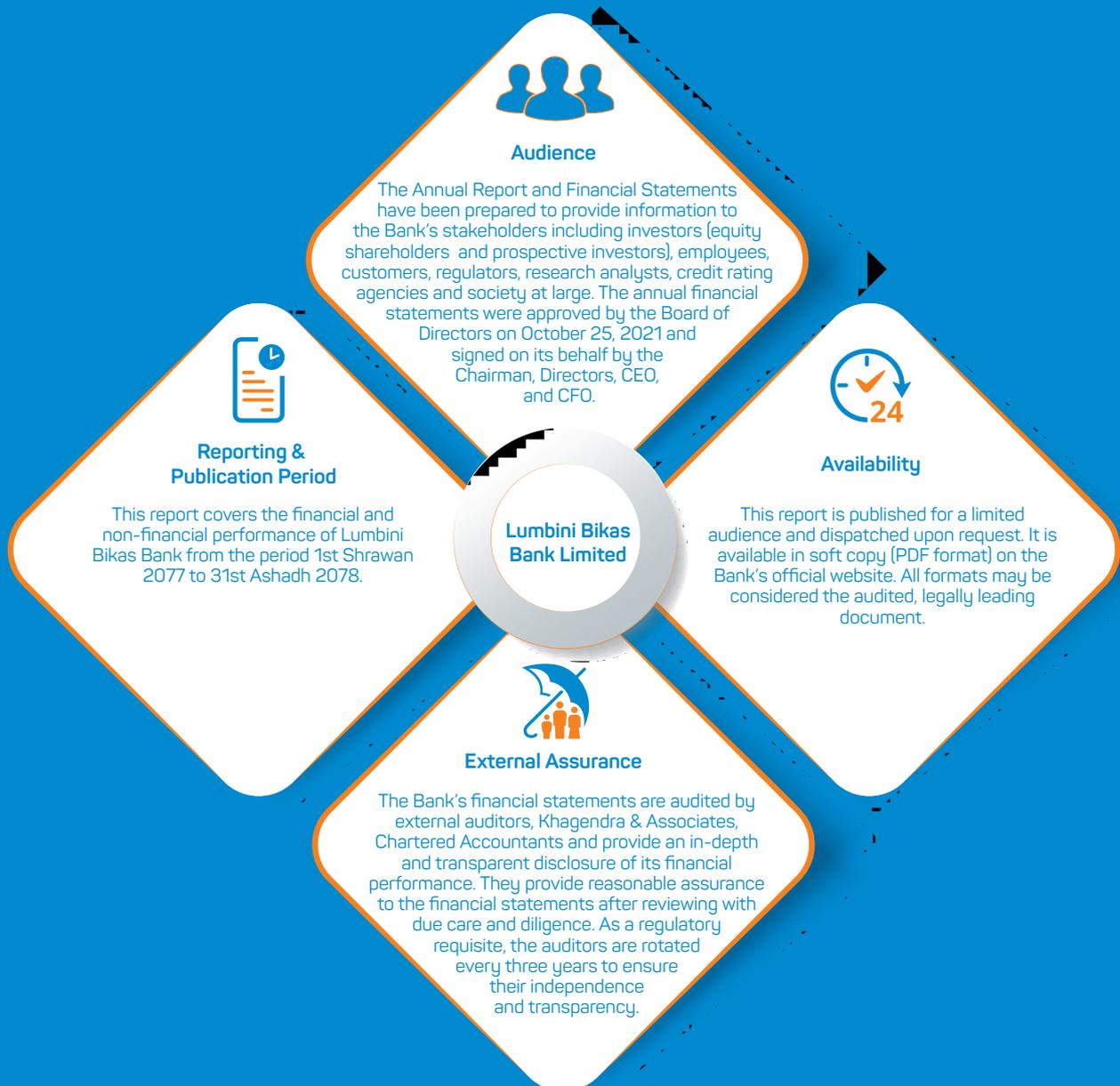
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About this Report

The Annual Report has been prepared in accordance with the Nepal Financial Reporting Standard and other regulatory compliances to present the Bank's performance during year 2077/78. Throughout this report, it has been our relentless effort to keep our stakeholders aware of key developments, programs and initiatives, market challenges and business solutions, our achievements, strategic direction, and the overall health of our development bank.

This report provides an in-depth and transparent disclosure of the Bank's financial performance. In preparing this report, the Bank was guided by the local statutory and regulatory requirements and is also in compliance with the following:

- ▶ Bank and Financial Institutions Act 2073
- ▶ Nepal Rastra Bank Act 2058
- ▶ Companies (First Amendment) Act 2063
- ▶ Securities Act 2063
- ▶ Directives issued by Nepal Rastra Bank
- ▶ Other relevant Legislation



Letter of Transmittal

**To All shareholders
Lumbini Bikas Bank Limited
Nepal Rastra Bank
Office of Company Registrar
Securities Exchange Board of Nepal**

Dear Sir(s),

Annual Report for the year ended Ashadh 31, 2078

We are pleased to enclose a copy of Lumbini Bikas Bank Limited's Annual Report, together with the Audited Financial Statements as on Ashadh 31, 2078, for your kind information and record.

Yours sincerely,

Hari Krishna Subedi
Company Secretary

सञ्चालक समिति



चिन्तामणि भट्टराई
सञ्चालक:
संस्थापक शेयरधनीको तर्फबाट

केशब खतिवडा
सञ्चालक:
संस्थापक शेयरधनीको तर्फबाट

दशरथ रिसाल
अध्यक्ष

राम चन्द्र सिग्देल
सञ्चालक:
सर्वसाधारण
शेयरधनीको तर्फबाट



अंजु कुमारी गुप्ता
सञ्चालक: स्वतन्त्र

प्रताप कुमार आचार्य
सञ्चालक:
सर्वसाधारण शेयरधनीको तर्फबाट

प्रविण कृष्ण श्रेष्ठ
सञ्चालक:
सर्वसाधारण शेयरधनीको तर्फबाट



पवन ढकाल
बरिष्ठ नायव प्रमुख
कार्यकारी अधिकृत

हरि कृष्ण सुवेदी
मूरुख प्रबन्धक/
कम्पनी सचिव

भेषराज गौतम
वरिष्ठ प्रबन्धक

विभागीय प्रमुखहरू



दिप बहादुर रावल
प्रमुख-सामान्य प्रशासन

नवराज भण्डारी
प्रमुख-वित्त,
लेखा तथा कोष

विशाल जोशी
प्रमुख-सूचना प्रविधि



सुकदेव पहारी
प्रमुख-सञ्चालन

प्रेम लाल बस्न्याल
प्रमुख-मानव संशाधन

जगदिश बस्ताकोटी
प्रमुख-कर्जा प्रशासन

लक्ष्मण फुयाल
प्रमुख कानून

Award and Recognition



**Best Presented Annual
Report (BPA) Award -2020 Runner-Up**

लुम्बिनी विकास बैंक लिमिटेडको चौधौ वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति: २०७८/८/१७ गते शुक्रवार, आर्थिक अभियान राष्ट्रिय दैनिक)

आदरणीय शेयरधनी महानुभावहरू,

यस लुम्बिनी विकास बैंक लि.को मिति २०७८ साल मंसिर १६ गते बसेको सञ्चालक समितिको ४११ औं बैठकको निर्णय बमोजिम विकास बैंकको चौधौ वार्षिक साधारण सभा निम्न लिखित मिति, समय र स्थानमा देहायका बिषयहरू उपर छलफल तथा निर्णय गर्न बस्ने भएकोले कम्पनी ऐन २०६३ को दफा ६७ अनुसार सम्पूर्ण शेयरधनी महानुभावहरूको जानकारी तथा उपस्थितिको लागि यो सूचना प्रकाशित गरिएको छ । हाल विश्वभर फैलिएको कोभिड-१९ महामारीको जोखिम कायमै रहेकोले शेयरधनीहरूको उपस्थितिको लागि भर्चुअल (Virtual) माध्यमको व्यवस्था मिलाईएको हुँदा विद्युतीय माध्यमबाट सभामा भाग लिई दिनुहुन समेत अनुरोध छ ।

सभा हुने मिति, समय र स्थान :

मिति : वि.सं. २०७८ साल पौष ९ गते, शुक्रबार (सन् २४ डिसेम्बर २०२१)

समय : बिहान ११ : १५ बजे देखि

स्थान : केन्द्रीय कार्यालय, डिल्लीबजार, काठमाडौं ।

माध्यम : अनलाईन (Zoom Meeting) मार्फत सञ्चालन हुने ।

छलफलका बिषयहरू :

क) सामान्य प्रस्तावहरू :

- १) आर्थिक वर्ष २०७७/७८ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरि पारित गर्ने ।
- २) लेखापरीक्षकको प्रतिवेदन सहित २०७८ आषाढ मसान्तको वासलात, नाफा नोक्सान हिसाब तथा सोही अवधिको नगद प्रवाह विवरण तथा सम्बन्धित अनुसूचीहरू छलफल गरी पारित गर्ने ।
- ३) कम्पनी ऐन २०६३ को दफा १११ बमोजिम आ.व. २०७८/७९ को लागि लेखापरीक्षकको नियुक्ति गर्ने तथा निजको पारिश्रमिक निर्धारण गर्ने ।
- ४) सञ्चालक समितिले प्रस्ताव गरे बमोजिम आर्थिक वर्ष २०७७/७८ को मुनाफा तथा संचित मुनाफा रकम समेतबाट यस विकास बैंकको हाल कायम चुक्ता पूँजीको ०.६८४२% ले हुन आउने नगद लाभांश रु. १,९८,८५,९५५.९९ (अक्षरेपी एक करोड अन्तान्बे लाख पचासी हजार नौ सय पचपन्न रुपैया र पैसा उन्नाईस मात्र) बोनस शेयरमा लाग्ने कर प्रयोजनार्थ वितरण गर्न स्वीकृति प्रदान गर्ने ।

ख) विशेष प्रस्तावहरू :

- १) सञ्चालक समितिले प्रस्ताव गरे बमोजिम आर्थिक वर्ष २०७७/७८ को मुनाफा तथा संचित मुनाफा रकम समेतबाट यस विकास बैंकको हाल कायम चुक्ता पूँजीको १३% ले हुन आउने रकम रु. ३७,७८,३८,९६१.४४ (अक्षरेपी सैंतीस करोड अठहत्तर लाख अड्तीस हजार नौ सय एकसठ्ठी रुपैया र पैसा चवालीस मात्र) बराबरको वोनस शेयर वितरण गर्न स्वीकृति प्रदान गर्ने ।
- २) विकास बैंकको जारी तथा चुक्ता पूँजी रु. २,९०,६४,५३,५४९.५५ (अक्षरेपी दुई अर्ब नब्बे करोड चौसठ्ठी लाख त्रिपन्न हजार पाँचसय उनान्पचास रुपैया र पैसा पचपन्न मात्र) रहेकोमा वोनस शेयर वितरण पश्चात जारी तथा चुक्ता पूँजी रु. ३,२८,४२,९२,५१०.९९ (अक्षरेपी तीन अर्ब अड्डाईस करोड वयालीस लाख बयान्बे हजार पाँच सय दश रुपैया र पैसा उनान्सय मात्र) पुऱ्याउने विशेष प्रस्ताव पारित गर्ने ।
- ३) वोनस शेयर जारी पछि कायम हुने जारी र चुक्ता पूँजी बमोजिम यस विकास बैंकको प्रबन्धपत्रको दफा ५ को (ख) र (ग) मा तथा दफा ७ को (ङ) साथै नियमावलीको नियम ५ मा आवश्यक संशोधन गर्ने । यस सम्बन्धमा नियमनकारी निकायहरूबाट फेरबदल गर्न निर्देशन भएमा आवश्यकता अनुसार थपघट, परिमार्जन, संशोधन, भाषागत लगायत अन्य सुधार समेतका लागि सञ्चालक समितिलाई अख्तियारी दिने ।
- ४) यस विकास बैंक अन्य कुनै बैंक तथा वित्तीय संस्थामा गाभ्ने/गाभिने वा एक्विजिसन (प्राप्ती) सम्बन्धी उपयुक्त प्रस्ताव आएमा सो कार्यका लागि समझदारीपत्रमा हस्ताक्षर गर्न, सम्पत्ति दायित्व तथा कारोबारको मूल्यांकनकर्ता नियुक्त गर्न तथा निजको पारिश्रमिक निर्धारण गर्न लगायत अन्य सम्पूर्ण प्रक्रिया पुरा गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने ।

ग) विविध:

वार्षिक साधारण सभा सम्बन्धी जानकारी

- विश्वव्यापी रूपमा फैलिएको कोभिड-१९ को संक्रमण न्यूनिकरण गर्न नेपाल सरकारले तोकेको सुरक्षा मापदण्डको पूर्ण पालना गरी सभा सम्पन्न गर्नुपर्ने भएकोले Virtual माध्यमबाट वार्षिक साधारण सभामा भाग लिने व्यवस्था मिलाइएको र यस किसिमको उपस्थितिलाई सभा हलमा उपस्थित भए सरह मान्यता प्रदान गरिनेछ । Virtual माध्यम मार्फत आफ्नो मन्तव्य राख्न चाहने शेयरधनी महानुभावहरूले agm@lumbinibikasbank.com मा ईमेल गरी वा फोन नं ९८९८४४२६६५ मा सम्पर्क गरी सभा शुरु हुनु भन्दा ४८ घण्टा अगावै आफ्नो नाम तथा ईमेल ठेगाना टिपाउनु पर्नेछ । भर्चुअल मार्फत उपस्थित हुने शेयरधनी महानुभावहरूलाई Meeting ID/Password उपलब्ध गराई सभामा सहभागी हुने व्यवस्था मिलाईने छ । Virtual माध्यम मार्फत सहभागी हुने शेयरधनीहरूको लागि साधारण सभा शुरु हुनु भन्दा एक (१) घन्टा अगाडि देखि Virtual माध्यम खुल्ला गरिने छ । उक्त समयावधि भित्र सभामा सहभागी हुने शेयरधनीहरूले दिइएको ID/Password को माध्यमबाट Login गरी आफ्नो परिचय, डिम्याट खाता नं. र शेयर संख्या सहित उपस्थितिको जानकारी सभालाई दिनु पर्नेछ ।
- वार्षिक साधारण सभा प्रयोजनको लागि मिति २०७८/०८/२७ गते (१) एक दिन बैंकको शेयरधनी दर्ता किताव बन्द गर्ने निर्णय गरिएको छ । शेयरधनी दर्ता किताव बन्द भएको मिति २०७८/०८/२७ गते भन्दा अगाडि अर्थात मिति २०७८/०८/२६ सम्ममा नेपाल स्टक एक्सचेन्ज लिमिटेडमा नियमानुसार कारोवार भई सि.डि.एस. एण्ड क्लियरिङ लिमिटेडबाट राफसाफ समेत भई प्रचलित नियमानुसार यस विकास बैंकको शेयर रजिष्ट्रार श्री मुक्तिनाथ क्यापिटल लिमिटेड, हात्तीसार मार्ग, कमलादी, काठमाडौंमा रहेको शेयरधनी दर्ता किताबमा अद्यावधिक भई कायम हुन आएका शेयरधनीहरू मात्र साधारण सभामा भाग लिन र लाभांश प्राप्त गर्न योग्य हुनुहुन्छ ।
- शेयरधनीले प्रतिनिधि (प्रोक्सी) नियुक्त गर्दा आफ्नो नाममा रहेको सम्पूर्ण शेयरको प्रतिनिधि (प्रोक्सी) एकजना व्यक्तिलाई मात्र मुकर्रर गर्नु पर्नेछ । एकभन्दा बढी व्यक्तिलाई अख्तियारनामा दिएमा पहिलो पटक दर्ता हुन आएको अख्तियारनामालाई मान्यता दिइनेछ र पछिल्लो पटक दर्ता हुन आएको अख्तियारनामा स्वतः बदर हुनेछ । संगठित संस्थाका शेयरधनीको हकमा संस्थाले तोकिएको खटाएको वा मनोनित गरेको प्रतिनिधिले साधारण सभामा भाग लिन पाउनु हुनेछ ।
- साधारण सभामा भाग लिनका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले तोकिएको ढाँचामा यस विकास बैंकको शेयरधनीलाई मात्र प्रतिनिधि (प्रोक्सी) नियुक्त गर्न सक्नुहुनेछ । यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको निवेदन सभा शुरु हुनु भन्दा कम्तिमा ४८ घण्टा अगावै विकास बैंकको प्रधान कार्यालय, डिल्लीबजार, काठमाडौंमा दर्ता गराइ सक्नु पर्नेछ ।
- प्रतिनिधि नियुक्त गरिसक्नु भएको शेयरधनी अनलाईन (Zoom) मार्फत सभामा उपस्थित भएमा निजले दिएको सम्पूर्ण प्रतिनिधि (प्रोक्सी) स्वतः बदर हुनेछ ।
- नाबालक वा विक्षिप्त व्यक्ति शेयरधनीको तर्फबाट यस विकास बैंकको शेयर लगत कितावमा संरक्षकको रूपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन, मतदान गर्न र प्रतिनिधि तोक्न पाउनु हुनेछ तर संरक्षक आफैं शेयरधनी नभएमा संरक्षकले अरु शेयरधनीको प्रतिनिधि (प्रोक्सी) भई सभामा भाग लिन सक्नुहुने छैन । संयुक्त रूपमा शेयर लिने शेयरधनीहरूको हकमा त्यस्तो शेयरधनीहरू मध्येबाट सर्वसम्मत रूपमा मनोनित प्रतिनिधिले वा सो बमोजिम कुनै प्रतिनिधि नियुक्त नभएमा शेयरधनीहरूको दर्ता किताबमा पहिलो नाम उल्लेख भएको शेयरधनीले मात्र साधारण सभामा भाग लिन तथा मतदान गर्न पाउनु हुनेछ ।
- शेयरधनीहरूबाट उठेका प्रश्न, जिज्ञासा वा मन्तव्यहरूको सम्बन्धमा सञ्चालक समितिको तर्फबाट सभाका अध्यक्ष वा अध्यक्षबाट तोकिएको व्यक्तिले जवाफ दिनुहुनेछ ।
- साधारण सभा सम्बन्धी अन्य जानकारीका लागि लुम्बिनी विकास बैंक लि.को केन्द्रीय कार्यालय, डिल्लीबजार, काठमाडौंमा कार्यालय समय भित्र सम्पर्क गर्नुहुन वा हाम्रो वेबसाईट www.lumbinibikasbank.com मा हेर्नुहुन अनुरोध छ ।

सञ्चालक समितिको निर्णयानुसार
कम्पनी सचिव

लुम्बिनी विकास बैंक लिमिटेड प्रोक्सी फारम

(कम्पनी ऐन २०६३ को दफा ७१ को उपदफा(३) सँग सम्बन्धित)

श्री सञ्चालक समिति
लुम्बिनी विकास बैंक लिमिटेड
डिल्लीबजार, काठमाडौं ।

विषय: प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

जिल्ला गा.पा./न.पा./म.न.पा. वडा नं. बस्ने म
ले त्यस विकास बैंकको शेयरधनीको हैसियतले मिति २०७८/०९/०९ गते शुक्रबारका दिन हुने चौधौं वार्षिक साधारण सभामा स्वयं उपस्थित
भई छलफल तथा मतदानमा सहभागी हुन नसक्ने भएकाले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि
जिल्ला गा.पा./न.पा./म.न.पा., वडा नं. बस्ने त्यस विकास बैंकका शेयरधनी श्री
लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु ।

प्रतिनिधि नियुक्त भएको व्यक्तिको:-

हस्ताक्षरको नमूना:

नाम:

शेयरधनी परिचयपत्र नं.:

डिम्याट खाता नं.:

निवेदकको

दस्तखत:

नाम:

ठेगाना:

शेयरधनी परिचय नं.:

शेयर डिम्याट नं.:

शेयर संख्या :

मिति:

नोट: यो निवेदन साधारण सभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै विकास बैंकको डिल्लीबजार स्थित रजिस्टर्ड कार्यालयमा पेश गरी
सक्नुपर्नेछ ।

लुम्बिनी विकास बैंक लिमिटेड डिल्लीबजार, काठमाडौं

लुम्बिनी विकास बैंक लिमिटेडको मिति २०७८ साल पौष महिना ०९ गते शुक्रबारका दिन हुने
चौधौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएका

प्रवेश-पत्र

शेयरधनीको नाम: श्री

प्रमाणपत्र नं. शेयरधनी परिचय नं./डिम्याट नं.

शेयर संख्या:

शेयरधनीको हस्ताक्षर

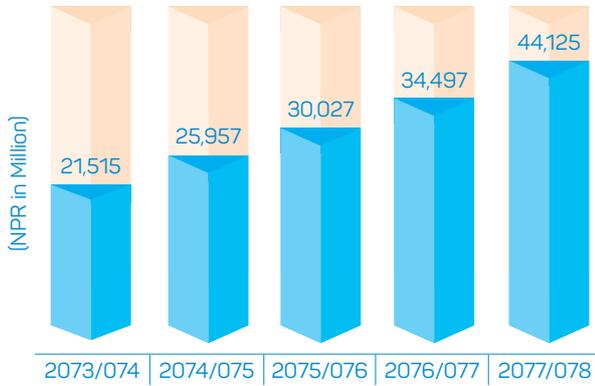
कम्पनी सचिव

द्रष्टव्य: १) शेयरधनीहरूले माथि उल्लेखित सम्पूर्ण विवरणहरू अनिवार्य रूपमा भर्नु हुन अनुरोध छ ।

२) सभाकक्षमा प्रवेश गर्न यो प्रवेशपत्र अनिवार्य रूपमा प्रस्तुत गर्नु पर्नेछ ।

Core Financial Highlights

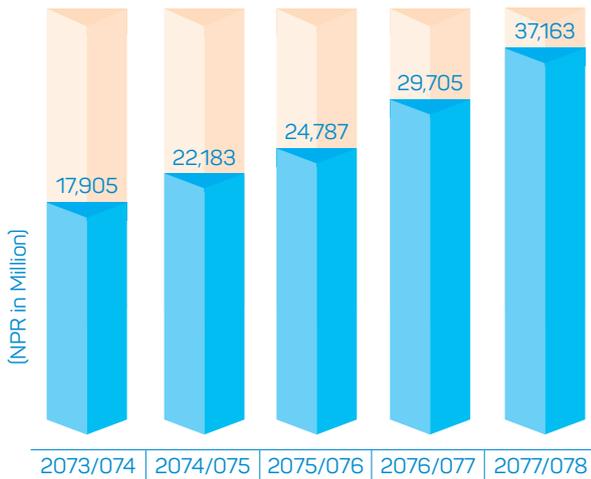
Total Assets



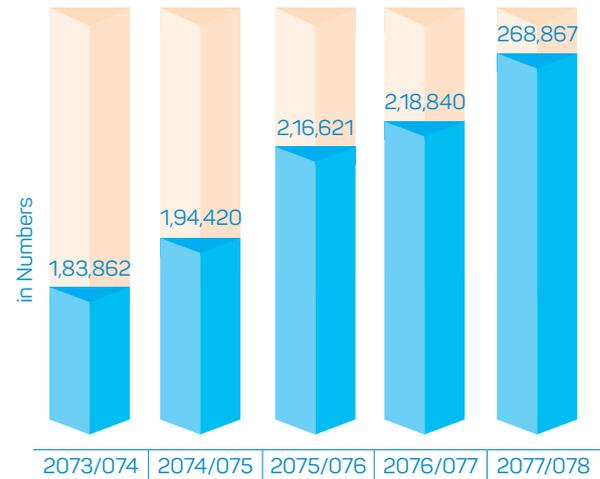
Total Loans And Advances



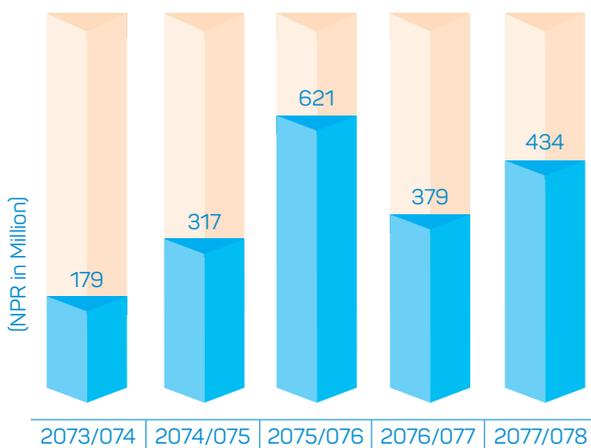
Total Deposit



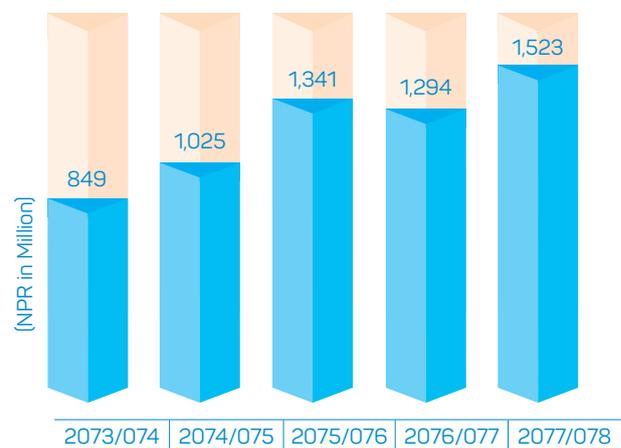
Number of Deposit Account



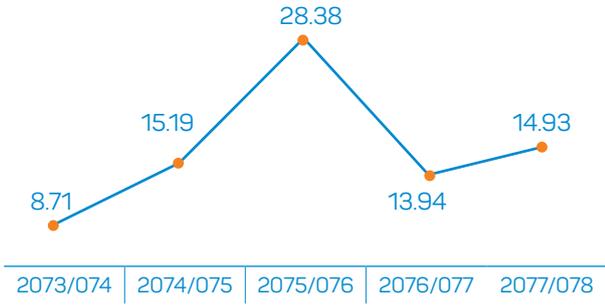
Net Profit



Total Operating Income



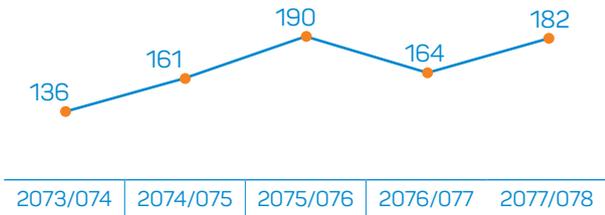
Earning Per Share



Price Earning Ratio



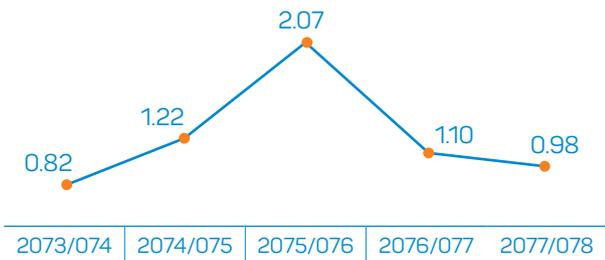
Book Net Worth



Market Value Per Share



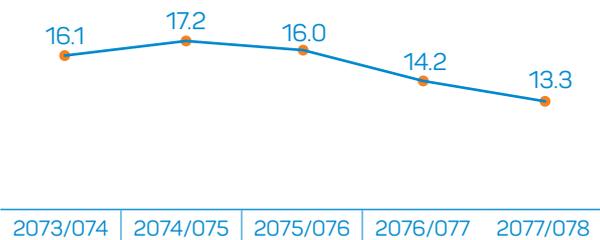
Return on Total Assets



Shareholders Return



Capital Adequacy Ratio



Non-Financial Highlights



Branches

2077-078

2076-077

77

68



ATMs

2077-078

2076-077

17

17



Employees

2077-078

2076-077

585

513



Training Conducted

2077-078

2076-077

46

60



Training Participants

2077-078

2076-077

1,260

1,587

Financial Analysis: 4 years at a Glance

Vertical Analysis

Particulars	For the year 2077-78	For the year 2076-77	For the year 2075-76	For the year 2074-75
Net Interest Income	1,211,004,646	1,149,753,774	1,164,654,334	797,057,556
Net interest, fee and commission income	1,383,364,564	1,266,178,095	1,301,633,057	904,936,299
Total operating income	,522,920,024	1,294,344,881	1,341,206,654	1,025,468,359
Operating Profit	606,382,360	526,050,737	847,813,665	505,901,574
Profit before income tax	625,312,215	538,453,280	855,146,212	506,791,029
Profit for the period	433,967,179	378,560,824	620,681,564	317,471,749
Earnings per share	14.93	13.94	28.38	15.19

Horizontal Analysis

Assets				
Investment	5,561,157,310	2,459,769,743	2,170,149,271	1,964,160,185
Loans and advances to customers	33,000,440,587	24,747,091,835	21,611,717,369	17,616,747,032
Other Asset	160,589,428	115,382,380	117,010,979	76,521,536
Total Assets	44,125,173,171	34,496,583,890	30,027,318,517	25,956,928,119
Liabilities				
Share capital	2,906,453,550	2,716,311,729	2,209,766,313	2,173,282,669
Reserve and Surplus	2,388,118,245	1,727,663,863	1,998,253,752	1,331,307,994
Deposits	37,162,811,079	29,705,261,143	24,787,000,000	22,183,000,000
Total Liabilities	44,125,173,171	34,496,583,890	30,027,318,517	25,956,928,119



PROFILE OF LUMBINI BIKAS BANK LIMITED

Being client-centric, operationally-integrated and delivering exceptional services to stakeholders, Lumbini Bikas Bank has emerged as a trustworthy development bank of Nepal. It stands with 77 branches, 17 ATMs and 585 staffs providing diversified services to more than 13,835 loan customers and 268,867 deposit customers from common man to large corporate entities. Continuous quality services to customers is the driving force of the bank.

It carries out banking and other financial activities under the license to commence banking operations as a 'B' Class financial institution from the Nepal Rastra Bank under the Bank and Financial Institutions Act, 2073. The Bank's shares are listed on Nepal Stock Exchange Limited.

On the completion of 14th Fiscal Year (and four years after the latest merger of Vibor Society Development Bank and Lumbini Finance & Leasing Co. Ltd. on 25th Ashad 2074) bank has grown **figuratively as well as strategically**.

Conceptually, the bank has come together as one unit and defined a lot of long term plans. The bank has plans to grow **technically, in context of network** as well as **intellectually**.

In terms of technical growth, the bank has planned to systematize every processes within the banking as technically possible. In the same line, the bank has already systematized some of the manual processes (prone to mistakes and delays) such as credit disbursement process, asset management process, Human Resource IS etc. The bank has also established alternative networks and backups of system. Further, for FY 2078/79, it has undertaken development in the line of upgrading DR site, procurement of software as well as system protection.

In terms of growth regarding network, the Bank has, after the merger, successfully established 25 Branches. In FY 2078/79 alone, the bank has plans to establish more new branches and Provincial Office all over Nepal. The bank has taken the growth strategy of market development and market penetration.

In terms of intellectual growth, the bank has worked in context of Human Resource while recruiting, training and relocating human resource. The bank has not only devised manuals for appointing Trainees in entry level but also has established a system of inter departmental rotation while the employee is on the training phase. In addition to that, the bank has devised policies and practices of training calendars, succession planning, transfer and so on. The bank has conceptualized the practice of quality over quantity and has established itself as the bank with outstanding productivity per staff.

Figuratively, the bank has improved and grown financially as well.

Fiscal Year	AGM	Cash Dividend	Stock Dividend	Total Dividend	Right Share
2073/74	10th	-	-	0%	10:1
2074/75	11th	-	17.07%	17.07%	-
2075/76	12th	15.00%	5.00%	20.00%	-
2076/77	13th	3.00%	7.00%	10.00%	-
2077/78	14th	0.6842%	13%	13.6842%	-

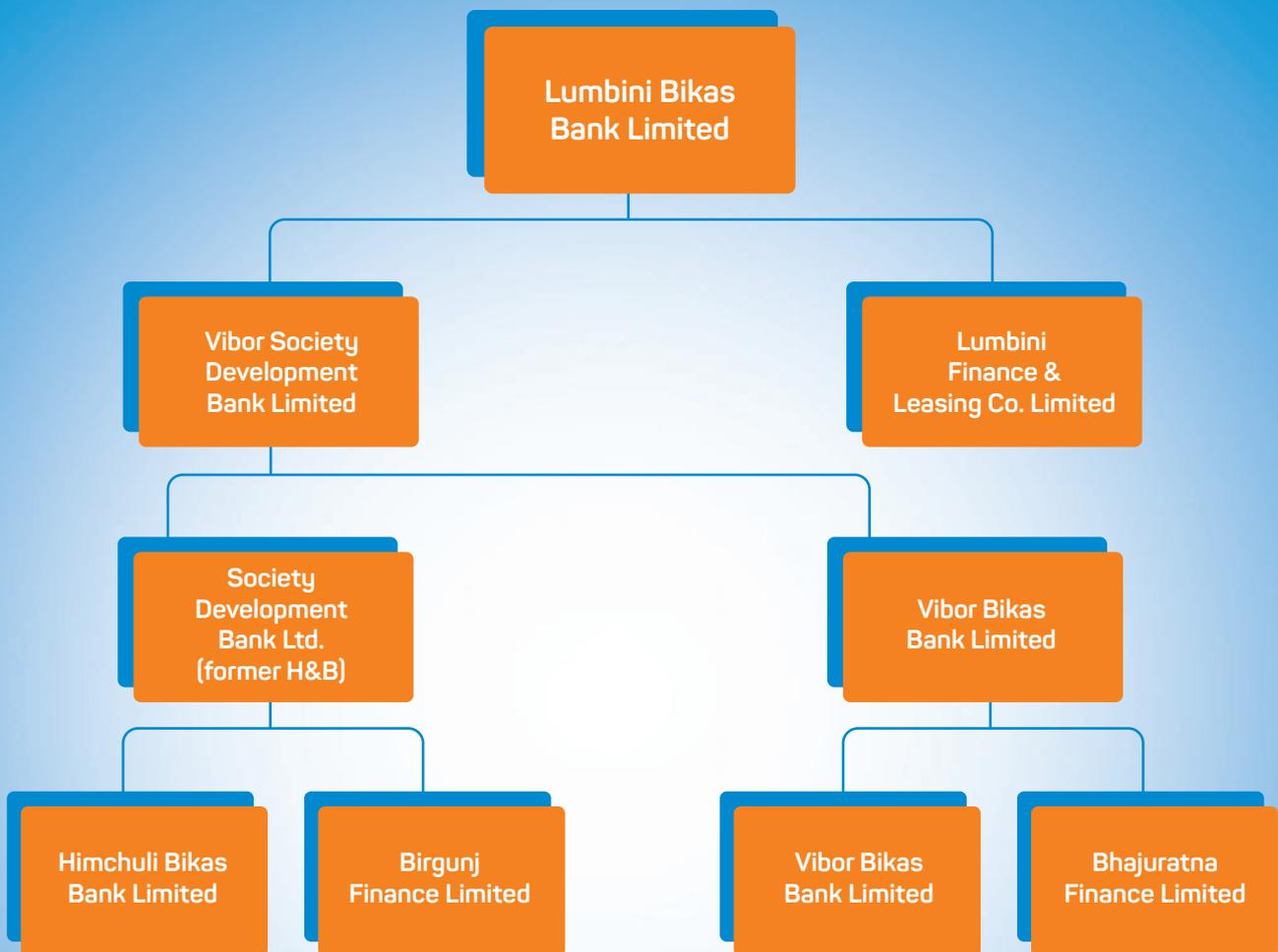


Our History & Timeline

HISTORICAL BACKGROUND

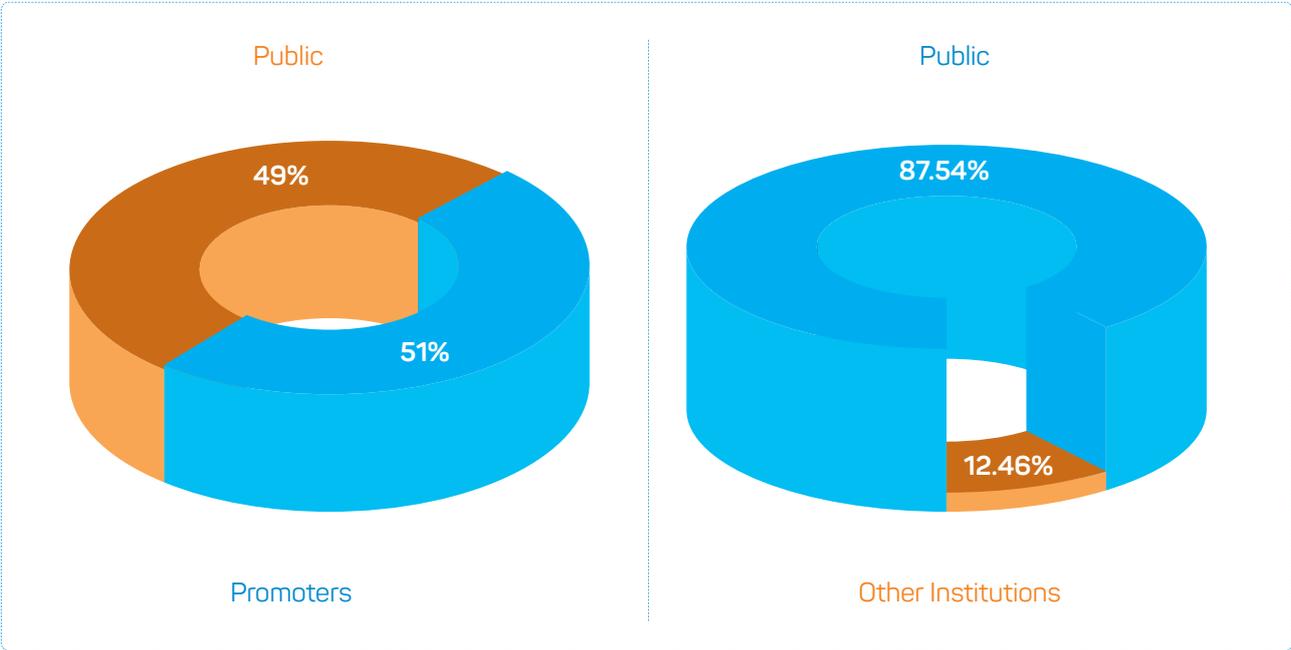
It is an entity established with the merger of five Banks and Financial Institution namely Bhajuratna Finance Ltd., Birgunj Finance Ltd., Himchuli Bikas Bank Ltd., Lumbini Finance and Leasing Co. Ltd. and Vibor Bikas Bank Ltd. The last merger of Vibor Society Development Bank and Lumbini Finance and Leasing took place on 25th Ashad 2074. Lumbini Bikas Bank has, in this Fiscal Year, completed its 4th year of joint operation.

Lumbini Bikas Bank stands out as a single entity after successful merger from five institutions viz Bhajuratna Finance, Birgunj Finance, Himchuli Bikas Bank, Lumbini Finance and Vibor Bikas Bank Limited.



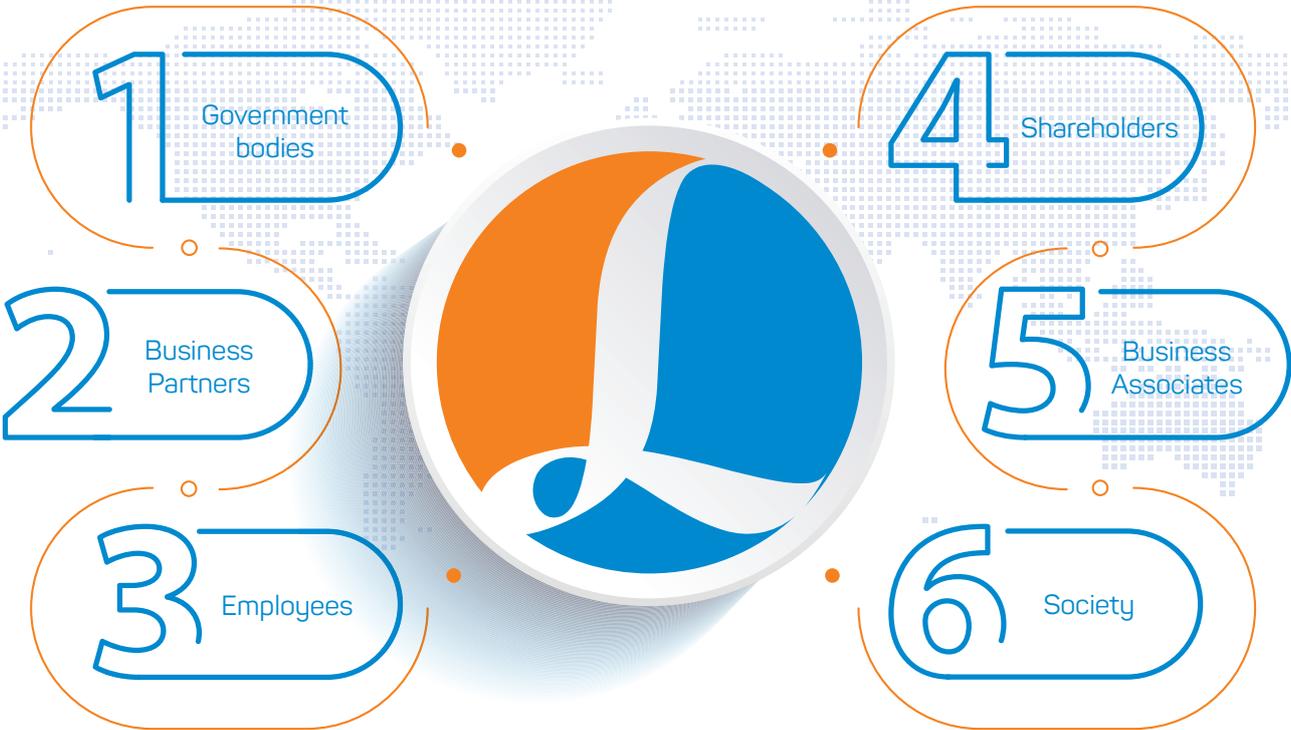
SHAREHOLDING STRUCTURE

The shareholding structure of current paid up capital of the development bank consists of 48.99% of public and 51.01% of promoters.



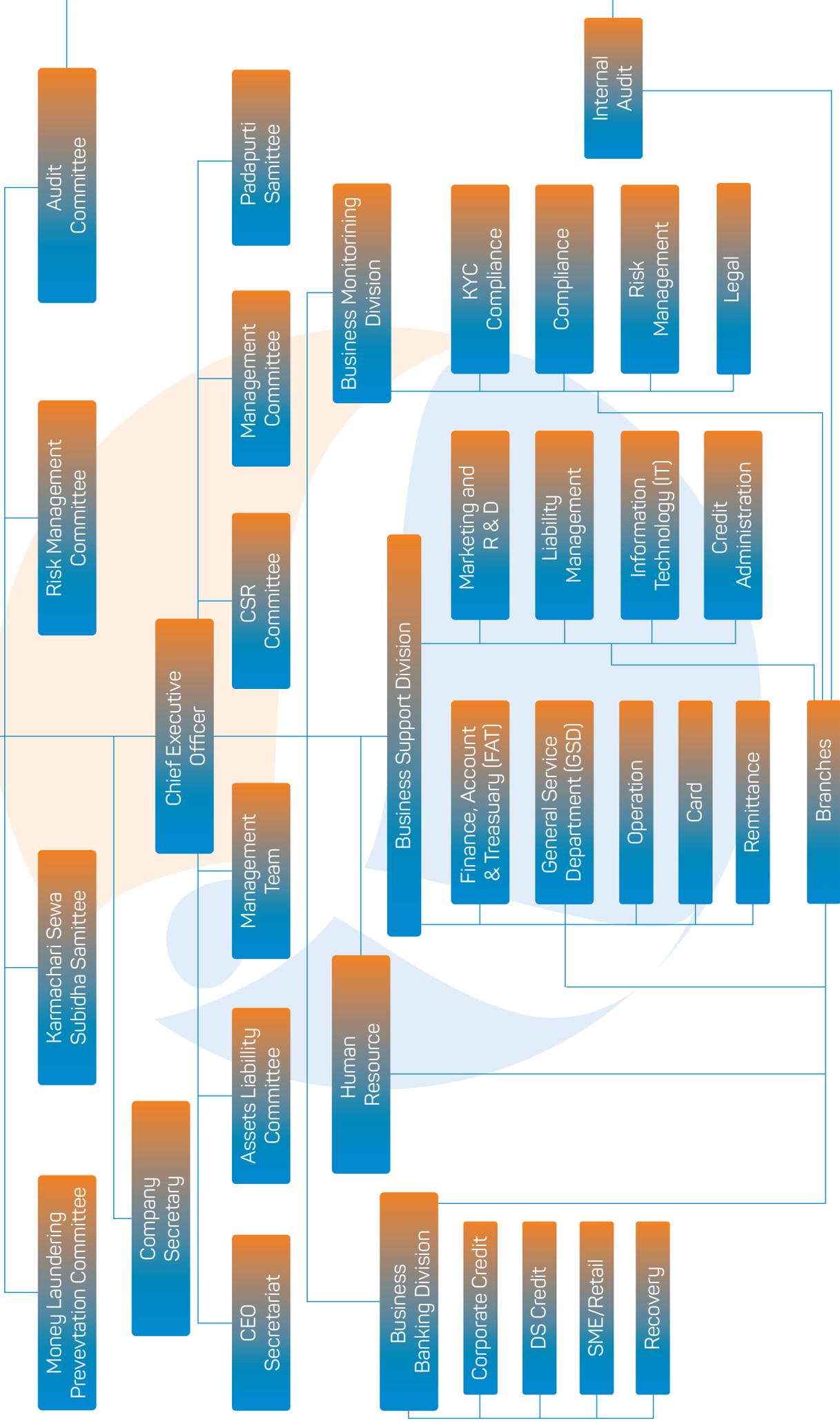
OUR STAKEHOLDERS

With the corporate slogan "Nirantar Sahayatra" Lumbini Bikas Bank Limited has been participating with all stakeholders and has added more value to them.



Organization Structure

Board of Directors

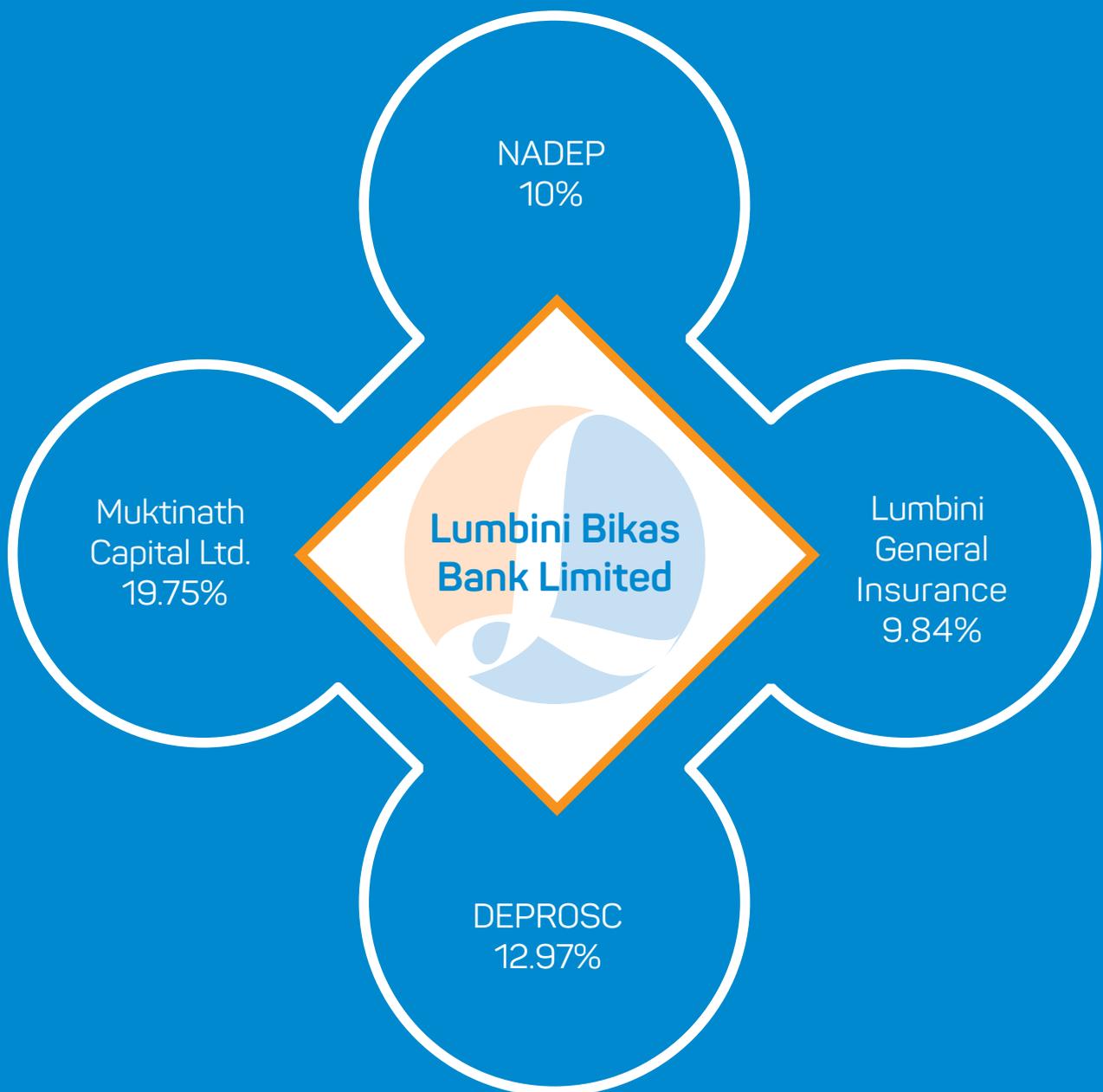


Effective Association to the other Business Associates

Lumbini Bikas Bank has Board level representation on four Financial Institutions namely

- Deprocs Laghubitta Bittiya Sanstha Limited
- NADEP Laghubitta Bittiya Sanstha Limited
- Lumbini General Insurance Company Limited
- Muktinath Capital Limited

In all these organization, Lumbini Bikas Bank has ensured good and effective corporate governance which has resulted sustenance and growth of all these organizations.



Our Efforts

Lumbini Bikas Bank has been acting as a responsible organization operating in Nepal and always responsible member of the community. LBBL complies with the Law of Nation, pays taxes and contributes to the nation in the ways possible. LBBL respects & supports the Government, policies, social norms, values ethics, religion etc & always doing ethical business

► Women Entrepreneurship and Empowerment

Women already have a respected role in the domestic sphere, and women have tremendous capability to influence people. If their power is acknowledged, and more women are encouraged to pursue entrepreneurship, Nepal will undoubtedly take the economic leap that it had been craving in the past.

In order to introduce greater sector of women to the Banking Industry and also to motivate women, Lumbini Bikas Bank Limited has introduced the 'Nari Bachat Khata'. As of Ashwin End 2078, 25,996 customers have utilized this facility and joined with us.

Additionally, under 'Mahila Uddhami Programme' Lumbini Bikas Bank has induced 698 women in entrepreneurship and has invested almost NRs. 10 crores in various regions.





उद्यमशिलता तर्फ हाम्रो प्रयास

गण्डकी प्रदेश अन्तर्गत पर्वत जिल्ला, खुर्कोट गा.वि.स वडा नं. ०६ निवासी श्री सिता दर्जिको २०३५ सालमा जन्म भई पर्वत जिल्ला बाजुङ्ग गा.वि.स विवाह भएको थियो । बाजुङ्ग गाउँमा कर्मबीरको रूपमा आफ्नो कृषि पेशामा सफल हुनु भएको छ, सिता दर्जि । उहाँसंगै उहाँको श्रीमान् पनि कृषि पेशामै सक्रिय हुनुहुन्छ, उहाँ वैदेशिक रोजगारको शिलशिलामा कतार जानुभएको र अहिले छुट्टिमा नेपालमा आउनु भएको छ ।

सिता दर्जिले वि.सं. २०७५ सालमा दुई आना जति जग्गामा व्यवसायिक रूपमा टमाटर खेती शुरू गर्नु भएको थियो तर विडम्बना सोही वर्ष हावा, हुरी र असिना पानीले टमाटरलाई निकै चोट पुर्यायो । तर पनि, पछि बाँकी रहेका टमाटरहरू निकै राम्रो फले । आठ आना जग्गामा गरेको टमाटर खेतीले घरमा खाएर दैनिक दुई सय रूपैयाको टमाटर बेच्न सफल हुनु भयो । उहाँले केही समय यता कुखुरा तथा बाख्रा पालन गर्दै आउनु भएको र लामो समयसम्म लकडाउनका कारण समयमा कुखुरा, भैँसीको दाना खरिद, गोठ निर्माण, खोर निर्माण स्टोर निर्माणको काम समयमै आर्थिक कारणले हुन कठिन भएकोले र आफूसँगको लगानीले मात्र भैँसीको दाना खरिद, गोठ निर्माण, स्टोर निर्माण एवं तरकारी खेतीको काम गर्न प्रयाप्त रकम नहुने भएकोले सल्लाह सुभाबको लागि लुम्बिनी विकास बैंक लि. को पातिचौर स्थित शाखा कार्यलयमा सम्पर्क राख्नु भयो । सोहि कार्यालयमा कर्जा अधिकृतको सल्लाहमा उद्यमी कृषि व्यवसायीलाई अकिंत अनुदान कर्जा रु. १५ लाख प्राप्त गरि भैँसी खरिद, दाना खरिद, गोठ निर्माण, खोर निर्माण स्टोर निर्माण र तरकारी खेतीको काम पुर्ण गर्नका लागि प्रस्ताव पेश गर्नु भयो । यसबाट उहाँमा कुखुरा, बाख्रा लगायतको तरकारी खेती गर्न निकै उत्साह र उर्जा दियो । तरकारी खेतीको संभावना देखेकी दर्जिले अब थप लगानी गरेर अझै विस्तार गर्ने निधो गर्नुभयो । अब ४ ओटा टनेल लगायत अन्य जग्गामा केरा खेती, बाख्रा पालन र कुखुरा पालन पनि शुरू गर्नुभयो । बाख्रा र कुखुरा पालनले तरकारी खेतीको लागि मल तयार हुने र तरकारीको हरियो पात र बोटहरू बाख्राको लागि घाँस पनि हुने भएकोले दोहोरो फाईदा हुने देखियो । अहिले उहाँसंग १२ ओटा बाख्रा, ५० ओटा कुखुराहरू पनि छन् । हाल उहाँले वार्षिक रु. १२ लाख भन्दा बढीको आम्दानी गर्न सफल हुनु भएको छ । कृषि पशु पालन, उत्पादन, बिक्री गर्ने गरि उत्पादन तथा व्यापारमूलक रहेको छ ।

दैनिक रु. दुई सयको आम्दानीबाट शुरू गरेको तरकारी खेती यात्रामा उहाँको परिवारले पनि उत्तिकै साथ दिनु भएको छ । यो दम्पती आज दैनिक करिव ३-४ हजारको आम्दानी गर्न सफल हुनु भएको छ । यसले उहाँहरूलाई स्वरोजगार र उद्यमशील बनाएको छ ।

आफ्नो व्यवसायलाई सफल रूपमा सञ्चालन गर्नु भएकी श्री सिता दर्जिले अन्य बैकल्पिक पेशा सोच्नु परेको छैन । छोरा छोरीहरूलाई राम्रो शिक्षादिक्षा दिई रहनु भएको छ । भैपरी जोखिमलाई न्यूनीकरण गर्न बचत पनि गर्नु भएको छ । आफ्नो पेशा र व्यवसायमा अत्यन्तै सन्तुष्ट हुनु हुन्छ ।

Contribution in National Priorities Sectors- Hydropower Project



Nepal has endowed high potential of renewable water resources, possessing about 2.27% of the world's fresh water resources. As the Hydroelectricity Sectors is National Priorities Sector of Government of Nepal, Lumbini Bikas Bank had Joined the hand for the development of this sector through project financing:

Lumbini Bikas Bank had contribution through Consortium Financing (Leading Two Projects) in various Hydro Electricity projects from which about 300 MW electricity will be produced:

Corporate Social Responsibilities (CSR)



Apart of investments in priority sector, Lumbini Bikas Bank Limited is also actively participating in Social Activities and contribute in the sector of Corporate Social Responsibilities. During FY 2077/78, Lumbini Bikas Bank has contributed more than NRs. 3.3 Millions in CSR. Out of these almost NRs. 0.5 Millions were invested in health sector in the time of pandemic.



OUR NETWORK & BRANCHES

We believe in ever growing process so that we can serve to the clients widely. Lumbini Bikas Bank is always concerned with the quality and timely services. We have added nine branches within this reporting period reaching the count to 77.

Province	Districts	Number of Branches
1	Okhaldhunga, Sunsari, Morang, Jhapa	11
2	Parsa, Rautahat, Mahottari, Dhanusha, Siraha, Saptari, Sarlahi	11
Bagmati	Chitwan, Rasuwa, Nuwakot, Kathmandu, Bhaktapur, Lalitpur, Kavrepalanchowk	31
Gandaki	Kaski, Parbat, Syangja, Tanahu	14
Lumbini	Kapilbastu, Rupandehi, Banke, Dang, Nawalparasi	7
Karnali	Surkhet	1
Sudurpashchim	Kailali, Kanchanpur	2
	Total	77

Overall Operating Context

World Economics

In spite of the vaccinations and various precautionary measures from Covid-19 pandemic, the world still suffers from economic downturn. The impact of the lockdowns, mass quarantine procedures has severely disrupted the supply chains resulting in significant upheaval in almost all the economies in the world, such that this disruption is expected to result in the worst-ever recession since World War II which is much worse than the 2008–09 financial crisis. The Severe downturn in global economy, estimated to be 4.4 percent GDP contraction globally, 6 years' reversal in human development, 4 billion full time job losses and affecting 1.6 billion labors globally in informal sector. The crisis threatens to leave long lasting scars on the global economy such as weaker productivity growth, heavier debt burdens, heightened financial burdens and higher poverty and inequality. Pandemic could push additional 114 million people into extreme poverty, defined as living on less than USD 1.90 a day



The global economy is projected to grow 5.9 percent in 2021 and 4.9 percent in 2022. The 2021 global forecast is unchanged from the April 2021 (World Economic Outlook database), but with offsetting revisions. Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia.

Most countries provided significant fiscal and monetary policy support to cushion the blow. Many—especially emerging and developing economies—are resorting more to unconventional monetary policies to ease the pressure on banks and borrowers.

India, Sri Lanka and Nepal announced debt service moratoria and targeted lending schemes to provide relief to households and firms. Financial regulation requirements related to capital and liquidity coverage were loosened. Malaysia and Thailand provided extra liquidity to firms through central bank lending operations, while Indonesia and the Philippines used large-scale asset purchases.

While warranted, these more aggressive policies inevitably entail risks, which will increase the longer they are used. Policymakers would be wise to focus on minimizing distortions and developing clear exit strategies for the unconventional measures adopted.

National Context

Nepal has been continuously combating against COVID-19 pandemics and proactive in its response which has been measured and has taken a multi-sectoral approach covering medical and health aspect, supporting and sustaining livelihoods and businesses and ensuring the smooth functioning of logistical networks. Combating first wave of pandemic, Nepal had imposed full lockdown measures at March-end, which was gradually removed by July and the country operated under a "new normal". However, outbreak of second wave of this pandemic obliged Nepal for second phase lockdown from end of April 2021.

The pandemic has caused serious economic disruption, affecting segments such as services, tourism, transport, construction, and manufacturing etc. International travel bans and global lockdowns severely impacted on tourism revenue and remittance inflows of Nepal. Contributing about a quarter of GDP and the most important foreign exchange source, a significant fall in remittance income would lead to falling domestic consumption, imports of goods and services, and government revenues.

COVID-19 has also created a noteworthy impact in the banking and financial sectors. The emerging scenario drastically reduced investment opportunities of Bank and Financial Institutions. The potential default on the repayment of loan and instalments could impact on overall business and operating results of the Bank. The restrictions caused by COVID-19 have rendered severe implications on the operation, management, recording and reporting of the banking and financial institutions. In this context, Our Bank has focused to cope with the impacts of the pandemic and create long term financial stability of the bank through effective utilization of its resources.



Addressing a Global health Pandemic:

► Supporting the health and safety of Employees

Health and safety of our employees has always been our primary concern. We have taken every essential steps to keep them and their families safe. We had made an special effort to manage to work from home. Along with employees tested positive and those under high risk, were allowed to serve virtually. Special leave was granted to those affected by the pandemic. There was provision of daily temperature check at the entrance, transportation facility to those required even during lockdown.

► Delivering for our clients

Inspite of the crisis due to pandemic and complete lockdown declared by the government of Nepal, we continued to serve relentlessly to our valuable clients.

► Investing in the communities

Being an institute deeply rooted to the community, we have contributed to purchase sanitizer, shield, mask and others safety items to community.

CORPORATE GOVERNANCE

Lumbini Bikas Bank Ltd has set up an effective mechanisms and processes of governance to adhere to ethical, legal and regulatory standard. This mechanism helps identify and distribute the rights and responsibilities among stakeholders including the board of Directors, managers and shareholders. A concern is established to ensure regular monitoring of actions, policies, practices and decisions of this development so that there is no conflict of interest among stakeholders.

Each action and decision of the development bank is guided by its objective. Its vision and mission can be depicted in the activities carried out by the development bank. The integrity is intact and there is effective encapsulation of legal and regulatory framework in operating module. Board of Directors are entrusted with the major direction, supervision and control of the entity.

BOD LEVEL COMMITTEE

For the sake of serving best interest of the stakeholders, various sub-committee of directors have been formed. The formation of these committees are in line with the relevant legal and regulatory provisions pertaining to the bank.

Audit Committee

This committee ensures appropriate internal control, risk based internal audit, statutory audit, proper risk management and adequate financial reporting. For maintaining independence, there is provision for Internal and external auditors to have direct access to the audit committee. The committee functions as per the power and functions as defined by NRB Directives and internal policy of the Bank. The committee comprises of three members under the co-ordination of non-executive director of the Bank.

The committee has conducted 10 meetings in this review year.

Human resource facilities committee

This committee comprises of 5 members under co-ordination of one director of the Bank. Another Director, Chief executive officer and Head of Finance, Accounts and Treasury department are members and head of Human Resources is member secretary of the committee. This committee is executing the functions of reviewing employee by-laws, formulating succession plan, and addressing overall employee's issues and obstacles.

AML/CFT committee

Assets Laundering Prevention Committee is board level committee, which also includes member from compliance division of the bank. This is the overall KYC, AML/CFT compliance is discussed in details so as to assess the overall risk of the bank and necessary recommendations are made to the Board for the necessary deliberation and implementation.

Risk Management Committee

Risk Management Committee is constituted in line with the spirit of Risk Management Guidelines (RMG) of Nepal Rastra Bank and NRB Unified Directives. RMC highlights on risk governance and identifies the need of a strong risk management framework, well defined risk management processes and effective risk assessment and measurement mechanisms. Risk Management Committee, under the coordination of a non executive director , is formed by the board. The committee assists the Board of Directors in fulfilling its oversight responsibilities with regard to risk appetite that the bank is able and willing to assume in its exposure and business activities, risk management, compliance framework and governance structure that supports it.

Risk Governance

Bank has prepared and implemented policies and procedures to mitigate the overall risk at enterprises level arising to the bank and has inculcated risk culture among the employees by establishing ownership mentality, capacity building programs, well defined job responsibilities, environment for speaking up and inhabiting good ethical culture. Through its Risk Management Framework, the Bank seeks to efficiently manage operation, credit, market and liquidity risks that arise directly through the Bank's commercial activities as well as strategies and policies and ensuring that procedures are put into place to manage and control credit risk and quality of credit portfolio.

Composition of members of the Risk Management Committee is as follows:

Mr. Chintamani Bhattarai, Director	Coordinator
Mr. Prabinkumar Shrestha,	Member
Mrs. Anju Kumari Gupta,	Member
Mr. Dipendra Man Chui Chui,	RMD –Head

Total of 5 meetings were held during FY 2077/2078

The main responsibility of this committee is to review the overall risk management structure and review and monitor the effectiveness of the risk management system. This committee has been fulfilling the leading role in identification and mitigation of various risks that may arise during the operation of the Bank. Terms of references of the committee are as follows:

1. To identify and monitor the risks associated with the Bank and risk management, and present the report to the Board of Directors, along with recommendations.
2. To prepare and monitor procedures related to the business, operation, and risk appetite of the Bank, and prepare a strategy for mitigation of risks and present it to the Board of Directors for approval.
3. To collect reports on risk management related to various areas of operation of the Bank through management committee, and present it to the Board of Directors, along with necessary recommendations.
4. To analyze and review capital adequacy as per the risk assets (Internal Capital Adequacy Assessment Plan (ICAAP), appropriateness of policies as per the business strategy, and maximum level of risk the Bank may assume, and submit necessary recommendations and opinions to the Board.
5. To suggest to the Board of Directors for development and implementation of necessary policies and mechanisms as per the guidelines/directives issued by Nepal Rastra Bank, and necessary internal guidelines for risk management of the Bank.
6. To submit report relating to its work completion and procedure to the Board of Directors

Summary of major activities undertaken by the committee for risk management during review period are stated below:

- ▶ Prepared and submitted Integrated Risk Monitoring and Reporting Framework to mitigate operational risk, credit risk, market risk and liquidity risk.
- ▶ Prepared the operation risk, credit risk, market risk, and liquidity risk management policies and credit risk review guidelines required for risk management and submitted it to the Board for approval.
- ▶ Determined the risk tolerance and appetite limit in policies relating to business of the Bank.
- ▶ Reviewed the decision and updates of ALCO committee on quarterly basis.
- ▶ Took necessary action for mitigation of risks after review of risk report.

Major areas of discussion in Risk Management Committee in FY 2020/21:

- ▶ Discussion on Risk Appetite as on Ashad 2077.
- ▶ Discussion on economic condition of the country and it's impact on banking sectors.
- ▶ To review authority of Chief Executive Authority
- ▶ To discuss in Audit comments of Risk Department.
- ▶ Discussion of Stress Testing Policy
- ▶ Review the Decision of ALCO Committee
- ▶ Discussion of Effects of COVID-19 in Nepalese Business Sector.

RISK MANAGEMENT

The bank has Investment Policy and Credit Policy which guides in generating business. The bank has clear demarcation on business generation and risk management.

The Bank has set up a separate Risk Department, headed by senior level official of the Bank. The division is independent to business and does not have any targets, nor have any incentive for business generation.

There is separate Credit Administration Division (CAD Division), which check security documents for execution, for exposure accounting, disbursement and settlement. CAD is also independent to business.

Periodic Audit Review of credit exposure and other by the Internal Audit and / or Statutory Audit also assists in identifying the status of exposure/relationship in line with polices of the Bank, NRB Directives and prevailing Acts. Any weaknesses on the part of the borrower's business and the relationship strength are independently assessed through audit review and the outcome is taken positively for necessary changes.

Work Procedures are well defined where checking, control and independence of the credit extension, risk assessment, review, monitoring and exposure accounting is fully complied with. All such actions and processes are properly recorded, reported and discussed. These reports, on need basis and on a defined frequency, are submitted for oversight of Senior Management, Risk Management Committee and the Board. Internal Audit Department of the bank also takes up the matter of all audit observations for discussion at Audit Committee.

a. Operational Risk Management

Operations Risk is that risk arises from inadequate internal process, people and system or from external events. Core Banking System (CBS) is an area to be put under highest level of safety for security of customer information and information of the bank too. Information and Technology Division in the bank reviews and checks the security aspects in line with ITIS Policy of the Bank. Bank has conducted an IS Audit of the bank's system and suggestions given by the audit with respect to safety and security standards are being implemented.

The Bank has an on-line real time replication Disaster Recovery Site (DRS) which captures the record of each transaction that takes place at the Production Server. Both the sites (Production Server and Disaster Recovery – Back up site) are housed in well- conditioned and high shock resistant buildings and are at different seismic zone.

Bank has put in place a maer and checker concept in which a transaction has to compulsorily go through two individuals from

a control standpoint with proper transaction right to capture deviations, if any.

b. Market Risk Management

Market Risks are discussed at Asset Liability Management Committee (ALCO) of the bank and even discussed at respective division level.

ALCO ensures functioning of the jobs in line with the policies and procedures and suggests/recommends for necessary steps collectively to address the risk on interest rate movement.

c. Liquidity Risk Management

Liquidity ratios are assessed and communicated to ALCO members on daily basis. As such, actions with regards to asset liability management, if any warranted from liquidity perspective, is promptly initiated. Compliance to mandatory liquidity ratios is maintained at all times. Liquidity is a regular agenda of the quarterly ALCO meetings.

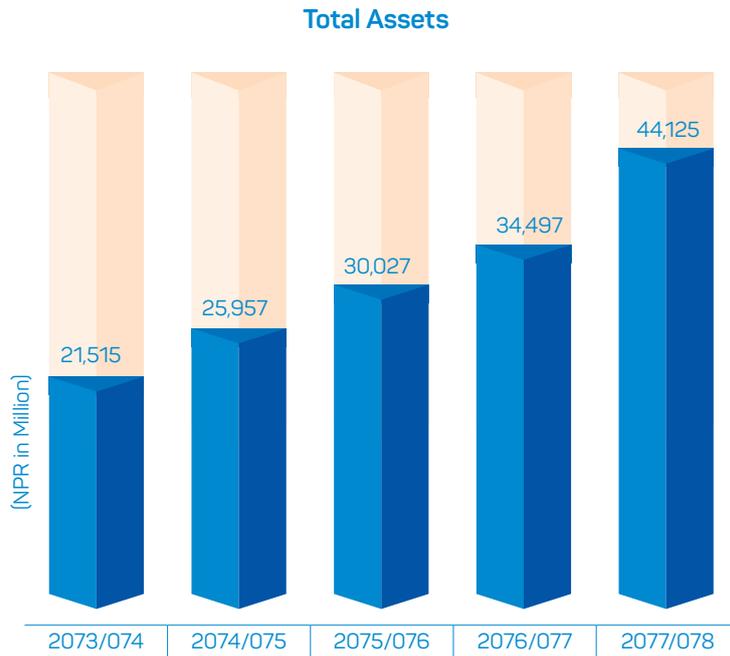
Towards liquidity risk management, if additional liquidity may be required, the bank has access to different sources of funding such as existing institutional deposit relationships, inter-bank lending, and central bank funding mechanisms.

d. Legal and Compliance Risk Management

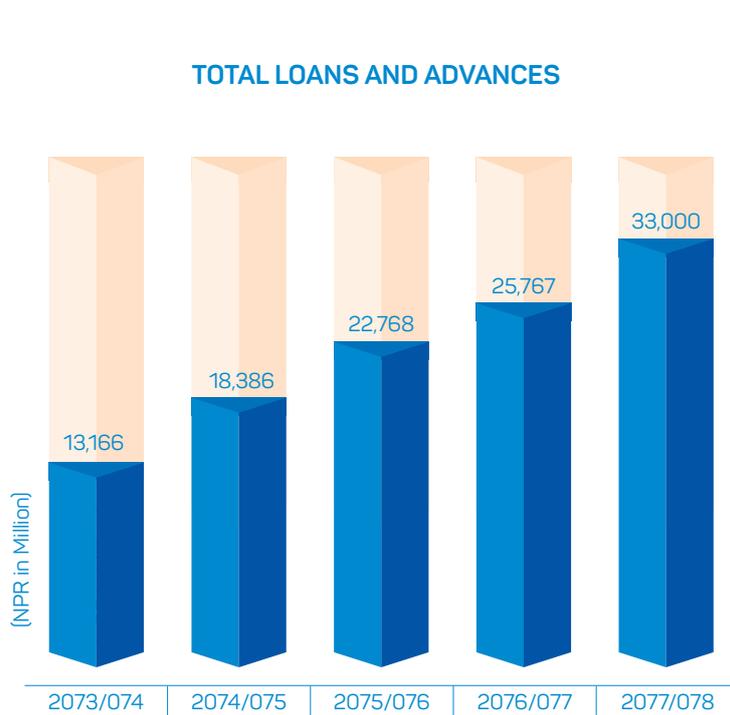
The Bank has a separate Legal division. All legal agreements, deeds and documents including claims and charges are thoroughly studied prior to making any decision involving such documents. In case where the Bank needs expert's opinion on particular issue, experts are consulted.

Bank has separate division to oversee Compliance of KYC and AML. The division is headed by senior level official with adequate access to the daily report, operational processes and right to recommend the changes in the system and procedure.

Our Position: Trend Analysis



Total assets of Lumbini Bikas Bank has been increased by NPR 9,629 Million in this fiscal year and has reached to NPR 44,125 Million. The total increment in the assets measures as 27.91% as compared to that of the Fiscal Year 2076/77.

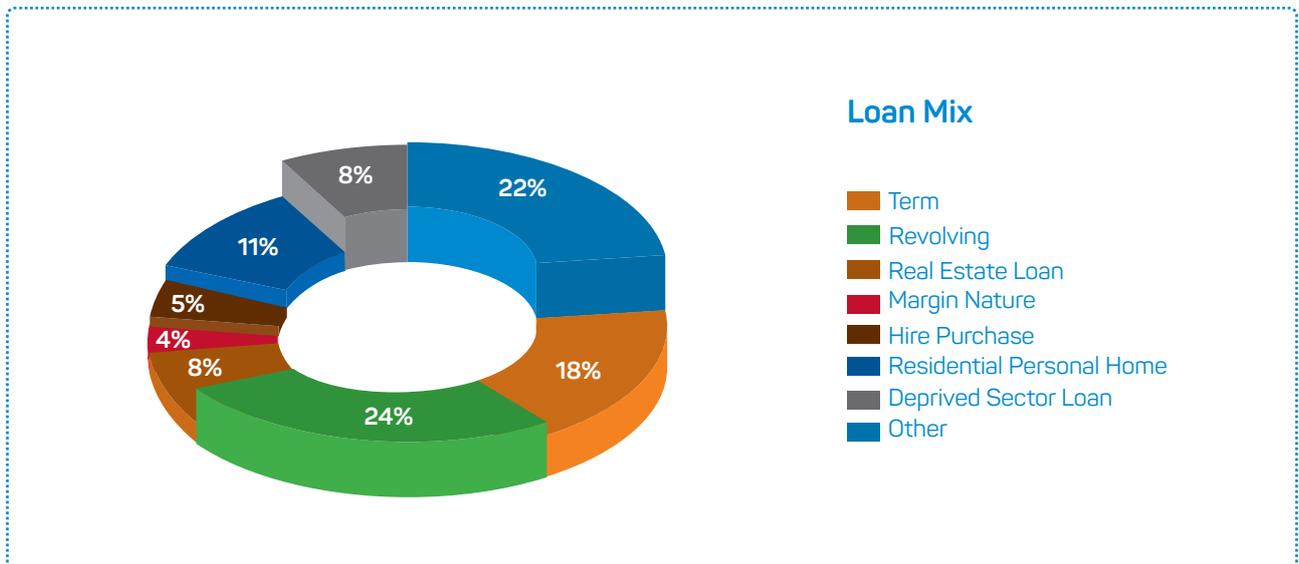


The chart shows the positive change in the amount of loans and advances to the customers including individual as well as institutional. The increment is measured as NPR 7,234 Million in this review year. The total loans and advances has reached Rs. 33,000 million in spite the unfavorable environment created by COVID-19 pandemic.

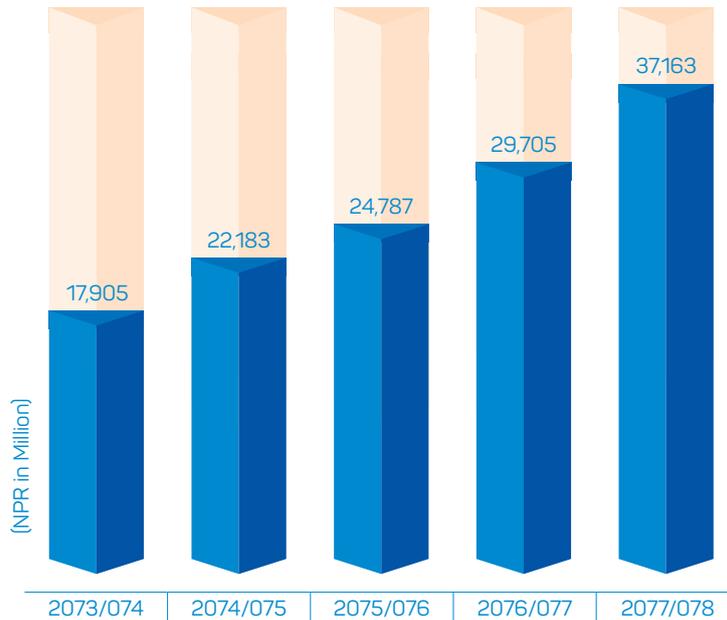
Product- Wise Loan and Advances

Bank has diversified Loan portfolio in different as depicted in the table and adjoining pie-chart.

Sectors	Amount in '000	Percentage
Agricultural and Forest Related	1,867,244.59	5.66%
Fishery Related	71,727.44	0.22%
Mining Related	15,520.30	0.05%
Agriculture, Forestry & Beverage Production Related	686,668.47	2.08%
Non-food Production Related	763,305.27	2.31%
Construction	4,973,640.19	15.07%
Electricity, Gas and Water	2,702,131.18	8.19%
Metal Products, Machinery & Electronic Equipment & Assemblage	100,555.69	0.30%
Transport, Communication and Public Utilities	906,160.22	2.75%
Wholesaler & Retailer	3,259,998.16	9.88%
Finance, Insurance and Real Estate	5,173,564.05	15.68%
Hotel or Restaurant	959,777.90	2.91%
Other Services	1,991,568.70	6.03%
Consumption Loans	2,041,104.67	6.19%
Others	7,487,473.75	22.69%
Total	33,000,440.58	100.00%

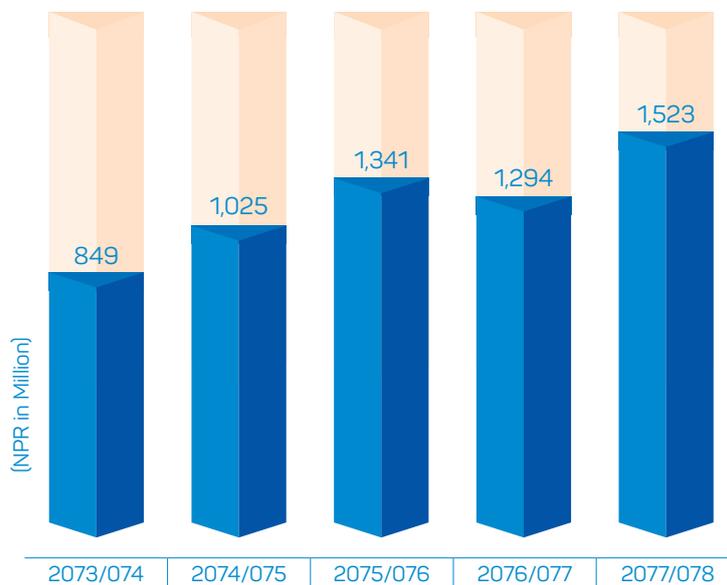


TOTAL DEPOSIT



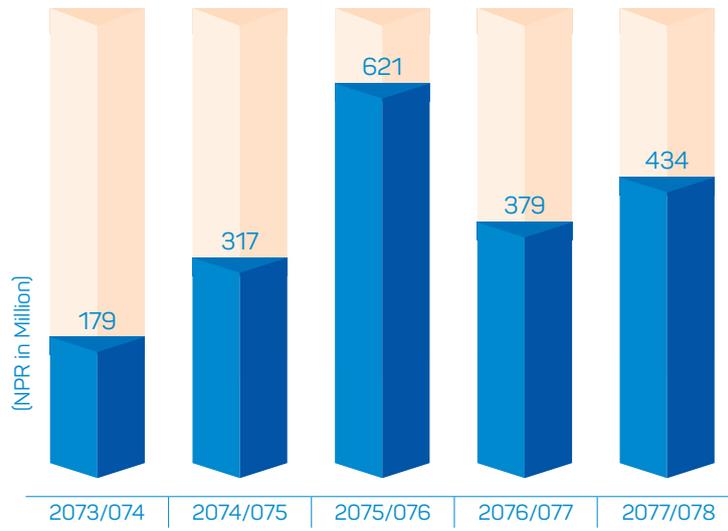
With introduction of various new product and the increment in service quality, the figure of deposit has reached to NPR 37,163 Million which is NPR 7,458 Million excess than that of the previous fiscal year. The chart depicts the growing trend of the deposits from 2073/74 to the review year.

TOTAL OPERATING INCOME



There is increase in the amount of the operating income of Fiscal Year 2077/78 by 229 Million as compared to the previous fiscal year. The unavoidable impact created by COVID-19 has resulted in the unfavorable change in the operating profit of the development bank. Hence, the amount of total operating profit reached to NRP 1,523 Million which was NPR 1,294 Million last year.

NET PROFIT

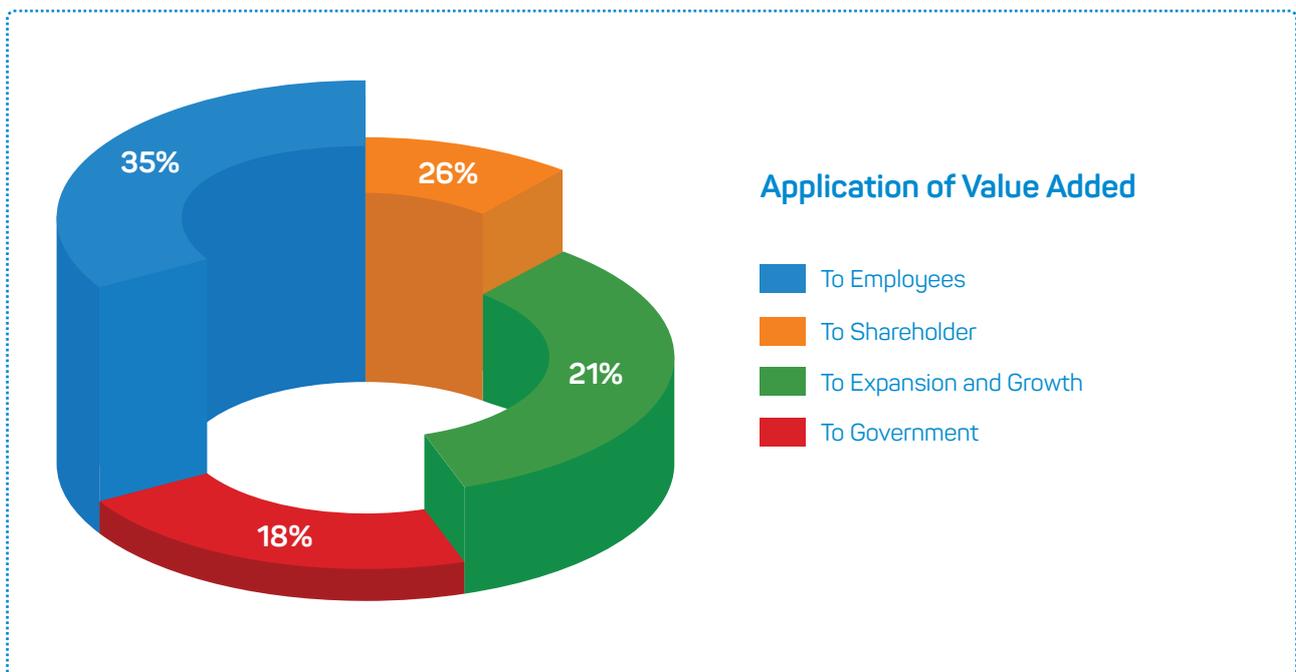


The most adverse impact of global pandemic is depicted in the figures of Net Profit of current and previous fiscal year. However, bank has strategically managed to ensure a growth of 14.64% in net profit as compared to previous year.

VALUE ADDED STATEMENT

Amount in Million

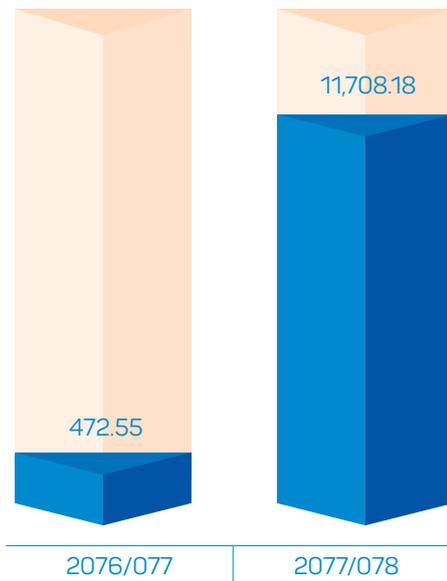
Particulars	2077/78	% coverage	2076/77	Change[%] w.r.t.previous FY
Interest Earned	3,453.90	333%	3,441.51	0.36%
Other Income	339.74	33%	161.66	110.16%
Interest Expense	2,242.90	216%	2,291.76	-2.13%
Other Operating Expense	219.79	21%	216.08	1.72%
Value Added by Banking Services	1,330.96	128%	1,095.32	21.51%
Impairment charge for loans and other losses	294.32	28%	178.04	65.31%
Gross Value Added	1,036.63	100%	917.28	13.01%
Application Statement				
To Employees	358.79	35%	324.05	10.72%
· Salaries and other benefits	358.79		324.05	
To Government	191.35	18%	159.89	19.67%
· Income Taxes	191.35		159.89	
To Shareholder	271.55	26%	517.39	-47.51%
· Dividend & Bonus Shares	271.55		517.39	
To Expansion and Growth	214.94	21%	(84.05)	356%
· Reserves and Accumulated Profits	164.15		(142.90)	
· Depreciation and Amortization	48.48		53.48	
· Deferred Taxation	2.32		5.36	
Total of Value- Added allocation	1,036.63	100%	917.28	13.01%



MARKET VALUE ADDED

Particulars	2077/78	2076/77	Change(%)
Market Price Per Share	585.00	181.00	223%
Number of shares	29,064,535.50	27,163,117.29	7%
Total Market value (in Million)	17,002.75	4,916.52	246%
Book Value per share	182.17	163.60	11%
Number of shares	29,064,535.50	27,163,117.29	7%
Total Book value (in Million)	5,294.57	4,443.98	19%
Market Value Added (in Million)	11,708.18	472.55	2378%

Market Value Added (in Million)



अध्यक्षज्यूको मन्तव्य



आदरणीय शेयरधनीज्यूहरू तथा उपस्थित महानुभावहरू.

लुम्बिनी विकास बैंक लिमिटेडको चौधौं वार्षिक साधारण सभामा उपस्थित भई सभाको गरिमा बढाईदिनु भएकोमा समस्त शेयर धनीहरू, आमन्त्रित अतिथि महानुभावहरू, नियामक निकायबाट पाल्नुभएका प्रतिनिधिज्यूहरू, बैंकका वाह्य लेखापरीक्षक ज्यू, कानूनी सल्लाहकारज्यूहरू, पत्रकार मित्रहरू तथा बैंकका प्रमुख कार्यकारी अधिकृत लगायत सम्पूर्ण कर्मचारीहरूमा यस विकास बैंकको सञ्चालक समिति तथा मेरो व्यक्तिगत तर्फबाट समेत हार्दिक स्वागत तथा अभिवादन व्यक्त गर्दछु ।

लुम्बिनी विकास बैंकले "निरन्तर सहयात्रा" को नारा सहित आफ्ना समस्त ग्राहकहरू तथा सरोकारवालाहरू सबैको समुन्नतीको लागि आफ्नो सेवालाई उत्कृष्टता प्रदान गर्दै अगाडि बढ्ने क्रममा हामी सफलतापूर्वक आजको यो गरिमामय चौधौं वार्षिक सभा सम्पन्न गर्न गईरहेका छौं । बैंकको सञ्चालक समिति समस्त शेयरधनीहरूको प्रतिनिधित्व गर्दै लुम्बिनी विकास बैंकको बहुआयामिक समुन्नतीको लागि दत्तचित भई संस्थागत सुशासनको सुनिश्चयतालाई आत्मसात गर्दै सफलतापूर्वक अगाडि बढिरहेको व्यहोरा यहाँहरू समक्ष प्रस्तुत गर्न पाउँदा गौरवान्वित महशुस गरेको छु ।

गत आ.ब. २०७७/७८ पनि महामारीको रूपमा फैलिएको कोभिड-१९ का कारण प्रभावित वन्न पुग्यो । विभिन्न समयमा नेपाल सरकारद्वारा जारी

गरिएको बन्दाबन्दीको अवधिमा मुलुकभरका आर्थिक क्रियाकलापहरू प्रभावित भई यस विकास बैंकको कारोवारमा समेत असर पर्न गएको छ । हाल बन्दाबन्दीको अवस्था खुकुलो गरिएतापनि आर्थिक क्रियाकलापहरू पूर्ण रूपमा सञ्चालनमा आउन नसकी अपेक्षित रूपमा सेवा प्रवाह हुन नसक्दा बैंकको गैह्रब्याज आम्दानी घटेको छ भने ब्याज रकम अपेक्षित रूपमा असुली हुन सकेको छैन जसको कारण विकास बैंकको मुनाफामा संकुचन आएता पनि बैंकको ब्यवसायमा बृद्धि गर्न शाखाहरू विस्तारसंगै गुणस्तरीय कर्जा लगानीमा बृद्धि तथा खराब कर्जा असुली कार्यलाई सशक्त बनाईएकोले गत वर्षको तुलनामा बैंकको मुनाफामा सन्तोषजनक प्रगति भएको छ । कोभिड-१९ को संक्रमण र यसको असरबाट समग्र मुलुकको आर्थिक गतिविधि, विकास निर्माण, उद्योग व्यवसाय, लगायतका क्षेत्रमा प्रतिकूलता सिर्जना भएको हालको अवस्थामा कोभिड-१९ को प्रभाव विस्तारै घट्दै गए पश्चात् उद्योग, व्यापार, व्यवसाय, कृषि एवं समग्र अर्थतन्त्र चलायमान भई आर्थिक क्रियाकलापले गति लिने तथा आर्थिक सम्बृद्धिका सूचकांकहरू सकारात्मक रूपमा सुधार हुने कुरामा हामी आशावादी छौं ।

हाम्रा आदरणीय शेयरधनी महानुभावहरूबाट प्राप्त सल्लाह सुझाव तथा मार्गदर्शनहरूलाई आत्मसाथ गर्दै लुम्बिनी विकास बैंक लिमिटेड प्रगतिको मार्गमा उल्लेख्य सुधार सहित अगाडि बढ्दै गरेको व्यहोरा जानकारी गराउन पाउँदा गौरवको महशुस गरिरहेको छु । यस विकास बैंकलाई थप सवल र मजबुत बनाई शेयरधनीहरूको अधिकतम हित अभिवृद्धिको लागि हरदम प्रयासरत रहँदै आगामी दिनमा हामी उत्कृष्ट सेवाका साथमा सवल विकास बैंकको रूपमा पहिचान वनाउने गरी अगाडि बढी रहेका छौं । आफ्नो उद्देश्यमा सफलता हासिल गर्न नीति नियमको पालना, उच्च संस्कारको विकास तथा स्पष्ट कार्ययोजना अंगिकार गरेका छौं । सर्वसाधारण जनताबाट संकलित निक्षेपको सहि ढंगले परिचालन एवं सुरक्षा गर्न तथा राष्ट्रिय अर्थतन्त्रमा योगदान पुऱ्याउन संयमित हुँदै व्यवसाय सञ्चालन गरी शेयरधनीहरूलाई उच्चतम प्रतिफल प्रदान गर्न हामी प्रतिवद्ध छौं ।

समिक्षा अवधि आ.ब. २०७७/७८ मा यस विकास बैंकले मंगलबजार, विर्तामोड, दमक र कावासोतीमा समेत गरी ४ वटा तथा यस वर्ष नयाँ बानेश्वर, बर्दघाट, मणिग्राम, कोहलपुर र घोराही समेत ५ वटा थप नयाँ शाखाहरू सञ्चालनमा ल्याएपछि हाल ७ वटै प्रदेशमा गरी कुल ७७ वटा शाखाहरू मार्फत हाम्रो उपस्थिती रहेको छ । बैंकको कुल कर्जा सापटी २८ प्रतिशतले वृद्धि भई रु. ३३ अर्ब पुगेको छ भने निक्षेप २५ प्रतिशतले वृद्धि भई रु. ३७ अर्ब १६ करोड पुगेको छ । यस अवधिमा विकास बैंकको खुद मुनाफामा रु. ४३ करोड ४० लाख भएको छ भने विकास बैंकको वासलात आकारमा २८ प्रतिशतले वृद्धि

भई रु. ४४ अर्ब १३ करोड पुगेको व्यहोरा आदरणीय शेयरधनीहरू समक्ष जानकारी गराउन चाहन्छु । बैंकको निष्कृय कर्जाको असुलीमा तिव्रता दिई गुणस्तरीय कर्जा प्रवाहलाई जोड दिदै आएको भएपनि कोभिड-१९ महामारीको कारणले व्याज असुलीमा प्रतिकुल प्रभावका वावजुद निष्क्रिय कर्जाको मात्रा घटाउन सफल भएका छौ ।

आदरणीय शेयरधनी महानुभावहरू, विकास बैंकको आर्थिक बर्ष २०७७/७८ को मुनाफा तथा संचित मुनाफाबाट बैंकका शेयरधनीहरूलाई आजको चौधौं वार्षिक साधारण सभाबाट पारित भएपश्चात लागु हुने गरी विकास बैंकको हाल कायम चुक्ता पूँजीमा देहाय बमोजिमको बोनस शेयर तथा कर प्रयोजनको लागि नगदको रूपमा लाभांश वितरण गर्ने सिफारिस गरिएको छ ।

वितरण	प्रतिशत	रकम (रु) अंकमा	रकम (रु) अक्षरमा
नगद लाभांश*	०.६८४२%	१,९८,८५,९५५.१९	अक्षरेपी एक करोड अन्धान्द्वे लाख पचासी हजार नौ सय पचपन्न रुपैया र पैसा उन्नाईस मात्र ।
बोनस शेयर	१३%	३७,७८,३८,९६९.४४	अक्षरेपी सैंतीस करोड अठहत्तर लाख अड्तीस हजार नौ सय एकसठ्ठी रुपैया र पैसा चवालीस मात्र ।
कुल	१३.६८४२%	३९,७७,२४,९१६.६३	अक्षरेपी उनान्चालीस करोड सतहत्तर लाख चौवीस हजार नौ सय सोह्र रुपैया र पैसा त्रिसठ्ठी मात्र ।

(*नोट: नगद लाभांशमा वोनस शेयरमा लाग्ने कर संलग्न रहेको)

आजको यस चौधौं वार्षिक साधारण सभामा पेश गरिएको सामान्य तथा विशेष प्रस्तावहरू एवं सञ्चालक समितिको तर्फबाट साधारण सभामा प्रस्तुत वार्षिक प्रतिवेदन समेत छलफल गरी पारित गरिदिनुहुन आदरणीय शेयरधनी महानुभावहरू समक्ष हार्दिक अनुरोध गर्दछु ।

यस गरिमामय सभामा भाग लिनुहुने सम्पुर्ण शेयरधनी महानुभावहरू प्रति हार्दिक आभार व्यक्त गर्दै तपाईंहरूको अमूल्य सुझाव, सल्लाह प्रगतिको कोशेढुङ्गा सावित हुने विश्वास लिएको छु । यसै गरि हामीलाई निरन्तर रूपमा अमूल्य मार्गदर्शन, परामर्श तथा समयमै कार्य सम्पादन गरिदिई सहयोग पुऱ्याउँदै आउनु भएका नेपाल सरकार, नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लि., तथा अन्य सरोकारवाला नियामक निकायहरू, हाम्रा समस्त ग्राहक महानुभावहरू बैंकमा कार्यरत सम्पुर्ण कर्मठ कर्मचारीहरू लगायत प्रत्यक्ष वा परोक्ष रूपमा सहयोग पुऱ्याउँदै आउनु भएका सम्पुर्ण शुभेच्छुकहरूलाई विशेष धन्यवाद ज्ञापन गर्दछु ।

अन्त्यमा, यस विकास बैंकप्रति आफ्नो अटल विश्वास तथा सद्भाव सहित आफ्नो अमूल्य समय दिई यस गरिमामय चौधौं वार्षिक साधारण सभालाई सफल बनाउन स्वयं, प्रतिनिधि एवं भर्चुअल माध्यमबाट उपस्थित सम्पुर्ण शेयरधनी महानुभावहरूको आत्मियता, न्यानो माया, धैर्यता र विश्वास प्रति पुनः हार्दिक आभार प्रकट गर्न चाहन्छु ।

धन्यवाद ।

दशरथ रिवाल

अध्यक्ष

सञ्चालक समिति

मिति २०७८ पौष ०९ गते

प्रमुख कार्यकारी अधिकृतको प्रतिबद्धता



वित्तीय बजारमा गुणस्तरीय बैकिङ्ग सेवा प्रदान गर्दै आएको यस लुम्बिनी विकास बैंक लिमिटेड, विकास बैंकहरूको क्षेत्रमा एक सबल विकास बैंकको रूपमा स्थापित भएको छ । यस बैंकको प्रमुख वित्तीय सूचकाङ्कहरू र समग्र बैकिङ्ग कारोबारमा भएको वृद्धिले पनि यसलाई प्रमाणित गर्दछ । यस विकास बैंकको सफलताको श्रेय हाम्रा सम्पूर्ण आदरणीय ग्राहकवर्ग, शेयरधनी, सञ्चालक समिति, नियमनकारी निकाय, कर्मचारी तथा हामीसँग आबद्ध सम्पूर्ण सरोकारवाला पक्षलाई जान्छ ।

गत वर्षको तुलनामा आ.व. २०७७/७८ मा बैंकको कुल कर्जा सापटी २८ प्रतिशतले वृद्धि भई रु. ३३ अर्ब पुगेको छ भने निक्षेप २५ प्रतिशतले वृद्धि भई रु. ३७ अर्ब १६ करोड पुगेको छ । यस अवधिमा विकास बैंकको खुद मुनाफामा रु. ४३ करोड ४० लाख भएको छ भने विकास बैंकको वासलात आकारमा २८ प्रतिशतले वृद्धि भई रु. ४४ अर्ब १३ करोड पुगेको छ । हाम्रो वित्तीय सेवामा विविधिकरण गर्दै थप सेवालार्ई आम उपभोक्ता समक्ष पुऱ्याउने उद्देश्यका साथ गत आ.व. २०७७/७८ मा यस विकास बैंकले मंगलबजार, विर्तामोड, दमक र कावासोतीमा तथा यसवर्ष नयाँ बानेश्वर, बर्दघाट, मणिग्राम,

कोहलपुर, र घोराहीमा समेत शाखा सञ्चालनमा ल्याएपछि ७ वटै प्रदेशमा गरी हालसम्म जम्मा ७७ वटा शाखाहरूबाट सबै प्रदेशमा वित्तीय सेवा प्रदान गर्दै आएका छौं । देशका विभिन्न स्थानमा शाखा सञ्जाल विस्तार गर्ने कार्यलाई आगामी दिनमा समेत प्राथमिकता दिनेछौं ।

सेवाको गुणस्तरमा वृद्धि, बजार विस्तार, सम्पत्ति तथा दायित्वको उचित ब्यवस्थापन, आन्तरिक नीति नियमहरूको समयानुकुल निर्माण तथा पुनरावलोकन, बैंकमा निहित विभिन्न जोखिमहरूको ब्यवस्थापन लगायत कार्यहरूलाई चालू वर्षमा पनि विगतका वर्ष भैं प्राथमिकता दिनेछौं ।

बजारमा ग्राहकहरूको माग अनुसार लकर सुविधा, सुन कर्जा, मोबाइलको माध्यमबाट रकम भुक्तानी, बिल भुक्तानी, मोबाइल रिचार्ज, ATM, mobile banking, Internet Banking, ASBA, C-ASBA, ECC, IPS, Connect IPS जस्ता सुविधा मार्फत ग्राहकहरूलाई सेवा प्रदान गरिरहेका छौं ।

उच्च मनोवल भएका कर्मचारीहरू बैंकका सम्पत्ति हुन भन्ने कुरा आत्मसात गर्दै उत्कृष्ट कर्मचारीहरू मार्फत उत्कृष्ट विकास बैंक बनाउने उद्देश्यका साथ कर्मचारीहरूको व्यावसायिक विकास, सिप विकास, नेतृत्व तथा क्षमता विकासमा ध्यान दिदै बदलिँदो वातावरणमा कर्मचारीलाई दक्ष बनाउनका निमित्त आवश्यक आन्तरिक तथा बाह्य तालिमहरूको व्यवस्था गर्दै आएका छौं । कर्मचारीहरूको दक्षता अभिवृद्धि तथा बृत्ति विकासका कार्यक्रमहरूलाई भविष्यमा समेत निरन्तरता दिंदै जानेछौं ।

अन्त्यमा, अझ प्रभावकारी रूपमा कार्य सम्पादन गरी निक्षेपकर्ता, शेयरधनी तथा सम्पूर्ण सरोकारवालाहरूको सेवा र प्रतिफलमा अझ दत्तचित भई मेहनत गर्ने प्रण गर्दछौं । साथै विगतका दिनहरूमा जस्तै आगामी दिनहरूमा समेत यहाँहरूको मार्ग निर्देशन तथा सल्लाह सुभावा प्राप्त भइरहनेछ भन्ने विश्वास व्यक्त गर्दछौं ।

धन्यवाद ।

नरेश सिंह बोहरा

प्रमुख कार्यकारी अधिकृत

चौधौ वार्षिक साधारण सभामा अध्यक्षज्यूद्वारा प्रस्तुत

सञ्चालक समितिको आ.व.२०७७/७८ को वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरु:

लुम्बिनी विकास बैंक लिमिटेडको चौधौ वार्षिक साधारण सभामा पाल्नु भएका संस्थापकहरु एवं सम्पूर्ण शेयरधनीहरु, अतिथिहरु तथा आमन्त्रित महानुभावहरु, तथा अनलाईन मार्फत सम्मिलित शेयरधनी महानुभावहरुमा यस विकास बैंकको सञ्चालक समिति तथा मेरो व्यक्तिगत तर्फबाट समेत हार्दिक स्वागत तथा अभिवादन व्यक्त गर्दछु ।

विगतका आर्थिक वर्षहरु देखि नै बैंकिङ्ग क्षेत्रमा देखिएको तरलताको समस्या एवं अन्य वैकल्पिक वित्तीय स्रोतको अभावले समिक्षा आ.व. २०७७/७८ को उत्तरार्धमा केही सुधारात्मक अवस्थामा रहेता पनि गत आ.व. २०७७/७८ को तेश्रो त्रैमासको अन्त्य देखि विश्वभर महामारीको रूपमा फैलिएको कोभिड-१९ का कारण नेपाल सरकारद्वारा जारी गरिएको बन्दाबन्दीको अवधिमा मुलुकभरका आर्थिक क्रियाकलापहरु प्रभावित भई यस विकास बैंकको कारोवारमा समेत असर पर्न गएको छ । आर्थिक क्रियाकलापहरु पूर्ण रूपमा सञ्चालनमा आउन नसकी बैंकहरुको लगानीको साँवा व्याज अपेक्षित रूपमा असुली हुन नसकेको अवस्थामा पनि बैंकको मुनाफामा सन्तोषजनक सुधार देखिएको छ । समग्र मुलुकको अर्थतन्त्रमा देखिएको शिथिलता एवं नीतिगत परिवर्तन लगायतका चुनौतीपूर्ण अवस्थामा पनि आ.व. २०७७/७८ मा यस विकास बैंकले आफ्नो व्यवसाय विस्तारमा अपेक्षित प्रगति गरी सम्पूर्ण व्यवस्था पछिको खुद मुनाफा रु. ४३ करोड ४० लाख आर्जन गर्न सफल भएको व्यहोरा यस गरिमामय साधारण सभामा सहर्ष जानकारी गराउन चाहन्छु । आ.व. २०७७/७८ मा बैंकले मंगलवजार, विर्तामोड, दमक र कावासोतीमा समेत गरी ४ वटा नयाँ शाखाहरु सञ्चालनमा आएपछि अहिले कुल शाखा सङ्ख्या ७२ रहेकोमा यसवर्ष नयाँ बानेश्वर, बर्दघाट, मणिग्राम, कोहलपुर र घोराहीमा समेत शाखा सञ्चालनमा ल्याएपछि ७ वटै प्रदेशमा गरी हालसम्म जम्मा ७७ वटा शाखा सञ्चालनमा आएका छन्, जसबाट बैंकको व्यवसाय तथा आधार ग्राहकहरुको संख्यामा समेत बृद्धि भएको छ । चालु आ.व. मा पनि बैंकले व्यवसायिक महत्वका स्थानहरुमा क्रमशः शाखाहरु विस्तार गर्ने कार्यक्रम रहेको छ । हाल यस विकास बैंकका ग्राहकहरु करिब ३ लाख ११ हजार नाघी सकेको समेत सभालाई जानकारी गराउन चाहन्छौं ।

बैंकले आफ्नो व्यवसाय विस्तारसंगै ग्राहकहरुको सुविधा तथा सुरक्षित कारोवारलाई ध्यानमा राखि अनलाईन मार्फत खाता खोल्ने सुविधा, ईबैंकिङ्ग, मोवाईल बैंकिङ्ग “Chip Based” भिसा डेबिट कार्ड, C-ASBA कनेक्ट आईपिएस लगाएतका विद्युतीय बैंकिङ्ग सेवाहरु परिमार्जन गर्दै कर्मचारीको कार्यक्षमता अभिवृद्धि तथा नियामक निकायहरुबाट जारी सुशासन सम्बन्धी निर्देशनहरुको पालना गर्ने जस्ता कार्यलाई कटिबद्धताका साथ लागु गरेको छ । बैंकको निष्कृत्य कर्जाको असुलीमा तिब्रता दिई गुणस्तरीय कर्जा प्रवाहलाई जोड दिंदै आएकोले निष्क्रिय कर्जाको मात्रामा उल्लेख्य कमि आएको छ । विगतमा जस्तै आजको यस साधारण सभामा पनि आदरणीय शेयरधनीहरुबाट यस विकास बैंकको उन्नती प्रगतिको लागि आवश्यक सल्लाह सुभावा तथा सद्भाव प्राप्त हुनेमा आशावादी हुँदै प्राप्त सल्लाह सुभावहरु बैंकको कार्य योजना तथा लक्ष्य प्राप्तिमा निकै उपलब्धि मुलक हुनेमा हामीले विश्वास लिएका छौं ।

(क) विगत आ.व. २०७७/७८ को कारोबारको सिंहावलोकन

समिक्षा आर्थिक वर्ष २०७७/७८ सम्मको विकास बैंकको प्रमुख वित्तीय सुचकाङ्कहरु निम्नानुसार रहेका छन् ।

शीर्षक	आ.व २०७७/७८	आ.व २०७६/७७	वृद्धि (ह्रास) %
चुक्ता पूँजी	२,९०,६४,५३,५५०	२,७१,६३,११,७२९	७.००
सञ्चित मुनाफा, जगेडा तथा कोषहरु	२,३८,८१,१८,२४५	१,७२,७६,६३,८६३	३८.२३
पूँजी कोषको पर्याप्तता	१३.२६%	१४.२०%	(०.९४)
कुल सम्पत्ति	४४,१२,५१,७३,१७१	३४,४९,६५,८३,८९०	२७.९१
कुल निक्षेप	३७,१६,२८,११,०७९	२९,७०,५२,६१,१४३	२५.११
कुल कर्जा सापटीहरु	३३,००,०४,४०,५८७	२५,७६,६५,९९,४७७	२८.०७
लगानीहरु धितोपत्र तथा शेयर	५,५६,११,५७,३१०	२,४१,९७,६९,७४३	१२९.८२
खुद व्याज आम्दानी	१,२१,१०,०४,६४६	१,१४,९७,५३,७७४	५.३३
सञ्चालन खर्च	६२,२२,१५,५३६	५९,०२,५३,४७८	५.४१
खुद मुनाफा	४३,३९,६७,१७९	३७,८५,६०,८२४	१४.६४
निष्क्रिय कर्जा अनुपात	२.१७%	२.६९%	(०.५२)

(ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट बैंकको कारोबारमा समिक्षा अवधिमा परेको प्रभाव :

अन्तर्राष्ट्रिय प्रभाव :

गत २०१९ को नोभेम्बरमा चीनमा देखिए पश्चात विश्वभर महामारीको रूपमा फैलिएको कोभिड-१९ का कारण विश्व अर्थतन्त्रमा ठूलो संकुचन आएको छ । विश्वभरका विकसित तथा विकासोन्मुख मुलुकमा रहेका उद्योग, व्यापार, पर्यटन, व्यवसाय, कृषि एवं समग्र अर्थतन्त्र सन् २०२० मा ऋणात्मक वृद्धिको अवस्थामा पुगेको छ । विकसित राष्ट्रहरूको तथा विकासोन्मुख मुलुकहरूको अर्थतन्त्र सन् २०१९ मा यो वृद्धिदर क्रमशः १.९ प्रतिशत र ४.१ प्रतिशत हुने प्रक्षेपण गरिएकोमा सन् २०२० मा शून्यको हाराहारीमा पुग्ने अनुमान गरिएको छ । सन् २०२१ मा समेत समग्र विश्व अर्थतन्त्र कोभिड-१९ को दोस्रो लहरबाट प्रभावित भएको छ । सन् २०२० मा ३.२ प्रतिशतले संकुचन भएको विश्व अर्थतन्त्र सन् २०२१ मा ६.० प्रतिशतले बिस्तार हुने अन्तर्राष्ट्रिय मुद्रा कोषको अनुमान छ । सन् २०१९ मा विश्व अर्थतन्त्र २.८ प्रतिशतले बिस्तार भएको थियो । सन् २०२० मा ४.६ प्रतिशतले संकुचन भएको विकसित मुलुकहरूको अर्थतन्त्र सन् २०२१ मा ५.६ प्रतिशतले बिस्तार हुने प्रक्षेपण रहेको छ । त्यसैगरी, सन् २०२० मा २.१ प्रतिशतले संकुचन हुने अनुमान रहेको उदीयमान तथा विकासशील अर्थतन्त्र सन् २०२१ मा ६.३ प्रतिशतले बिस्तार हुने प्रक्षेपण छ । सन् २०१९ मा विकसित अर्थतन्त्र र उदीयमान तथा विकासशील अर्थतन्त्रको वृद्धिदर क्रमशः १.६ प्रतिशत र ३.७ प्रतिशत रहेको थियो ।

अन्तर्राष्ट्रिय बजारमा वित्तीय सम्पत्तिको मूल्यमा उच्च उतार चढाव, विकसित मुलुकहरूमा कसिलो मौद्रिक नीतिको अभ्यास तथा विश्वभर महामारीको रूपमा फैलिएको कोभिड-१९ का कारण विश्व अर्थतन्त्रमा देखिएको संकुचन लगायत अन्तर्राष्ट्रिय आर्थिक घटनाक्रमको नेपाली अर्थतन्त्रमा सोही बमोजिम प्रभावको कारण आयात निर्यात ठप्पप्रायः छ ।

राष्ट्रिय प्रभाव :

विश्वभर महामारीको रूपमा फैलिएको कोभिड-१९ का कारण नेपाल सरकारद्वारा जारी गरिएको बन्दाबन्दीको अवधिमा मुलुकभरका आर्थिक क्रियाकलापहरू प्रभावित भई यस विकास बैंकको कारोबारमा समेत असर पर्न गएको छ । कोभिड संक्रमणले अर्थतन्त्रमा पारेको असरका कारण समीक्षा अवधिमा २.२८ प्रतिशत मात्र आर्थिक वृद्धि हासिल हुने केन्द्रीय तथ्याङ्क विभागले अनुमान गरेकोमा वास्तविक आँकडा सो भन्दा कमै रहने अनुमान गरिएको छ । गत आर्थिक वर्षमा उक्त वृद्धिदर ७ प्रतिशत रहेको थियो । कोभिड-१९ संक्रमण नियन्त्रण तथा रोकथामका लागि अवलम्बन गरिएका उपायहरूबाट आर्थिक गतिविधिका शृंखलाहरू अवरुद्ध भई अर्थतन्त्र संकुचनमा गएको छ । आर्थिक वर्ष २०७६/७७ मा कुल गार्हस्थ उत्पादनमा कृषि, उद्योग र सेवा क्षेत्रको अंश क्रमशः २७.६५ प्रतिशत, १४.२७ प्रतिशत र ५८.०८ प्रतिशत रहेको छ । समीक्षा वर्ष आर्थिक वर्ष २०७७/०७८ मा निर्यात ४४.४ प्रतिशतले बढेर रु. १४९ अर्ब १२ करोड र आयात २८.७ प्रतिशतले बढेर रु. १,५३९ अर्ब ८४ करोड पुगेको छ । यस अवधिमा वस्तु व्यापार घाटा २७.३ प्रतिशतले बढेको छ । विप्रेषण आप्रवाह ९.८ प्रतिशतले वृद्धि भई रु. ९६९ अर्ब ५ करोड पुगेको छ । आर्थिक वर्ष २०७६/०७७ मा चालु खाता घाटा रु. ३३ अर्ब ७६ करोड र शोधनान्तर बचत रु. २८२ अर्ब ४९ करोड रहेको तुलनामा समीक्षा वर्षमा चालु खाता घाटा रु. ३३३ अर्ब ६७ करोड र शोधनान्तर बचत रु. १ अर्ब २३ करोड रहेको छ । २०७८ असार मसान्तमा कुल विदेशी विनिमय सञ्चिति रु. १३९९ अर्ब ३ करोड (अमेरिकी डलर ११ अर्ब ७५ करोड) रहेको छ । आर्थिक वर्ष २०७७/०७८ को आयातलाई आधार मान्दा विदेशी विनिमय सञ्चिति ११.२ महिनाको वस्तु तथा १०.२ महिनाको वस्तु र सेवा आयात धान्न पर्याप्त हुने देखिएको छ । २०७७ असार मसान्तको तुलनामा २०७८ असार मसान्तमा अमेरिकी डलरसँग नेपाली रुपैयाँ १.१२ प्रतिशतले अधिमूल्यन भई प्रति अमेरिकी डलर खरिद दर रु. ११९.०४ पुगेको छ ।

कोभिड-१९ को प्रभाव विस्तारै घट्दै गए पश्चात् उद्योग, व्यापार, व्यवसाय, कृषि एवं समग्र अर्थतन्त्र चलायमान भई आर्थिक क्रियाकलापले गति लिने तथा मुलुकको आर्थिक सूचकांकहरू सकारात्मक रूपमा सुधार हुने कुरामा हामी आशावादी छौं ।

(ग) समिक्षा आ.व. २०७७/७८ को उपलब्धी तथा बैंकको आगामी आर्थिक वर्षको योजना :

समिक्षा अवधि आ.व. २०७७/७८ मा यस विकास बैंकले मंगलबजार, विर्तामोड, दमक र कावासोतीमा समेत गरी ४ वटा तथा यस वर्ष नयाँ बानेश्वर, बर्दघाट, मणिग्राम, कोहलपुर र घोराही समेत ५ वटा थप नयाँ शाखाहरू सञ्चालनमा ल्याएपछि हाल ७ वटै प्रदेशमा गरी कुल ७७ वटा शाखाहरू मार्फत हाम्रो उपस्थिती रहेको छ । बैंकको कुल कर्जा सापटी २८ प्रतिशतले वृद्धि भई रु ३३ अर्ब पुगेको छ भने निक्षेप २५ प्रतिशतले वृद्धि भई रु. ३७ अर्ब १६ करोड पुगेको छ । यस अवधिमा विकास बैंकको खुद मुनाफामा रु. ४३ करोड ४० लाख भएको छ भने विकास बैंकको वासलात आकारमा २८ प्रतिशतले वृद्धि भई रु. ४४ अर्ब १३ करोड पुगेको व्यहोरा आदरणीय शेरधनीहरू समक्ष जानकारी गराउन चाहन्छु । बैंकको निष्कृत कर्जाको असुलीमा तिव्रता दिई गुणस्तरीय कर्जा प्रवाहलाई जोड दिई आएको भएपनि कोभिड-१९ महामारीको कारणले व्याज असुलीमा प्रतिकुल प्रभावका वावजुद निष्क्रिय कर्जाको मात्रा घटाउन सफल भएको व्यहोरा आदरणीय शेरधनीहरू समक्ष जानकारी गराउन चाहन्छु ।

आगामी आर्थिक वर्षको योजना :

- ▶ कर्जा तथा लगानीलाई अझ विविधिकरण गरी सुदृढ बनाउँदै लगिनेछ ।
- ▶ असुलीलाई थप प्रभावकारी बनाउने, निष्क्रिय कर्जाको मात्रा घटाउने, र गुणस्तरीय कर्जा बृद्धि गर्ने ।
- ▶ ग्राहक संख्यामा बृद्धि गर्दै लक्ष्य अनुरूप प्रविधिमा आधारित नयाँ तथा समयानुकूल सेवाहरूको विस्तार गर्दै जाने ।
- ▶ नविनतम तथा मौलिक किसिमका बचत योजनाहरू तर्जुमा गरि परिचालन गर्ने ।
- ▶ सबै शाखा कार्यालयहरूको व्यवसाय विस्तार गरी मुनाफामा बृद्धि हुने गरी सञ्चालन गरिनेछ ।
- ▶ आम्दानीका स्रोतहरूको विविधिकरण गर्ने, र सञ्चालन खर्चमा मितव्ययितालाई निरन्तरता दिने ।
- ▶ ग्राहकहरूको माग तथा वजार विस्तारको सम्भाव्यता अध्ययन गरी थप शाखा कार्यालयहरू विस्तार गरिनेछ ।
- ▶ ग्रामिण शाखाहरूलाई क्रियाशिल गराई विभिन्न कार्यक्रमहरूको माध्यमबाट व्यवसाय विस्तार गरिनेछ ।
- ▶ विभिन्न बैकिङ्ग सफ्टवेयरहरूको प्रयोग गरि बैकिङ्ग सेवा तथा कार्य पद्धतिलाई थप चुस्त बनाईनेछ ।
- ▶ प्रादेशिक कार्यालयहरूको स्थापना गरि व्यवसाय विस्तार र नियन्त्रणलाई थप मजबुत बनाईनेछ ।
- ▶ अन्य उपयुक्त बैंक तथा वित्तीय संस्थासँग मर्जर वा एक्वीजिसन गर्ने पहललाई निरन्तरता दिने ।

(घ) औद्योगिक तथा व्यवसायिक सम्बन्ध :

यस विकास बैंकले आफूसँग सम्बद्ध विभिन्न सरकारी, गैर सरकारी संघसंस्था एवं व्यवसायिक औद्योगिक प्रतिष्ठानहरू, सामाजिक संस्थाहरू, नियामक निकायहरू नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय, धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लगायतका सम्पूर्ण निकायहरूसँग सौहाद्रपूर्ण व्यवसायिक सम्बन्ध कायम गर्दै आएको छ । उपत्यका बाहिर आफ्नो शाखा सञ्जाल रहेका जिल्लाका सम्बन्धित उद्योग वाणिज्य संघ, व्यापारिक एवं अन्य संघ संस्थाहरू, व्यवसायिक प्रतिष्ठानहरू लगाएत सकृय सामाजिक संस्थाहरूसँग समेत सौहाद्र सम्बन्ध विकास गर्दै आएको छ । भविष्यमा आवश्यकता अनुसार अन्य औद्योगिक तथा व्यवसायिक प्रतिष्ठानहरूसँग थप सम्बन्ध कायम राख्दै आफ्नो व्यवसायलाई थप विस्तार गरिनेछ ।

(ङ) सञ्चालक समितिमा हेरफेर :

विकास बैंकको सञ्चालक समितिमा आ.व. २०७७/७८ मा कुनै हेरफेर नभएको र हाल तपशिल बमोजिमको सञ्चालक समिति कार्यरत रहेको व्यहोरा जानकारी गराउन चाहन्छु ।

क्र.सं.	सञ्चालकहरूको नाम	पद	ठेगाना	नियुक्ती मिति
१	श्री दशरथ रिसाल (संस्थापक शेयरधनी स्याकार कम्पनी प्रा.लि.को तर्फबाट प्रतिनिधि)	अध्यक्ष	का.म.न.पा. -१३, कालीमाटी, काठमाडौं ।	२०७६/०३/२५
२	श्री चिन्तामणी भट्टराई (संस्थापक शेयरधनीको तर्फबाट)	सञ्चालक	वडा नं. १, बानेश्वर, काठमाडौं ।	२०७५/०५/३१
३	श्री केशव खतिवडा (संस्थापक शेयरधनी दीप इन्भेष्टमेन्ट कम्पनी प्रा.लि.को तर्फबाट प्रतिनिधि)	सञ्चालक	तोपगाछी ९, फापा ।	२०७६/११/२९
४	श्री प्रताप कुमार आचार्य (सर्वसाधारण शेयरधनीको तर्फबाट)	सञ्चालक	चावहिल, वडा नं. ७, काठमाडौं ।	२०७५/०५/३१
५	श्री प्रविण कृष्ण श्रेष्ठ (सर्वसाधारण शेयरधनी उपडान एण्ड कं. प्रा.लि.को तर्फबाट प्रतिनिधि)	सञ्चालक	ईखालुखु, वडा नं. १६, पाटन, ललितपुर ।	२०७५/०५/३१
६	श्री रामचन्द्र सिग्देल (सर्वसाधारण शेयरधनीको तर्फबाट)	सञ्चालक	पोखरा वडा नं. १२, भद्रकाली, कास्की ।	२०७५/०५/३१
७	श्री अंजु कुमारी गुप्ता (स्वतन्त्र)	सञ्चालक	नार्गाजुन -२, काठमाडौं ।	२०७५/११/२०

(च) कारोबारलाई असर पार्ने मुख्य कुराहरू :

मुलुकको राजनीतिक, आर्थिक गतिविधि, नियामक निकायहरूको नीति, नियम तथा निर्देशनहरू, वित्तीय बजारमा रहेको प्रतिस्पर्धा, समग्र अर्थतन्त्रका परिसूचकहरू जस्ता कुराले विकास बैंकको व्यवसायमा प्रत्यक्ष वा परोक्ष रूपमा प्रभाव पर्दछ । विकास बैंकको कारोवारमा असर पार्ने प्रमुख कुराहरू निम्नानुसार रहेका छन् ।

- (क) समय समयमा देखिने तरलताको अभाव वा अधिक तरलताको अवस्था ।
- (ख) देशको समग्र आर्थिक तथा वित्तीय नीतिमा आउने परिवर्तन, विदेशी विनिमय दरहरूमा हुने परिवर्तन ।
- (ग) उत्पादनशिल क्षेत्रमा अपेक्षित रूपमा कर्जा बृद्धि नहुनु ।
- (घ) वित्तीय संस्थाहरू बीच एक आपसमा बढ्दो तिव्र र अस्वस्थ प्रतिस्पर्धा ।
- (ङ) नियमनकारी निकायहरूबाट समय समयमा परिवर्तन हुने नीतिका कारणबाट सिर्जित हुन सक्ने जोखिमहरू ।
- (च) ब्याजदरमा देखिएको तीव्र उतार चढाव ।
- (छ) विप्रेषण आप्रवाहमा कमी आई मुलुकको अर्थतन्त्रमा उत्पन्न हुन सक्ने प्रभाव ।
- (ज) कोभिड-१९ को प्रभावले पार्न सक्ने जोखिमहरू ।
- (झ) दक्ष जनशक्तिको पलायन र अभाव ।

उपरोक्त बमोजिमका चुनौती तथा जोखिम व्यवस्थापनको लागि जोखिमको पहिचान, मापन, अनुगमन, नियन्त्रण र रिपोर्टिङका लागि सुदृढ जोखिम संरचना तयार गरी कार्यान्वयनमा ल्याइएको छ । बैंकको कर्जा तथा सापटी र लगानी खराब भई तथा विनिमय दर परिवर्तनबाट हुन सक्ने जोखिमहरूको लागि नेपाल राष्ट्र बैंकको निर्देशन तथा आफ्नै विश्लेषणबाट बैंकले कर्जा नोक्सानी व्यवस्था लगानीमा सम्भावित नोक्सानी व्यवस्था, सटही घटबढ कोष जस्ता कोषहरूको व्यवस्था गर्ने गरेको छ । बैंकले प्रतिस्पर्धात्मक बजारको सामना गर्नको लागि जनशक्तिको ज्ञान तथा दक्षता अभिवृद्धिमा आवश्यक ध्यान पुऱ्याएको छ ।

(छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया :

बैंकको नियमित कारोबारमा भएका/देखिएका सामान्य कैफियत बाहेक अन्य कुनै नकारात्मक कुराहरू लेखापरीक्षण प्रतिवेदनमा देखिएको छैन । प्राप्त प्रतिक्रिया तथा सुझावहरू प्रति सञ्चालक समितिको ध्यानाकर्षण भई आवश्यक सुधारको लागि समय समयमा व्यवस्थापनलाई निर्देशन दिने गरिएको तथा उक्त कैफियतहरूमा कमिक सुधार हुँदै गईरहेको छ ।

(ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :

यस विकास बैंकको आर्थिक वर्ष २०७७/७८ को मुनाफा र संचित मुनाफा समेतको रकमबाट बैंकका शेयरधनीहरूलाई बैंकको हाल कायम चुक्ता पूँजीमा चौधौँ वार्षिक साधारण सभाबाट पारित भएपश्चात लागु हुने गरी देहाय बमोजिमको वोनस शेयर तथा नगदको रूपमा लाभांश वितरण गर्ने सिफारिस गरिएको छ ।

विवरण	प्रतिशत	रकम (रु) अंकमा	रकम (रु) अक्षरमा
नगद लाभांश*	०.६८४२%	१,९८,८५,९५५.१९	अक्षरेपी एक कराड अन्तान्द्वे लाख पचासी हजार नौ सय पचपन्न रुपैया र पैसा उन्नाईस मात्र ।
बोनस शेयर	१३%	३७,७८,३८,९६१.४४	अक्षरेपी सैंतीस करोड अठहत्तर लाख अड्तीस हजार नौ सय एकसठ्ठी रुपैया र पैसा चवालीस मात्र ।
कुल	१३.६८४२%	३९,७७,२४,९१६.६३	अक्षरेपी उनान्वालीस करोड सतहत्तर लाख चौवीस हजार नौ सय सोह्र रुपैया र पैसा त्रिसठ्ठी मात्र ।

(*नोट: नगद लाभांशमा वोनस शेयरमा लाग्ने कर प्रयोजनार्थ रहेको छ ।)

(झ) जफत गरिएको शेयर संख्या : समिक्षा आर्थिक वर्षमा कुनै शेयर जफत गरिएको छैन ।

(ज) बैंक र यसका सहायक कम्पनीहरूले गरेको कारोबारको प्रगति : हाल बैंकको सहायक कम्पनी नरहेको ।

(ट) बैंक र यसका सहायक कम्पनीहरूले आर्थिक वर्ष २०७७/७८मा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन : नभएको ।

- (ठ) विगत आर्थिक वर्ष बैंकका आधारभूत शेयरधनीहरूले बैंकलाई उपलब्ध गराएको जानकारी : नभएको ।
- (ड) विगत आर्थिक वर्षमा बैंकका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण : नभएको ।
- (ढ) विगत आर्थिक वर्ष बैंकसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजका आफन्तको व्यक्तिगत स्वार्थ सम्बन्धी जानकारी : नभएको ।
- (ण) बैंकले आफ्नो शेयर आफैँ खरिद गरेको विवरण : बैंकले आफ्नो शेयर आफैँ खरिद गरेको छैन ।

(त) आन्तरिक नियन्त्रण प्रणाली :

बैंकको सम्पूर्ण हर हिसाब लगायत दैनिक कार्य सम्पादन कम्प्युटर प्रविधि मार्फत गर्ने गरिएको छ । बैंकमा आन्तरिक नियन्त्रण तथा संस्थागत सुशासन कायम गर्न बैंकको सञ्चालक समितिले ठूलो भुमिका खेलेको छ । समिक्षा अवधिमा विकास बैंकको सञ्चालक समितिको ३० वटा बैठक बसी विभिन्न महत्वपूर्ण विषयहरूमा निर्णय लिईएको छ । नियमनकारी निकाय नेपाल राष्ट्र बैंकको निर्देशन अनुसार बैंकमा संस्थागत सुशासन कायम गर्न गैह्र कार्यकारी सञ्चालक श्री प्रविण कृष्ण श्रेष्ठको संयोजकत्वमा लेखापरीक्षण समिति, सञ्चालक श्री चिन्तामणी भट्टराईको संयोजकत्वमा जोखिम व्यवस्थापन समिति, सञ्चालक श्री केशव खतिवडाको संयोजकत्वमा कर्मचारी व्यवस्थापन तथा सेवा सुविधा समिति तथा सञ्चालक श्री प्रताप कुमार आचार्यको संयोजकत्वमा सम्पत्ति शुद्धिकरण निवारण समिति गठन गरिएको छ ।

उपरोक्त समितिहरूले विकास बैंकको कारोवारमा आन्तरिक नियन्त्रणका लागि विभिन्न प्रकारको निर्देशन गर्नुका साथै सन्तुलन तथा नियन्त्रणको भूमिका निर्वाह गर्दछन । यसका अतिरिक्त आन्तरिक लेखापरीक्षक नियुक्त गरी नियमित रूपमा आन्तरिक लेखापरीक्षण गर्ने र त्यसको प्रतिवेदन लेखापरीक्षण समितिमा पेश गरी छलफल गर्ने गरिएकोछ । यस वर्ष विकास बैंकले सूचना प्रविधिको समेत अडिट सम्पन्न गरेको छ । उपरोक्त समितिहरूमा विस्तृत रूपमा छलफल पछि कैफियत र नियन्त्रणको लागि व्यवस्थापनलाई निर्देशन दिईने गरेको छ । साथै आगामी दिनमा सम्पूर्ण समितिहरूलाई थप कृयाशिल बनाई आन्तरिक नियन्त्रण अफ प्रभावकारी बनाईनेछ ।

यस विकास बैंकको आन्तरिक नियन्त्रण प्रणालीलाई सुदृढ बनाउन व्यवस्थापन स्तरमा निम्न बमोजिमका समितिहरू क्रियाशिल रहेको व्यहोरा समेत सभा समक्ष जानकारी गराउन चाहन्छु ।

- ▶ आर्थिक निर्देशन समिति
- ▶ पदपूर्ति समिति
- ▶ सम्पत्ति दायित्व व्यवस्थापन समिति
- ▶ खरिद समिति
- ▶ कर्जा असुली समिति
- ▶ लिलाम समिति
- ▶ सूचना प्रविधि अनुगमन समिति
- ▶ निःसर्ग समिति
- ▶ संस्थागत सामाजिक उत्तरदायित्व सम्बन्धी समिति
- ▶ व्यवस्थापन समिति
- ▶ व्यवस्थापन स्तरीय सम्पत्ति शुद्धिकरण निवारण समिति

(थ) विगत आर्थिक वर्ष २०७७/७८ को कुल व्यवस्थापन खर्चको विवरण :

क्र.सं.	विवरण	रकम रु.
१	कर्मचारी खर्च	३५८,७८९,८२२
२	सञ्चालन खर्च	२६३,४२५,७१४
	कुल व्यवस्थापन खर्च	६२२,२१५,५३६

(द) लेखापरीक्षण समितिको काम कारवाहीको विवरण, सदस्यहरूको नाम, तथा निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा :
 बैंकले आ.व. २०७७/७८ मा आन्तरिक लेखापरीक्षण कार्यलाई चुस्त दुरुस्त राख्न स्वतन्त्र लेखापरीक्षक श्री एस आर पाण्डे एण्ड कम्पनीलाई नियुक्त गरेको थियो । आन्तरिक लेखापरीक्षण प्रतिवेदन लेखापरीक्षण समितिलाई सोभै पेश गर्ने व्यवस्था मिलाइएको छ । लेखापरीक्षण समितिले आन्तरिक लेखापरीक्षकले तयार गरेको उक्त प्रतिवेदनलाई पुनरावलोकन गर्नुका साथै सञ्चालक समिति मार्फत व्यवस्थापनलाई आवश्यक निर्देशन दिने कार्य गर्दछ । यसका अतिरिक्त लेखापरीक्षण समितिले बैंकको वित्तीय स्थिति, आन्तरिक नियन्त्रण र जोखिम व्यवस्थापन, कानून तथा नियमको परिपालना, लेखापरीक्षण कार्यबारे नियमित रूपमा समिक्षा गर्ने गरिएको छ र आवश्यकता अनुसार सञ्चालक समिति समक्ष विभिन्न प्रकारको सल्लाह सुभाष प्रदान गर्ने कार्य गर्दै आईरहेको छ । आ.व. २०७७/७८ मा बैंकमा गैर कार्यकारी सञ्चालक श्री प्रविण कृष्ण श्रेष्ठको संयोजकत्वमा गठित लेखापरीक्षण समितिमा सञ्चालक श्री रामचन्द्र सिग्देल सदस्य तथा बैंकका आन्तरिक लेखापरीक्षण विभाग प्रमुख सदस्य सचिव रहनु भएको थियो । लेखापरीक्षण समितिका संयोजक तथा सदस्यलाई (कर्मचारी बाहेक) समिक्षा आ.व. मा सञ्चालक समितिको बैठक भत्ता सरह नै प्रति बैठक रु. ८,०००/- (कर सहित) भत्ता प्रदान गर्ने गरेको छ, सो बाहेक अतिरिक्त पारिश्रमिक प्रदान गरिएको छैन ।

(ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, बैंकका आधारभूत शेयरधनी वा निजका आफन्तले बैंकलाई बुझाउन बाँकी रकम : नभएको

(न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको विवरण :

आ.व. २०७७/७८ मा बैठक भत्ता बापत अध्यक्षलाई प्रति बैठक रु. ९,०००/- र सञ्चालकहरूलाई प्रति बैठक रु. ८,०००/- कर सहित प्रदान गर्ने गरिएको छ । विकास बैंकको कामको सिलसिलामा सञ्चालकहरूलाई भ्रमण भत्ता बिल बमोजिम तथा दैनिक भत्ता स्वदेशमा रु. ६,०००/- प्रति दिनका दरले प्रदान गर्ने गरिएको छ । अध्यक्ष तथा सञ्चालकलाई टेलिफोन सुविधा वापत मासिक रु. २,०००/- साथै पत्रपत्रिका सुविधा वापत मासिक रु. १,५००/- प्रदान गर्ने गरिएको छ ।

आ.व. २०७७/७८ मा प्रमुख कार्यकारी अधिकृत तथा उच्च पदाधिकारीहरूलाई भुक्तानी गरिएको तलव भत्ताको विवरण :

अ) प्रमुख कार्यकारी अधिकृतलाई भुक्तानी गरिएको तलव भत्ता तथा अन्य सुविधाहरू :

विवरण	रकम
पारिश्रमिक	५४,००,०००
बोनस	१७,१४,६६९
संचयकोष	४,३२,०००
दशैँ भत्ता	४,५०,०००
अन्य भत्ता	३,६०,०००
जम्मा	८३,५६,६६९

आ) उच्च व्यवस्थापकीय श्रेणीमा कार्यरत कर्मचारीहरूलाई भुक्तान गरिएको विवरण :

पद	संख्या	तलब	वोनस	संचयकोष	दशैँ	अन्य	जम्मा रु
वरिष्ठ नायव प्रमुख कार्यकारी अधिकृत	१	४४,४०,०००	१३,२७,२४८	२,७१,२००	३,७०,०००	४,९०,०००	६९,०३,४४८
नायव प्रमुख कार्यकारी अधिकृत	१	३८,९६,०००	११,८१,३५४	२,४४,३२०	३,९८,०००	२,९८,७५२	५७,७८,४२६
जम्मा	२	८२,५६,०००	२५,०८,६०२	५,१५,५२०	६,६८,०००	६,९३,७५३	१,२६,८१,८७४

यस बाहेक कर्मचारी सेवा विनियमावली अनुसारको अन्य सुविधाहरू समेत उपलब्ध गराइएको छ ।

(प) शेयरधनीले बुझिलिन बाँकी रहेको लाभांशको रकम : बुझिलिन बाँकी रहेको लाभांशको रकम जम्मा रु. ६,९४,९७,५९९/- रहेको छ ।

(फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको विवरण : नभएको ।

(ब) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबार :

विकास बैंकको शेयर सम्बन्धी सम्पुर्ण कारोबार (Registrar to Share) मुक्तिनाथ क्यापिटल लि. मार्फत गर्दै आएकोमा उक्त कार्य गरे बापत उक्त कम्पनीलाई यस आ.व. २०७७/७८ मा रु. २,००,०००/- (अक्षरेपी दुई लाख मात्र) सेवा शुल्क भुक्तानी गरिएको छ ।

(भ) कम्पनी ऐन २०६३ तथा प्रचलित कानून बमोजिम यस प्रतिवेदनमा खुलाउन पर्ने अन्य कुराहरू : नभएको ।

(म) अन्य आवश्यक कुराहरू: नभएको ।

मानव संशाधन:

विकास बैंकमा २०७८ आषाढ मसान्त सम्म १९१ जना महिला तथा ३५४ जना पुरुष गरी जम्मा ५४५ जना कर्मचारीहरू कार्यरत रहेका थिए । बैंकको उन्नति तथा प्रगतिको लागि मानव संशाधन एक अत्यावश्यक तथा महत्वपूर्ण सम्पत्ति रहेको कारणले कर्मचारीहरूको बृत्ति विकास तथा कार्यक्षमता अभिवृद्धिका लागि समय समयमा तालिम, सेमिनारमा भाग लिन पठाउने तथा आवश्यकता अनुसार आन्तरिक तालिम दिने व्यवस्था गर्दै आएका छौं । बैंकको सफलता बैंकमा कार्यरत कर्मचारीको लगन, निष्ठा, ज्ञान, सिप, कार्यकुशलता, नैतिकता तथा परिश्रममा निर्भर रहने भएको कारणले हरेक कर्मचारीलाई बैंकको सम्पत्तिको रूपमा व्यवहार गर्ने गरिएको छ । संस्थामा कार्यरत कर्मचारीहरूको सन्तुष्टि र व्यक्तिगत विकासबाट नै बैंकको समग्र विकास हुने कुरालाई ध्यानमा राखी बैंकले विभिन्न प्रकारका मानव संशाधन नीतिहरू कार्यान्वयन गर्दै आईरहेको छ ।

बैंकले दक्ष मानव संशाधनलाई काम गर्ने उत्कृष्ट वातावरणको साथै सिक्ने, सेवा प्रदान गर्ने साथै व्यक्तिगत रूपमा विकसित हुने अवसर प्रदान गर्दै आएको छ । आ.व. २०७७/७८ मा बैंकले आयोजना गरेको २५ वटा आन्तरिक तथा २१ वाह्य कुल ४६ वटा तालिम कार्यक्रम मार्फत विकास बैंकका अधिकांश कर्मचारीहरूलाई तालिममा सामेल गराइएको छ ।

संस्थागत सुशासन:

लुम्बिनी विकास बैंकले संस्थागत सुशासनलाई उच्च प्राथमिकतामा राख्दै नियमनकारी निकायहरू नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय, धितोपत्र बोर्ड, नेपाल स्टक एक्सचेञ्ज लगायतबाट जारी गरिएका निर्देशन तथा परिपत्रहरूको कटिबद्ध रूपमा पालना गर्दै आएको छ । संस्थागत सुशासनलाई प्रभावकारी बनाउन विकास बैंकमा सञ्चालक स्तरीय तथा व्यवस्थापन स्तरीय विभिन्न समिति र उप-समितिहरूलाई सक्रिय बनाइएको छ । नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन तथा अन्य प्रचलित ऐन नियम बमोजिम यस विकास बैंकका सञ्चालकहरू तथा कर्मचारीहरूबाट पालना गर्नुपर्ने आचरणहरू पालना भएको र यस सम्बन्धमा विकास बैंकको सञ्चालक समिति पूर्ण प्रतिवद्ध रहेको छ ।

आन्तरिक समिति/उपसमिति:

(१) लेखापरीक्षण समिति :

नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन बमोजिम बैंकमा गैर कार्यकारी सञ्चालकको संयोजकत्वमा गठित तपशिल बमोजिमको लेखापरीक्षण समिति क्रियाशिल रहेको छ ।

१. श्री प्रविण कृष्ण श्रेष्ठ, सञ्चालक	संयोजक
२. श्री रामचन्द्र सिग्देल, सञ्चालक	सदस्य
३. श्री हरिकृष्ण सुवेदी, लेखापरीक्षण विभाग प्रमुख	सदस्य सचिव

आ.व. २०७७/७८ मा वसेको बैठक संख्या: १२

समितिको कार्य सम्बन्धी संक्षिप्त विवरण:

समिक्षा आ.व. २०७७/७८ मा उक्त समितिले विद्यमान ऐन, नियम, नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन र समय समयमा जारी परिपत्र अन्तर्गत दिईएका जिम्मेवारी बमोजिम कार्य गर्दै लेखापरीक्षकहरूले जारी गरेको प्रतिवेदन उपर छलफल गर्ने, उठाईएका कैफियतहरू पुनरावलोकन गर्ने, कैफियतहरू सुधारका लागि सिफारिस गर्ने, आवश्यक निर्देशन दिने, लेखापरीक्षक नियुक्तिको लागि सिफारिस गर्ने, वार्षिक लेखापरीक्षण सम्बन्धी कार्ययोजना तयार गरी उक्त कार्ययोजनाको समय समयमा समिक्षा गर्ने, बैंकको वित्तीय विवरणको त्रैमासिक रूपमा आंकलन गर्ने लगायतका कार्यहरू गर्दै आईरहेको छ ।

(२) जोखिम व्यवस्थापन समिति :

नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन बमोजिम बैंकमा गैर कार्यकारी सञ्चालकको संयोजकत्वमा गठित तपशिल बमोजिमको जोखिम व्यवस्थापन समिति क्रियाशिल रहेको छ ।

१. श्री चिन्तामणी भट्टराई, सञ्चालक	संयोजक
२. श्री प्रविणकृष्ण श्रेष्ठ, सञ्चालक-संयोजक लेखापरीक्षण समिति	पदेन सदस्य
३. श्री अंजु कुमारी गुप्ता, सञ्चालक	सदस्य
४. श्री दिपेन्द्रमान चुई चुई, जोखिम व्यवस्थापन विभागका प्रमुख	सदस्य सचिव

आ.व. २०७७/७८ मा वसेको बैठक संख्या: ५

समितिको कार्य सम्बन्धी संक्षिप्त विवरण:

आ.व. २०७७/७८ मा उक्त समितिले बैंकको कारोबारमा निहित विभिन्न प्रकारका जोखिमहरू सम्बन्धमा विभिन्न कोण तथा औजारहरूको माध्यमबाट विश्लेषण गरी के कसरी बैंकको समग्र कारोवारमा निहित जोखिमहरू न्यूनिकरण गर्ने विषयका साथै बैंकको पूँजी पर्याप्तता सम्बन्धी आन्तरिक विश्लेषण, क्षेत्रगत सीमा निर्धारण तथा अनुपालना, दवाव परीक्षण आदिको अनुगमन गर्ने गरेका, विकास बैंकको जोखिम सम्बन्धमा अन्य जानकारी लिने तथा त्यस सम्बन्धमा सञ्चालक समितिमा राय सुझाव तथा सिफारिस पेश गर्ने गरेको छ ।

(३) कर्मचारी व्यवस्थापन तथा सेवा सुबिधा समिति :

नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन बमोजिम बैंकमा गैर कार्यकारी सञ्चालकको संयोजकत्वमा गठित तपशिल बमोजिमको कर्मचारी व्यवस्थापन तथा सेवा सुबिधा समिति क्रियाशिल रहेको छ ।

१. श्री केशव खतिवडा, सञ्चालक	संयोजक
२. श्री प्रताप कुमार आचार्य, सञ्चालक	सदस्य
३. श्री नरेश सिंह बोहरा, प्रमुख कार्यकारी अधिकृत	सदस्य
४. श्री नवराज भण्डारी, लेखा विभाग प्रमुख	सदस्य
५. श्री प्रेमलाल बस्याल, मानव संसाधन विभाग प्रमुख	सदस्य सचिव

आ.व. २०७७/७८ मा वसेको बैठक संख्या: ५

समितिको कार्य सम्बन्धी संक्षिप्त विवरण:

समिक्षा अवधि आ.व. २०७७/७८ मा उक्त समितिले बैंकमा आवश्यक मानव संसाधनको दरबन्दी तय गर्ने, कार्यक्षमता विकास गर्न तालिम कार्यक्रम तथा नीति तयार गर्ने, कर्मचारीको सेवाको शर्त, तलव भत्ता लगायतका अन्य सुबिधाहरू पुनरावलोकन गर्ने, शाखा वर्गिकरण नीति, पुरस्कार तथा पहिचान नीति पारित गर्ने लगायतका कार्यहरू गरी सञ्चालक समितिको बैठकमा सुझाव र स्विकृतिको लागि पेश गर्ने गरेको छ ।

(४) सम्पत्ति शुद्धीकरण निवारण समिति:

नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन बमोजिम बैंकमा गैर कार्यकारी सञ्चालकको संयोजकत्वमा गठित तपशिल बमोजिमको सम्पत्ति शुद्धीकरण निवारण समिति क्रियाशिल रहेको छ ।

१. श्री प्रताप कुमार आचार्य, सञ्चालक	संयोजक
२. श्री अंजु कुमारी गुप्ता, सञ्चालक	सदस्य
३. श्री हरि कृष्ण सुवेदी, अनुपालन विभाग प्रमुख	सदस्य
४. श्री दिपेन्द्रमान चुई चुई, जोखिम विभाग प्रमुख	सदस्य
५. श्री शुकदेव पहारी, कार्यान्वयन अधिकारी	सदस्य सचिव

आ.व. २०७७/७८ मा वसेको बैठक संख्या: ४

समितिको कार्य सम्बन्धी संक्षिप्त विवरण:

समिक्षा अवधि आ.व. २०७७/७८ मा यस समितिले विकास बैंकमा ग्राहक पहिचान सम्बन्धी विद्यमान व्यवस्थाको अध्ययन, निरीक्षण तथा अनुगमन गर्ने, ग्राहक पहिचान पद्धति तथा सम्पत्ति शुद्धीकरण सम्बन्धमा हुन सक्ने सम्भावित आर्थिक गतिविधि र सोको नियन्त्रणको लागि नीति निर्माण गर्ने सम्बन्धमा सञ्चालक समिति समक्ष सुभाव पेश गर्ने कार्य गरेकोछ । समितिले AML/CFT & KYC सम्बन्धी नीति तथा कार्यविधि तयार गरी सञ्चालक समितिबाट पारित गराई उक्त AML/CFT & KYC सम्बन्धी नीति तथा कार्यविधि कार्यान्वयनमा समेत ल्याई सकेको छ । यसै वर्ष २०७७ माघ २ गतेदेखि TTR/STR रिपोर्ट वित्तीय जानकारी ईकाइमा अनलाईन प्रविधि मार्फत सफलतापूर्वक पठाउन शुरु गरि सकेको छ ।

सम्पत्ति शुद्धीकरण निवारण सम्बन्धमा :

विकास बैंकले सम्पत्ति शुद्धीकरण तथा आतंकवादी क्रियाकलापमा वित्तीय लगानी निवारण सम्बन्धमा प्रचलित ऐन, नियम तथा नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन र अन्य परिपत्रहरूको कार्यान्वयन तथा पालना गरि आएको छ । साथै बैंकमा गैर कार्यकारी सञ्चालकको संयोजकत्वमा क्रियाशिल सम्पत्ति शुद्धीकरण निवारण समितिले प्रचलित ऐन नियम तथा निर्देशन अन्तर्गत रही आफ्नै छुट्टै सम्पत्ति शुद्धीकरण नीति र ग्राहक पहिचान सम्बन्धमा AML/CFT & KYC सम्बन्धी नीति तथा कार्यविधि समेत तयार गरी सञ्चालक समितिबाट पारित गराई लागु गरेको छ । सम्पत्ति शुद्धीकरण तथा आतंकवादी क्रियाकलापमा वित्तीय लगानी निवारण बिषय एक संवेदनशिल विषय रहेकोले बैंकका संचालक, शेयरधनी र कर्मचारीहरूलाई यस विषयमा समयानुकूल तालिम दिईने गरिएको छ र ग्राहक पहिचान कार्यलाई निरन्तर चल्ने प्रक्रियाको रूपमा लिई आवश्यकता अनुसार ग्राहकहरूको विवरणहरू अद्यावधिक गर्दै गईरहेको छ ।

संस्थागत सामाजिक उत्तरदायित्व :

बैंकले संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत विभिन्न सामाजिक संघ संस्थाहरू, विद्यालयहरू तथा लक्षित समुहलाई नगद तथा जिन्सी शैक्षिक सामग्रीहरू, कोभिड १९ बाट सुरक्षा प्रदान गर्न विभिन्न ठाउँमा मास्क, स्यानिटाइजर, पञ्जा लगायतका स्वास्थ्य सामग्रीहरू, विपन्न वर्गहरूलाई खाद्यान्न सहयोग प्रदान गर्दै आईरहेको छ । विभिन्न संघ संस्थाहरूबाट आयोजना हुने जनचेतना सम्बन्धी कार्यक्रममा खानेपानी वितरण, सार्वजनिक स्थलहरू, नदिनाला सफाई, गरिव र आवश्यक वालवालिकाको शिक्षाको लागि सहयोग गर्ने आदि कार्यक्रमहरूमा विभिन्न सामग्रीहरूका साथमा प्रत्यक्ष सहभागि भै योगदान गर्ने गरिएको छ । आगामी दिनमा पनि यस किसिमका संस्थागत सामाजिक उत्तरदायित्वका कार्यक्रमहरूलाई सक्रिय एवं प्रभावकारी रूपमा सञ्चालनमा ल्याईने व्यहोरा उल्लेख गर्न चाहन्छौं ।

प्रविधि :

यस विकास बैंकले आफ्नो दैनिक बैंकिङ्ग कार्यप्रणाली Pumori IV नामको बैंकिङ्ग सफ्टवेयरबाट सञ्चालन गर्दै आईरहेको छ । पुमोरी सफ्टवेयरमा समय सापेक्ष सुधार गरी नयाँ संस्करणको रूपमा तयार गरिएको Pumori IV सफ्टवेयर बैंकिङ्ग क्षेत्रमा बिश्वास प्राप्त नै रहेको छ । यसका साथै उक्त सफ्टवेयरमा आवश्यकता अनुसार समय समयमा सुधार तथा थप परिमार्जन समेत भईरहेको छ भने सफ्टवेयर प्रदायक कम्पनीबाट समेत समय समयमा आवश्यक सहयोग तथा सुभाव प्राप्त भैरहेको छ । विकास बैंकले कर्मचारी व्यवस्थापनको लागि NIMBUS नामक सफ्टवेयर र सम्पत्ति शुद्धीकरण निवारण तथा go-AML रिपोर्टिङ प्रयोजनको लागि INFICARE नामक सफ्टवेयर तथा NCHL Connect IPS मा आबद्ध भई ePayment सेवा समेत सञ्चालनमा ल्याएको व्यहोरा जानकारी गराउन चाहन्छु । बैंकको कार्य सम्पादनलाई अभै चुस्त र दुरुस्त गर्ने प्रयोजनार्थ अन्य विभिन्न सफ्टवेयरहरू खरिद गरि प्रयोग गर्न प्रक्रियाहरू थालिने पनि गरीएको छ ।

शेयरधनीसँगको सम्बन्ध तथा शेयरधनीहरूलाई सूचना व्यवस्था:

समिक्षा अवधि २०७८ असार मसान्त सम्ममा यस विकास बैंकका जम्मा संस्थापक शेयरधनीको संख्या ३५८ तथा सर्वसाधारण शेयरधनीको संख्या ४२,४४८ रहेको जानकारी गराउँदछु । बैंकले शेयरधनीहरूसँग सूचना आदान प्रदान गर्ने कार्यलाई उच्च प्राथमिकता दिईएको छ । वार्षिक साधारणसभामा शेयरधनी महानुभावहरूसँगको प्रत्यक्ष संवादको माध्यमबाट बैंकले मार्ग निर्देशन प्राप्त गर्ने गरेको छ । बैंकको वार्षिक प्रतिवेदन, त्रैमासिक प्रतिवेदन, प्रेस विज्ञप्ती लगायत अन्य जानकारीहरू विभिन्न सञ्चार माध्यम एवं बैंकको वेबसाइट www.lumbinibikasbank.com द्वारा उपलब्ध गराउने गरिएको छ । यसै गरी शेयरधनीहरूको हकहितलाई मध्यनजर गरी संस्थागत सुशासन तथा अनुपालनको स्तरलाई उच्चतम राख्ने कार्यमा बैंकले सदैव महत्व दिदै आएको छ । बैंकले नेपाल राष्ट्र बैंक तथा अन्य नियामक निकायहरूबाट समय समयमा जारी भएका निर्देशनको अधीनमा रही विभिन्न नीति नियम सञ्चालक समितिबाट स्वीकृत गराई पूर्ण रूपमा लागू गर्दै आएको छ ।

धन्यवाद ज्ञापन

यस विकास बैंकले तय गरेका उद्देश्य प्राप्तीका लागि विभिन्न समयमा प्रत्यक्ष अप्रत्यक्ष रूपमा महत्वपूर्ण सहयोग पुऱ्याउनु हुने तथा बैंकप्रति विश्वास कायम राखी धैर्यतापूर्वक बैंकको भविष्य सुनिश्चित तुल्याई बैंकको अवस्था मजबुत बनाउन देखाउनु भएको सद्भाव तथा हौसला प्रति समस्त आदरणीय शेयरधनी महानुभावहरूमा हार्दिक कृतज्ञता व्यक्त गर्दछौं ।

यस लुम्बिनी विकास बैंकलाई अझ बलियो र सुदृढ विकास बैंकको रूपमा वित्तीय बजारमा पहिचान बनाउन विभिन्न किसिमले सक्रिय सहयोग पुऱ्याउनु हुने तथा अभिभावकको रूपमा निरन्तर मार्गदर्शन तथा सदा साथ दिनुहुने आदरणीय शेयरधनी महानुभावहरू तथा नियमनकारी निकायहरू नेपाल सरकार, नेपाल राष्ट्र बैंक, नेपाल धितोपत्र बोर्ड, कम्पनी रजिष्ट्रारको कार्यालयका साथै नेपाल स्टक एक्सचेन्ज लि. तथा अन्य प्रत्यक्ष परोक्ष रूपमा सहयोग पुऱ्याउँदै आउनु भएका सम्पूर्ण निकायहरू तथा शुभचिन्तक महानुभावहरू प्रति हार्दिक कृतज्ञता ज्ञापन गर्दै भविष्यमा पनि यसै गरी यहाँहरूको साथ र सहयोग पाईरहने विश्वास लिएका छौं । अन्त्यमा, यस विकास बैंकको समृद्धिको लागि निरन्तर क्रियाशील भई आफ्नो मेहनत र लगनका साथ बैंकलाई दिनुभएको योगदानको लागि म सञ्चालक समितिको तर्फबाट विकास बैंकको ब्यवस्थापन समुह लगायत सम्पूर्ण कर्मठ कर्मचारीहरूलाई धन्यवाद दिन चाहन्छु ।

धन्यवाद ।

सञ्चालक समितिको तर्फबाट
दशरथ रिसाल
अध्यक्ष
मिति : २०७८ पौष ०९ गते

धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को

अनुसूची-१५ (नियम २६ को उपनियम (२) सँग सम्बन्धित) अन्य विवरणहरू:

- सञ्चालक समितिको प्रतिवेदन:
वार्षिक प्रतिवेदनमा संलग्न गरिएको ।
- लेखापरीक्षकको प्रतिवेदन:
वार्षिक प्रतिवेदनमा संलग्न गरिएको ।
- लेखापरीक्षण भएको वित्तीय विवरण:
वार्षिक प्रतिवेदनमा संलग्न गरिएको ।
- कानूनी कारवाही सम्बन्धी विवरण:
(क) यस आ.व. २०७७/७८ मा बैंकको विरुद्ध कर्जा तथा दैनिक कार्य सम्बन्धमा ग्राहक तथा बैंक बीच हुने सामान्य मुद्दा बाहेक तात्त्विक असर हुने अन्य कुनै पनि मुद्दा दायर गरेको छैन ।
(ख) यस आ.व. २०७७/७८ मा बैंकका संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध सम्बन्धमा कुनै मुद्दा दायर भएको जानकारी प्राप्त भएको छैन ।
(ग) यस आ.व. २०७७/७८ मा संस्थाको कुनै पनि संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध सम्बन्धी कुनै मुद्दा दायर भएको जानकारी प्राप्त भएको छैन ।
- संगठित संस्थाको शेयर कारोबार सम्बन्धी विवरण :
(क) यस संस्थाका शेयरहरू नेपाल स्टक एक्सचेन्जमा सुचिकृत भै कारोवार भैरहेको छ । शेयरको मूल्य तथा कारोवार बजारले निर्धारण गर्ने हुँदा यस संस्थाको व्यवस्थापन शेयरको मूल्य तथा कारोवार प्रति तटस्थ छ ।
(ख) आ.व. २०७७/७८ मा विकास बैंकको शेयर कारोबारको विवरण (नेपाल स्टक एक्सचेन्ज लि.को वेवसाईट अनुसार): निम्न बमोजिम रहेको छ ।

अधिकतम मूल्य (रु.)	न्यूनतम मूल्य (रु.)	अन्तिम मूल्य	कुल कारोबार भएको दिन	कारोबार संख्या
६९६	९८९	५८५	२४६	९०,६६७

६. समस्या तथा चुनौतीहरू :

आन्तरिक तथा बाह्य समस्याहरू:

- ब्याजदरमा हुने परिवर्तन ।
- कर्जा असुलीमा जटिलता ।
- लगानीको क्षेत्र संकुचित हुँदै जानु ।
- दक्ष जनशक्तिको अभाव ।
- घट्टो स्प्रेड दर ।

आन्तरिक तथा बाह्य चुनौतीहरू :

- देशमा भित्रिने विप्रेषणमा पर्ने प्रभाव ।
- बैंकिङ क्षेत्रमा बढ्दो प्रतिस्पर्धा ।
- अन्तराष्ट्रिय स्तरमा देखिएको मन्दी ।
- नीति नियमहरू परिवर्तनबाट हुन सक्ने जोखिम ।

७. विवरणपत्रमा प्रक्षेपण गरिएका र लेखापरीक्षण भएको विवरणहरूमा वीस प्रतिशत वा सो भन्दा बढी फरक सम्बन्धी विवरण :

८. नियम २२ को उपनियम (५) सँग सम्बन्धित विशेष घटना वा परिस्थिति सम्बन्धी विवरण : नरहेको

आजका मितिसम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरूको शुद्धता सम्बन्धमा म व्यक्तिगत रूपमा उत्तरदायित्व लिन्छु । साथै म यो उद्घोष गर्दछु की मैले जाने बुझिसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरू सत्य, तथ्य तथा पूर्ण छन् र लगानीकर्ताहरूलाई सुसूचित हुन, निर्णय लिन आवश्यक कुनै विवरण, सूचना तथा जानकारीहरू लुकाईएको छैन ।

नरेश सिंह बोहरा
प्रमुख कार्यकारी अधिकृत

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF LUMBINI BIKAS BANK LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Lumbini Bikas Bank Ltd (Bikas Bank), which comprise consolidated statement of financial position as at Ashad 31, 2078 (July 15, 2021) and consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Bikas Bank as at Ashad 31, 2078 (July 15, 2021), its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Consolidated Financial Statements section of our report. We are independent of the Bikas Bank and we have fulfilled our other ethical responsibilities in accordance with the ICAN's Handbook of the 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated to the shareholders.

S. N.	Key Audit Matters	Auditors Response
1	Loan Loss Provision Ref. Note number 4.7 and accounting policies to the financial statements ✓ As per NRB Unified Directive 04/2077, Bikas Bank shall measure impairment loss on loans and advances at the higher of: a. Amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provisioning; and	Our audit approach regarding verification of impairment of loans and advances included: a. Review of overdue status of loans and advances by obtaining data from the system and matched same with NRB 2.2 Report.



<p>b. Amount determined as per para 63 of NAS 39 adopting Incurred Loss Model</p> <p>As per the norms prescribed by NRB, provision at prescribed rate should be created on loans and advances based on overdue status on loans and advances as well as utilization status of the facility, status of collateral security, borrower's whereabouts etc.</p> <p>As per NAS 39 read with NFRS 9, impairment of loans and advances should be made on individual impairment basis for loans and advances that are individually significant and collective impairment basis for homogeneous groups of loans that are not considered individually significant. The impairment of loans and advances under incurred loss model require assessment of future cash flows as well as historical loss experiences of portfolios.</p> <p>Owing to above facts, the calculation of loan loss provision is regarded as Key Audit Matters.</p>	<p>b. Sample credit files were reviewed, among other things, from the perspective of utilization of loans and advances for intended purpose by way of scrutiny of financial statements, account movement, account turnover etc.</p> <p>c. Expected future cash flows from individually significant loans and advances with indication of impairment are assessed on the basis of realizable value of collateral securities based on management estimate.</p> <p>d. Grouping of homogeneous group of loans was assessed on the basis of nature and purposes of loans and data of historical loss experience in portfolios are assessed on the basis of past due data from the system as well as data of loan loss provisions of the defined group in the past.</p>
<p>2 COVID 19 First and Second Wave Impact</p> <p>The pandemic of COVID 19 has impacted profitability of Bikas Bank and its borrowers. Further, directives, notices and circulars issued by Nepal Rastra Bank granted relaxation on payment of interest and repayment of loan to Covid Impacted Borrowers and also required additional impairment charge for pass loans and advances which has significantly impacted financial performance of Bikas Bank, accordingly we considered this as Key Audit Matter.</p>	<p>We applied following procedures in respect of Covid 19 impact verification:</p> <p>a. Verification of additional loan loss provision required as per NRB circulars for those borrowers who were categorized as pass loan, those borrowers who were granted additional loan for revival from Covid 19 Impact and for restructuring and rescheduling of loans of those borrowers with major impact by Covid 19.</p> <p>b. Compliances of regulatory requirements regarding relaxation to impacted borrowers.</p>

Other Information

Management is responsible for other information. The other information comprises the information included in the Annual Report and Report of Board of Directors, but not included in the consolidated financial statements and our auditor's report thereon.

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



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

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

In preparing the consolidated financial statements, management is responsible for assessing the Bikas 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 Bikas Bank or to cease operations or has no realistic alternative but to do so.

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

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

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

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

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



- Evaluate the overall presentation, structure and content of the consolidated financial statements including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

On the basis of our examination, we further report that:

- 1) 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.
- 2) The consolidated financial statements which include consolidated statement of financial position as at Ashad 31, 2078, the consolidated statement of profit or loss, consolidated statement of cash flows, consolidated statement of changes in equity for the year then ended, a summary of significant accounting policies and notes to the consolidated financial statements are prepared in all material respect as per the procedure and format prescribed by Nepal Rastra Bank and in agreement with the books of accounts maintained by the Bikas Bank and proper books of account as required by the law have been kept.
- 3) The capital fund, risk bearing fund and the provision for possible impairment of assets of the Bikas Bank are adequate as per the Directives issued by Nepal Rastra Bank.
- 4) The returns received from the branch offices of the Bikas Bank, though all the statements are independently not audited, were adequate for the purpose of the audit.
- 5) 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 Bikas Bank has acted contrary to the provisions of law or caused loss or damage to the Bikas Bank or committed any misappropriation of its funds.
- 6) To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the loans have been written off as specified; the business of the Bikas Bank was conducted satisfactorily, and the Bikas Bank's transactions were found to be within the scope of its authority.



CA. Khagendra Bhattarai
For Khagendra & Associates
Chartered Accountants
UDIN: 211026CA00138uEcmL



Date: October 25, 2021

Place: Baneshwor, Kathmandu

Consolidated Statement of Financial Position
As at 31st Ashad 2078 (15 July 2021)

Figures in NPR

Particulars	Note	Bank	
		As at 31st Ashad 2078	As at 31st Ashad 2077
Assets			
Cash and cash equivalent	4.1	4,264,391,045	4,811,555,306
Due from Nepal Rastra Bank	4.2	1,318,007,209	1,300,360,398
Placement with Bank and Financial Institutions	4.3	-	-
Derivative financial instruments	4.4	-	-
Other trading assets	4.5	-	-
Loan and advances to B/FIs	4.6	2,516,006,709	1,008,801,718
Loans and advances to customers	4.7	29,673,539,871	24,320,524,314
Investment securities	4.8	4,977,422,560	1,936,473,837
Current tax assets	4.9	257,032,301	148,003,557
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	583,734,750	483,295,906
Investment property	4.12	65,730,600	54,197,778
Property and equipment	4.13	305,936,977	314,659,956
Goodwill and Intangible assets	4.14	2,781,720	3,328,740
Deferred tax assets	4.15	-	-
Other assets	4.16	160,589,428	115,382,380
Total Assets		44,125,173,171	34,496,583,890
Liabilities			
Due to Bank and Financial Institutions	4.17	408,344,280	1,176,764,472
Due to Nepal Rastra Bank	4.18	1,426,927,505	469,929,415
Derivative financial instruments	4.19	-	-
Deposits from customers	4.20	36,371,466,800	28,058,567,257
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred tax liabilities	4.15	194,461,121	40,595,650
Other liabilities	4.23	429,401,671	306,751,504
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
Total liabilities		38,830,601,376	30,052,608,297
Equity			
Share capital	4.26	2,906,453,550	2,716,311,729
Share premium		-	76,312
Retained earnings		435,012,253	293,536,397
Reserves	4.27	1,953,105,992	1,434,051,154
Total equity attributable to equity holders		5,294,571,795	4,443,975,592
Non-controlling interest		-	-
Total equity		5,294,571,795	4,443,975,592
Total liabilities and equity		44,125,173,171	34,496,583,890
Contingent liabilities and commitment	4.28	2,790,566,710	1,877,715,145
Net assets value per share		182.17	163.60

As per our report of even date

Nawaraj Bhandari
 Head- Finance Account and
 Treasury

Naresh Singh Bohra
 Chief Executive Officer

Dasharath Risal
 Chairman

CA Khagendra Bhattarai
 Khagendra and Associates
 Chartered Accountants

Anju Kumari Gupta
 Director

Ram Chandra Sigdel
 Director

Pratap Kumar Acharya
 Director

Prabin Krishna Shrestha
 Director

Keshav Khatiwada
 Director

Chintamani Bhattarai
 Director

Date: 2078-07-08

**Consolidated Statement of Profit or Loss
 For the Year Ended 31st Ashad 2078 (15 July 2021)**

Figures in NPR

Particulars	Note	Bank	
		As at 31st Ashad 2078	As at 31st Ashad 2077
Interest income	4.29	3,453,903,454	3,441,514,532
Interest expense	4.30	2,242,898,808	2,291,760,758
Net interest income		1,211,004,646	1,149,753,774
Fee and commission income	4.31	177,202,015	119,787,794
Fee and commission expense	4.32	4,842,097	3,363,472
Net fee and commission income		172,359,917	116,424,322
Net interest, fee and commission income		1,383,364,564	1,266,178,095
Net trading income	4.33	(17,864)	13,481
Other operating income	4.34	139,573,324	28,153,305
Total operating income		1,522,920,024	1,294,344,881
Impairment charge/(reversal) for loans and other losses	4.35	294,322,127	178,040,667
Net operating income		1,228,597,896	1,116,304,214
Operating expense			
Personnel expenses	4.36	358,789,822	324,049,733
Other operating expenses	4.37	214,949,596	212,721,007
Depreciation & Amortization	4.38	48,476,118	53,482,738
Operating Profit		606,382,360	526,050,737
Non operating income	4.39	22,985,076	13,700,688
Non operating expense	4.40	4,055,221	1,298,145
Profit before income tax		625,312,215	538,453,280
Income tax expense	4.41	191,345,036	159,892,456
Current Tax		189,028,448	154,529,271
Deferred Tax		2,316,588	5,363,185
Profit for the period		433,967,179	378,560,824
Profit attributable to:			
Equity holders of the Bank		433,967,179	378,560,824
Non-controlling interest		-	-
Profit for the period		433,967,179	378,560,824
Earnings per share			
Basic earnings per share		14.93	13.94
Diluted earnings per share		14.93	13.94

As per our report of even date

Nawaraj Bhandari
 Head- Finance Account and
 Treasury

Naresh Singh Bohra
 Chief Executive Officer

Dasharath Risal
 Chairman

CA Khagendra Bhattarai
 Khagendra and Associates
 Chartered Accountants

Anju Kumari Gupta
 Director

Ram Chandra Sigdel
 Director

Pratap Kumar Acharya
 Director

Prabin Krishna Shrestha
 Director

Keshav Khatiwada
 Director

Chintamani Bhattarai
 Director

Date: 2078-07-08

Consolidated Statement of Comprehensive Income
For the Year Ended 31st Ashad 2078 (15 July 2021)

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Profit for the year	433,967,179	378,560,824
Other comprehensive income, net of income tax		
a) Items that will not be reclassified to Profit or loss		
· Gains/(losses) from Investments in equity instruments measured at fair value	536,112,372	241,097,235
· Gains/(losses) on revaluation		
· Actuarial gains/(losses) on defined benefit plans	13,116,043	3,652,060
· Income tax relating to above items	(151,548,883)	(69,668,113)
Net other comprehensive income that will not be reclassified to profit or loss	397,679,532	175,081,182
b) Items that are or may be reclassified to profit or loss		
· Gains/(losses) on cash flow hedge	-	-
· Exchange gains/(losses) (arising from translating financial assets of foreign operation)	-	-
· Income tax relating to above items	-	-
· Reclassify to profit or loss	-	-
Net other comprehensive income that are or may be reclassified to profit or loss	-	-
c) Share of other comprehensive income of associate accounted as per equity method	100,438,844	70,358,053
Other comprehensive income for the period, net of income tax	498,118,376	245,439,235
Total comprehensive income for the year	932,085,555	624,000,059
Total comprehensive income attributable to:		
Equity holders of the Bank	932,085,555	624,000,059
Non-controlling interest	-	-
Total comprehensive income for the period	932,085,555	624,000,059

As per our report of even date

Nawaraj Bhandari
Head- Finance Account and
Treasury

Naresh Singh Bohra
Chief Executive Officer

Dasharath Risal
Chairman

CA Khagendra Bhattarai
Khagendra and Associates
Chartered Accountants

Anju Kumari Gupta
Director

Ram Chandra Sigdel
Director

Pratap Kumar Acharya
Director

Prabin Krishna Shrestha
Director

Keshav Khatiwada
Director

Chintamani Bhattarai
Director

Date: 2078-07-08

Consolidated Statement of Changes in Equity
For the Year Ended 31st Ashad 2078 (15 July 2021)

Figures in NPR

Particulars	Attributable to equity holders of the Bank										Total
	Share Capital	Share premium	General reserve	Exchange equalization reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserves		
Balance at Shrawan 1, 2076	2,209,766,313	14,272,683	644,579,577	502,152	166,224,583	12,159,665	-	522,039,599	638,475,493	4,208,020,064	
Comprehensive income for the year											
Profit for the year	-	-	-	-	-	-	-	378,560,824	-	378,560,824	
Other comprehensive income, net of tax											
Gains/(losses) from investments in equity instruments measured at fair value	-	-	-	-	-	172,524,740	-	-	-	172,524,740	
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	
Share of Associates accounted as per Equity Method	-	-	-	-	-	-	-	-	70,358,054	70,358,054	
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	2,556,442	2,556,442	
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	
Exchange gains/(losses) (arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	172,524,740	-	378,560,824	72,914,496	624,000,060	
Transfer to reserve during the year	-	-	75,712,165	345,954	59,954,722	-	-	(139,798,448)	3,785,608	(0.00)	
Transfer from reserve during the year	-	-	-	-	(25,025,649)	(12,522,251)	-	50,127,133	(12,579,233)	-	
Transactions with owners, directly recognised in equity	-	-	-	-	-	-	-	-	-	-	
Share issued	-	-	-	-	-	-	-	-	-	-	
Premium received on issuance of unsubscribed number of right shares	-	-	-	-	-	-	-	-	-	-	
Share based payments	-	-	-	-	-	-	-	-	-	-	
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	
Bonus shares issued	506,545,416	(14,196,371)	-	-	-	-	-	(129,348,178)	(363,000,867)	-	
Cash dividend paid	-	-	-	-	-	-	-	(388,044,533)	-	(388,044,533)	
Total contributions by and distributions	506,545,416	(14,196,371)	75,712,165	345,954	34,929,073	160,002,489	-	(228,503,201)	(298,879,996)	235,955,528	
Balance at Ashad end 2077	2,716,311,729	76,312	720,291,742	848,105	201,153,656	172,162,154	-	293,536,397	339,595,497	4,443,975,592	

Other reserves as at 31 Ashad 2077 includes Corporate Social Responsibility Reserve, Staff Training Fund, Investment Adjustment Reserve, and Actuarial Gain on Gratuity.

Consolidated Statement of Changes in Equity
For the Year Ended 31st Ashad 2078 (15 July 2021)

Figures in NPR

Particulars	Bank										Total
	Share Capital	Share premium	General reserve	Exchange equalization reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserves		
Balance at Shrawan 1, 2077	2,716,311,729	76,312	720,291,742	848,105	201,153,656	172,162,154	-	293,536,397	339,595,497		4,443,975,592
Comprehensive income for the year											
Profit for the year	-	-	-	-	-	-	-	433,967,179	-	-	433,967,179
Other comprehensive income, net of tax											
Gains/(losses) from investments in equity instruments measured at fair value	-	-	-	-	-	388,498,302	-	-	-	-	388,498,302
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-	-	-
Share of Associates accounted as per Equity Method									100,438,844		100,438,844
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	9,181,230		9,181,230
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) (arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	388,498,302	-	433,967,179	109,620,074		932,085,555
Transfer to reserve during the year	-	-	86,793,436	-	-	(44,065,472)	-	(47,067,636)	4,339,672		-
Transfer from reserve during the year	-	-	-	-	(22,911,438)	-	-	26,131,174	(3,219,736)		-
Transactions with owners, directly recognised in equity											
Share issued	-	-	-	-	-	-	-	-	-	-	-
Premium received on issuance of unsubscribed number of right shares	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	190,141,821	(76,312)	-	-	-	-	-	(190,065,509)	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	(81,489,352)	-	-	(81,489,352)
Total contributions by and distributions	190,141,821	(76,312)	86,793,436	-	(22,911,438)	344,432,830	-	141,475,855	110,740,010	-	850,596,203
Balance at Ashad end 2078	2,906,453,550	-	807,085,177	848,105	178,242,218	516,594,984	-	435,012,253	450,335,508	-	5,294,571,795

Other reserves as at 31st Ashad 2078 includes Corporate Social Responsibility Reserve, Staff Training Fund, Investment Adjustment Reserve, Actuarial Gain on Gratuity & Reserve in Investment in Associates using equity Method.

Changes in Other Reserve of the Bank

Other Reserves

Particulars	Staff training fund	Corporate social responsibility reserve	Investment Adjustment Reserve	Capital Reserve	Deferred tax reserve	Other Reserve	Actuarial gain/(loss)	Reserve on investment in Associate-Equity Method	Total
Opening balance of Other reserve as at 1 Shrawan 2076	5,551,197	7,028,036	40,000,000	363,000,867	-	5,475,000	424,264	216,996,130	638,475,494
Transfer to various reserves from retained earning	-	3,785,608	-	-	-	-	-	-	3,785,608
Transfer to retained earning during the year	(5,551,197)	(7,028,036)	-	-	-	-	-	-	(12,579,233)
Issue of Bonus Share	-	-	-	(363,000,867)	-	-	-	-	(363,000,867)
OCI Movement-Reserve in Associates using equity	-	-	-	-	-	-	-	70,358,054	70,358,054
OCI Movement on Actuarial Gain/loss	-	-	-	-	-	-	3,652,060	-	3,652,060
DTA/DTL on OCI-(Addition)/Reversal	-	-	-	-	-	-	(1,095,618)	-	(1,095,618)
Closing balance of Other reserve as at 31 Ashad 2077	-	3,785,608	40,000,000	-	-	5,475,000	2,980,706	287,354,183	339,595,497
Transfer to various reserves from retained earning	-	4,339,672	-	-	-	-	-	-	4,339,672
Transfer to retained earning during the year	-	(3,219,736)	-	-	-	-	-	-	(3,219,736)
Issue of Bonus Share	-	-	-	-	-	-	-	-	-
OCI Movement-Reserve in Associates using equity	-	-	-	-	-	-	-	100,438,844	100,438,844
OCI Movement on Actuarial Gain/loss	-	-	-	-	-	-	13,116,043	-	13,116,043
DTA/DTL on OCI-(Addition)/Reversal	-	-	-	-	-	-	(3,934,813)	-	(3,934,813)
Closing balance of Other reserve as at Asahd end 2078	-	4,905,544	40,000,000	-	-	5,475,000	12,161,936	387,793,028	450,335,508

Changes in Regulatory Reserve

Particulars	Interest Receivable	Short Loan Loss Provision	Short provision for possible losses on investment	Short Provision on NBA	Deferred Tax Assets	Goodwill	Gain on Bargain Purchase	Actuarial loss Recognized	Other	Total
Transfer from/(to) Retained Earnings: For FY 2075-76										
Interest Income recognized on Accrual Basis: From FY 2073-74	37,216,309	-	-	-	-	-	-	-	-	37,216,309
Interest Income recognized on Accrual Basis: From FY 2074-75	7,186,354	-	-	-	-	-	-	-	-	7,186,354
Interest Income recognized on Accrual Basis: From FY 2075-76	21,304,124	-	-	-	-	-	-	-	-	21,304,124
Fair Value Losses on Equity Investment: Addition/(Reversal)	-	-	28,868,726	-	-	-	-	-	-	28,868,726
Short Provision on NBA (net of Accumulated Depreciation)	-	-	-	54,292,581	-	-	-	-	-	54,292,581
Deferred Tax Assets (Recognized/(Reversal) through P/L)	-	-	-	-	39,828,761	-	-	-	-	39,828,761
Actuarial Gain on Leave (through P/L account): Addition/(Reversal)	-	-	-	-	-	-	953,043	-	953,043	953,043
Less: Adjustment of Staff Bonus & Tax	(21,203,324)	-	-	(2,221,989)	-	-	-	-	-	(23,425,313)
Closing as on Ashad End 2076	44,503,462	-	28,868,726	52,070,591	39,828,761	-	-	-	953,043	166,224,583
Transfer from/(to) Retained Earnings: For FY 2076-77										
Accrued Interest Income recognized on FY 2076-77	65,362,160	-	-	-	-	-	-	-	-	65,362,160
Fair Value Losses on Equity Investment: Addition/(reversal)	-	-	(19,662,464)	-	-	-	-	-	-	(19,662,464)
Short Provision on NBA (net of Accumulated Depreciation)	-	-	-	-	-	-	-	-	-	-
Actuarial Gain on Leave (through P/L account): Addition/(Reversal)	-	-	-	-	-	-	7,780,428	-	7,780,428	7,780,428
Interest Capitalization of Loan (not allowed for distribution)	-	-	-	-	-	-	14,104,319	-	14,104,319	14,104,319
Deferred Tax Assets (Recognized/(Reversal) through P/L)	-	-	-	-	(5,363,185)	-	-	-	-	(5,363,185)
Less: Adjustment of Staff Bonus & Tax	(27,292,186)	-	-	-	-	-	-	-	-	(27,292,186)
Closing as on Ashad End 2077	82,573,436	-	9,206,262	52,070,591	34,465,576	-	-	-	22,837,790	201,153,656

Continued..

Particulars	Interest Receivable	Short Loan Loss Provision	Short provision for possible losses on investment	Short Provision on NBA	Deferred Tax Assets	Goodwill	Gain on Bargain Purchase	Actuarial loss Recognized	Other	Total
Transfer from/(to) Retained Earnings: For FY 2077-78										
Accrued Interest Income recognized on FY 2077-78	4,255,428	-	-	-	-	-	-	-	-	4,255,428
Fair Value Losses on Equity Investment: Addition/(reversal)	-	-	(9,206,262)	-	-	-	-	-	-	(9,206,262)
Short Provision on NBA (net of Accumulated Depreciation)	-	-	-	11,438,019	-	-	-	-	-	11,438,019
Actuarial Gain on Leave (through P/L account): Addition/(Reversal)	-	-	-	-	-	-	-	-	(8,733,471)	(8,733,471)
Interest Capitalization of Loan (not allowed for distribution)	-	-	-	-	-	-	-	-	5,324,278	5,324,278
Deferred Tax Assets (Recognized/(Reversal) through P/L)	-	-	-	-	(2,316,588)	-	-	-	-	(2,316,588)
Less: Adjustment of Staff Bonus & Tax	(1,574,508)	-	-	(22,098,332)	-	-	-	-	-	(23,672,841)
Closing as on Ashad End 2078	85,254,356	-	-	41,410,278	32,148,988	-	-	-	19,428,596	178,242,218

Consolidated Statement of Cash Flows
For the year ended Sharwan 1st 2077 to Ashad 31st 2078

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	3,351,749,535	3,218,345,745
Fees and other income received	177,202,015	119,787,794
Dividend received	16,063,827	15,710,668
Receipts from other operating activities	33,805,193	13,362,411
Interest paid	(2,242,898,808)	(2,291,760,758)
Commission and fees paid	(4,842,097)	(3,363,472)
Cash payment to employees	(331,389,924)	(396,619,342)
Other expense paid	(228,008,424)	(212,721,007)
Operating cash flows before changes in operating assets and liabilities	771,681,316	462,742,039
(Increase)/Decrease in operating assets		
Due from Nepal Rastra Bank	(17,646,811)	(467,620,577)
Placement with bank and financial institutions	-	-
Other trading assets	-	-
Loan and advances to bank and financial institutions	(1,484,216,594)	199,322,057
Loans and advances to customers	(5,606,212,703)	(3,136,130,754)
Other assets	(45,207,048)	7,903,025
Increase/(Decrease) in operating liabilities		
Due to bank and financial institutions	(768,420,192)	(2,133,346,289)
Due to Nepal Rastra Bank	956,998,090	(211,757,697)
Deposit from customers	8,312,899,543	6,562,419,096
Borrowings	-	-
Other liabilities	109,692,708	847,065
Net cash flow from operating activities before tax paid	2,229,568,309	1,284,377,964
Income taxes paid	(298,057,192)	(192,621,451)
Net cash flow from operating activities	1,931,511,117	1,091,756,513
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(2,930,331,671)	(73,648,300)
Receipts from sale of investment securities	551,621,716	44,076,965
Purchase of property and equipment	(38,748,004)	(44,280,368)
Receipt from the sale of property and equipment	692,350	415,660
Purchase of intangible assets	(491,550)	(435,500)
Receipt from the sale of intangible assets	-	-
Purchase of investment properties	-	-
Receipt from the sale of investment properties	-	-
Interest received	20,732,062	(195,504)
Dividend received	-	-
Net cash used in investing activities	(2,396,525,097)	(74,067,048)

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of subordinated liabilities	-	-
Receipt from issue of shares	-	-
Dividends paid	(82,150,281)	(332,100,926)
Interest paid	-	-
Other receipt/payment	-	-
Net cash from financing activities	(82,150,281)	(332,100,926)
Net increase (decrease) in cash and cash equivalents	(547,164,261)	685,588,539
Opening Cash and cash equivalents	4,811,555,306	4,125,966,767
Derecognition of Cash and cash equivalent of Subsidiary	-	-
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
Cash and cash equivalents at the end of the period	4,264,391,045	4,811,555,306

As per our report of even date

Nawaraj Bhandari
Head- Finance Account and
Treasury

Naresh Singh Bohra
Chief Executive Officer

Dasharath Risal
Chairman

CA Khagendra Bhattarai
Khagendra and Associates
Chartered Accountants

Anju Kumari Gupta
Director

Ram Chandra Sigdel
Director

Pratap Kumar Acharya
Director

Prabin Krishna Shrestha
Director

Keshav Khatiwada
Director

Chintamani Bhattarai
Director

Date: 2078-07-08

Notes to the Consolidated Financial Statements for the year ended 31st Ashadh 2078

1. General Information

1.1. Reporting Entity

Lumbini Bikas Bank Limited, ('LBBL' or 'the development bank') incorporated as a limited liability company, is a publicly held banking company engaged in providing a range of banking and financial services including retail banking, wholesale banking and treasury operations. The development bank is intrinsically governed by the bank and Financial Institutions Act, 2073 and Companies Act 2063.

The registered office of the development bank is situated at Dillibazar, Kathmandu. The development bank carries out banking and other financial activities under the license to commence banking operations as a 'B' Class financial institution from the Nepal Rastra Bank under the Bank and Financial Institutions Act, 2073. The development bank's shares are listed on Nepal Stock Exchange Limited.

1.2. Associates

The Development Bank holds investment enough in the four companies to turn them out as its associates. Muktinath Capital Limited, Nadepp Laghubitta Bittiya Sanstha Limited, Deprosc Laghubitta Bittiya Sanstha Limited and Lumbini General Insurance Company Limited are its associate companies.

A. Muktinath Capital Limited (Former: Vibor Capital Limited)

Muktinath Capital Limited is a public limited company incorporated in Nepal with the office of company registrar as on 2nd February 2010 and received license from the Securities Board of Nepal on 27th July 2010. The registered office of the company is at Hattisar Marga, Kathmandu. The main objectives of the company as licensed by the Securities Board of Nepal are issue manager, underwriter, share registrar, portfolio manager and depository participant etc.

The Development Bank has share ownership of 19.75% in Muktinath Capital Limited along with representation of one Board of Director from the Bank. Being representation of board of directors with power to participate in policy making processes, including participation in decision about dividends or other distributions, the Muktinath capital became associate of the development bank.

B. Nadepp Laghubitta Bittiya Sanstha Limited

Nadepp Laghubitta Bittiya Sanstha Limited is a public limited company licensed as a "D" Class Financial Institution by Nepal Rastra Bank. Its registered office is located at Dhading. It has been providing micro loans targeted to members with low income or deprived sector.

The Development Bank has share ownership of 10% in Nadepp Laghubitta Bittiya Sanstha Limited along with representation of one Board of Director from the Bank. Being representation of board of directors with power to participate in policy making processes, including participation in decision about dividends or other distributions, the Nadepp Laghubitta became associate of the development bank.

C. Deprosc Laghubitta Bittiya Sanstha Limited

Deprosc Laghubitta Bittiya Sanstha Limited is a public limited company licensed as a "D" Class Financial Institution by Nepal Rastra Bank. Its registered office is located at Narayangadh, Chitwan. It has been providing micro loans targeted to members with low income or deprived sector.

The Development Bank has share ownership of 12.97% in Deprosc Laghubitta Bittiya Sanstha Limited along with representation of one Board of Director from the Bank. Being representation of board of directors with power to participate in policy making processes, including participation in decision about dividends or other distributions, the Deprosc Laghubitta became associate of the development bank.

D. Lumbini General Insurance Company Limited

Lumbini General Insurance Company Limited is a public limited company incorporated under the Companies Act, 2063 and operating as General Insurance Company after obtaining licenses under Insurance Act, 2049. Its registered office is located at Gyaneshwor, Kathmandu.

The Development Bank has share ownership of 9.84% in Lumbini General Insurance Company Limited along with representation of one Board of Director from the Bank. Being representation of board of directors with power to

participate in policy making processes, including participation in decision about dividends or other distributions, the Lumbini General Insurance became associates of the development bank.

1.3. Principal Activities

The main activities of the Development bank include providing core banking facilities, agency services, investment and treasury operations, card services and ecommerce services and facilities through various branches, strategic business units, extension counters, ATMs and network of agencies.

2. Basis of Preparation

The financial statements of the Development Bank have been prepared and presented on accrual basis of accounting in accordance with Nepal Financial Reporting Standards (NFRS) as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN).

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

2.1. Statement of Compliance

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (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, 2077. The Financial Statements have also been prepared in accordance with the relevant presentational requirements of the Company (First Amendment) Act, 2063 of Nepal.

These policies have been consistently applied to all the years presented except otherwise stated.

2.2. Reporting Period and Approval of Financial Statements

The Development Bank follows the Nepalese financial year based on the Nepalese calendar. The reporting period of financial statement is as:

Relevant Financial Statement	English Calendar Date/ Period	Nepali Calendar Date/ Period
Statement of Financial Position (SOPF)	15.07.2021	31.03.2078
Comparative SOPF	15.07.2020	31.03.2077
Reporting Period	16.07.2020-15.07.2021	01.04.2077-31.03.2078
Comparative SOPF	17.07.2019-15.07.2020	01.04.2076-31.03.2077

The financial statements for the year ended on 15 July 2021 (Ashadh 31, 2078) are approved by 407th meeting of the Board of Directors held on 2078.07.08. The Board of Directors acknowledges the responsibility of preparation of financial statements of the development bank. The approved financial statements have been recommended for approval by the shareholders in the 14th Annual General Meeting of the Development bank.

2.3. Functional and Presentation Currency

The financial statements are presented in Nepalese Rupee ("NPR") which is also the functional currency as this is the currency of the primary economic environment in which the Development Bank operates. All financial information presented in NPR has been rounded to the nearest rupee except where indicated otherwise.

2.4. Use of Estimates, Assumptions and Judgments

The preparation of financial statements will on occasion requires the use of accounting estimates, which, by definition, may not be accurate to the actual results. Such accounting estimates and underlying assumptions are evaluated on an ongoing basis. They are based on experience and other factors, including expectations of the future events that may have a financial impact and that are believed to be reasonable under the circumstances. Revision to those are dealt 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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within this financial year primarily includes:-

a) Going Concern Basis

The Board of Directors is not aware of any material uncertainties that may cast significant doubt upon Development Bank's ability to continue as a going concern and they do not intend to liquidate nor to cease operations of it. Since, the Development Bank has resources and ability to continue business for the foreseeable future, the Financial Statements are continued to be prepared on the going concern basis.

b) Useful life and residual value of property, plant and equipment

Management reviews the useful life and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

c) Impairment of property plant and equipment

At the end of each reporting period, the Development bank reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

d) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Development Bank. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

e) Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. It also uses the assumptions that market participants would use when pricing the asset or liability. In determining fair value, the development bank maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

Where the market for a financial instrument is not active, fair value is established using a valuation technique. These valuation techniques involve a degree of estimation, the extent of which depends on the instrument's complexity and the availability of market-based data.

f) Defined benefit plans

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

g) Recognition of deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Development Bank based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Development Bank.

2.5. Changes in Accounting Policies

The accounting policies are applied consistently by the Development Bank in all the periods presented in the financial statements.

Accounting policies are the specific principles, bases, conventions, rules and practices applied by the Development Bank in preparing and presenting financial statements. The Development Bank is permitted to change an accounting

policy only if the change is required by a standard or interpretation or if it results in providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial performance, or cash flows. There are no changes in the accounting policies in the current fiscal year.

2.6. New Standards in issue but not yet effective

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

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

2.7. Discounting

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

2.8. Comparative Figures

The Bank has regrouped/ rearranged the previous figures wherever necessary.

2.9. Limitation of NFRS Implementation

Wherever the information is not adequately available, and/or it is impracticable to develop the information, such exceptions have been noted and disclosed in the respective sections.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently unless otherwise stated:

3.1. Basis of Measurement

These financial statements are prepared under historical cost convention except for certain material items that have been measured at fair value as required by the relevant NFRS below:

Particulars	Basis of Measurement
Investment Securities held at Fair Value through OCI	Fair Value
Employee Defined Benefit Obligation	Present value of defined benefit obligation (as calculated by actuary) less the fair value of the plan asset

3.2. Basis of Consolidation

a) Business Combination

Business combinations are accounted for using the acquisition method as at the acquisition date i.e. when control is transferred to the Development Bank. Control is power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The consideration transferred in a business combination is measured at fair value, which is calculated as sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in the profit or loss as incurred.

Development Bank doesn't possess any control to govern the financial and operating policies of any entities in the reporting period.

b) Non-Controlling Interest

Non-controlling interest represent the equity in a subsidiary not attributable directly or indirectly to a parent. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Development Bank.

For each business combination, the Development Bank elects to measure any non-controlling interests in the acquiree either:

- ▶ at fair value; or
- ▶ at their proportionate share of the acquire identifiable net assets, which are generally at fair value.

c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it still has control, if there are changes to one or more of the elements of control. An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

The Development Bank does not have any subsidiaries in the reporting date.

d) Loss of Control

When the Development Bank loses control of a subsidiary, it derecognizes the assets and liabilities of the former subsidiary from the consolidated statement of financial position. The Development Bank recognizes any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant NFRSs. It is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments depending on the level of influence retained. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with NFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. Any gain or loss associated with the loss of control attributable to the former controlling interest is also recognized.

e) Special Purpose Entity (SPE)

Special purpose entities (SPEs) are entities that are created to accomplish a narrow and well-defined objectives. An SPE is consolidated if, based on an evaluation of the substance of its relationship with the Development Bank and the SPE's risks and rewards, the The Development Bank concludes that it controls the SPE.

The Development Bank does not have any Special Purpose Entity.

f) Transaction elimination on consolidation

Intra-group balances, transactions and any unrealized profit or loss arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements.

g) Investment in Associates – Equity Accounting

An associate is an entity over which the Development Bank has significant influences but not control or joint control. This is generally the case where the Development Bank holds between 20% to 50% of the voting rights or the Development Bank has power to participate in the financial and operating policy decision of the investee.

The existence of significant influence by an entity is usually evidences in one or more of the following ways:

- Representation of board of directors or equivalent governing body of investee.
- Participation in Policy making processes, including participation in decision about dividends or other distributions.
- Material transaction between the entity and investee etc.

An investment in an associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or joint venture. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of Financial Position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associates or joint ventures. When the Group's share of losses of an associates or joint ventures exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates or joint ventures.

Explanatory Notes

Development Bank has measured the investment in associates using equity method of accounting in consolidated statement of financial statements.

Along with the share ownership, Development Bank has representation in Board of Directors with power to participate in the financial and operating policy decision of the following entities.

Name of Associates	Holding by Bank (a)	Share Capital (b)	Reserve & Surplus (c)	Total Net Assets (d=b+c)	Associate Value-Using Equity Method (e=d*a)
Deprosc Laghubitta Bittiya Sanstha Limited.	12.97%	1,156,248,611	1,287,107,587	2,443,356,198	316,911,023
NADEP Laghubitta Bittiya Sanstha Ltd	10.00%	404,800,000	367,209,290	772,009,290	77,200,929
Lumbini General Insurance Co. Ltd	9.84%	1,198,890,000	237,500,000	1,436,390,000	141,307,288
Muktinath Capital Limited (former Vibor Capital Ltd)	19.75%	202,500,000	42,097,272	244,597,272	48,315,511
Total Value of Associates					583,734,750

For the calculation of equity value of Associates, the value of share capital and reserve & surplus has taken on the basis of latest audited or certified interim financial statements of respective entities. In above cases, the Equity Value of Deprosc Lagubitta Bittiya Sanstha Limited and Muktinath Capital Limited has been calculated based on audited financial statements of FY 2077/78 and Equity Value of NADEP Laghubitta Bittiya Sanstha Ltd & Lumbini General Insurance Co. Ltd has calculated based on latest available certified/published interim financial statements (quarterly financial of Ashad end 2078) since audited financial statements are not available till the date of approval of this financial statements.

3.3. Cash & Cash Equivalent

Cash and cash equivalent comprises cash in hand, balances with bank and financial institutions, money at call and short notice, and highly liquid financial assets with original maturities of three months or less from the acquisition date with insignificant risk of changes in their value which are held by the Development Bank to meet short term cash commitments. Cash and cash equivalents are measured at amortized cost in the Statement of Financial Position.

3.4. Financial Assets and Financial Liabilities

3.4.1 Recognition

Financial assets and financial liabilities are recognized when the Development Bank becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities measured at fair value through profit and loss are immediately recognized in the statement of profit and loss.

The Development Bank initially recognizes loans and advances, deposits and debt securities issued on the date that they are originated which is the date that the Development Bank becomes party to the contractual provisions of the instruments. Investments in equity instruments, bonds, debenture, Government securities, NRB bond or deposit auction, and reverse repos are recognized on date at which the Development Bank commits to purchase/ acquire the financial assets.

3.4.2 Classification

A. Financial Assets

i. Financial assets at amortized cost

The development bank measures financial assets at amortized cost only if both of the following conditions are met:

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

Business model assessment

The development bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective:

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Development Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process, the Development Bank assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and associate risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

ii. Financial assets at fair value through other comprehensive income

The development bank classifies debt instruments at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest income and foreign exchange gains and losses are recognized in profit or loss in the same manner as for financial assets measured at amortized cost.

iii. Financial assets at fair value through profit or loss

Financial assets in this category have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under NFRS 9. Management only designates an instrument at FVPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or

- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities contain one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Interest earned or incurred on instruments designated at FVPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVPL is recorded using the contractual interest rate. Dividend income from equity instruments measured at FVPL is recorded in profit or loss as other operating income when the right to the payment has been established.

B. Financial Liabilities

i. Financial liabilities at fair value through profit or loss

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

ii. Financial liabilities measured at amortized cost

Financial liabilities other than those measured at fair value through profit or loss are classified and measured at amortized cost using effective interest rate method.

3.4.3 Measurement

All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Financial assets and liabilities designated at fair value through profit or loss are subsequently measured at fair value with changes recognized at Statement of profit or loss whereas it is recognized at Statement of Other Comprehensive Income for those financial instruments designated at fair value through other comprehensive income.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

3.4.4 De-recognition of Financial Assets and Liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the financial asset have expired. The development bank also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The development bank has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- The 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

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.4.5 Determination of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Development Bank. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Development Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Development Bank has determined the fair value of Investment in Equity Investment by considering the active market price of equity share in case of quoted investment and net assets value of respective companies for unquoted investment.

In case of promoters share the fair value has been derived as half of the current market price of the general public share as on that date.

For the purpose of fair value disclosures, the Development Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.4.6 Impairment

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

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

- ▶ Whether the counterparty is in default of principal or interest payments.
- ▶ When a counterparty files for bankruptcy and this would avoid or delay discharge of its obligation.
- ▶ Where the Development Bank initiates legal recourse of recovery in respect of a credit obligation of the counterpart.
- ▶ Where the Development Bank consents to a restructuring of the obligation, resulting in a diminished financial obligation, demonstrated by a material forgiveness of debt or postponement of scheduled payments.
- ▶ Where there is observable data indicating that there is a measurable decrease in the estimated future cash flows of a group of financial assets, although the decrease cannot yet be identified with specific individual financial assets.

The Development Bank considers evidence of impairment for loans and advances and held-to-maturity investment securities at both specific and collective level. All individually significant loans and advances and held-to-maturity investment securities are assessed for specific impairment. Those not found to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

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

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

Impairment losses on Assets measured at Amortized Cost as per NAS: 39

Financial assets carried at amortized cost such as amounts due from Banks, loans and advances to customers as well as held-to maturity investments is impaired, and impairment losses are recognized, only if there is objective

evidence as a result of one or more events that occurred after the initial recognition of the asset. The amount of the loss is measured as the difference between the asset's carrying amount and the deemed recoverable value of loan.

Individually assessed loans and advances

Loans and advances to customers with significant value (covering at least 50% of Total Non-Performing Loans as per Nepal Rastra Bank Directive) are assessed for individual impairment test. The recoverable value of loan is estimated on the basis of realizable value of collateral and the conduct of the borrower/past experience of the Development Bank. Loans that are determined to be individually significant based on the above and other relevant factors are individually assessed for impairment except when volumes of defaults and losses are sufficient to justify treatment under collective methodology. For these loans, development bank considers on a case-by-case basis whether that loan is objectively impaired. These criteria are summed as:

- ▶ Significant Financial Difficulties of the borrower such as significantly adverse ratios and adverse future outlook
- ▶ Adverse statutory indicators
- ▶ Default or delinquency in interest or principal payments
- ▶ Breach of contract
- ▶ Downfall of quality of collateral

Impairment losses are calculated by comparing the discounted expected future value of the cash flow from the loan at original effective interest rate with the carrying value.

Collectively Assessed loans and advances

Collective impairment on loans and advances are carried out to cover losses, which have been incurred but have not yet been identified on loans subject to individual assessment or for homogeneous groups of loans that are not considered significant individually. Also, assets that are individually assessed and for which no impairment exists are grouped with financial assets with similar credit risk characteristics and collectively assessed for impairment. The credit risk statistics for each group of the loan and advances are determined by management prudently being based on the past experience. For the collective assessment of impairment of loan, the Development Bank has categorized on the basis of following product.

1. Home Loan
2. Vehicle Loan
3. Personal Loan
4. Short Term Loan
5. Long Term Loan

Loan Loss Provision as per Nepal Rastra Bank

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

Policy

As per the Carve out notice issued by ICAN, the Development Bank has measured impairment loss on loans and advances as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39.

Reversal of impairment

If the amount of an impairment loss decreases in a subsequent period, the decrease can be related objectively to an event occurring after the impairment was recognized, the excess is written back by reducing the loan impairment allowances accordingly. The write back is recognized in the Statement of Profit and Loss.

Write off of loans and advances

Loans (and the related impairment allowance accounts) are normally written off, either partially or in full, when there is no realistic prospect of recovery. When loans are secured, this is generally after receipt of any proceeds from realization of security. In circumstances where the net realizable value of any collateral has been determined and there is no reasonable expectation of further recovery, write off may be earlier.

3.5. Trading Assets

Trading Assets are those assets that the Development Bank acquires principally for the purpose of selling in the short term, or holds as part of a portfolio that is managed together for short term profit. These assets are initially measured at

cost and subsequently at fair value with changes in profit or loss under "Net Trading Income". Any transaction cost incurred are directly recognized in profit or loss.

3.6. Derivative Assets and Derivative Liabilities

A derivative is a financial instrument whose value changes in response to the change in an underlying variable such as an interest rate, commodity or security price, or index; and that is settled at a future date. Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value in the statement of financial position.

3.7. Property and Equipment

A. Recognition and Measurement

Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of services, for rental to others or for administrative purposes and are expected to be used during more than one period. They are stated at cost less accumulated depreciation as adjusted for impairment, if any.

The cost of an item of property and equipment shall be recognized as an asset, initially recognized at cost if, and only if:

- ▶ it is probable that future economic benefits associated with the item will flow to the entity; and
- ▶ the cost of the item can be measured reliably.

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

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

Measurement

- i. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- ii. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Development Bank and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- iii. The Development Bank identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.
- iv. Assets in the course of construction are capitalized in the assets under capital work in progress account (CWIP). At the point when an asset starts operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.
- v. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

B. Depreciation

- i. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line basis.

- ii. Depreciation is provided on the straight line method based on the estimated useful lives of the assets determined by the management. Depreciation on additions to fixed assets is charged on pro-rata basis in the year of purchase. The useful life of the assets and the corresponding rates at which the assets are depreciated are as follows:-

Category of Asset	Estimated useful life
Office Equipment	5 years
Furniture Fixture and Fitting	5 years
Vehicle	5 years
Computer, Printer and Accessories	5 years
ATM Machine	7 years
Freehold Premises	50 years
Leasehold Assets	Earlier of 10 years or Lease Tenure

- iii. Assets Value less than NPR 5,000/- per unit is charged to the profit and loss account irrespective of their useful life in the year of purchase.

C. Changes in Estimates

The asset's methods of depreciation are reviewed, adjusted if appropriate, at each financial year end and treated as change in the accounting estimates.

D. Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

3.8. Goodwill/Intangible Assets

Goodwill is the residual of the cost of acquisition over the fair value of the identifiable net assets acquired. It is assessed for impairment at the end of each reporting period. It is measured at cost less accumulated impairment losses. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses. These are reviewed for impairment at end of each reporting period.

Computer software costs which are not integrally related to hardware are capitalized and recognized as intangible assets based on materiality, accounting prudence and significant benefits expected to flow there from for a period longer than one year.

Software is amortized on a straight line basis in profit or loss over its estimated useful life, from the date that it is available for use. The estimated useful life of software for the current and comparative periods is five years.

3.9. Investment Property

An investment property is property held by the Development Bank to earn rentals or for capital appreciation or both, rather than own-occupied. The investment property of the Development Bank solely consists of land or building acquired under the Non-Banking Assets.

The Development Bank has adopted a policy to measure the investment property in cost model. Any depreciation and impairment in the subsequent period has been charged through the profit and loss account in the reporting period.

3.10. Non-Current Assets-Held for sale:

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

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

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

3.11. Income Tax

Income tax on the profit or loss for the year comprises current taxes and deferred taxes. Income tax is recognized in the profit or loss statement except to the extent that it relates to items recognized directly to equity or other comprehensive income.

a) Current Tax

Current tax is the expected tax payable on the taxable income for the year using tax rates at the balance sheet date and any adjustment to tax payable in respect of previous years.

Income tax rates applicable to the Development Bank: 30%

b) Deferred Tax

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

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3.12. Deposit, debt securities issued and subordinated liabilities

Deposits include non-interest bearing deposits, saving deposits, term deposits, call deposits and margin deposits. The Development Bank presents the deposits held from customers and bank and financial institutions at amortized cost.

These transactions are recorded on the Development Bank's books, and the resulting balance is recorded as a liability for the Development Bank and represents the amount owed by the Development Bank to the customers. Subordinated liabilities are those liabilities which at the event of winding up are subordinate to the claims of depositors, debt securities issued and other creditors. The Development Bank does not have any of such subordinated liabilities and has not issued any debt security in the reporting period.

3.13. Provisions, contingent liability and contingent Assets

- i. Provisions are recognized when the Development Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- ii. When the Development Bank expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.
- iii. The expense relating to a provision is presented in the statement of profit and loss net off any reimbursement.
- iv. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

- v. 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 at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Development Bank recognizes any impairment loss on the assets associated with that contract.
- vi. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Development Bank or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Development Bank does not recognize a contingent liability but discloses its existence in the standalone financial statements.
- vii. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.
- viii. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- ix. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

3.14. Revenue Recognition

Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants. It is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that economic benefit will flow to the entity and that the revenue can be measured reliably. Revenue is not recognized during the period in which its recoverability of income is not probable. The Development Bank's revenue comprises of interest income, fees and commission, foreign exchange income, cards income, remittance income etc. and the bases of incomes recognition are as follows:

3.14.1 Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Development Bank and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Development Bank has applied carve out under Para 9 of NAS 39 and has not incorporated all the fees and points paid or received under contractual terms of financial instrument in the calculation of the effective interest rate to recognize the interest income. Hence, such fees have been directly recognized under Profit or Loss under "Fee and Commission Income"

The Development Bank has also applied carve out under AG-93 of NAS 39 and recognized interest income by applying the effective interest rate to the gross carrying amount of a financial assets.

3.14.2 Fee and Commission Income

Fee and commission earned for the provision of services over a period of time are recognized income in cash basis at the time of execution of such services.

3.14.3 Dividend Income

Dividend income (net of withholding taxes) from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the development bank and the amount of income can be measured reliably).

3.14.4 Net Trading Income

It comprises gain or loss on trading assets, interest or dividend income on trading assets and gains or losses arising under settlement of foreign currency transactions.

3.14.5 Net Income from Other Financial Instrument at Fair Value Through Profit or Loss

It includes changes in fair value of Financial Instruments designated at fair value through profit or loss.

3.15. Interest Expenses

Interest Expenses include interest on deposits from customers, deposits from Banks and financial institutions and other interest bearing financial liabilities. Interest expense is recognized in the profit or loss using effective interest rate for all the financial liabilities measured at amortized cost.

3.16. Employee Benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment. Such benefits include short term, long term, termination and other long term benefits.

a. Short Term Employee Benefits

Short term Employee Benefits include items such as following, if expected to be settled before twelve months after the end of annual reporting period in which employee rendered the related services. Wages, salaries and Social Security contribution.

- ▶ Paid annual leave and paid sick leave
- ▶ Profit Sharing and Bonuses
- ▶ Non Monetary Benefits for current employees

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

b. Post-Employment Benefits Plan

Post- employment benefits plan of the Development Bank includes the followings.

A. Defined Contribution Plan – Provident Fund

Under Defined Contribution plan the entity's legal and constructive obligation is limited to the amount that it agrees to contribute to the fund.

Obligations for contribution to defined contribution plans are recognized as personnel expenses in profit or loss in the periods during which related services are rendered. Contribution to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value.

Under this plan of provident fund, the Development Bank pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Contributions to defined contribution schemes (Provident fund) are charged to the profit or loss statement in the year to which they relate as the Development Bank has no further defined obligations beyond monthly contributions. 10% of the Basic Salary as Contributions to defined contribution schemes by the Development Bank along with same contribution from employees are deposited with Employees Provident Fund (Karmachari Sanchaya Kosh) and other approved retirement funds.

B. Defined Benefit Plan – Gratuity

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

- i. The Development Bank provides for defined benefits in the form of gratuity. The liability or asset recognized in the Statement of Financial Position in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligation is calculated annually by actuaries through actuarial valuation using the projected unit credit method.
- ii. The Development Bank recognizes the following changes in the defined benefit obligation to the profit or loss statement:
 - Service costs comprising current service costs and past-service costs
 - Interest expenses

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

- iii. Any changes in the liabilities over the year due to changes in assumptions or experience within the scheme, are recognized in other comprehensive income in the period in which they arise.
- iv. NAS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Development Bank determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may also be interdependency between some of the assumptions.
- v. The classification of the Development Bank's net obligation into current and non- current obligation is as per the actuarial valuation report.
- vi. Gratuity is funded and deposited to a separate entity (Retirement Fund) towards meeting the gratuity obligation.

C. Other long-term employment benefits.

- i. A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.
- ii. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- iii. The Development Bank recognizes the following changes in the defined benefit obligation to the profit or loss statement:
 - Service costs comprising current service costs and past-service costs
 - Interest expenses
 - Any changes in the liabilities over the year due to changes in assumptions or experience within the scheme, are recognized in profit or loss account in the period in which they arise.

3.17. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lease is classified at the inception date as a finance lease or an operating lease.

A lease that transfers substantially all the risks and rewards incidental to ownership to the development bank is classified as a finance lease. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the entity will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased asset or, at the present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the entity's general policy on the borrowing costs.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

3.18. Foreign Currency Translation

The functional currency of the Development Bank is determined on the basis of the primary economic environment in which it operates which is Nepalese Rupee (NPR).

Initially transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognized in Statement of Profit and Loss in the period in which they arise.

3.19. Financial Guarantee and Loan Commitments

Financial guarantees are contracts that require the Development Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Loan commitment is the commitment 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, future guarantees, whether cancellable or not, or letters of credit and the Development Bank has not made payments at the reporting date, those instruments are included in these financial statement as commitments.

3.20. Share Capital and Reserves

Equity is the residual interest in the total assets of an entity after deducting all the liabilities. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments considering the tax benefits achieved thereon. The share capital of the Development Bank includes the equity share capital with 51 % of Promoter and 49% of the public. The Development Bank has also maintained several statutory reserves and free reserves which are presented in the statement of changes in equity.

Regulatory Reserve against the uncollected interest income from loan customers has been created after netting off income tax and staff bonus provision for the purpose.

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the general meeting

3.21. Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

3.22. Segment Reporting

Operating segment are those components of an entity that engages in business activities which earns revenue and incurs expenses, has discrete financial information and whose results are regularly reviewed by the entity's chief operating decision maker.

The Development Bank has identified the key segments of the business on the basis of nature of operations that assist the Development Bank in decision process and to allocate the resources. It will help the management to assess the performance of the business segments that has been identified as below. The business segments identified are Business Banking, Treasury and Remittance and Others. The segment results that are reported include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly common assets, head office expenses, and tax assets and liabilities. All operations between the segments are conducted on pre-determined transfer price. Treasury Unit acts as the fund manager of the Development Bank.

4. Scheduled Forming part of Financial Statements.

4.1 Cash and cash equivalents

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Cash in hand	599,636,035	522,013,949
Balances with B/FIs	3,070,422,592	4,289,541,357
Money at call and short notice	594,332,418	-
Other	-	-
Total	4,264,391,045	4,811,555,306

Cash and Cash equivalents includes Cash in Hand, Balance with Bank and Financial Institutions, money at call and Treasury Bill with remaining maturity below 90 days.

4.2 Due from Nepal Rastra Bank

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Statutory balances with NRB	1,318,007,209	1,300,360,398
Securities purchased under resale agreement	-	-
Other deposit and receivable from NRB	-	-
Total	1,318,007,209	1,300,360,398

Statutory Balance with NRB includes Balance maintained for the Cash Reserve Ratio by the Bank as per the regulatory Requirements.

4.3 Placements with Bank and Financial Institutions

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Placement with domestic B/FIs	-	-
Placement with foreign B/FIs	-	-
Less: Allowances for impairment	-	-
Total	-	-

Placements with domestic as well as foreign bank and financial institutions with original maturities of more than three months from the acquisition date are presented under this account head.

4.4 Derivative financial instruments

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Held for trading	-	-
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Others	-	-
Held for risk management	-	-
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Other	-	-
Total	-	-

4.5 Other trading assets

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Treasury bills	-	-
Government bonds	-	-
NRB Bonds	-	-
Domestic Corporate bonds	-	-
Equities	-	-
Other	-	-
Total	-	-
Pledged	-	-
Non-pledged	-	-

4.6 Loan and advances to B/FIs

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Loans to microfinance institutions	2,549,145,080	1,018,991,287
Other	-	-
Less: Allowances for impairment	33,138,371	10,189,569
Total	2,516,006,709	1,008,801,718

Loan and advances given to microfinance financial institutions has been presented on above schedule. Accrued Interest of Rs 39,594 has been added and impairment allownces on above loan and advance has been deducted.

4.6.1 Allowances for impairment

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Balance at Shrawan 1	10,189,569	12,183,133
Impairment loss for the year:	-	-
Charge for the year	22,948,803	-
Recoveries/reversal	-	(1,993,565)
Amount written off	-	-
Balance at Ashad end	33,138,371	10,189,569

4.7 Loans and advances to customers

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Loan and advances measured at amortized cost	30,694,475,329	25,070,086,446
Less: Impairment allowances	1,020,935,458	749,562,132
Collective impairment	500,897,775	266,508,789
Individual impairment	520,037,683	483,053,343
Net amount	29,673,539,871	24,320,524,314
Loan and advances measured at FVTPL	-	-
Total	29,673,539,871	24,320,524,314

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Loans and advances to Customer	30,451,335,101	24,693,880,787
Loans and advances to staff	47,997,497	53,211,048
Accrued Interest	195,142,731	322,994,612
Total	30,694,475,329	25,070,086,446
Impairment (Including loans & advances to BFIs)		
As per NRB Directive No. 2	1,054,073,829	759,751,701
As per NAS 39	197,358,111	199,889,951
Collective Impairment	98,782,084	98,133,990
Individual Impairment	98,576,027	101,755,961
Higher of NRB Directive and NAS 39	1,054,073,829	759,751,701

4.7.1 Analysis of loan and advances - By Product

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Product		
Term loans	5,280,444,617	5,132,246,568
Overdraft	3,428,517,033	4,736,743,073
Trust receipt/Import loans	-	-
Demand and other working capital loans	2,339,616,560	979,755,833
Personal residential loans	3,653,455,510	2,712,046,519
Real estate loans	2,772,251,725	2,227,494,402
Margin lending loans	1,425,452,586	1,187,031,416
Hire purchase loans	1,485,601,747	1,482,815,392
Deprived sector loans	2,590,251,534	1,423,095,699
Bills purchased	-	-
Staff loans	47,997,497	53,211,048
Other	7,475,743,789	4,812,651,884
Sub total	30,499,332,598	24,747,091,835
Interest receivable	195,142,731	322,994,612
Grand total	30,694,475,329	25,070,086,446

4.7.2 Analysis of loan and advances - By Currency

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Nepalese Rupee	30,694,475,329	25,070,086,446
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
Total	30,694,475,329	25,070,086,446

4.7.3 Analysis of loan and advances - By Collateral

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Secured		
Movable/immovable assets	28,132,950,316	23,035,605,916
Gold and silver	134,345,618	58,133,725
Guarantee of domestic B/FIs	-	-
Government guarantee	17,193,389	17,193,389
Guarantee of international rated bank	-	-
Collateral of export document	-	-
Collateral of fixed deposit receipt	642,112,354	434,065,802
Collateral of Government securities	-	-
Counter guarantee	6,761,693	7,270,923
Personal guarantee	135,200,703	1,169,912
Other collateral	1,428,602,083	1,191,594,931
Sub total	30,497,166,156	24,745,034,597
Unsecured	2,166,442	2,057,238
Interest receivable	195,142,731	322,994,612
Grant Total	30,694,475,329	25,070,086,446

4.7.4 Allowances for impairment

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Specific allowances for impairment		
Opening Balance	483,053,343	305,613,731
Impairment loss for the year:		
Charge for the year	36,984,339	177,439,612
Recoveries/reversal during the year	-	-
Write-offs	-	-
Exchange rate variance on foreign currency impairment	-	-
Other movement	-	-
Closing Balance	520,037,683	483,053,343
Collective allowances for impairment		
Opening Balance	266,508,789	263,914,170
Impairment loss for the year:		
Charge/(reversal) for the year	234,388,986	2,594,619
Exchange rate variance on foreign currency impairment	-	-
Other movement	-	-
Closing Balance	500,897,775	266,508,789
Total allowances for impairment	1,020,935,458	749,562,132

Impairment on Loan and advances to customer includes provision created on overdue Staff Loan of Rs 1,016,617 since FY 2073/74.

Total Loan & Advances (excluding Staff Loan): For the Ashad end 2078

Figures in '000

Particulars	Loans & Advances						Bills Purchased/Discounted			Year End Total	
	Domestic			Foreign	Total	Domestic	Foreign	Total			
	Deprived Sector		Other								
	Insured	Uninsured		2	3	4	5=1+2+3+4	6	7		8=6+7
1 Performing Loan and Advances	-	2,541,258	29,744,294	-	32,285,552	-	-	-	-	-	32,285,552
1.1 Pass Loan	-	2,418,011	28,041,890	-	30,459,901	-	-	-	-	-	30,459,901
1.1.1 Pass Loan (other than Restructured/Rescheduled Covid Related)	-	2,405,305	27,119,684	-	29,524,989	-	-	-	-	-	29,524,989
1.1.2 Pass Loan (Restructured/Rescheduled Covid Related)	-	12,706	922,206	-	934,913	-	-	-	-	-	934,913
1.2 Watch List	-	123,246	1,702,404	-	1,825,651	-	-	-	-	-	1,825,651
2 Non-Performing Loan and Advances	7,113	41,881	665,895	-	714,889	-	-	-	-	-	714,889
2.1 Restructured / Rescheduled	-	-	3,084	-	3,084	-	-	-	-	-	3,084
2.2 Sub-standard	-	30,822	216,876	-	247,699	-	-	-	-	-	247,699
2.3 Doubtful	-	8,176	64,397	-	72,572	-	-	-	-	-	72,572
2.4 Loss	7,113	2,883	381,538	-	391,534	-	-	-	-	-	391,534
3 Total Loan and Advances (1+2)	7,113	2,583,138	30,410,189	-	33,000,441	-	-	-	-	-	33,000,441
4 Total Loan Loss Provision	1,778	52,731	998,548	-	1,053,057	-	-	-	-	-	1,053,057
4.1 Pass	-	31,269	352,556	-	383,825	-	-	-	-	-	383,825
4.2 Watch List	-	6,162	85,120	-	91,283	-	-	-	-	-	91,283
4.3 Restructured / Rescheduled	-	635	46,496	-	47,131	-	-	-	-	-	47,131
4.3.1 Restructured / Rescheduled Covid Related	-	635	46,110	-	46,746	-	-	-	-	-	46,746
4.3.2 Restructured / Rescheduled Others	-	-	386	-	386	-	-	-	-	-	386
4.4 Sub-standard	-	7,706	54,219	-	61,925	-	-	-	-	-	61,925
4.5 Doubtful	-	4,088	32,198	-	36,286	-	-	-	-	-	36,286
4.6 Loss	1,778	2,871	381,538	-	386,187	-	-	-	-	-	386,187
4.7 Additional	-	-	11,298	-	11,298	-	-	-	-	-	11,298
4.8 SOL exceed	-	-	-	-	-	-	-	-	-	-	-
4.9 PG & Third party collateral	-	-	35,123	-	35,123	-	-	-	-	-	35,123
5 Total Provision Upto Previous Year	1,850	36,624	720,261	-	758,735	-	-	-	-	-	758,735
5.1 Pass	1	24,101	222,537	-	246,639	-	-	-	-	-	246,639
5.2 Watch List	-	-	17,877	-	17,877	-	-	-	-	-	17,877
5.3 Restructured / Rescheduled	-	-	-	-	-	-	-	-	-	-	-
5.3.1 Restructured / Rescheduled Covid Related	-	-	-	-	-	-	-	-	-	-	-
5.3.2 Restructured / Rescheduled Others	-	-	-	-	-	-	-	-	-	-	-
5.4 Sub-standard	-	2,765	35,435	-	38,200	-	-	-	-	-	38,200
5.5 Doubtful	-	5,471	111,494	-	116,965	-	-	-	-	-	116,965
5.6 Loss	1,849	2,170	294,854	-	298,873	-	-	-	-	-	298,873
5.7 Additional	-	2,117	38,065	-	40,182	-	-	-	-	-	40,182
5.8 SOL exceed	-	-	-	-	-	-	-	-	-	-	-
5.9 PG & Third party collateral	-	-	-	-	-	-	-	-	-	-	-
6 Provision Write Back of this Year	72	-	-	-	72	-	-	-	-	-	72
7 Additional Provision for this Year	-	16,107	278,287	-	294,394	-	-	-	-	-	294,394
8 Addition/(Write back) of Provision (7-6)	(72)	16,107	278,287	-	294,322	-	-	-	-	-	294,322
9 Total Loan Loss Provision (5-6+7)	1,778	52,731	998,548	-	1,053,057	-	-	-	-	-	1,053,057
Net Loan (3-4)	5,335	2,530,408	29,411,641	-	31,947,383	-	-	-	-	-	31,947,383

Continued...

4.8 Investment securities

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Investment securities measured at amortized cost	3,791,254,292	1,367,807,062
Investment in equity measured at FVTOCI	1,186,168,267	568,666,775
Total	4,977,422,560	1,936,473,837

4.8.1 Investment securities measured at amortized cost

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Debt securities	-	-
Government bonds	3,531,812,681	1,367,807,062
Government treasury bills	-	-
Nepal Rastra Bank bonds	-	-
Nepal Rastra Bank deposits instruments	259,441,612	-
Other	-	-
Less: specific allowances for impairment	-	-
Total	3,791,254,292	1,367,807,062

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

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Equity instruments	-	-
Quoted equity securities	1,175,201,119	557,944,597
Unquoted equity securities	10,967,148	10,722,178
Total	1,186,168,267	568,666,775

4.8.3 Information relating to investment in equities

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Cost	Fair Value
Investment in Quoted Equity				
1.1 Api Power Company Ltd. (1,261 ordinary shares of NPR 100 paid up)	116,200	508,183	-	-
1.2 Aarambha Chautari Laghubita Bittiya Sanstha Limited (25,526 ordinary shares of NPR 100 paid up)	45,668,131	40,177,924	-	-
1.3 Asian Life Insurance Co. Limited (38,930 ordinary shares of NPR 100 paid up)	52,296,860	52,477,640	5,035,936	6,431,165
1.4 Asian Life Insurance Co. Ltd. (2 promoter shares of NPR 100 paid up)	100	760	100	520
1.5 Bottlers Nepal (Terai) Limited (290 ordinary shares of NPR 100 paid up)	2,068,427	2,975,980	3,566,254	3,100,000
1.6 Butwal Power Company Limited (21,601 ordinary shares of NPR 100 paid up)	8,006,771	10,930,106	8,006,771	7,049,683
1.7 Chhimek Laghubitta Bikas Bank Limited	-	-	5,695,059	8,512,900
1.8 Chilime Hydropower Company Limited (20,526 ordinary shares of NPR 100 paid up)	6,187,043	14,101,362	14,979,440	17,980,446
1.9 Citizen Investment Trust (1 ordinary shares of NPR 100 paid up)	-	3,491	25,885,314	36,844,900
1.10 Citizen Mutual Fund-2 (2,000,000 units of NPR 10 paid up)	20,000,000	28,300,000	20,000,000	20,000,000
1.11 Everest Insurance Co. Ltd. (9,909 ordinary shares of NPR 100 paid up)	5,213,174	7,421,841	6,330,237	4,590,092
1.12 Everest Insurance Co. Ltd. (7,166 Promoter shares of NPR 100 paid up)	663,600	3,590,166	663,600	1,367,016
1.13 First Micro Finance Development Bank Ltd.	-	-	3,467,954	4,507,710
1.14 Forward Community Microfinance Bittiya Sanstha Ltd.	-	-	4,794,639	5,451,351
1.15 Genaral Insurance Company Nepal Ltd. Promoter Share (35,000 Promoter shares of NPR 100 paid up)	3,500,000	12,967,500	3,500,000	3,733,000
1.16 Global IME Laghubitta Bittiya Sanstha Ltd. (9 ordinary shares of NPR 100 paid up)	-	25,335	-	-
1.17 Gurans Life Insurance Company Ltd. (4,820 ordinary shares of NPR 100 paid up)	779,898	3,658,380	550,898	1,203,835
1.18 Grameen Bikas Laghubitta Bittiya Sanstha Ltd. (4,650 ordinary shares of NPR 100 paid up)	2,778,652	5,696,250	2,778,652	2,511,000
1.19 Himalayan General Insurance Co. Ltd (5,015 ordinary shares of NPR 100 paid up)	2,180,271	3,851,520	2,615,021	2,423,496
1.20 IME General Insurance Ltd. (4209 ordinary shares of Rs 100 paid up)	2,542,333	5,088,681	2,542,333	1,842,483
1.21 Hydroelectricity Investment & Development Co. Ltd (21541 ordinary shares of Rs 100 paid up)	1,958,300	9,671,909	1,958,300	2,864,953
1.22 Kisan Lagubitta Bittiya Sanstha Limited	-	-	2,700	41,500
1.23 Kumari Equity Fund (250,000 units Rs 10 each)	2,500,000	2,500,000	-	-
1.24 Laxmi Laghubitta Bittiya Sanstha Ltd. (12,103 ordinary shares of Rs 100 paid up)	29,334,569	27,715,870	-	-
1.25 Laxmi Unnati Kosh (2,000,000 units Rs 10 each)	20,000,000	25,240,000	-	-
1.26 Life Insurance Co. Nepal	-	-	14,345,836	17,835,300

Continued...

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Cost	Fair Value
1.27 Mahila Sahayatra Microfinance Bittiya Sanstha Ltd (2 ordinary shares of Rs 100 paid up)	-	2,518	-	-
1.28 Mero Microfinance Bittiya Sanstha Ltd. (204 ordinary shares of Rs 100 paid up)	10,900	315,384	10,900	117,950
1.29 Mero Microfinance Bittiya Sanstha Ltd. (699,999 Promoter shares of Rs 100 paid up)	37,023,000	541,099,227	37,023,000	201,727,526
1.30 Nabil Equity Fund (563,251 units of NPR 10 each)	5,632,510	8,223,465	5,632,510	5,255,132
1.31 National Life Insurance Co. Ltd. (19,754 ordinary shares of NPR 100 paid up)	10,598,704	22,736,854	10,598,704	11,888,858
1.32 NIC Asia Dyanamic Dept Fund (250,000 units Rs 10 each)	2,500,000	2,500,000	-	-
1.33 Neco Insurance Co. Ltd. (12,387 ordinary shares of NPR 100 paid up)	17,738,721	16,697,676	4,330,453	4,290,276
1.34 Nepal Doorsanchar Comapany Limited (10,550 ordinary shares of NPR 100 paid up)	6,026,909	13,862,700	6,026,909	6,910,250
1.35 NIBL Sahabhagita Fund (250,000 units Rs 10 each)	2,887,525	4,350,000	-	-
1.36 NIBL Sahabhagita Fund-2 (2,000,000 units Rs 10 each)	20,000,000	20,000,000	-	-
1.37 Nepal Insurance Co. Ltd. (4557 ordinary shares of Rs 100 paid up)	1,720,078	4,657,254	2,579,105	3,036,124
1.38 Nepal Life Insurance Co. Ltd.	-	-	18,489,797	28,249,200
1.39 Nerude Laghubita Bikas Bank Limited (8273 ordinary shares of NPR 100 paid up)	13,381,007	13,236,800	2,602,242	3,129,613
1.40 NIC Asia Select-30 (500,000 units Rs 10 each)	5,000,000	5,000,000	-	-
1.41 NIC ASIA Balance Fund (500,000 units of Rs 10 each)	5,000,000	6,865,000	5,000,000	5,190,000
1.42 Nirdhan Utthan Bank Limited (1249 ordinary shares of Rs 100 paidup)	703,178	1,998,400	2,864,927	4,570,038
1.43 NLG Insurance Company Ltd. (5282 ordinary shares of Rs 100 paid up)	2,816,319	6,444,040	5,482,269	6,313,770
1.44 NMB Microfinance Bittiya Sanstha Ltd. (2 ordinary shares of Rs 100 paid up)	-	2,858	-	-
1.45 NMB 50 (1,000,000 units of 10 each)	10,000,000	14,950,000	10,000,000	10,000,000
1.46 Prabhu Insurance Ltd. (7006 ordinary shares of Rs 100 paid up)	2,512,312	6,725,760	3,229,492	4,277,850
1.47 Premier Insurance Co. Ltd. (2088 ordinary shares of Rs 100 paid up)	1,611,620	2,442,960	1,611,620	1,286,208
1.48 Prime Life Insurance Company Limited (23326 ordinary shares of Rs 100 paid up)	5,733,060	22,253,004	5,733,060	11,575,800
1.49 Prudential Insurance Co. Ltd. (3205 ordinary shares of Rs 100 paid up)	2,220,744	2,596,050	2,220,724	1,580,065
1.50 Rastriya Beema Company Limited (1 ordinary shares of Rs 100 paid up)	622	21,600	622	9,199
1.51 Rastriya Beema Company Limited	-	-	93,192	1,212,264

Continued...

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Cost	Fair Value
1.52 Ridi Hydropower Development Company Ltd. (8 ordinary shares of Rs 100 paid up)	-	4,608	-	-
1.53 Rural Microfinance Development Centre Ltd. (5,664 ordinary shares of Rs 100 paid up)	1,046,172	7,776,672	4,312,632	10,114,028
1.54 Rural Microfinance Development Centre Ltd. (12,993 Promoter shares of Rs 100 paid up)	4,129,137	4,248,711	4,129,137	4,248,711
1.55 Samata Microfinance Bittiya Sanstha Ltd. (110,625 Promoter shares of Rs 100 paid up)	13,588,698	91,542,188	13,588,698	30,422,040
1.56 Sana Kisan Bikas Laghubitta Bittiya Sanstha	-	-	2,017,654	3,886,087
1.57 Sanima Mai Hydropower Ltd. (10,954 ordinary shares of Rs 100 paid up)	2,913,981	5,619,402	2,913,981	2,220,634
1.58. Sarathi Nepal Laghubitta Bittiya Sanstha Limited (5,308 ordinary shares of Rs 100 paid up)	1,328,718	9,899,420	1,328,718	4,426,872
1.59 Sanima Large Cap Fund (250,000 units Rs 10 each)	2,500,000	2,625,000	-	-
1.60 Shikhar Insurance Co. Ltd.	-	-	6,123,761	4,982,910
1.61 Siddhartha Insurance Ltd. (6080 ordinary shares of Rs 100 paid up)	4,938,155	6,432,640	4,938,155	3,526,400
1.62 Soaltee Hotel Limited (4601 ordinary shares of Rs 10 Paid up)	962,744	1,205,462	962,744	708,577
1.63 Sunrise Bluechip Fund (250,000 units Rs 10 each)	2,500,000	2,500,000	-	-
1.64 Summit Micro Finance Development Bank Ltd. (2903 ordinary shares of Rs 100 paid up)	2,226,307	4,920,585	2,317,568	2,342,050
1.65 Surya Life Insurance Company Limited (6711 ordinary shares of Rs 100 paid up)	1,248,802	6,187,542	3,987,897	9,135,616
1.66 Swabalamban Laghubitta Bittiya Sanstha Limited (14538 ordinary shares of Rs 100 paid up)	26,029,857	24,118,542	-	-
1.67 Swarojgar Laghu Bitta Bikas Bank Ltd. (1 ordinary shares of Rs 100 paid up)	-	1,500	-	-
1.68 Siddhartha Growth Scheme-2 (2,000,000 units of NPR 10 paid up)	20,000,000	28,400,000	20,000,000	20,000,000
1.69 United Insurance Co. (Nepal) Ltd. (8160 ordinary shares of Rs 100 paid up)	2,401,524	5,834,400	2,401,524	3,019,200
Sub Total	444,725,633	1,175,201,119	319,271,041	557,944,597
Investment in Unquoted Equity				
1.1 Karja Suchana Kendra (2,625 ordinary shares of NPR 100 paid up)	54,000	768,081	54,000	768,081
1.2 Nepal Clearing House Ltd. (28,578 ordinary shares of NPR 100 paid up)	2,381,500	9,156,068	2,381,500	8,911,098
1.3 Nepal Electronic Payment System (NEPS) Promoter (10,000 promoter shares of NPR 100 paid up)	1,000,000	1,000,000	1,000,000	1,000,000
1.4 Nepal Stock Exchange (430 ordinary shares of NPR 100 paid up)	14,300	43,000	14,300	43,000
Sub Total	3,449,800	10,967,148	3,449,800	10,722,178
Total	448,175,433	1,186,168,267	322,720,841	568,666,775

4.9 Current tax assets

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Current tax assets	444,137,374	302,404,548
Current year income tax assets	296,133,817	192,621,451
Tax assets of prior periods	148,003,557	109,783,096
Current tax liabilities	187,105,073	154,400,991
Current year income tax liabilities	187,105,073	154,400,991
Tax liabilities of prior periods	-	-
Total	257,032,301	148,003,557

4.10.1 Investment in quoted subsidiaries

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Fair Value	Cost
	207-8 -	-	-	-
Total	-	-	-	-

4.10.2 Investment in unquoted subsidiaries

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Fair Value	Cost
	207-8 -	-	-	-
Total	-	-	-	-

4.10.3 Information relating to subsidiaries of the Bank

Figures in NPR

Particulars	Bank	
	Percentage of ownership held by the Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
	207-8 -	-
Total	-	-

4.10.4 Non controlling interest of the subsidiaries

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Equity interest held by NCI (%)	-	-
Profit/(loss) allocated during the year	-	-
Accumulated balances of NCI as on Ashad end	-	-
Dividend paid to NCI	-	-

4.11 Investment in associates

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Investment in quoted associates	535,419,240	443,211,884
Investment in unquoted associates	48,315,511	40,084,022
Total investment	583,734,750	483,295,906
Less: Impairment allowances	-	-
Net carrying amount	583,734,750	483,295,906

4.11.1 Investment in quoted associates

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Fair Value	Cost
Nadep Laghubitta Bittiya Sanstha Ltd. 404,800 Promoter shares of Rs. 100 each	32,000,000	210,293,600	32,000,000	126,224,000
Deprosc Laghu Bitta Bittiya Sanstha Limited. 1,089,308 Promoter shares of Rs. 100 each 410,383 ordinary shares of Rs. 100 each	46,485,168	1,610,192,382	46,485,168	719,184,855
Lumbini General Insurance Co. Ltd. 902,118 Promoter shares of Rs. 100 each 277,310 ordinary shares of Rs. 100 each	77,456,555	568,128,015	77,456,555	314,668,943
Total	155,941,723	2,388,613,997	155,941,723	1,160,077,798

4.11.2 Investment in unquoted associates

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Cost	Fair Value	Fair Value	Cost
Muktinath Capital Ltd. (400,000 shares of Rs. 100 each)	40,000,000	40,000,000	40,000,000	40,000,000
Total	40,000,000	40,000,000	40,000,000	40,000,000

4.11.3 Information relating to associates of the Bank

Figures in NPR

Particulars	Bank	
	Percentage of ownership held by the Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Nadep Laghubitta Bittiya Sanstha Ltd.	10.00%	10.00%
Deprosc Laghubitta Bikas Bank.	12.97%	12.97%
Lumbini General Insurance Co. Ltd.	9.84%	9.84%
Muktinath Capital Limited (former: Vibor Capital Ltd.)	19.75%	19.75%

4.12 Investment properties

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Investment properties measured at fair value		
Balance as on Shrawan 1	-	-
Addition/disposal during the year	-	-
Acquisition through business combination	-	-
Net changes in fair value during the year	-	-
Adjustment/transfer	-	-
Net amount	-	-
Investment properties measured at cost		
Balance as on Shrawan 1	66,080,575	54,439,575
Addition/disposal during the year	-	-
Adjustment/transfer	-	-
Accumulated depreciation	(349,975)	(241,797)
Accumulated impairment loss	-	-
Net amount	65,730,600	54,197,778
Total	65,730,600	54,197,778

4.13 Property and Equipment

Figures in NPR

Particulars	Bank										Total	
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixture	Machinery	Equipment & Others				
Cost												
As on Shrawan 1, 2076	49,694,582	137,463,271	106,596,655	30,171,995	51,517,182	32,701,070	22,222,137	53,443,093			483,809,985	
Addition during the Year												
Acquisition	-	1,561,320	12,595,400	4,880,283	2,376,180	7,646,091	3,310,380	11,910,714			44,280,368	
Capitalization												
Disposal during the year	-	-	(172,915)	(307,599)	(360,854)	(361,272)	(732,887)	(771,419)			(2,706,946)	
Adjustment/Revaluation	-	-	-	-	-	-	-	-			-	
Balance as on Ashad end 2077	49,694,582	139,024,591	119,019,139	34,744,679	53,532,508	39,985,889	24,799,631	64,582,388			525,383,406	
Addition during the Year												
Acquisition	-	48,816	6,673,149	5,728,387	12,946,400	5,272,040	-	8,079,212			38,748,004	
Capitalization												
Disposal during the year	-	-	-	(10,823)	(612,456)	(16,410)	(289,500)	(2,053,848)			(2,983,037)	
Adjustment/Revaluation												
Balance as on Ashad end 2078	49,694,582	139,073,407	125,692,288	40,462,244	65,866,452	45,241,519	24,510,131	70,607,751			561,148,373	
Depreciation and Impairment												
As on Shrawan 1, 2076	-	7,009,337	49,556,487	15,857,774	28,755,710	17,940,403	17,392,620	24,606,529			161,118,861	
Depreciation charge for the Year	-	2,791,272	15,071,109	5,595,097	10,066,914	6,399,676	2,363,383	10,008,037			52,295,488	
Impairment for the year	-	-	-	-	-	-	-	-			-	
Disposals	-	-	(172,913)	(307,580)	(360,845)	(350,139)	(732,881)	(766,541)			(2,690,899)	
Adjustment	-	-	-	-	-	-	-	-			-	
As on Ashad end 2077	-	9,800,609	64,454,683	21,145,292	38,461,779	23,989,941	19,023,122	33,848,025			210,723,451	
Depreciation charge for the Year	-	2,804,372	12,954,615	5,646,194	7,399,808	6,109,169	1,641,393	10,773,820			47,329,370	
Impairment for the year	-	-	-	-	-	-	-	-			-	
Disposals	-	-	-	(10,821)	(612,450)	(10,465)	(289,499)	(1,918,191)			(2,841,425)	
Adjustment												
As on Ashad end 2078	-	12,604,981	77,409,298	26,780,666	45,249,137	30,088,645	20,375,016	42,703,654			255,211,396	
Capital Work in Progress												
Net Book Value												
As on Ashad end 2076	49,694,582	130,453,934	57,040,167	14,314,221	22,761,471	14,760,667	4,829,517	28,836,564			322,691,124	
As on Ashad end 2077	49,694,582	129,223,981	54,564,456	13,599,387	15,070,729	15,995,948	5,776,509	30,734,363			314,659,956	
As on Ashad end 2078	49,694,582	126,468,426	48,282,990	13,681,578	20,617,315	15,152,874	4,135,115	27,904,097			305,936,977	

4.14 Goodwill and Intangible Assets

Figures in NPR

Particulars	Bank				Total
	Goodwill	Software		Other	
		Purchased	Developed		
Cost					
As on Shrawan 1, 2076	-	7,573,684	-	-	7,573,684
Addition during the Year					
Acquisition	-	435,500	-	-	435,500
Acquisition through business combination	-	-	-	-	-
Capitalization	-	-	-	-	-
Disposal during the year	-	(23)	-	-	(23)
Adjustment/Revaluation	-	-	-	-	-
Balance as on Ashad end 2077	-	8,009,161	-	-	8,009,161
Addition during the Year					
Acquisition	-	491,550	-	-	491,550
Acquisition through business combination	-	-	-	-	-
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-
Balance as on Ashad end 2078	-	8,500,711	-	-	8,500,711
Amortization and Impairment					
As on Shrawan 1, 2076	-	3,587,997	-	-	3,587,997
Amortization charge for the Year	-	1,092,447	-	-	1,092,447
Impairment for the year	-	-	-	-	-
Disposals	-	(23)	-	-	(23)
Adjustment	-	-	-	-	-
As on Ashad end 2077	-	4,680,421	-	-	4,680,421
Amortization charge for the Year	-	1,038,570	-	-	1,038,570
Impairment for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Adjustment	-	-	-	-	-
As on Ashad end 2078	-	5,718,991	-	-	5,718,991
Capital Work in Progress					
Net Book Value					
As on Ashad end 2076	-	3,985,687	-	-	3,985,687
As on Ashad end 2077	-	3,328,740	-	-	3,328,740
As on Ashad end 2078	-	2,781,720	-	-	2,781,720

4.15 Deferred Tax Assets

Figures in NPR

Particulars	Bank		
	As at 31st Ashad 2078		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
Deferred tax on temporary differences on following items			
Loan and Advance to B/FIs	-	-	-
Loans and advances to customers	-	-	-
Investment properties	-	-	-
Investment securities	-	221,397,850	(221,397,850)
Property & equipment	-	4,906,316	(4,906,316)
Employees' defined benefit plan	15,234,490	5,212,258	10,022,231
Lease liabilities	-	-	-
Provisions	5,408,279	-	5,408,279
Other temporary differences	-	-	-
Deferred tax on temporary differences	20,642,769	231,516,425	(210,873,656)
Deferred tax on carry forward of unused tax losses	16,412,535	-	16,412,535
Deferred tax due to changes in tax rate	-	-	-
Net Deferred tax asset/(liabilities) as on year end of 2078			(194,461,121)
Deferred tax (asset)/liabilities as on Shrawan 1, 2077			40,595,650
Origination/(Reversal) during the year			153,865,471
Deferred tax expense/(income) recognised in profit or loss			(2,316,588)
Deferred tax expense/(income) recognised in other comprehensive income			(151,548,883)
Deferred tax expense/(income) recognised in directly in equity			-

Particulars	Bank		
	As at 31st Ashad 2077		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
Deferred tax on temporary differences on following items			
Loan and Advance to B/FIs	-	-	-
Loans and advances to customers	-	-	-
Investment properties	-	-	-
Investment securities	-	73,783,780	(73,783,780)
Property & equipment	-	5,288,048	(5,288,048)
Employees' defined benefit plan	11,510,249	1,277,445	10,232,803
Lease liabilities	-	-	-
Provisions	3,624,572	-	3,624,572
Other temporary differences	-	-	-
Deferred tax on temporary differences	15,134,821	80,349,274	(65,214,453)
Deferred tax on carry forward of unused tax losses	24,618,803	-	24,618,803
Deferred tax due to changes in tax rate	-	-	-
Net Deferred tax asset/(liabilities) as on year end of 2077			(40,595,650)
Deferred tax (asset)/liabilities as on Shrawan 1, 2076			(34,435,648)
Origination/(Reversal) during the year			75,031,298
Deferred tax expense/(income) recognised in profit or loss			(23,302,670)
Deferred tax expense/(income) recognised in other comprehensive income			(5,132,755)
Deferred tax expense/(income) recognised in directly in equity			-

4.16 Other assets

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Assets held for sale	-	-
Other non banking assets	-	-
Bills receivable	-	-
Accounts receivable	38,773,563	29,667,955
Accrued income	-	-
Prepayments and deposit	8,814,620	10,088,305
Income tax deposit	105,331,521	68,701,863
Deferred employee expenditure	1,655,984	550,774
Other	6,013,740	6,373,484
a. Stock	5,954,362	6,314,106
b. Gold coins	24,161	24,161
c. Cash in transit	35,217	35,217
Total	160,589,428	115,382,380

Account receivable includes visa, remittance and other sundry receivable balance of various period. It includes gross receivable amount of Rs 691,226,384 on which impairment allownces of Rs 652,452,821 has been created from past fiscal year due to doubt on recoverability of some sundry Balances. Net of impairment allownces has been presented in above schedule.

4.17 Due to Bank and Financial Institutions

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Money market deposits	-	-
Interbank borrowing	-	-
Other deposits from BFIs	408,344,280	1,176,764,472
Settlement and clearing accounts	-	-
Total	408,344,280	1,176,764,472

4.18 Due to Nepal Rastra Bank

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Refinance from NRB	1,043,927,505	-
Standing Liquidity Facility	-	-
Lender of last report facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other payable to NRB	383,000,000	469,929,415
Total	1,426,927,505	469,929,415

4.19 Derivative financial instruments

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Held for trading	-	-
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Others	-	-
Held for risk management	-	-
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Other	-	-
Total	-	-

4.20 Deposits from customers

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Institutions customers:	12,451,300,016	9,808,101,288
Term deposits	7,968,873,259	6,532,871,888
Call deposits	3,724,543,638	2,803,829,610
Current deposits	731,707,105	407,725,354
Other	26,176,013	63,674,436
Individual customers:	23,920,166,784	18,250,465,969
Term deposits	14,180,926,998	10,722,038,941
Saving deposits	9,416,326,702	7,306,221,326
Current deposits	307,212,454	181,139,508
Other	15,700,630	41,066,194
Total	36,371,466,800	28,058,567,257

4.20.1 Currency wise analysis of deposit from customers

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Nepalese rupee	36,371,366,701	28,058,727,267
Indian rupee	-	-
United State dollar	100,099	92,455
Great Britain pound	-	-
Euro	-	-
Japanese yen	-	-
Chinese yuan	-	-
Other	-	-
Total	36,371,466,800	28,058,819,723

Statement of Total Deposits At the Ashadh End, 2078

(Rs. in '000)

Particulars	Current	Saving	Fixed	Money at Call	Certificate of Deposit	Margin	Others	Total (1 to 7)
(A) Local Currency Deposits	1,00	2,00	3,00	4,00	5,00	6,00	7,00	8,00
1. Foreign Entities or Individuals	37	9,728	-	928	-	-	-	10,693
1.1 Foreign Diplomatic and Grant Commissions	-	-	-	-	-	-	-	-
1.2 Projects Undertaken by Foreign Government	-	-	-	-	-	-	-	-
1.3 International Organizations (Including UNO)	-	-	-	-	-	-	-	-
1.4 Other International Non-gov. Organizations	15	-	-	928	-	-	-	943
1.4.1 Residential	-	-	-	112	-	-	-	112
1.4.2 Non-residential	15	-	-	816	-	-	-	831
1.5 Foreign Banks	-	-	-	-	-	-	-	-
1.6 Other Financial Institutions	-	-	-	-	-	-	-	-
1.7 Foreign Airlines	-	-	-	-	-	-	-	-
1.8 Foreign Country's Pension Camp	-	-	-	-	-	-	-	-
1.8.1 Government of India	-	-	-	-	-	-	-	-
1.8.2 British Government	-	-	-	-	-	-	-	-
1.9 Foreign Nationals	-	9,728	-	-	-	-	-	9,728
1.9.1 Residential	-	2,880	-	-	-	-	-	2,880
1.9.2 Non-residential	-	6,848	-	-	-	-	-	6,848
1.10 Others	22	-	-	-	-	-	-	22
1.10.1 Residential	10	-	-	-	-	-	-	10
1.10.2 Non-Residential	12	-	-	-	-	-	-	12
2. Municipality/V.D.C./D.D.C.	18,682	-	-	-	-	-	-	18,682
3. Financial Institutions	165,830	3,751	7,274,439	3,130,038	-	525	-	10,574,583
3.1 Deposit Accepting Financial Institutions	97,773	3,693	3,199,647	2,712,831	-	-	-	6,013,944
3.1.1 "A" Class licensed institution (Including ADB/N Branches performing commercial banking transactions)	7	-	-	-	-	-	-	7
3.1.2 "B" Class licensed institutions	5,175	-	-	96,894	-	-	-	102,069
3.1.3 "C" Class licensed institutions	175	-	-	79,705	-	-	-	79,880
3.1.4 "D" Class licensed institutions	43,525	-	350,000	239,883	-	-	-	633,408
3.1.5 Cooperatives (having license to limited banking)	42,531	23	2,820,513	2,278,857	-	-	-	5,141,923
3.1.6 NGOs (having a license of limited banking transactions)	6,359	3,671	29,134	17,492	-	-	-	56,656
3.1.7 Postal Saving Banks (Saving Deposits Only)	-	-	-	-	-	-	-	-
3.2 Other financial Institutions	-	-	-	-	-	-	-	-
3.2.1 Nepal Industrial Development Corporation	-	-	-	-	-	-	-	-
3.2.2 Agriculture Development Bank (Excluding commercial banking branches)	-	-	-	-	-	-	-	-
3.3 Financial Institutions not accepting deposits	65,616	37	4,073,692	407,426	-	-	-	4,546,771
3.3.1 Insurance companies	54,231	37	3,834,500	149,683	-	-	-	4,038,451
3.3.2 Employees Provident Fund	-	-	-	-	-	-	-	-
3.3.3 Citizen Investment Trust	-	-	-	-	-	-	-	-
3.3.4 Merchant Banking	11,385	-	239,192	257,743	-	-	-	508,320

Continued...

Particulars	Current	Saving	Fixed	Money at Call	Certificate of Deposit	Margin	Others	Total (1 to 7)
3.4 Other Intermediary Financial Units	2,441	21	1,100	9,781	-	525	-	13,868
3.4.1 Rural Self-help Fund (Grameen Swablamban Kosh)	-	-	-	-	-	-	-	-
3.4.2 Money-Changers	100	-	100	944	-	510	-	1,654
3.4.3 Stock Brokers	1,061	-	-	55	-	-	-	1,115
3.4.4 Stock Exchange	-	-	-	-	-	-	-	-
3.4.5 Money Transfer	1,280	21	1,000	8,782	-	15	-	11,098
3.4.6 Others-Other Subsidiary Financial Units	-	-	-	-	-	-	-	-
3.4.7	-	-	-	-	-	-	-	-
4. Non-financial Institutions	448,207	1,894	1,006,450	354,702	-	12,540	-	1,823,793
4.1 Governmental Institutions and Companies	75	-	383,000	1	-	-	-	383,076
4.1.1 Industrial	16	-	-	-	-	-	-	16
4.1.2 Trading	59	-	383,000	1	-	-	-	383,060
4.1.3 Other	448,133	1,894	623,450	354,701	-	12,540	-	1,440,717
4.2 Non-governmental Institution and Companies	6,422	-	1,050	7,127	-	170	-	14,769
4.2.1 Industrial	126,443	1,525	16,902	120,841	-	5,982	-	271,693
4.2.2 Trading	315,267	369	605,498	226,733	-	6,389	-	1,154,255
4.2.3 Others	81,793	11,226	344,867	199,791	-	-	-	637,677
5. Non-profit Organizations	20,205	371	85,825	61,722	-	-	-	168,123
5.1 Schools, Campuses	3,110	4	13,385	27,436	-	-	-	43,935
5.2 Hospitals, Nourishing Homes	58,478	10,851	245,656	110,633	-	-	-	425,619
5.3 Others	58,478	10,851	245,656	110,633	-	-	-	425,619
5.3.1 Residential	-	-	-	-	-	-	-	-
5.3.2 Non-residential	-	-	-	-	-	-	-	-
6. Individuals	307,212	9,416,327	14,181,250	15,336	-	364	-	23,920,489
6.1 Residential	307,198	9,400,415	14,169,950	15,336	-	364	-	23,893,263
6.2 Non-residential	15	15,912	11,300	-	-	-	-	27,226
7. Others	17,151	1,504	134,140	23,748	-	245	-	176,787
7.1 Residential	17,151	1,504	134,140	23,748	-	245	-	176,787
7.2 Non-residential	-	-	-	-	-	-	-	-
8. Cashiers' Deposits	-	-	-	-	-	-	-	-
Total Deposits in Local Currency (1to8)	1,038,913	9,444,429	22,941,145	3,724,544	-	13,674	-	37,162,704
(B) Foreign Currency Deposits	-	-	-	-	-	-	-	-
1. Foreign Entities or Individuals	-	-	-	-	-	-	-	-
2. Domestic Institutions and Companies	7	-	-	-	-	-	-	7
2.1 "A" Class licensed institutions	-	-	-	-	-	-	-	-
2.2 Residential	7	-	-	-	-	-	-	7
2.3 Non-Residential	-	-	-	-	-	-	-	-
3. Individuals	-	100	-	-	-	-	-	100
3.1 Residential	-	100	-	-	-	-	-	100
3.2 Non-Residential	-	-	-	-	-	-	-	-
Total Deposit of foreign Currencies (1to3)	7	100	-	-	-	-	-	107
Gross Total (A)+[B]	1,038,920	9,444,529	22,941,145	3,724,544	-	13,674	-	37,162,811
Total Number of Accounts	28,814	224,406	11,612	3,851	-	184	-	268,867

Continued...

4.21 Borrowing

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Domestic Borrowing	-	-
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
Sub total		
Foreign Borrowing		
Foreign Bank and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub total	-	-
Total	-	-

4.22 Provisions

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Provisions for redundancy	-	-
Provision for restructuring	-	-
Pending legal issues and tax litigation	-	-
Onerous contracts	-	-
Other	-	-
Total	-	-

4.22.1 Movement in provision

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Balance as at Shrawan 1		
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of discount	-	-
Balance as at Ashad End	-	-

4.23 Other liabilities

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Liability for employees defined benefit obligations	33,407,438	34,109,344
Liability for long-service leave	18,027,597	12,081,908
Short-term employee benefits	-	-
Bills payable	11,470,853	2,959,579
Creditors and accruals	177,923,042	80,383,030
Interest payable on deposit	322,582	252,466
Interest payable on borrowing	-	-
Unpaid Dividend	58,731,974	59,392,903
Liabilities under Finance Lease	-	-
Employee bonus payable	69,479,135	59,828,142
TDS Payable	34,895,043	31,258,910
Other	25,144,007	26,485,222
a. Provision for general expense	3,247,927	4,250,485
b. Liabilities under Operating Lease	-	-
c. Auction and bidding proceed	15,171,150	15,566,050
d. ATM and VISA payable	3,264,231	2,156,845
e. ASBA payable	-	-
f. Remit Payble	(596,077)	289,667
g. Other	4,056,776	4,222,175
Total	429,401,671	306,751,504

4.23.1 Defined benefit obligations

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
The amounts recognised in the statement of financial position are as follows:		
Present value of funded obligations	47,550,980	49,574,275
Total present value of obligations	47,550,980	49,574,275
Fair value of plan assets	14,143,542	15,464,931
Present value of net obligations	33,407,438	34,109,344
Recognised liability for defined benefit obligations	33,407,438	34,109,344

4.23.2 Plan assets

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Plan assets comprise:		
Equity securities	-	-
Government bonds	-	-
Bank deposit	14,143,542	15,464,931
Other	-	-
Total	14,143,542	15,464,931
Actual return on plan assets	1,036,372	1,304,258

4.23.3 Movement in the present value of defined benefit obligations

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Defined Benefit Obligation as at Shrawan 1	49,574,275	44,668,380
Actuarial losses	(13,360,196)	(3,562,084)
Benefits paid by the plan	(2,473,748)	(2,176,799)
Current service costs and interest	13,810,649	10,644,778
Defined Benefit Obligation as at Ashad End	47,550,980	49,574,275

4.23.4 Movement in the fair value of plan assets

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Fair Value of Plan Asset as at Shrawan 1	15,464,931	16,036,016
Contributions paid into the plan	-	-
Benefits paid during the year	(2,473,748)	(2,035,703)
Actuarial (losses) gains	(244,153)	89,976
Expected return on plan assets	1,396,512	1,374,642
Fair Value of Plan Asset as at Ashad End	14,143,542	15,464,931

4.23.5 Amount recognised in profit or loss

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Current service costs	9,460,283	7,158,380
Interest on obligation	4,350,366	2,272,116
Expected return on plan assets	(1,396,512)	(1,374,642)
Total	12,414,137	8,055,854

4.23.6 Amount recognised in other comprehensive income

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Actuarial (gain)/loss	(13,116,043)	(3,652,060)
Total	(13,116,043)	3,652,060

4.23.7 Actuarial assumptions

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Discount rate	9%	9%
Expected return on plan asset	9%	8%
Future salary increase	5%	5%
Withdrawal rate	5%	5%

4.24 Debt securities issued

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortized cost	-	-
Total	-	-

4.25 Subordinated Liabilities

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
Total	-	-

4.26 Share capital

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Ordinary shares	2,906,453,550	2,716,311,729
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
Total	2,906,453,550	2,716,311,729

4.26.1 Ordinary shares

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Authorized Capital	5,000,000,000	5,000,000,000
50,000,000 Ordinary share of Rs. 100 each	5,000,000,000	5,000,000,000
Issued capital	2,906,453,550	2,716,311,729
29,064,535 Ordinary share of Rs. 100 each	2,906,453,550	2,716,311,729
Subscribed and paid up capital	2,906,453,550	2,716,311,729
29,064,535 Ordinary share of Rs. 100 each	2,906,453,550	2,716,311,729
Total	2,906,453,550	2,716,311,729

Reconciliation of the number of shares outstanding at the beginning and end of the year

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Balance as at the beginning of the year	2,716,311,729	2,209,766,313
Add: Issue of bonus share during the year	190,141,821	506,545,416
Add: Issue of right share during the year	-	-
Balance as at the end of the year	2,906,453,550	2,716,311,729

4.26.2 Ordinary share ownership

Figures in NPR

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Percent	Amount	Percent	Amount
Domestic ownership				
Nepal Government	-	-	-	-
"A" class licensed institutions	-	-	-	-
Other licensed institutions	-	-	-	-
Other Institutions	12.46	362,275,850	10.51	285,402,047
Public	87.54	2,544,177,700	89.49	2,430,909,681
Other	-	-	-	-
Foreign ownership				
Total	100	2,906,453,550	100	2,716,311,729

Particulars	Bank			
	As at 31st Ashad 2078		As at 31st Ashad 2077	
	Percent	Percent	Percent	Amount
Share Ownership				
Promoter	51.01	51.01	-	1,385,513,031
Public	48.99	48.99	-	1,330,798,698
Total	100	100	-	2,716,311,729

Shareholder holding more than 0.5%

BOID/SH NO.	Name of Shareholder	Number of Shares hold	Holding %	Type
1301120000929415	Syakar Company Pvt. Ltd	1,782,623	6.13	Promoter Institution
1301250000229824	Chintamani Bhattarai	1,114,535	3.83	Promoter
1301010000339705	Prem Bahadur Shrestha	570,696	1.96	Promoter
1301520000022838	Mana Prasad Wagley	544,724	1.87	Promoter
1301060001038807	Mingma Dorje Sherpa	537,128	1.85	Promoter
1301460000001638	Kanchha Gurung	426,272	1.47	Promoter
1301250000082813	Sushil Raj Parajuli	373,972	1.29	Promoter
1301100000334400	Sudhir Prasad Sharma	326,798	1.12	Promoter
1301580000020869	Pushpa Jyoti Dhungana	307,321	1.06	Promoter
1301090000021246	Prudential Capital Management Company P. Ltd	304,402	1.05	Public Institution
1301180000044311	Rajesh Kumar Agrawal	268,821	0.92	Promoter
1301300000002345/ 1301180000044305	Shrawan Kumar Agrawal	247,943	0.85	Promoter
1301250000086573	Ramji Prasad Bastola	247,325	0.85	Promoter
1301250000705626	Vijay Kumar Sarawagi	219,140	0.75	Promoter
42617	Shyamukapu International	210,869	0.73	Promoter Institution
1301010000339699	Shanti Shrestha	194,479	0.67	Promoter
1301280000076813	Shyam Kumar Chhetri	194,096	0.67	Promoter
1301090000774721	Harpal Investment Company Pvt. Ltd	187,172	0.64	Promoter Institution
1301370000112677	Ramesh Karmacharya	185,276	0.64	Promoter
1301370000530001	Deepak Sherchan	185,231	0.64	Promoter
1301310000002141	Binod Bahadur Shrestha	172,840	0.59	Promoter
1301100000339694	Mankaji Makaju	170,144	0.59	Promoter
1301010000147030	Chiranjibi Lal Sarawagi	163,024	0.56	Promoter
1301250000017272	Shanker Ghimire	154,784	0.53	Promoter
1301090000771256	Bil Bahadur Gurung	150,558	0.52	Promoter
1301250000153603	Mohan Das Manandhar	144,690	0.50	Promoter

4.27 Reserves

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Statutory general reserve	807,085,177	720,291,742
Exchange equalization reserve	848,105	848,105
Corporate social responsibility reserve	4,905,544	3,785,608
Capital redemption reserve	-	-
Regulatory reserve	178,242,218	201,153,656
Investment adjustment reserve	40,000,000	40,000,000
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	516,594,984	172,162,154
Dividend equalization reserve	-	-
Actuarial gain/(loss)	12,161,936	2,980,706
Special reserve	-	-
Deferred Tax Reserve	-	-
Other reserve	393,268,028	292,829,184
Total	1,953,105,992	1,434,051,154

4.28 Contingent liabilities and commitments

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Contingent liabilities	131,150,000	99,870,000
Undrawn and undisbursed facilities	2,347,461,748	1,498,776,829
Capital commitment	-	-
Lease Commitment	15,172,432	14,173,776
Litigation	296,782,531	264,894,539
Total	2,790,566,710	1,877,715,145

4.28.1 Contingent liabilities

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Acceptance and documentary credit	-	-
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	131,150,000	99,870,000
Underwriting commitment	-	-
Other commitments	-	-
Total	131,150,000	99,870,000

4.28.2 Undrawn and undisbursed facilities

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Undisbursed amount of loans	824,921,341	-
Undrawn limits of overdrafts	1,522,540,407	1,498,776,829
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	-	-
Total	2,347,461,748	1,498,776,829

4.28.3 Capital commitments

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

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Capital commitments in relation to Property and Equipment		
Approved and contracted for	-	-
Approved but not contracted for	-	-
Sub Total	-	-
Capital commitments in relation to Intangible assets		
Approved and contracted for	-	-
Approved but not contracted for	-	-
Sub Total	-	-
Total	-	-

4.28.4 Lease commitments

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
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	-	-
Sub Total	-	-
Finance lease commitments		
Future minimum lease payments under non cancellable operating lease, where the Bank is lessee	-	-
Not later than 1 year	15,172,432	14,173,776
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Sub Total	15,172,432	14,173,776
Grand Total	15,172,432	14,173,776

4.28.5 Litigation

The bank's litigations are generally related to its ordinary course of business pending on various jurisdiction. Litigations are mainly in the nature of income tax from the amended assessment of the development bank including merged entities in previous fiscal year.

4.29 Interest income

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Cash and cash equivalent	39,878,947	193,504,799
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	129,706,750	134,657,486
Loans and advances to customers	3,166,011,180	3,033,988,595
Investment securities	113,362,399	71,554,547
Loan and advances to staff	4,944,178	7,809,105
Other	-	-
Total interest income	3,453,903,454	3,441,514,532

4.30 Interest expense

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Due to bank and financial institutions	13,895,960	140,169,254
Due to Nepal Rastra Bank	12,932,429	7,469,158
Deposits from customers	2,216,070,419	2,144,122,346
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other	-	-
Total interest expense	2,242,898,808	2,291,760,758

4.31 Fees and Commission Income

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Loan administration fees	-	-
Service fees	158,534,778	101,522,276
Consortium fees	2,900,929	1,716,560
Commitment fees	1,917,859	3,196,648
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	1,148,240	1,119,408
Prepayment and swap fees	4,747,681	4,757,167
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	3,093,040	4,219,215
Commission on letter of credit	-	-
Commission on guarantee contracts issued	2,886,611	1,703,972
Commission on share underwriting/issue	-	-
Locker rental	935,600	859,550
Other fees and commission income	1,037,277	692,998
Total fees and Commission Income	177,202,015	119,787,794

4.32 Fees and commission expense

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
ATM management fees	4,842,097	3,363,472
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
Total fees and Commission Expense	4,842,097	3,363,472

4.33 Net trading income

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
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 translation	(17,864)	13,481
Other	-	-
Net trading income	(17,864)	13,481

4.34 Other operating income

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Foreign exchange revaluation gain	(184,640)	1,383,815
Gain/loss on sale of investment securities	112,120,778	2,690,925
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	16,063,827	15,710,668
Gain/loss on sale of property and equipment	550,737	399,612
Gain/loss on sale of investment property	-	-
Operating lease income	6,528,680	6,647,056
Gain/loss on sale of gold and silver	-	-
Locker rent	-	-
Other	4,493,941	1,321,229
a. Income from Insurance Claims	42,580	-
b. Others	4,451,361	1,321,229
Total	139,573,324	28,153,305

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

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Impairment charge/(reversal) on loan and advances to B/FIs	(22,948,803)	-
Impairment charge/(reversal) on loan and advances to customer	317,270,930	178,040,667
Impairment charge/(reversal) on financial Investment	-	-
Impairment charge/(reversal) on placement with banks and financial institutions	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
Total	294,322,127	178,040,667

4.36 Personnel Expenses

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Salary	133,579,196	124,838,241
Allowances	105,226,826	100,086,391
Gratuity expense	12,414,137	9,270,136
Provident fund	12,659,008	11,294,761
Uniform	8,640,000	-
Training & development expense	4,714,340	6,227,877
Leave encashment	9,539,035	8,478,873
Medical	-	-
Insurance	1,746,312	1,649,108
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	791,833	2,376,202
Other expenses related to staff	-	-
Subtotal	289,310,687	264,221,591
Employees bonus	69,479,135	59,828,142
Grand total	358,789,822	324,049,733

4.37 Other operating expense

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Directors' fee	2,150,000	2,019,200
Directors' expense	1,208,643	2,015,581
Auditors' remuneration	2,100,000	2,100,000
Other audit related expense	475,000	425,000
Professional and legal expense	2,080,761	1,930,037
Office administration expense	143,787,384	141,989,175
Operating lease expense	59,737,941	55,112,451
Operating expense of investment properties	-	-
Corporate social responsibility expense	3,219,736	7,103,444
Onerous lease provisions	-	-
Others	190,132	26,118
Total	214,949,596	212,721,007

4.37.1 Office administration expense

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Water and electricity	13,158,860	12,338,487
Repair and maintenance		
(a) Building	28,726	6,165
(b) Vehicle	2,065,592	2,659,909
(c) Computer and accessories	1,169,611	653,265
(d) Office equipment and furniture	1,980,150	2,015,051
(e) Other	248,389	369,350
Insurance	2,776,157	2,478,403
Postage, telex, telephone, fax	3,244,214	3,348,638
Printing and stationery	6,754,420	5,845,255
Newspaper, books and journals	185,808	295,953
Advertisement	11,670,680	11,823,256
Donation	-	-
Security expense	49,002,008	46,972,379
Deposit and loan guarantee premium	8,706,602	7,406,943
Travel allowance and expense	1,362,628	2,008,481
Entertainment	-	-
Annual/special general meeting expense	632,160	2,432,487
Other	40,801,378	41,335,154
a. ECC and other Bank charges	668,819	1,107,370
b. Internship expenses	9,960	170,700
c. Connectivity expense	8,171,915	8,440,595
d. Fuel expenses	4,268,510	4,486,296
e. Refreshment and guest hospitality	5,179,607	4,753,266
f. Cleaning and sanitation	3,501,077	4,213,185
g. Annual maintenance contract expense	5,026,412	3,987,581
h. Registration and renewal expense	4,191,260	3,779,599
i. Asset written off expense	-	44,784
j. Vehicle, property and other expense	2,588,711	2,694,443
k. Office supplies and small accessories	2,303,635	2,589,492
l. RTS and related expense	452,103	725,018
m. Internet expense	967,890	1,400,395
n. Other office expense	3,471,478	2,942,429
o. Other writeoff expenses	-	-
p. Other	-	-
Total	143,787,384	141,989,175

4.38 Depreciation & Amortization

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Depreciation on property and equipment	47,329,370	52,295,488
Depreciation on investment property	108,178	94,803
Amortization on intangible assets	1,038,570	1,092,447
Total	48,476,118	53,482,738

4.39 Non operating income

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Recovery of loan written off	22,985,076	1,056,854
Other income	-	12,643,833
Total	22,985,076	13,700,688

4.40 Non operating expense

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Loan written off	3,928,856	1,298,145
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	126,365	-
Total	4,055,221	1,298,145

4.41 Income tax expense

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Current tax expense	189,028,448	154,529,271
Current year	187,105,073	154,400,991
Adjustments for prior years	1,923,375	128,280
Deferred tax expense	2,316,588	5,363,185
Origination and reversal of temporary differences	2,316,588	5,363,185
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
Total income tax expense	191,345,036	159,892,456

4.41.1 Reconciliation of tax expense and accounting profit

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Profit before tax	625,312,215	538,453,280
Tax amount at tax rate of 30%	187,593,665	161,535,984
Add: Tax effect of expenses that are not deductible for tax purpose	5,896,012	4,755,116
Less: Tax effect on exempt income	(11,879,892)	(8,061,297)
Add/less: Tax effect on other items	7,418,664	(3,700,531)
Total income tax expense	189,028,448	154,529,271
Effective tax rate	30.23%	28.70%

Statement of Total Distributable Profit or Loss
For the Year Ended 31st Ashad 2078 (15 July 2021)
 (As per NRB Regulation)

Figures in NPR

Particulars	Bank	
	As at 31st Ashad 2078	As at 31st Ashad 2077
Opening Retained Earnings	293,536,397	522,039,599
Transfer From Retained Earnings During the Year (for Distribution 2076-77)	(271,554,861)	(517,392,710)
Transfer to Retained Earnings during the Period	44,065,472	25,101,484
Net profit or (loss) as per statement of profit or loss	433,967,179	378,560,824
Appropriations:		
a. General reserve	86,793,436	75,712,165
b. Foreign exchange fluctuation fund	-	345,954
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	1,119,936	3,785,608
e. Employees' training fund	-	-
f. Other	-	-
g. Investment Adjustment Reserve	-	-
Total Retained Earnings before regulatory adjustment	412,100,815	328,465,470
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(2,680,919)	(38,069,975)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	9,206,262	19,662,464
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	10,660,314	-
e. Deferred tax assets recognized (-)/ reversal (+)	2,316,588	5,363,185
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognized (-)/reversal (+)	-	-
h. Actuarial loss recognized (-)/reversal (+)	8,733,471	(7,780,428)
i. Other (+/-)	(5,324,278)	(14,104,319)
Total Distributable Profit or (Loss)	435,012,253	293,536,397

5. Disclosure and Additional Information

5.1. Risk Management

Effective Risk Management is an essential part of the High-Level Control framework. The overall risk management system is reflected in the ongoing control environment, risk awareness and management style. Specific roles or responsibilities are assigned for leading and managing the internal control environment through the: Chairman, and the BOD, Risk Committee, Audit Committee, CEO and Senior Management, Risk Department, Compliance Department and Support Functions.

The broad categories of risk the development bank face are credit risk, market risk, liquidity risk, interest rate risk in the banking book and operational risk. Further, focus on digitization leads to cyber security and data risk as well as reputation risk. The entity is also exposed to Environmental, Social & Governance risks arising out of the nature of business operations of the borrowers (particularly large, corporate borrowers), the industry segment in which they operate and the deficits in their compliance to statutory/ regulatory norms.

Development Bank has implemented the Risk Management policy and guideline to streamline the overall risk management function of the Development Bank.

i. Board of Directors

The Board of Directors of the Bank takes responsibility for managing the comprehensive risks faced by the Bank. BOD approves the risk management policies and also sets limits by assessing the risk appetite, tolerance, skills available for managing risk and the risk bearing capacity. It supervises the implementation of the risk strategy. It guides the development of policies, procedures and systems for managing risk. It ensures that these are adequate and appropriate to changing business conditions, the structure and needs of the Bank and the risk appetite of the Bank. Sub-Committees of the Board of Directors have been constituted to oversee the various risk of management activities.

The BOD of the Development Bank has complied with all the code of conduct and corporate governance guidelines as per NRB Directives and applicable relevant policy and Acts.

ii. Risk Management Committee

Pursuant to the NRB directive on corporate governance, the Development Bank has established Risk Management Committee with well-defined terms of reference in line the NRB directive. Risk Management Committee (RMC), chaired by the one of the member of BOD periodically examines Credit Risk, Market Risk, Liquidity Risk, and Operation Risk of the Development Bank, oversee the sector portfolio/portfolio diversification and advise the management to review policy/process of the Development Bank. The Committee review the current risk profile and assess potential impact on the activities of the Development Bank or specific business, ensuring risks are identified, assessed, measured, mitigated, managed and monitored within acceptable parameters; where necessary, take appropriate remedial action.

iii. CEO and Senior Management

The CEO and Senior management have ensured that Development Bank have a strong risk management culture with well-written policies, manuals and guidelines. Senior management review and reinforce the risk management system.

iv. Risk Department

Risk Department has responsibility for high level Bank policy and procedures exposures including setting standards and reporting significant Risks and Corporate Governance issues to Senior management and BOD.

v. Internal Audit and Compliance Department

Audit Department reviews the implementation and adherence to the policy as part of its audit activities. It also works with the businesses and functions to prepare high-level risk maps to help identify and manage all aspects of risk, including Operational Risk and to help determine their Audit strategy.

Compliance Department of the Development Bank plays the vital roles on compliance of regulatory requirements. Internal policies, procedures and guidelines are closely monitored by the compliance of respective departments along with the compliance department.

5.1.1 Credit Risk

Credit Risk is the risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. The Credit Risk Monitoring and Reporting Framework have been

prepared in order to mitigate/minimize the credit risk of the Development Bank through appropriate monitoring and reporting framework established within the Development Bank.

Credit Policy established framework for making investment and lending decisions and reflect the Development Bank's tolerance for the credit risk. The Development Bank's Credit Policies are stated and defined in the Credit Policies Guidelines (CPG). The CPG states and defines the Development Bank's rules and policies related to the Development Bank's lending activities, reflecting the Development Bank's credit philosophy and culture. The CPG are updated at regular interval to reflect changes in the economic outlook and evolution of the Development Bank's loan portfolio.

The Development Bank measures, monitors and manages the credit risk for each borrower and also at the portfolio level. The credit review assessment of capital adequacy, at a minimum, covers risk rating systems, portfolio analysis/aggregation, large exposures and risk concentrations. The Development Bank has a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

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

5.1.2 Market Risk

Market risk is defined as the risk of losses resulting from movements in market prices that adversely affect the value of on- and off-balance-sheet positions of financial institutions. It is the risk to a Development Bank resulting from movements in market prices, in particular, changes in interest rates, foreign exchange rates and equity and commodity prices.

Risks arising from the market are Foreign Exchange Risk, Interest Rate Risk and equity risk.

► Foreign Exchange Risk

Foreign exchange risk is the risk of losses arising from the movement of foreign currency exchange rates. Development Bank has defined the measurement systems that take into account all the sources of foreign exchange risk. It evaluates the effect of foreign exchange rate changes on profitability and economic value of assets and liabilities.

► Interest Rate Risk

Interest rate risk is the risk of negative effects on the financial result and capital of the bank caused by change in interest rate. Development Bank have interest rate risk measurement systems that assess the effects of rate changes on both earnings and economic values of Assets.

5.1.3 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and system or from external events.

Measuring the size and scope of a Development Bank's risk exposures is an integral part of risk management process. Development Bank has placed a process for regular monitoring and reporting of operational risk profiles and material exposures to losses. It offers the advantages of quickly detecting and correcting deficiencies in the policies, processes and procedures for managing operational risk

The monitoring has been undertaken with the following scopes:

- Monitor assessment of the exposure to all types of operational risk faced by the Development Bank.
- An effective risk reporting has been designed in line with authorities.
- Establish early warning system for increasing risk of future losses.

5.1.4 Liquidity Risk

Liquidity risk is the risk that a financial institution loses its ability to fund its assets or to meet its obligations as they come due without incurring unacceptable cost or losses. Furthermore, Liquidity risk is the risk to an institution's financial condition or safety and soundness arising from its inability (whether real or perceived) to meet its contractual obligations.

Development Bank has Assets Liability Committee (ALCO) for managing overall liquidity of the Development Bank. Generally, the function of liquidity risk management is performed by ALCO and it comprises of senior management from each key area of the Development Bank that assumes and manages liquidity risk. The ALCO meeting has

been held on a regular basis. ALCO's general responsibilities include developing and maintaining appropriate liquidity risk management policies and procedures, optimizing the structure of assets and liabilities, maintaining the stability of the deposit base, projecting cash flows and evaluating the level of current assets, in terms of liquidity of the branches, maintaining an efficient internal fund transfer mechanism, MIS reporting, limits and oversight programs. ALCO delegates day-to-day operating responsibilities to the Development Bank's treasury department.

Risk Management Department, ALCO, Senior Management, BOD level Risk Management committee and BOD regularly monitor the liquidity risk measurement practices. Regular management reports and risk measures would be the source information of monitoring. Monitoring functions have ensured about the relevancy and accuracy of measurements and management practices.

5.1.5 Fair value of financial assets and financial liabilities

Financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

As at 31st Ashad 2078	Carrying value	Level 1	Level 2	Level 3
Financial Assets				
Financial Assets measured at FVTOCI				
Investment Securities (Equity instruments)				
-Quoted equity securities	1,175,201,119	1,175,201,119		
-Unquoted equity securities	10,967,148			10,967,148
Financial assets carried at amortized cost				
Cash and Cash Equivalents	4,264,391,045			4,264,391,045
Due from Nepal Rastra Bank	1,318,007,209			1,318,007,209
Placement with Bank and Financial Institutions	-			-
Loans and Advances to BFIs	2,516,006,709			2,516,006,709
Loans and Advances to Customers	29,673,539,871			29,673,539,871
Investment Securities	3,791,254,292			3,791,254,292
Other Assets	144,105,084			144,105,084
Total Financial Assets	42,893,472,479	1,175,201,119	-	41,718,271,360
Financial Liabilities				
Financial liabilities carried at amortized cost:				
Due to Bank and Financial Institutions	408,344,280			408,344,280
Due to Nepal Rastra Bank	1,426,927,505			1,426,927,505
Deposits from Customers	36,371,466,800			36,371,466,800
Borrowings	-			-
Other Liabilities	377,966,636			377,966,636
Total Financial Liabilities	38,584,705,220		-	38,584,705,220

As at 31st Ashad 2077	Carrying value	Level 1	Level 2	Level 3
Financial Assets				
Financial Assets measured at FVTOCI				
Investment Securities (Equity instruments)				
-Quoted equity securities	557,944,597	557,944,597	-	-
-Unquoted equity securities	10,722,178	-	-	10,722,178
Financial assets carried at amortized cost				
Cash and Cash Equivalents	4,811,555,306	-	-	4,811,555,306
Due from Nepal Rastra Bank	1,300,360,398	-	-	1,300,360,398
Placement with Bank and Financial Institutions	-	-	-	-
Loans and Advances to BFIs	1,008,801,718	-	-	1,008,801,718
Loans and Advances to Customers	24,320,524,314	-	-	24,320,524,314
Investment Securities	1,367,807,062	-	-	1,367,807,062
Other Assets	98,369,818	-	-	98,369,818
Total Financial Assets	33,476,085,391	557,944,597	-	32,918,140,794
Financial Liabilities				
Financial liabilities carried at amortized cost:				
Due to Bank and Financial Institutions	1,176,764,472	-	-	1,176,764,472
Due to Nepal Rastra Bank	469,929,415	-	-	469,929,415
Deposits from Customers	28,058,567,257	-	-	28,058,567,257
Borrowings	-	-	-	-
Other Liabilities	260,560,252	-	-	260,560,252
Total Financial Liabilities	29,965,821,396	-	-	29,965,821,396

5.2. Capital Management

i. Qualitative Disclosure

The Development Bank has formulated and implemented the "Internal Capital Adequacy Assessment Process 2019" which has been approved by the Board of Directors.

"ICAAP Policy 2019" provides the guidelines for the preparation of "Internal Capital Adequacy Assessment Process (ICAAP)" which set methodologies, techniques and procedures to assess the Capital adequacy requirements in relation to the Development Bank's risk profile and effectiveness of its risk management, control environment and strategic planning.

The Development Bank has set the Internal Capital Adequacy Assessment Process (ICAAP) with the following fundamental purposes.

- ▶ Development of policy, practice, process and plan to meet the regulatory and economic capital under the BASEL-II Capital frameworks.
- ▶ Strengthen the governance and organizational effectiveness around risk and capital management.
- ▶ Inform the board about the ongoing assessment of Development Bank's risk profile, mitigation technique being applied and estimated future capital requirement of the Development Bank.
- ▶ Bring transparency on the capital assessment process by understanding the key drivers of capital requirement including oversight for reviewing and validating capital requirements.
- ▶ Communicate and justify the regulatory authority about the procedure and methodology adopted for ICAAP based on present and future risk profile of the Development Bank.
- ▶ Support opportunities to identify sub-optimal usage of capital across the organization.
- ▶ Create the foundation and basis to have an informed view on capital requirements to state the Development Bank's position on capital adequacy against regulatory capital requirements.
- ▶ Ensuring the management exercises sound judgment and set adequate required capital for material risk according with the overall risk.

Board and management shall jointly ensure that formality and sophistication of the risk management processes are appropriate in light of the Development Bank's risk profile and business plan and shall put in place credible and consistent policies and procedures to identify measure and report all material risks that the Development Bank faces. Board shall ensure that the Policy Framework is comprehensive for key business and support functions, and establish a method for monitoring compliance of the same.

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

Board shall be primarily responsible for ensuring the current and future capital needs of the Development Bank in relation to strategic objectives. Management shall review and understand the nature and level of various risks that the Development Bank is confronting in the course of different business activities and how this risk relates to capital levels and accordingly implement sound risk management framework specifying control measures to tackle each risk factor.

Board shall ensure that the ICAAP does not become mere compliance activity only but ensure its integration into ongoing operations and planning.

Paid Up Capital

The structure of the Share Capital of the Development Bank is as Follow:

- ▶ Authorized capital of NPR 5,000,000,000 represented by 50,000,000 ordinary share of NPR 100 each.
- ▶ Issue Capital as of date of financial position is NPR 2,906,453,550 ordinary Share represented by 29,064,535 of NPR 100 each
- ▶ Paid up Capital as of date of Financial Position is NPR 2,906,453,550 ordinary share represented by 29,064,535 of NPR 100 each.

Particulars	Fiscal Year	Paid up Capital
Share Capital Up to	2073/74	2,008,878,469
Right Share issue	2074/75	140,755,300
Right Share issue through auction	2074/75	23,648,900
Right Share issue through auction	2075/76	3,6483,644
Bonus Share of 2074/75 & 2075/76	2076/77	506,545,416
Bonus Share of 2076/77	2077/78	190,141,821
Total Share Capital	2077/78	2,906,453,550

Regulatory Minimum paid up capital requirement

For the national level development bank, regulatory required minimum capital is NPR 2,500,000,000 paid up capital of the Development Bank stood at Rs 2,906,453,550 against the minimum required capital.

ii. Quantitative Disclosure
1. Capital Structure and Capital Adequacy
A. Tier 1 Capital and a Breakdown of its components;

Amount NPR. "000"

S.No.	Particulars	Amount
a	Paid up Equity Share Capital	2,906,454
b	Irredeemable Non-cumulative preference shares	-
c	Share Premium	-
d	Proposed Bonus Equity Shares	-
e	Statutory General Reserves	807,085
f	Retained Earnings	435,012
g	Un-audited current year cumulative profit/(loss)	-
h	Capital Redemption Reserve	-
i	Capital Adjustment Reserve	-
j	Dividend Equalization Reserves	-
k	Other Free Reserve	-
l	Less: Goodwill	-
m	Less: Deferred Tax Assets	-
n	Less: Fictitious Assets	-
o	Less: Investment in equity in licensed Financial Institutions	-
p	Less: Investment in equity of institutions with financial interests	(40,000)
q	Less: Investment in equity of institutions in excess of limits	-
r	Less: Investments arising out of underwriting commitments	-
s	Less: Reciprocal crossholdings	-
t	Less: Purchase of land & building in excess of limit and unutilized	(5,046)
u	Less: Other Deductions	-
Total Tier 1 Capital		4,103,505

B. Tier 2 Capital and its Components

Amount NPR. "000"

S.No.	Particulars	Amount
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	-
d	General loan loss provision	431,473
e	Exchange Equalization Reserve	848
f	Investment Adjustment Reserve	40,000
g	Asset Revaluation Reserve	-
h	Other Reserves	-
Total Tier 2 Capital		472,322

C. Details of Subordinated Term Debt

The Development Bank has not issued any subordinated term debt.

D. Deductions from Capital

- ▶ Investment in the equity of institutions with financial interest has been deducted from the Tier-I capital.
- ▶ Purchase of Land and building in excess of limit and unutilized has been deducted from the Tier-I capital.

E. Total qualifying capital

S.No.	Particulars	Amount in '000
1.	Core Capital	4,103,505
2.	Supplementary Capital	472,322
Total Capital Fund		4,575,827

F. Capital Adequacy Ratio

S.No.	Particulars	Percent (%)
1.	Tier 1 to Risk Weighted Exposure	11.89%
2.	Total Capital to Risk Weighted Exposure	13.26%

G. Summary of adequacy of its capital to support current and future activities, if applicable:

Development Bank's current paid up capital amounts to Rs 2.906 Billion. The Development Bank complies with the Capital Increment plan of NRB. The overall strategy of the Development Bank has been formulated with the special consideration to the capital adequacy requirement according to BASEL-II.

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

The Development Bank has not raised any capital through hybrid capital instruments.

2. Risk Exposures

A. Risk Weighted Exposures for Credit Risk, Market Risk and Operational Risk

S.N.	Particulars	Amount
i.	Risk Weighted Exposure for Credit Risk	32,383,294
ii.	Risk Weighted Exposure for Operational Risk	1,784,475
iii.	Risk Weighted Exposure for Market Risk	8,346
Adjustments under Pillar II		
	Add: 3% of the total RWE due to noncompliance to Disclosure Requirement (6.4 a 10)	
	Add:% of the total deposit due to insufficient Liquid Assets(6.4 a 6)	
	Add: Overall risk management policies and procedures are not satisfactory. Add 1% of RWE	341,761
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		34,517,877

B. Risk Weighted Exposures for Credit Risk under each of 11 categories of Credit Risk;

S.N.	Particulars	Amount (RWA)
1	Claims on government & central bank	-
2	Claims on other official entities	-
3	Claims on banks	613,952
4	Claims on corporate & securities firms	12,634,785
5	Claims on regulatory retail portfolio	8,608,815
6	Claims secured by residential properties	2,270,000
7	Claims secured by commercial real state	750,114
8	Past due claims	849,205
9	High risk claims	3,901,389
10	Other assets	1,679,053
11	Off balance sheet items	1,075,980
Total Credit Risk Weighted Exposure		32,383,294

C. Total Risk Weighted Exposure Calculation Table
i. Risk Weighted Exposure for Credit Risk

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Cash Balance	599,636	-	-	599,636	0%	-
Balance With Nepal Rastra Bank	1,318,007	-	-	1,318,007	0%	-
Gold	-	-	-	-	0%	-
Investment in Nepalese Government Securities	4,350,849	-	-	4,350,849	0%	-
All Claims on Government of Nepal	17,193			17,193	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 Public Sector Entity (ECA 0-1)			-	-	20%	-
Claims on Public Sector Entity (ECA 2)			-	-	50%	-

Continued...

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
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	3,069,762		-	3,069,762	20%	613,952
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	11,533,408		324,075	11,209,332	100%	11,209,332
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)	11,817,174		338,754	11,478,420	75%	8,608,815
Claims fulfilling all criterion of regularity retail except granularity		-	-	-	100%	-
Claims secured by residential properties	3,603,693	-	-	3,603,693	60%	2,162,216
Claims not fully secured by residential properties		-	-	-	150%	-
Claims secured by residential properties (Overdue)	115,938	27,622	-	88,316	100%	88,316
Claims secured by Commercial real estate	750,114			750,114	100%	750,114
Past due claims (except for claims secured by residential properties)	1,022,912	456,776	-	566,137	150%	849,205
High Risk claims	2,714,555	-	113,629	2,600,926	150%	3,901,389
Lending Against Securities (Bonds & Shares)	1,425,453	-	-	1,425,453	100%	1,425,453
Investments in equity and other capital instruments of institutions listed in stock exchange	597,139	-	-	597,139	100%	597,139
Investments in equity and other capital instruments of institutions not listed in the stock exchange	6,950	-	-	6,950	150%	10,425
Staff loan secured by residential property	38,935	-	-	38,935	50%	19,468
Interest Receivable/claim on government securities	34,738	-	-	34,738	0%	-
Cash in transit and other cash items in the process of collection	35	-	-	35	20%	7
Other Assets	2,544,060	1,472,578	-	-	100%	1,071,483
Total (A)	45,560,552	1,956,976	776,458	42,827,119		31,307,314

B. Off Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Revocable Commitments	-	-	-	-	0%	-
Bills Under Collection	-	-	-	-	0%	-
Forward Exchange Contract Liabilities	-	-	-	-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	-	-	-	-	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	128,150	-	8,443	119,708	50%	59,854
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	3,000	-	625	2,375	100%	2,375
Financial Guarantee	-	-	-	-	100%	-
Acceptances and Endorsements	-	-	-	-	100%	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	100%	-
Irrevocable Credit commitments (short term)	1,522,540	-	-	1,522,540	20%	304,508
Irrevocable Credit commitments (long term)	824,921	-	-	824,921	50%	412,461
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	-	-
Other Contingent Liabilities	296,783	-	-	296,783	100%	296,783
Unpaid Guarantee Claims	-	-	-	-	200%	-
Total (B)	2,775,394	-	9,068	2,766,327		1,075,980
Total RWE for credit Risk Before Adjustment (A) +(B)	48,335,946	1,956,976	785,525	45,593,445	-	32,383,294
Adjustments under Pillar II						
Answer the question SRP 6.4a (3) in SRP sheet					-	
Answer the question SRP 6.4a (4) in SRP sheet					-	
Total RWE for Credit Risk after Bank's adjustments under Pillar II	48,335,946	1,956,976	785,525	45,593,445	-	32,383,294

Eligible Credit Mitigants

Credit exposures	Deposits with Bank		Gold	Govt. & NRB Securities	Govt. of Nepal	Sec/G'tee of Other Sovereigns	G'tee of domestic banks	G'tee of MDBs	Sec/G'tee of Foreign Banks		Total
	(a)	(b)							(c)	(d)	
Balance Sheet Exposures											
Claims on Foreign government and Central Bank (ECA -2)	-	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -3)	-	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA-4-6)	-	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -7)											
Claims on Other Multilateral Development Banks											
Claims on Public Sector Entity (ECA 0-1)											
Claims on Public Sector Entity (ECA 2)											
Claims on Public Sector Entity (ECA 3-6)											
Claims on Public Sector Entity (ECA 7)											
Claims on domestic banks that meet capital adequacy requirements											
Claims on domestic banks that do not meet capital adequacy requirements											
Claims on foreign bank (ECA Rating 0-1)											
Claims on foreign bank (ECA Rating 2)											
Claims on foreign bank (ECA Rating 3-6)											
Claims on foreign bank (ECA Rating 7)											
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement											
Claims on Domestic Corporates	310,380										310,380
Claims on Foreign Corporates (ECA 0-1)											
Claims on Foreign Corporates (ECA 2)											
Claims on Foreign Corporates (ECA 3-6)											
Claims on Foreign Corporates (ECA 7)											
Regulatory Retail Portfolio (Not Overdue)	229,628		122,820								352,449
Claims fulfilling all criterion of regularity retail except granularity											
Claims secured by residential properties											
Claims not fully secured by residential properties											
Claims secured by residential properties (Overdue)											
Claims secured by Commercial Real Estate											
Past due claims (except for claims secured by residential properties)											
High Risk claims	102,103		11,525								113,629
Lending Against Securities (Bonds & Shares)											
Investments in equity and other capital instruments of institutions listed in stock exchange											
Investments in equity and other capital instruments of institutions not listed in the stock exchange											
Other Assets											
Total	642,112	-	134,346	-	-	-	-	-	-	-	776,458

Continued...

Credit exposures	Deposits with Bank (a)	Deposits with other banks/FI (b)	Gold (c)	Govt. & NRB Securities (d)	G'tee of Govt. of Nepal (e)	Sec/G'tee of Other Sovereigns (f)	G'tee of domestic banks (g)	G'tee of MDBs (h)	Sec/G'tee of Foreign Banks (i)		Total
Off Balance Sheet Exposures											
Forward Exchange Contract Liabilities	-	-	-	-	-	-	-	-	-	-	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	8,443	-	-	-	-	-	-	-	-	-	8,443
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-	-
Underwriting commitments	-	-	-	-	-	-	-	-	-	-	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	-	-	-	-	-	-	-
Advance Payment Guarantee	625	-	-	-	-	-	-	-	-	-	625
Financial Guarantee	-	-	-	-	-	-	-	-	-	-	-
Acceptances and Endorsements	-	-	-	-	-	-	-	-	-	-	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments (short term)	-	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments (long term)	-	-	-	-	-	-	-	-	-	-	-
Other Contingent Liabilities	-	-	-	-	-	-	-	-	-	-	-
Unpaid Guarantee Claims	-	-	-	-	-	-	-	-	-	-	-
Total	9,068	-	-	-	-	-	-	-	-	-	9,068
Grand Total	651,180	-	134,346	-	-	-	-	-	-	-	785,525

iii. Risk Weighted Exposure for Market Risk

(Amount in '000)

Currency	Open Position (FCY)	Exchange Rate	Open Position (NPR)	Relevant Open Position
United States Dollar	125.85	120.85	15,208	15,208
Euro	6.21	138.20	859	859
Great Britain Pound	(0.07)	153.00	(10)	10
Swiss Franc	-	-	-	-
Australian Dollar	1.37	84.98	116	116
Canadian Dollar	0.91	88.51	80	80
Singapore Dollar	0.11	86.56	10	10
Japanese Yen	247.65	1.14	282	282
Chinese Yuan	-	-	-	-
Indian Rupee	22.26	1.60	36	36
Saudi Arabian Riyal	-	-	-	-
Qatari Riyal	-	-	-	-
Thai Baht	-	-	-	-
Emirati Diram	2.90	31.80	92	92
Malaysian Ringgit	-	-	-	-
South Korean Won	-	-	-	-
Swedish Kroner	-	-	-	-
Danish Kroner	-	-	-	-
Hong Kong Dollar	-	-	-	-
Kuwaiti Dinar	-	-	-	-
Bahraini Dinar	-	-	-	-
(a) Total Open Position			16,672	16,693
(b) Fixed Percentage				5%
(c) Capital Charge for Market Risk (=a×b)				835
(d) Risk Weight (reciprocal of capital requirement of 10%) in times				10
(e) Equivalent Risk Weight Exposure (=c×d)				8,346

iv. Risk Weighted Exposure for Operational Risk

(Amount in '000)

Particulars	Financial Year		
	2074/075	2075/076	2076/77
Net Interest Income	797,058	1,164,654	1,149,754
Commission and Discount Income	9,375	140,050	119,788
Other Operating Income	119,811	39,847	26,769
Exchange Fluctuation Income	721	(273)	1,397
Addition/Deduction in Interest Suspense during the period	-	-	-
Gross income (a)	926,965	1,344,278	1,297,708
Alfa (b)	15%	15%	15%
Fixed Percentage of Gross Income [c=(a×b)]	139,045	201,642	194,656
Capital Requirement for operational risk (d) (average of c)			178,448
Risk Weight (reciprocal of capital requirement of 10%) in times (e)			10
Equivalent Risk Weight Exposure [f=(d×e)]			1,784,475

D. Details of Non- Performing Assets

Amount of Non-Performing Assets (both Gross and Net)

Amount NPR. "000"

Non-Performing Loans		Gross Amount	Loss Provision	Net Amount
a	Restructured and rescheduled	3,084	386	2,698.61
b	Sub-Standard	247,698	61,925	185,774
c	Doubtful	72,572	36,286	36,286
d	Loss	391,534	386,187	5,347
Total		714,889	484,783	230,105

5.3. Classification of Financial assets and Financial Liabilities

Particulars	Fair Value through Profit or Loss	Fair Value through Other Comprehensive Income	Amortized Cost	Total
As at 31st Ashad 2078				
Financial Assets				
Cash and Cash Equivalents	-	-	4,264,391,045	4,264,391,045
Due from Nepal Rastra Bank	-	-	1,318,007,209	1,318,007,209
Placement with Bank and Financial Institutions	-	-	-	-
Loans and Advances to BFIs	-	-	2,516,006,709	2,516,006,709
Loans and Advances to Customers	-	-	29,673,539,871	29,673,539,871
Investment Securities	-	1,186,168,267	3,791,254,292	4,977,422,560
Other Assets	-	-	144,105,084	144,105,084
Total Financial Assets	-	1,186,168,267	41,707,304,212	42,893,472,479
Financial Liabilities				
Due to Bank and Financial Institutions	-	-	408,344,280	408,344,280
Due to Nepal Rastra Bank	-	-	1,426,927,505	1,426,927,505
Deposits from Customers	-	-	36,371,466,800	36,371,466,800
Borrowings	-	-	-	-
Other Liabilities	-	-	377,966,636	377,966,636
Total Financial Liabilities	-	-	38,584,705,220	38,584,705,220

Particulars	Fair Value through Profit or Loss	Fair Value through Other Comprehensive Income	Amortized Cost	Total
As at 31st Ashad 2077				
Financial Assets				
Cash and Cash Equivalents	-	-	4,811,555,306	4,811,555,306
Due from Nepal Rastra Bank	-	-	1,300,360,398	1,300,360,398
Placement with Bank and Financial Institutions	-	-	-	-
Loans and Advances to BFIs	-	-	1,008,801,718	1,008,801,718
Loans and Advances to Customers	-	-	24,320,524,314	24,320,524,314
Investment Securities	-	568,666,775	1,367,807,062	1,936,473,837
Other Assets	-	-	98,369,818	98,369,818
Total Financial Assets	-	568,666,775	32,907,418,616	33,476,085,391
Financial Liabilities				
Due to Bank and Financial Institutions	-	-	1,176,764,472	1,176,764,472
Due to Nepal Rastra Bank	-	-	469,929,415	469,929,415
Deposits from Customers	-	-	28,058,567,257	28,058,567,257
Borrowings	-	-	-	-
Other Liabilities	-	-	260,560,252	260,560,252
Total Financial Liabilities	-	-	29,965,821,396	29,965,821,396

5.4. Operating Segment Information

1. General information

An operating segment is a component of the Development Bank that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Development Bank's chief operating decision maker and for which discrete financial information is available. The Development Bank is operated centrally in a single jurisdictional area with all policies and operations being controlled and directed from head office.

The Development Bank has identified its reportable segment into two i.e., Banking and Treasury & Remittance based on its core business units which actively forms a major part of the Development Bank's revenue source and align with its principal business objectives.

a. Banking

The loans provided to all customers are classified under Banking. The interest income and other fee incomes generated out of such loans are revenue items of this segment. Expenses of this segment comprises of interest expenses on deposits used for providing loans, pro-rated personnel expenses and operating expenses as well as provision for loss created for such loans.

b. Treasury and Remittance

The balance lying with the Development Banks invested in government bonds, treasury bills, placements and shares of other organizations come under this segment. The interest income of bonds and bills, forex gains, dividend income are revenue items of this segment. Expenses of this segment comprises of interest expenses on deposits used for making investments, forex losses, pro-rated personnel expenses and operating expenses as well as provision for loss created for such investments. Remittance commission income from various agencies along with related expenses are also the part of this segment.

c. Other Components (Unallocated)

All other revenues and expenses which cannot be classified to the above-mentioned segments fall under this segment. The income from sale of assets, other fees and commission are revenue items of this segment. Un-attributable personnel expenses, operating expenses and written off assets are expense items of this segment. Business Banking, Treasury and Remittance comprise majority of Development Bank's total revenue. Hence, these operations are treated as reportable segments and the remaining are classified under other segment.

2. Information about profit or loss, assets and liabilities

	Particulars	Banking	Treasury and Remittance	Other Component (Unallocated)	Total
a.	Revenues from external customers	3,528,511,077	124,228,725	140,906,203	3,793,646,005
b.	Inter Segment revenues	-	-	-	-
c.	Net Revenue	3,528,511,077	124,228,725	140,906,203	3,793,646,005
d.	Interest revenue	3,332,565,265	121,338,189	-	3,453,903,454
e.	Interest expense	2,229,966,379	12,932,429	-	2,242,898,808
f.	Net interest revenue	1,102,598,887	108,405,760	-	1,211,004,646
g.	Depreciation and amortization	45,088,160	1,587,424	1,800,533	48,476,118
h.	Segment profit /(loss)	421,437,967	90,920,899	112,953,349	625,312,215
i.	Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-
j.	Other material non-cash items	-	-	-	-
k.	Impairment of assets	-	-	-	-
l.	Segment assets	36,053,163,613	7,642,921,188	429,088,370	44,125,173,171
m.	Segment liabilities	38,401,199,705	-	429,401,671	38,830,601,376

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

(a) Segment Assets and Liability Explanation

Business Banking includes all Loan and advances provided to the customer and Bank and Financial Institution, Investment properties (related to NBA) and other assets are allocated on the basis of gross revenue generated by each reportable segment. Segment Liabilities of Banking includes deposit from customer and BFIS and other liability allocated on the basis of revenue generating ration of each segment.

Treasury segment assets includes Balance with NRB/other FI, Interbank Placements, investment in securities and other organized institutions' shares, whereas segment liabilities comprise, due from central bank and so on which are related to treasury functions.

All other unallocated assets and liabilities have been presented under Others Segment consisting; but not limited to Share capital, reserve, retained earnings, property and equipment, intangible assets, investment properties, tax assets and liabilities, cash and cash equivalents.

(b) Segment Profit or Loss Explanation

Interest income on business banking includes interest income from total loan portfolio and Interest expenses includes interest expenses on deposit portfolio.

Interest income on Treasury and remittance includes interest income from the development bond and call deposit on BFIs, Interest expenses includes Interest expenses on borrowing from central bank and interbank borrowing/placements.

Loan administration fee and service fee and their related expenses included in Business Banking Segment. All other fee/revenue from external customers not falling under above two segments are included on other segment.

(c) Basis of accounting for any transactions between reportable segments.

There is no any identifiable inter-segment revenue in absence of transfer pricing policy in the Development Bank.

(d) Nature of any differences between the measurements of the reportable segments "profits or losses and the entity's profit or loss before income tax.

Not Applicable

(e) Nature of any differences between the measurements of the reportable segments "assets and the entity's asset.

Not Applicable

(f) Nature and effect of any asymmetrical allocations to reportable segments.

The income, expense, asset and liabilities that are not identifiable to particular segment have been allocated on the basis of gross revenue of the segment.

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

Revenue	Amount
Total revenues for reportable segments	3,652,739,801
Other revenues	140,906,203
Elimination of intersegment revenues	-
Entity's revenues	3,793,646,005

Profit or loss	Amount
Total profit or loss for reportable segments	512,358,866
Other profit or loss	-
Elimination of intersegment profits	-
Unallocated amounts:	112,953,349
Profit before income tax	625,312,215

Assets	Amount
Total assets for reportable Segments	43,696,084,801
Other assets	-
Unallocated amounts	429,088,370
Entity's assets	44,125,173,171

Liabilities	Amount
Total liabilities for reportable Segments	38,401,199,705
Other liabilities	-
Unallocated liabilities	429,401,671
Entity's liabilities	38,830,601,376

Information about products and services

Gross Revenue from each type of product and services

Revenue	Amount
Interest Income on Overdraft Loan	1,036,921,016
Interest Income on Demand Loan	340,118,514
Interest Income on Term Loan	940,828,412
Interest Income on Home Loan	443,848,136
Interest Income on Educational Loan	2,516,299
Interest Income in Auto and Hire Purchase Loan	178,663,462
Interest Income on Other loan Product	357,766,270
Fees and Commission-Banking	172,960,735
Other Write back and Non-Operating-Banking	22,985,076
Interest Income in Development Bond	113,074,728
Interest Income in Call Deposit and Placement	40,166,618
Other Revenue from Treasury Function	2,890,536
Other unallocated Income	140,906,203

(g) Information about geographical areas

Net Revenue on the basis of geographical areas

S.No.	Areas	Amount
(a.)	Domestic	
	Province 1	476,627,676
	Province 2	497,011,059
	Bagmati	2,298,008,340
	Gandaki	373,611,535
	Lumbini	123,554,706
	Karnali	7,956,239
	Sudurpaschim	16,876,451
(b.)	Foreign	
	Total	3,793,646,005

(h) Information about major customers

No revenue from a single customer accounted for more than 10% during the reporting period

5.5. Share options and share based payment

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

5.6. Contingent liabilities and commitment

The details amount regarding contingent liabilities and commitments have been disclosed under 4.28. In case of Good for payment cheque of Kuleshwor Branch, the Development Bank has settled the 60% of the amount as per the separate agreement with the Cheque holder. Remaining 40% amount will be paid only after the recovery from the offender. Hence, there is no any probable additional liability of the Development Bank till date.

Among the Cheque holder, Chandragiri Bachat Tatha Rin Sahakari Sanstha Limited and Nayapati Bachat Tatha Rin Sahakari Sanstha Limited have filed the case at Honorable Kathmandu District Court by claiming the remaining 40% amount. The Development Bank has filed for suspension of case filed by the plaintiff at Honorable Kathmandu District Court which was registered in the court on 2074.04.29 and the Honorable Kathmandu District Court has pass verdict of suspension of the case till the verdict of another case filed by Government of Nepal at Honorable Supreme Court.

The Prabhu Bank (Former: Bhaivab Finance Limited) has filed the case at Honorable Kathmandu District Court by claiming the amount Rs Two Crore which was supposed to be deposited but not accounted at Kuleshwor Branch of the Development Bank. The amount is related to the Good for Payment cheque and the Development Bank is in legal proceeding for the same in the supreme court too. Any probable additional liability could not be established till the date of Financial Statements.

5.7. Related Party Disclosures
a. Entity Relationships

Relationship	Related Parties
Associates	Muktinath Capital Limited (Former :Vibor Capital Limited)
	Nadep Laghubitta Bittiya Sanstha Limited
	Deprosc Laghubitta Bittiya Sanstha Limited
	Lumbini General Insurance Company Limited

b. Those charges with governance

Those charged with governance of the Development Bank include members of Board of directors namely:

Name	Designation
Mr. Dasarath Risal	Chairman
Mr. Chinta Mani Bhattarai	Director
Mr. Keshav Khatiwada	Director
Mr. Prabin Krishna Shrestha	Director
Mr. Pratap Kumar Acharya	Director
Mr. Ram Chandra Sigdel	Director
Mrs. Anju Kumari Gupta	Director

c. Key Management Personnel (excluding Directors)

Name	Designation
Mr. Naresh Singh Bohra	Chief Executive Officer
Mr. Paban Dhakal	Senior Deputy Chief Executive Officer
Mr. Umesh Regmi	Deputy Chief Executive Officer

d. Transactions with related parties

Related Party	Nature of transactions	2077/78	2076/77
Those Charged with Governance	Meeting Allowances	2,150,000	2,019,200
	Telephone and Newspaper	1,079,898	1,554,392
	Travelling Expenses	128,745	214,850
Chief Executive Officer	Short term employee benefits	8,356,869	9,739,742
Key Management Personnel (excluding CEO and Directors)	Short term employee benefits	12,681,875	12,386,405
Muktinath Capital Limited (Associates)	Registrar to Share and share related other Expenses	452,103	725,018

5.8. Merger and Acquisition

The Development Bank has not entered into any merger or acquisition for the fiscal year ended on 15 July 2021.

5.9. Additional disclosure of non-consolidated entities

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

5.10. Events after reporting date

There have been no material events after the reporting period affecting the financial status of the Bank as on Ashad end, 2078. The Development Bank monitors and assesses events that may have potential impact to qualify as adjusting and/or non-adjusting events after the end of the reporting period. All adjusting events are adjusted in the books with additional disclosures and non-adjusting material events are disclosed in the notes with possible financial impact, to the extent ascertainable.

There are no material events that have occurred subsequent to Ashad End 2078 till the signing of this financial statement on 2078/07/08.

6. Other Explanatory Notes

6.1. Reserves & Surplus

i. Statutory General Reserve

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

During the year the Development Bank has transferred Rs 86,793,436 to the statutory general reserve.

ii. Exchange equalization Reserve

Exchange equalization is maintained as per requirement of Nepal Rastra Bank Unified Directive. There is a regulatory requirement to set aside 25% of the foreign exchange revaluation gain on the translation of foreign currency to the reporting currency. The reserve is the accumulation of such gains over the years.

During the year, bank has not transferred to this reserve as there was revaluation loss in the reporting period.

iii. Corporate Social Responsibility Reserve

As per the NRB Directives on Corporate Social Responsibility, the Development Bank has allocated 1% of the net profit of current fiscal year for CSR activities. The total amount of corporate social responsibility reserve is NPR 4,905,544 and NPR 3,785,608 respectively for current year and previous year.

Particulars	2077/78	2076/77
Opening as on Shrawan 1	3,785,608	7,028,036
Addition during the year	4,339,672	3,785,608
CSR expense during the year (from CSR reserve)	(3,219,736)	(7,028,036)
Closing as on Ashad End	4,905,544	3,785,608

iv. Regulatory Reserve

As per the NRB Directive 4/077 Clause (3), the bank is required to credit an amount equal to the adjustments made as per NFRS while preparing Opening Statement of Financial Position and NFRS compliant financial statements of succeeding years to the Regulatory Reserve. The amount shall be transferred from Retained Earning to the Regulatory Reserve through the Statement of Changes in Equity. Accordingly, the bank has credited the following amounts During the FY 2077-78.

Particulars	As at 31st Ashad 2077	Transfer (reversal) to Reserve-2078	As at 31st Ashad 2078
Accrued Interest Recognized as Income (net of staff bonus and tax)	82,573,436	2,680,919	85,254,356
Investment Properties (net of accumulated depreciation and Income Tax)	52,070,592	(10,660,314)	41,410,278
Deferred Tax Assets-Addition/(Reversal)	34,465,576	(2,316,588)	32,148,988
Fair Value Loss in Investment in Equity/(Reversal)	9,206,262	(9,206,262)	-
Actuarial Gain (Through Profit or Loss Account)	8,733,471	(8,733,471)	-
Other Regulatory Adjustment	14,104,319	5,324,278	19,428,596
Total	201,153,656	(22,911,438)	178,242,218

The movement on regulatory reserve over the reporting period including previous fiscal years disclosed in the "Changes in Regulatory Reserve" as a part of Financial Statements.

The description of each items of regulatory reserve created as per NRB Directive 4(3)/2077 is as below:

a. Accrued Interest

Interest income recognized in statement of Profit or Loss account on accrual basis has been transferred to Regulatory Reserve (net of staff Bonus & Tax) from retained earnings. However, interest income of NPR 59,857,951 recovered up to Bhadra 15, 2078 has not been transferred to regulatory reserve as per the NRB directive 4(3)(b)/2077.

Total regulatory reserve of Rs 85,254,356 has been created for the interest income recognized on accrual Basis (net of Bonus & Tax) upto the reporting period.

b. Investment Properties (Non-Banking Assets)

Regulatory reserve on Non-Banking Assets (net of Bonus & Tax) has been created as per NRB directives 4(3)(e)/2077.

Regulatory reserve of NPR 41,410,278 has been created upto FY 2077/78. The additional adjustment of staff Bonus and income tax which was not deducted in previous fiscal years has been adjusted during the reporting period.

c. Deferred Tax Assets

As per NRB Directives 4(3)(e)/2077, regulatory reserve shall be created from retained earnings for the amount equal to Deferred Tax Assets. Bank has Deferred Tax Liability (after netting off Deferred Tax Assets) in statement of financial Position.

Bank has created regulatory reserve of Rs 32,148,988 upto Ashad end 2078 for the amount equal to deferred tax assets charged through Profit or Loss Account, though Development Bank has Deferred Tax Liability in the Statement of Financial Position of Ashad end 2078.

d. Fair Value Loss on Investment

Bank has fair value gain in overall equity investment portfolio of the Bank. Regulatory reserve of NPR 9,206,262 created up to previous fiscal years has been reversed and transferred to retained earnings as the bank has overall fair value gain on equity investment in the reporting period.

e. Actuarial Gain (Leave)

Regulatory reserve on Actuarial Gain on leave through profit or Loss account of Rs 8,733,471 has been reversed and transferred to retained earnings during the FY 2077-78.

f. Other Regulatory Reserve

Regulatory Reserve of Rs 19,428,596 (Rs 14,104,319 up to previous year & 5,324,278 during the year) has been created as per the requirement of conditional regulatory approval of interest capitalization on loan & advances. This amount shall be available for distribution only after recovery of capitalized interest and/or settlement of Loan.

v. Investment Adjustment Reserve

As per the NRB directives, Investment adjustment reserve shall be created against the unquoted share investment if they did not get listed within 3 years of investment date. However, in case of holding of more than 50% in entities which don't require to get listed and investment in Karja Suchana Kendra, Nepal Clearing House Ltd, National Banking Institute, Nepal Electronic Payment System (NEPS), Nepal Stock Exchange, such adjustment reserve need not to be created.

Bank has investment in unlisted share of Karja Suchana Kendra, Nepal Clearing House Ltd, National Banking Institute, Nepal Electronic Payment System (NEPS), Nepal Stock Exchange and Muktinath Capital Limited upto the reporting period.

In compliance of the directives, bank has created investment adjustment reserve on investment of Muktinath Capital Limited as following:

Date of Investment	Entity	Cost of Investment	Investment Adjustment Reserve
2010/07/09	Muktinath Capital Ltd. (former: Vibor Capital Ltd.)	40,000,000	40,000,000

vi. Fair Value Reserve

Fair Value Reserve of the Bank includes Fair Value Gain on Investment in Equity through OCI (net of deferred Tax Liability) upto Ashad end 2078.

Bank has fair value reserve (net of deferred tax liability) of Rs 516,594,984 upto Ashad end 2078.

vii. Staff Training Development Fund

As per the NRB Directives 2077, 6 (6), the Development Bank shall spend 3% of the total Personnel expenses (Salary & Allowances) of preceding year on Staff training and development. Further if such amount could not be spent, short amount shall be credited to Staff training and development fund which shall be spent in the next year. However, this provision is not mandatory for the FY 2077/78.

The Development Bank has not credited to Staff training and development fund for FY 2077/78.

viii. Actuarial Gain (Loss)

Development Bank has reserve of actuarial gain on valuation of Defined Benefit Obligation (gratuity of staff) of Rs 12,161,936 (net of Deferred Tax Liability).

ix. Other Reserve:

a. Reserve on Investment in Associates (using equity method): Rs. 387,793,028

Bank has opted the valuation of investment in associated using equity method. The movement of reserve on investment in Associates calculated using equity method has been recognized through OCI in the reporting period. The details of Reserve in Associates using equity Method is presented as below:

Name of Associates	Cost of Investment (a)	Equity Value of Associates (b)	Reserve on Investment in Associates (c=b-c)
Deprosc Laghubitta Bittiya Sanstha Ltd.	46,485,168	316,911,023	270,425,855
NADEP laghubitta Bittiya Sanstha Ltd.	32,000,000	77,200,929	45,200,929
Lumbini General Insurance Limited	77,456,555	141,307,288	63,850,733
Muktinath Capital Limited	40,000,000	48,315,511	8,315,511
Total (d)	195,941,723	583,734,750	387,793,028
Reserve up to Previous Year (e)			287,354,183
Reserve for this Year (f=e-d)			100,438,844

The additional reserve for the reporting period of NPR 100,438,844 has been recognized through OCI and total reserve on investment in associates is included in the Other Reserve of (Annexure: 4.27) of Financial Statements.

b. Other Reserve: Rs 5,475,000

Bank has other reserve of Rs 5,475,000 carried forward since 2011 from former Vibor Bikas bank Limited (merged institutions of Lumbini Bikas Bank). Bank has not treated this reserve as free reserve and shall not be availed for distribution unless otherwise specific purpose is justified/ascertained with proper documentary evidences.

6.2. Impairment

As per the Carve out notice issued by ICAN, the Development Bank has measured impairment loss on loan and advances as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39.

Particulars	2077/78	2076/77
LLP as per NRB Directives (a)	1,054,073,829	759,751,701
Individual Impairment as per NFRS	98,782,084	98,133,990
Collective Impairment as per NFRS	98,576,027	101,755,961
Total Impairment as per NFRS (b)	197,358,111	199,889,951
Impairment on Loan and Advances (Higher of a & b)	1,054,073,829	759,751,701

6.3. Investment Properties/Non-Banking Assets

Non-Banking Assets has been shown under the investment Properties. It has been recognized at Cost Less Accumulated Depreciation (aggregated with the accumulated impairment losses). Details of the Investment properties (at cost) are as follow:

Name Of Borrower	Date of Assuming Non-Banking Assets	As at 31st Ashad 2078	As at 31st Ashad 2077
Binod Shrestha	2070.03.31	8,800,000	8,800,000
Champadevi Foodhill Resort and Villas P. Ltd	2070.03.30	25,876,500	25,876,500
Original Planner	2072.03.31	1.00	1.00
Madhukar Yak Thumba	2072.03.24	13,757,698	13,757,698
Satya Suppliers	2075.09.26	6,005,376	6,005,376
Kripa Jewellers	2077.12.31	11,641,000	-
Total		66,080,575	54,439,575

6.4. Other Non-Banking Assets

Non-Banking Assets (other than land and properties) has been shown under the Other Non-Banking Assets. The Development Bank don't own any other non-banking Assets in the reporting period.

6.5. Deferred Tax Asset/Liabilities

Deferred Tax Asset/Liabilities are those assets and liabilities that arise due to temporary differences arising out of accounting and tax base of assets and liabilities. Details of such is presented as:

Particulars / Items	Carrying Amount (Rs)	Tax Base (Rs)	Temporary Differences	Deferred Tax Assets / (Deferred Tax Liability)
Tangible and Intangible Assets	259,024,115	242,669,727	16,354,388	(4,906,316)
Provision for Gratuity	(50,781,632)	-	(50,781,632)	15,234,490
Provision for Leave	(18,027,597)	-	(18,027,597)	5,408,279
Losses to be set off	-	54,708,451	(54,708,451)	16,412,535
a. Deferred Tax Assets (recognized through P/L)				32,148,988
Investment in Securities	1,186,168,267	448,175,433	737,992,835	(221,397,850)
Actuarial Gain/Loss	17,374,194		17,374,194	(5,212,258)
b. Deferred Tax Liability (recognized through OCI)				(226,610,109)
Deferred Tax Liability (a+b)				(194,461,121)

Deferred Tax Liability (net of Deferred Tax Assets) has been presented in the Statements of Financial Position at the end of the reporting period.

6.6. Accrued Interest income

Under NFRS compliant financial statements, interest income of loan and advances is recognized on accrual basis. In line with circular:1 of FY 2076/77, Guideline on recognition of Interest income, the Development Bank has suspended interest income on the following types of loans:

- Loans where there is reasonable doubt about the ultimate collectability of principal or interest
- Loans where contractual payments of principal and/or interest are more than 3 months in arrears and where the "net realizable value" of security is insufficient to cover payment of principal and accrued interest;
- Loans where contractual payments of principal and/or interest are more than 12 months in arrears, irrespective of the net realizable value of collateral;
- Overdrafts and other short term facilities which have not been settled after the expiry of the loan and even not renewed within 12 months of the expiry, irrespective of the net realizable value of collateral:

Details of Accrued Interest Income are as follow:

Particulars	2077/78	2076/77
Accrued Interest Receivable	481,665,624	565,876,361
Interest Suspended/Not recognized	286,483,299	(242,847,330)
Recovered Upto Bhadra 15 2078	(59,857,951)	(191,960,084)
Total Accrued Interest Recognized	135,324,374	131,068,946
Accrued Interest Income up to Previous Year	131,068,946	(65,706,786)
Accrued Interest Income recognized this year	4,255,428	65,362,160

6.7. Amortization of Staff Loan

The Development Bank has recognized the staff loan at amortized cost. The details of staff loan presented at amortized cost are as follow.

Particulars	2077/78	2076/77
Book Value of Staff Loan	49,653,481	53,761,821
Prepaid Expenditure	1,655,984	550,774
Amortized Cost of Staff Loan	47,997,497	53,211,048

6.8. Earnings Per Share

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

Particulars	2077/78	2076/77
Earning Attributable to Equity Holder	433,967,179	378,560,824
Weighted Number of Equity Share	29,064,535	27,163,117
Earnings Per Share	14.93	13.94

There is nominal change in the EPS of the development bank as it has increased by Rs 0.99 per share as compared to previous year. Bank has maintained its normal growth of profit in spite of pandemic impact through its efficiency and effective mobilization of the resources of the development bank. Significant growth on other operating income has contributed for the growth of overall operating results & EPS of the Bank.

6.9. Proposed Distribution (Dividend and Bonus Share)

The Board of directors in its 409th meeting dated 2078/07/26 has passed a resolution recommending for distribution of bonus shares (stock dividend) of NPR 377,838,961.44 and cash dividend of NPR 19,885,955.19 (for applicable taxes on bonus share) from available Free Reserve after approval from Nepal Rastra Bank and Annual General Meeting of the Bank.

Amount NPR

Particulars	2077/78	2076/77
Cash Dividend* (For Tax Purpose)	19,885,955.19	81,489,351.86
Bonus Share (Stock Dividend)*	377,838,961.44	190,141,821.00
Total	397,724,916.63	271,631,172.86

(*The proposed dividend of bonus shares (stock dividend) of NPR 290,645,354.96 and cash dividend of NPR 107,887,555.76 (including applicable taxes) recommended from 407th BOD meeting of the Bank dated 2078/07/08 has been amended after instruction from NRB letter dated 2078.07.17 Ref: BI.BAI.SU.BI/Gairsthlgt/Lumbini/078/79)

6.10. Unclaimed Dividend

At the reporting date, unclaimed dividend over the years are as follow:

Particulars	2077/78	2076/77
Unclaimed Dividend for more than 5 years	4,697,397	4,730,333
Not Collected up to 5 years	64,800,202	54,662,570
Total	69,497,599	59,392,903

6.11. Interest Capitalization

As per the Nepal Rastra Bank Directives 2(39)/2077, the interest accrued on moratorium period of Loan provided to National Priorities sector like Hydro Electricity project is allowed to capitalize during the Period with prior approval from the Nepal Rastra Bank. The Development Bank has capitalized the interest of Rs 48,858,568 during FY 2077/78 with the approval & as per the directives/circular issued from Nepal Rastra Bank on time to time.

6.12. Non-Performing Assets

The Development Bank's non-performing assets ratio stood at 2.17% as at Ashad end 2078. The total non-performing assets as at Ashad end 2078 is NPR 714,888,829.

Particulars	This Year	Previous Year	Change	
			Amount	%
Performing loans	32,285,551,758	25,021,686,603	7,263,865,155	29%
Non-Performing Loans (NPL)	714,888,829	691,151,053	23,737,775	3%
Restructured/rescheduled	3,084,133	-	3,084,133	
Substandard	247,698,512	152,800,441	94,898,071	62%
Doubtful	72,572,304	233,929,424	-161,357,120	-69%
Loss	391,533,880	304,421,187	87,112,692	29%
Gross Loans & Advances	33,000,440,587	25,712,837,655	7,287,602,932	28%

Gross NPL to Gross Loan: 2.17%

Through the various circular, notice and directives, Nepal Rastra Bank has instructed to defer the installment and interest payment of loans extended to professions/businesses that are affected by the COVID-19 pandemic. Bank and Financial institutions are also allowed to restructure and reschedule loans for hard-hit industries and business including tourism sector that need more time to recover. Development Bank has extended the relaxation to borrower as guided by the NRB directives and Circular on time to time.

6.13. Concentration of Deposits, Loans & Advances and Contingents

Particulars	Loans & Advances and Bills Purchased		Deposits & Borrowings	
	As at 31st Ashad 2078	As at 31st Ashad 2077	As at 31st Ashad 2078	As at 31st Ashad 2077
Total Amount Outstanding	33,000,440,587	25,712,837,655	37,162,811,079	29,705,261,143
Highest Exposure of Single Unit	542,800,196	481,772,623	1,242,803,331	1,482,132,010
Concentration of exposure	1.64%	1.87%	3.34%	4.99%

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.

6.14. Impact and Response to COVID-19 Pandemic

Due to Covid-19 pandemic, the challenges for banks and financial institutions including to our bank have intensified in the current fiscal Year as there were frequent restrictions on people movement due to which there is squeeze in economic activities. During the Lockdown and prohibitory restriction period the overall banking activities including expansion of business has been impacted.

The economic scenario arises from the pandemic drastically reduced investment opportunities of Bank and Financial Institutions. The potential default on the repayment of loan and instalments has largely impacted on overall business growth and operating results of the Bank. Our Bank is focusing on enhancing the productive and subsidized loan portfolio to tradeoff the adverse financial impact from COVID-19 pandemic.

In order to minimize the impact of COVID-19 in the Banking sectors as well to the borrowers, NRB has given directives to provide facilities such as extension/deferral of loan payment schedule, restructuring and rescheduling of loans to all professions, industry and businesses including tourism, manufacturing, education, health, communication and entertainment that have faced difficulties in repaying the debt as a result of the measures taken to control the spread of COVID-19. Our Bank has followed all the approaches as COVID-19 response taken by NRB during the period.

Table depicting Bank's response to COVID-19 affected borrowers and its results are as below:

Table:1 (Forbearance/ Relaxation)

Particulars	As of Ashad end 2078	
	No. of Customers	Amount (NPR)
Accrued Interest Received after Asadh end 2078 till 15 Bhadra 2078	8,513	59,857,950
Additional 0.3% Loan Loss Provision created on Pass Loan Portfolio	NA	88,574,966
Extension of moratorium period of loan provided to Industry or Project under construction	-	-
Restructured/Rescheduled Loan with 5% Loan Loss Provision	270	934,912,531
Enhancement of Working Capital Loan by 20% to COVID affected borrowers	115	114,734,742
Enhancement of Term Loan by 10% to COVID affected borrowers	127	61,071,544
Expiry Date of Additional 20% Working Capital Loan (COVID Loan) extended for upto 1 year with 5% provisioning	53	56,573,678
Expiry Date of Additional 10% Term Loan (COVID Loan) extended for upto 1 year with 5% provisioning	46	32,543,727
Time Extension provided for repayment of Principal and Interest for upto two years as per clause 41 of NRB Directives	155	3,999,559

Further, Development Bank has also made deferral of payment of Installment/Interest of COVID affected borrowers as per NRB circular 02/077/78. Under this directives, Bank has deferred the payment of 1225 borrowers with outstanding amount of Rs 37,602,629 upto Ashwin end 2078 as guided by the NRB Directives & Circulars.

Table No: 2 (Business Continuity Loan)

Particulars	As of Ashad end 2078	
	No. of Customers	Amount (NPR)
Refinance Loan	378	993,041,177
Business Continuity Loan	-	-

Table No: 3 (Subsidized Loan)

Particulars	During Ashadh end 2078	
	No. of Customers	Amount (NPR)
Subsidized Loan	524	689,415,402

Condensed Consolidated Statement of Financial Position: Unaudited
As on Quarter Ended 31st Ashad 2078 (15 July 2021)

Figures in NPR

Particulars	Bank	
	This Quarter Ending	Immediate Previous Year Ending (Audited)
Assets		
Cash and cash equivalent	3,669,398,209	4,811,555,306
Due from Nepal Rastra Bank	1,318,007,209	1,300,360,398
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and advances to B/FIs	2,523,574,838	1,008,801,718
Loans and advances to customers	29,740,136,029	24,320,524,314
Investment securities	5,570,446,090	1,936,473,837
Current tax assets	236,226,395	148,003,557
Investment in subsidiaries	-	-
Investment in associates	556,706,286	483,295,906
Investment property	65,838,778	54,197,778
Property and equipment	305,856,564	314,659,956
Goodwill and Intangible assets	2,781,720	3,328,740
Deferred tax assets	-	-
Other assets	156,010,148	115,382,380
Total Assets	44,144,982,266	34,496,583,889
Liabilities		
Due to Bank and Financial Institutions	408,344,280	1,176,764,472
Due to Nepal Rastra Bank	1,426,927,505	469,929,415
Derivative financial instruments	-	-
Deposits from customers	36,371,789,382	28,058,819,723
Borrowing	-	-
Current Tax Liabilities	-	-
Provisions	-	-
Deferred tax liabilities	187,817,053	40,595,650
Other liabilities	454,402,657	306,499,038
Debt securities issued	-	-
Subordinated Liabilities	-	-
Total liabilities	38,849,280,876	30,052,608,297
Equity		
Share capital	2,906,453,550	2,716,311,729
Share premium	-	76,312
Retained earnings	392,775,431	293,536,397
Reserves	1,996,472,408	1,434,051,154
Total equity attributable to equity holders	5,295,701,389	4,443,975,592
Non-controlling interest	-	-
Total equity	5,295,701,389	4,443,975,592
Total liabilities and equity	44,144,982,266	34,496,583,889

Condensed Consolidated Statement of Profit or Loss: Unaudited
For the Quarter Ended 31st Ashad 2078 (15 July 2021)

Figures in NPR

Particulars	Bank			
	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	934,334,199	3,463,902,673	841,285,518	3,441,514,532
Interest expense	560,925,340	2,242,898,808	592,932,981	2,291,760,758
Net interest income	373,408,859	1,221,003,865	248,352,537	1,149,753,774
Fee and commission income	30,304,940	177,000,887	21,845,588	119,787,794
Fee and commission expense	1,503,303	4,842,097	1,052,803	3,363,472
Net fee and commission income	28,801,637	172,158,789	20,792,784	116,424,322
Net interest, fee and commission income	402,210,496	1,393,162,655	269,145,321	1,266,178,095
Net trading income	(6,160)	(17,864)	(424)	13,481
Other operating income	20,527,140	183,421,985	4,757,102	28,153,305
Total operating income	422,731,476	1,576,566,776	273,901,999	1,294,344,881
Impairment charge/(reversal) for loans and other losses	120,323,787	228,967,692	220,443,761	178,040,667
Net operating income	302,407,689	1,347,599,084	53,458,237	1,116,304,214
Operating expense				
Personnel expenses	105,838,607	377,185,056	70,642,911	324,049,733
Other operating expenses	70,002,136	214,899,380	67,675,598	212,721,007
Depreciation & Amortisation	12,389,036	48,448,353	14,689,864	53,482,738
Operating Profit	114,177,910	707,066,295	(99,550,135)	526,050,737
Non operating income	22,094,348.00	22,985,076	12,643,833	13,700,688
Non operating expense	2,162,673	3,928,856	-	1,298,145
Profit before income tax	134,109,584	726,122,515	(86,906,301)	538,453,280
Income tax expense	41,616,385	209,834,354	(27,843,698)	159,892,456
Current Tax	41,616,385	209,834,354	(33,206,883)	154,529,271
Deferred Tax	-	-	5,363,185	5,363,185
Profit for the period	92,493,199	516,288,161	(59,062,603)	378,560,824
Other comprehensive income, net of income tax				
Items that will not be reclassified to Profit or loss				
Gains/(losses) from Investments in equity instruments measured at fair value	560,435,549	490,738,012	17,231,998	18,372,794
Gains/(losses) on revaluation	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-
Income tax relating to above items	(168,130,665)	(147,221,404)	(5,169,600)	(5,511,838)
Net other comprehensive income that will not be reclassified to profit or loss	392,304,884	343,516,609	12,062,399	12,860,956
Items that are or may be reclassified to profit or loss				
Gains/(losses) on cash flow hedge	-	-	-	-
Exchange gains/(losses) (arising from trasalating financial assets of foreign operation)	-	-	-	-
Income tax relating to above items	-	-	-	-
Reclassify to profit or loss	-	-	-	-
Net other comprehensive income that are or may be reclassified to profit or loss	-	-	-	-
Share of other comprehensive income of associate accounted as per equity method	(4,275,471)	73,410,380	(7,004,412)	13,757,372
Other comprehensive income for the period, net of income tax	388,029,414	416,926,989	5,057,987	26,618,327
Total comprehensive income for the year	480,522,613	933,215,149	(54,004,616)	405,179,152

Comparison: Unaudited and Audited Financial Statements
For the year ended 31 Ashad 2078 (15 July 2021)

Statement of Financial Position

Rs. in '000'

Assets	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reason for Variance
			In Amount	In %	
Cash and cash equivalent	3669,398	4,264,391	594,993	16.21%	Change in BFIS balance (AIR) after reconciliation
Due from Nepal Rastra Bank	1,318,007	1,318,007	-	0.00%	
Placement with Bank and Financial Institutions	-	-	-	0.00%	
Derivative financial instruments	-	-	-	0.00%	
Other trading assets	-	-	-	0.00%	
Loan and advances to B/FIs	2,523,575	2,516,007	(7,568)	-0.30%	Accrual Interest
Loans and advances to customers	29,740,196	29,673,540	(66,596)	-0.22%	Additional loan loss provision/Accrual interest and other amortized cost adjustment
Investment securities	5,570,446	4,977,423	(593,024)	-10.65%	Change in classification of investment in equity & Treasury Bill and Valuation model/fair value adjustment
Current tax assets	236,226	257,032	20,806	8.81%	Recalculation of Provision for Income tax
Investment in subsidiaries	-	-	-	0.00%	
Investment in associates	556,706	583,735	27,028	4.86%	
Investment property	65,839	65,731	(108)	-0.16%	Remeasurement of Investment Properties: Cost less Depreciation
Property and equipment	305,857	305,937	80	0.03%	Adjustment of Depreciation
Goodwill and Intangible assets	2,782	2,782	-	0.00%	
Deferred tax assets	-	-	-	0.00%	
Other assets	156,010	160,589	4,579	2.94%	Reclassification of other assets
Total Assets	44,144,982	44,125,173	(19,809)		
Liabilities					
Due to Bank and Financial Institutions	408,344	408,344	-	0.00%	
Due to Nepal Rastra Bank	1,426,928	1,426,928	-	0.00%	
Derivative financial instruments	-	-	-	0.00%	
Deposits from customers	36,371,789	36,371,467	(322.58)	0.00%	
Borrowing	-	-	-	0.00%	
Current Tax Liabilities	-	-	-	0.00%	
Provisions	-	-	-	0.00%	
Deferred tax liabilities	187,817	194,461	6,644	3.54%	Remeasurement/Recalculation of deferred Tax Assets/Liabilities
Other liabilities	454,403	429,402	(25,001)	-5.50%	Reclassification/adjustment in other Liabilities
Debt securities issued	-	-	-	0.00%	
Subordinated Liabilities	-	-	-	0.00%	
Total liabilities	38,849,281	38,830,601	(18,680)		
Equity					
Share capital	2,906,454	2,906,454	-	0.00%	
Share premium	-	-	-	0.00%	
Retained earnings	392,775	435,012	42,237	10.75%	Changes in Profit/Loss for the period
Reserves	1,996,472	1,953,106	(43,366)	-2.17%	Changes in Profit/Loss for the period
Total equity	5,295,701	5,294,572	(1,129)		
Total liabilities and equity	44,144,982	44,125,173	(19,809)		

Comparison: Unaudited and Audited Financial Statements
For the year ended 31 Ashad 2078 (15 July 2021)

Statement of Profit or Loss and Other Comprehensive Income

Rs. in '000'

Assets	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reason for Variance
			In Amount	In %	
Interest income	3,463,903	3,453,903	(9,999)	-0.29%	Additional Interest Recognition upto Bhadra-15 2078 and Reclassification of income
Interest expense	2,242,899	2,242,899	-	0.00%	
Net interest income	1,221,004	1,211,005			
Fee and commission income	177,001	177,202	201	0.11%	Remittance income Ashad end 2078 adjusted
Fee and commission expense	4,842	4,842	-	0.00%	
Net fee and commission income	172,159	172,360			
Net interest, fee and commission income	1,393,163	1,383,365			
Net trading income	(18)	(18)	-	0.00%	
Other operating income	183,422	139,573	(43,849)	-23.91%	Reclassification of Profit on sale of investment through-OCI
Total operating income	1,576,567	1,522,920			
Impairment charge/(reversal) for loans and other losses	228,968	294,322	65,354	28.54%	Additional Loan Loss Provision
Net operating income	1,347,599	1,228,598			
Operating expense					
Personnel expenses	377,185	358,790	(18,395)	-4.88%	Due to changes in Staff Bonus
Other operating expenses	214,899	214,950	50	0.02%	Subsequent Adjustment in Operating Expenses / Reclassification of Expenses Head
Depreciation & Amortization	48,448	48,476	28	0.06%	Adjustment of additional depreciation
Operating Profit	707,066	606,382			
Non operating income	22,985	22,985	-	0.00%	
Non operating expense	3,929	4,055	126	3.22%	Actuarial Loss- adjustment of Leave
Profit before income tax	726,123	625,312			
Income tax expense	209,834	191,345	(18,489)		
Current Tax	209,834	189,028	(20,806)	-9.92%	Due to Changes in Taxable Profit
Deferred Tax	-	2,317	2,317	0.00%	Due to Recalculation of deferred tax Asset/Liability
Profit for the year	516,288	433,967		-15.94%	Overall changes in interest income/income tax calculation
Other comprehensive income	416,927	498,118	81,191	19.47%	Due to changes in fair value reserve/ Equity Reserve of Investment in Associates
Total Comprehensive Income	933,215	932,086		-0.12%	Overall changes in interest income/income tax calculation/ Fair value Reserve

As at 31 Ashad 2078 (15 July 2021)
Principal Indicators

S.N.	Indicators	Ratio	2071/72	2072/73	2073/74	2074/75	2075/76	2076/77	2077/78	
1	Net Profit/Gross Income	Percent	39.03	27.35	9.81	11.57	18.13	10.55	11.51	
2	Earnings Per Share (as per NAS 33 - Earning per Share)	NPR	17.27	17.24	8.71	15.19	28.38	13.94	14.93	
3	Market Value Per Share	NPR	155.00	152.00	77.99	146	197	181	585	
4	Price Earning Ratio	Ratio	8.97	8.82	8.95	9.61	6.94	12.99	39.18	
5	Stock Dividend (Bonus Share) on Share Capital	Percent	0.00	0.00	0.00	17.07	5.00	7.00	13.00	
6	Cash Dividend on Share Capital	Percent	0.00	0.00	0.00	0.00	15.00	3.00	0.6842	
7	Interest Income/Loans and Advances	Percent	10.82	10.75	14.00	12.36	12.93	12.30	9.95	
8	Staff Expenses/Total Expenses	Percent	12.26	13.29	15.06	13.03	13.04	11.23	12.50	
9	Interest Expenses/Total Deposits and Borrowings	Percent	7.07	5.95	7.65	9.63	9.37	7.71	5.87	
10	Exchange Gain/Total Income	Percent	0.00	0.00	0.00	0.03	[0.01]	0.04	[0.01]	
11	Staff Bonus/Total Staff Expenses	Percent	26.69	33.88	12.36	16.43	27.20	18.46	19.36	
12	Total Credit/Deposits	Percent	72.96	72.96	98.57	99.92	103.97	86.95	86.84	
13	Total Operating Expenses/Total Assets	Percent	1.86	1.58	1.87	0.09	0.09	1.71	1.41	
14	Capital Adequacy (On Risk Weighted Assets)									
	Core Capital	Percent	13.12	12.82	14.88	15.84	15.29	13.11%	11.89%	
	Supplementary Capital	Percent	0.81	1.01	1.20	1.35	1.25	1.09%	1.37%	
	Total Capital Fund	Percent	13.93	13.83	16.07	17.18	16.54	14.20%	13.26%	
15	Cash Reserve Ratio (CRR)	Percent	5.00	5.10	5.56	4.38	4.05	4.38	3.45	
16	Net Profit / Total Loan	Percent	4.11	2.99	1.12	1.78	2.78	1.47	1.31	
17	Gross Non-Performing Credit/Total Credit	Ratio	2.50	7.90	3.79	3.34	1.64	2.69	2.17	
18	Weighted Average Interest Rate Spread	Percent	4.72	4.29	4.89	4.19	4.79	4.58	4.08	
19	Return on Total Assets	Percent	2.89	2.12	0.82	1.22	2.07	1.10	0.98	
20	Book Net Worth	NPR	75.26	92.50	150.51	161.26	190.43	163.60	182.17	
21	Base Rate	Percent	10.85	9.01	12.31	12.96	11.02	9.92	8.18	
22	Number of Shares	No.	9,170,741	9,170,741	20,088,785	21,732,827	22,097,663	27,163,117	29,064,535	
23	Number of Staff	No.	116	131	456	502	496	513	545	

२०७८ आश्विन मसान्तसम्मको संक्षिप्त जानकारी

(कम्पनी ऐन २०६३ दफा १०२ को उपदफा (४) को (ग) वमोजिम)

क्र.सं.	विषय	विवरण
१	रजिस्टर्ड कार्यालय	का.म.न.पा. ३०, डिल्लीबजार, काठमाडौं
२	कम्पनीको प्रकार	पब्लिक लिमिटेड कम्पनी
३	कम्पनी रजिष्ट्रारको कार्यालयमा दर्ता मिति	२०६४/०३/०४
४	कम्पनी रजिष्ट्रारको कार्यालयमा दर्ता नम्बर	१०६२६०/०६३/०६४
५	नेपाल राष्ट्र बैंकबाट कारोवार स्वीकृति प्राप्त मिति	२०६४/०५/३१
६	कारोवार शुरु मिति	२०६४/०६/१७
७	कार्य क्षेत्र	राष्ट्रिय स्तर
८	शाखा कार्यालय सञ्चालनमा रहेका जिल्ला संख्या	३०
९	शाखा कार्यालय संख्या	७७
१०	सूचीकरण मिति	२०६६/०६/२८
११	पूँजी संरचना	
	(क) अधिकृत पूँजी	५,००,००,००,०००.००
	(ख) जारी तथा चुक्ता पूँजी	२,९०,६४,५३,५४९.५५
	(ग) शेयर संरचना	
	संस्थापक	५१%
	सर्वसाधारण	४९%
१२	नेटवर्थ प्रति शेयर	१८७.०५
१३	कुल निक्षेप	३८,६९,६९,२७,६६०
१४	कुल कर्जा तथा सापटी	३५,१२,८५,६४,५८०
१५	कुल लगानी	५,८०,४३,२८,८५५
१६	खुद नाफा	२१,३१,६४,६३४
१७	प्रति शेयर आम्दानी	२९.३४
१८	प्रति शेयर बजार मूल्य (अधिकतम)	७७४
१९	खाता संख्या	२,९७,६७६
२०	ऋणी संख्या	१५,६७४
२१	पूँजीकोष पर्याप्तता	१३.१२%
२२	कर्जा तथा निक्षेप अनुपात	८८.८५
२३	निष्कृत्य कर्जा/कुल कर्जा अनुपात	१.३१
२४	तरलता अनुपात	२४.२८
२५	कुल कर्मचारी संख्या	५५८



नेपाल राष्ट्र बैंक
विकास बैंक सुपरिवेक्षण विभाग

पत्रसंख्या: वि.वै.सु.वि./गैरस्थलगत/लुम्बिनी/०७८/७९
च.नं. ११८

लुम्बिनी विकास बैंक लिमिटेड
डिल्लीबजार, काठमाडौं।



केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं
फोन नं.: ०१-४४१९८०४
Site: www.nrb.org.np
Email: nrbdsd@nrb.org.np
पोष्ट बक्स: ७३

मिति: २०७८/०८/१४

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

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७७/७८ को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैर स्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित एवं कार्यान्वयन गर्ने गरी आ.व. २०७७/७८ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा अनुरोध छ । साथै, संस्थाले प्रस्ताव गरे अनुसार आ.व. २०७७/७८ सम्मको सञ्चित मुनाफाबाट २०७८ असार मसान्तमा कायम रहेको चुक्ता पुँजी रु.२,९०,६४,५३,५४९/५५ को १३.०० प्रतिशतले हुन आउने रकम रु.३७,७८,३८,९६१/४४ (अक्षरेपि सैंतीस करोड अठहत्तर लाख अडतीस हजार नौ सय एकसठ्ठी पैसा चौवालीस मात्र) बराबरको बोनस शेयर तथा कर प्रयोजनको लागि सोही चुक्ता पुँजीको ०.६८४२ प्रतिशतले हुन आउने रकम रु.१,९८,८५,९५५/१९ (अक्षरेपि एक करोड अन्ठानब्बे लाख पचासी हजार नौ सय पचपन्न पैसा उन्नाइस मात्र) नगद लाभांश अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्न स्वीकृति प्रदान गरिएको व्यहोरा समेत निर्णयानुसार अनुरोध छ ।

- श्रम ऐन, २०७४ र अन्य प्रचलित कानून बमोजिम संस्थाको कर्मचारी सेवा विनियमावलीमा समयानुकूल संशोधन गर्नुहुन ।
- जोखिम व्यवस्थापन विभाग र आन्तरिक लेखापरीक्षण विभागमा पर्याप्त जनशक्तिको व्यवस्था गरी जोखिम व्यवस्थापन र आन्तरिक लेखापरीक्षण कार्यलाई थप सुदृढीकरण गर्नुहुन ।
- कर्जा प्रवाह पश्चात अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुने ।
- यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७७ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
- कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC), संस्थागत सुशासन, अनुपालना लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

बोधार्थ:

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

भवदीय,

(राजु पौडेल)
उप निर्देशक



लुम्बिनी विकास बैंक लि. Lumbini Bikas Bank Ltd.

निरन्तर सहायात्रा

(नेपाल राष्ट्र बैंकबाट "स" वर्गको इजाजतपत्रप्राप्त संस्था)

पत्र संख्या: एलबिबिएल/सिईओओ/०७८/७९/०२१

मिति: २०७८/०८/२१

श्री नेपाल राष्ट्र बैंक
विकास बैंक सुपरिवेक्षण विभाग
वालुवाटार, काठमाण्डौ ।

विषय : लाभांश घोषणा/वितरण तथा वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धमा दिईएका निर्देशनहरूको प्रतिउत्तर सम्बन्धमा ।

महोदय,

तहाँको मिति २०७८/०८/१४ को पत्र संख्या वि.बैं.सु.वि./गैरस्थलगत/लुम्बिनी ०७८/७९ च.नं. ११८ को पत्रबाट यस विकास बैंकको आर्थिक वर्ष २०७७/७८ को वार्षिक वित्तीय विवरण प्रकाशन तथा लाभांश घोषणा/वितरण सम्बन्धमा स्वीकृति प्रदान गर्नु भएको पत्रमा उल्लेखित निर्देशनहरूको सन्दर्भमा मिति २०७८/०८/१६ मा वसेको सञ्चालक समितिको ४११औं बैठकबाट पारित भए बमोजिम बुँदागत रूपमा देहाय बमोजिम प्रत्युत्तर पेश गरिएको व्यहोरा अनुरोध गर्दछौं ।

- (क) विकास बैंकको कर्मचारी सेवा विनियमावलीमा श्रम ऐन, २०७४ र अन्य प्रचलित कानून बमोजिम समयानुकूल संशोधन गरिने व्यहोरा अनुरोध गर्दछौं ।
- (ख) विकास बैंकको जोखिम व्यवस्थापन विभाग र आन्तरिक लेखापरीक्षण विभागमा पर्याप्त जनशक्तिको व्यवस्था गरी जोखिम व्यवस्थापन विभाग र आन्तरिक लेखापरीक्षण कार्यलाई थप सुदृढ गर्ने व्यवस्था मिलाईनेछ ।
- (ग) कर्जा लगानी पश्चात ऋणी/परियोजनाहरूको नियमित रूपमा अनुगमन गरी कर्जा सद्दुपयोगिताको सुनिश्चिततालाई अझ बढी प्रभावकारी गर्ने व्यवस्था मिलाईनेछ ।
- (घ) तहाँबाट जारी एकीकृत निर्देशन नं. १९/०७७ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पालना गर्ने सम्बन्धमा थप सजग भई कार्यान्वयन गरिने व्यहोरा अनुरोध गर्दछौं ।
- (ङ) कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC), संस्थागत सुशासन अनुपालना लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा त्यस बैंकबाट निरीक्षण एवं सुपरिवेक्षणको क्रममा औल्याएका कैफियतहरू पुनः नदोहोरिने गरि थप सजगतासाथ कार्य गरिने र नीति नियमहरूको कार्यान्वयन कडाईका साथ लागु गरिने व्यहोरा अनुरोध गर्दछौं ।

धन्यवाद ।



बोधार्थ:

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

सुरेश सिंह बोहरा
प्रमुख कार्यकारी अधिकृत

लुम्बिनी विकास बैंक लिमिटेडको

चौधौं वार्षिक साधारण सभामा संशोधनको लागि प्रस्तुत
प्रबन्धपत्रको तीन महले विवरण

साविकको व्यवस्था	प्रस्तावित व्यवस्था	संशोधन गर्नुपर्ने कारण
<p>दफा ५ : (ख) विकास बैंकको जारी पूँजी रु. २,९०,६४,५३,५४९.५५ (अक्षरेपी दुई अर्ब नब्बे करोड चौसठ्ठी लाख त्रिपन्न हजार पाँचसय उनान्चसय र पैसा पचपन्न मात्र) हुनेछ । सो पूँजीलाई प्रति शेयर रु. १००/- दरका २,९०,६४,५३५.४९ (अक्षरेपी दुई करोड नब्बे लाख चौसठ्ठी हजार पाँच सय पैतीस दशमलव उनान्चसय) थान साधारण शेयरमा विभाजन गरिएको छ ।</p>	<p>दफा ५ : (ख) विकास बैंकको जारी पूँजी रु. ३,२८,४२,९२,५१०.९९ (अक्षरेपी तीन अर्ब अठ्ठाईस करोड वयालीस लाख बयान्बे हजार पाँच सय दश रुपैया र पैसा उनान्सय मात्र) हुनेछ । सो पूँजीलाई प्रति शेयर रु. १००/- दरका रु. ३,२८,४२,९२५.११ (अक्षरेपी तीन करोड अठ्ठाईस लाख बयालीस हजार नौ सय पच्चीस दशमलव एघार) थान साधारण शेयरमा विभाजन गरिएको छ ।</p>	<p>चौधौं वार्षिक साधारण सभाबाट विकास बैंकको कायम जारी पूँजीमा रु. ३७,७८,३८,९६१.४४ (अक्षरेपी सैंतीस करोड अठहत्तर लाख अड्तीस हजार नौ सय एकसठ्ठी रुपैया र पैसा चवालीस मात्र) बोनश शेयर पारित भए पश्चात जारी तथा चुक्ता पूँजी रु. ३,२८,४२,९२,५१०.९९ (अक्षरेपी तीन अर्ब अठ्ठाईस करोड बयालीस लाख बयान्बे हजार पाँच सय दश रुपैया र पैसा उनान्सय मात्र) पुग्ने भएकोले ।</p>
<p>दफा ५ : (ग) विकास बैंकको चुक्ता पूँजी रु. २,९०,६४,५३,५४९.५५ (अक्षरेपी दुई अर्ब नब्बे करोड चौसठ्ठी लाख त्रिपन्न हजार पाँचसय उनान्चसय र पैसा पचपन्न मात्र) हुनेछ ।</p>	<p>दफा ५ : (ग) विकास बैंकको चुक्ता पूँजी रु. ३,२८,४२,९२,५१०.९९ (अक्षरेपी तीन अर्ब अठ्ठाईस करोड वयालीस लाख बयान्बे हजार पाँच सय दश रुपैया र पैसा उनान्सय मात्र) हुनेछ ।</p>	
<p>दफा ७ : (ङ) सर्वसाधारणले शेयर खरिद गर्दा न्यूनतम १० किता वा १० अंकले भाग गर्दा शेष नरहने गरी अधिकतम ३४,००० किता खरिद गर्न सकिनेछ । तर हकप्रद शेयर र बोनस शेयरको हकमा यो बन्देज लागू हुने छैन ।</p>	<p>दफा ७ : (ङ) सर्वसाधारणले शेयर खरिद गर्दा न्यूनतम १० किता खरिद गर्न सकिनेछ । तर हकप्रद शेयर र बोनस शेयरको हकमा यो बन्देज लागू हुने छैन ।</p>	<p>अधिकतम सीमा आवश्यक नभएकोले ।</p>

लुम्बिनी विकास बैंक लिमिटेडको

चौधौं वार्षिक साधारण सभामा संशोधनको लागि प्रस्तुत
नियमावलीको तीन महले विवरण:

साविकको व्यवस्था	प्रस्तावित व्यवस्था	संशोधन गर्नुपर्ने कारण
<p>नियम ५. गणपुरक संख्या: बाँडफाँड भएको कुल शेयर संख्याको ५० प्रतिशत भन्दा बढी शेयरको प्रतिनिधित्व हुने गरी कूल शेयर धनीहरू मध्ये कम्तिमा ३ जना शेयरधनीहरू स्वयम् वा आफ्नो प्रतिनिधि (प्रोक्सी) द्वारा उपस्थित नभई साधारण सभाको काम कारवाही हुने छैन ।</p>	<p>नियम ५. गणपुरक संख्या: बाँडफाँड भएको कुल शेयर संख्याको ५० प्रतिशत भन्दा बढी शेयरको प्रतिनिधित्व हुने गरी भौतिक रूपमा अथवा विशेष परिस्थितिमा भिडियो कन्फरेन्स वा त्यस्तै प्रकारको अन्य प्रविधि मार्फत उपस्थित कुल शेयरधनीहरू मध्ये कम्तिमा ३ जना शेयर धनीहरू स्वयं वा आफ्नो प्रतिनिधि (प्रोक्सी) द्वारा उपस्थित नभई साधारण सभाको काम कारवाही हुने छैन ।</p>	<p>समय सापेक्ष व्यवस्था गर्नुपर्ने भएकोले ।</p>

Our Branches

S.No.	Branch Code	Branch name	BM Name	Branch Address	Branch Number
1	001	Mahendrapool Branch	Gopi Raj Adhikari	Mahendrapool, Pokhara -9	061-553800/551900/575402
2	002	Lakeside Branch	Mahendra Kumar Shrestha	Dihikopatan, Fewa Marg, Pokhara -6	061-455503
3	003	Chhorepatan Branch	Mitra Raj Baral	Chhorepatan -17, Pokhara	061-465501
4	005	Khairenitar Branch	Binod Kumar Adhikari	Shuklagandaki -6, Tanahun	065-412150
5	006	Narayangarh Branch	Suraj Koirala	Bharatpur -4, Narayangarh	056-596684
6	007	Rambazar Branch	Bal Krishna Ban	Rambazar, Pokhara	061-432450
7	008	Tandi Branch	Santosh Shrestha	Ratnanagar -2, Chitwan	056-563147
8	009	Hakimchowk Branch	Sudarshan Ghimire	Hakimchowk, Chitwan	056-590397/590497
9	010	Birgunj Branch	Pradosh Bahadur Kshetri	Society Complex, Adarshnagar	051-530766/527429
10	011	Dillibazar Branch	Dipesh Joshi	Dillibazar, Kathmandu	01-4441641/4441642
11	012	Itahari Branch	Laxmi Karki	Itahari -6, Sunsari	025-587092/587093
12	013	Gongabu Branch	Hari Pokharel	Gongabu, Kathmandu	01-4987245/4952052
13	014	Lalbandi Branch	Ashish Kumar Bhattarai	Hatbazar, Lalbandi	046-501579/501581
14	015	Biratnagar Branch	Niraj Sethia	Biratnagar -12, BataRoad, Morang	021-450663/450664
15	016	Newroad Branch	Pradeep Bajracharya	Khichapokhari, Neworad, Kathmandu	01-6227836/5331106/5330987
16	017	Inaruwa Branch	Amit Agrawal	Inaruwa, Sunsari	025-566753/566756
17	018	Kuleswor Branch	Pradeep Maharjan	Kuleshwor, Kathmandu	01-5165035/4271279
18	019	Chapur Branch	Subodh Koirala	Chandrapur -4, Rautahat	055-540770
19	020	Kaushaltar Branch	Min Prasad Shrestha	Kausaltar, Bhaktapur	01-6636229/6637385
20	021	Gaur Branch	Praskas Chandra Pahari	Gaur, Rautahat	055-521437
21	022	Rangeli Branch	Durgesh Rauniyar	Rangeli -7, Morang	021-580631/580632
22	023	Pokhariya Branch	Pradeep Kumar Rauniyar	Pokhariya -4, Parsa	051-560254/560255
23	024	Nepalgunj Branch	Amit Shrestha	Surkhet Road -3, Nepalgunj	081-533258/533259
24	025	Lahan Branch	Abhisek Adhikari	Lahan -1, Siraha	033-565102/565104
25	026	Fattepur Branch	Ramesh Kumar Poudel	Fattepur -3, Saptari	031-550191
26	027	Bhairahawa Branch	Ganesh Bhusal	Basantapath -12, Aawa Road, Rupandehi	071-520073
27	028	Kapan Branch	Pradip Nepali	Milan Chowk, Kapan, Kathmandu	01-4823320
28	029	Patichaur Branch	Bhanu Sharma	Patichaur, Deupur, Parbat	067-410067/690566
29	030	Janakpur Branch	Kiran Bahadur Umra Magar	Janakpur -2, Dhanusha	041-590881/590882
30	031	Tripureswor Branch	Babu Raja Shakya	Tripureshwor, Kathmandu	01-4233373/4233380/4233381
31	032	New Road Pokhara Branch	Bal Bahadur Dhakal	Newroad, Pokhara	061-572122/574700
32	033	Tokha Branch	Niroj Khagi	Tokha Road, Kathmandu	01-5159600
33	034	Banepa Branch	Kamal Raj Giri	Banepa, Chardobato	011-661321
34	035	Basundhara Branch	Bishnu Ram Chalise	Ring Road, Basundhara, Tokha -5, Kathmandu	01-4983614/4983615
35	036	Kantipath Branch	Binita Mathema	Kantipath, Kathmandu	01-4249534/4253323
36	037	Okhaldhunga Branch	Bijay Lama	Ramaelo Danda , Okhaldhunga	037-520644
37	038	Bhakundebsi Branch	Binod Giri	Bhakundebsi, Kavre	011-404062
38	039	Dhikure Branch	Surya Kumar Pandit	Dhikure, Nuwakot	010-418073

39	040	Devighat Branch	Bishwombhar Dangol	Devighat, Trishuli	010-410073
40	041	Lele Branch	Dipesh Bista	Tika Bhairab, Lalitpur	01-6200375/6200376
41	042	Mahalaxmasthan Branch	Raj Kumar K.C	Mahalaxmasthan, Lalitpur	01-5193065/5193124
42	043	Kalikasthan Branch	Shambhu Prasad Neupane	Kalikasthan, Rasuwa	010-542073
43	044	Rajaka Chautara Branch	Dilip Sigdel	Rajaka Chautara, Lekhnath	061-410233/410234
44	045	Garuda Branch	Prabind Kumar Mandal	Garuda Bazar, Rautahat	055-565070
45	046	Butwal Branch	Chandra Bahadur Saru	Butwal SMC -11, Devinagar, Rupandehi	071-410165/410166
46	047	Chandrawati Branch	Ranjan Bagale	Satiswara VDC -2, Chandrawati, Tanahun	NA
47	048	Harinagara Branch	Ashok Kumar Mehta	Harinagara, Sunsari	NA
48	049	Thamel Branch	Maheshor Prasad Pokharel	Thamel, Kathmandu	01-4522543/4523443
49	050	Kumaripati Branch	Rajeeb Bhakta Mulmi	Kumaripati, Lalitpur	01-5434281/5425275
50	051	Fulbari Branch	Subash Bahadur Thapa	Fulbari, Pokhara	061-540005/535327
51	052	Dhungedhara Branch	Dinesh Pokharel	Dhungedhara, Kathmandu	01-4880545/4880925
52	053	Katyayani Branch	Sabin Ghimire 2	Katayani Chowk, Bhimsengolamarg	01-4109293/4109294
53	054	Narayantar Branch	Bikash Shrestha	Narayantar, Jorpati	01-4910606/4910688
54	055	Lamachaur Branch	Navin Tajhya Sheth	Lamachaur, Kaski, Pokhara	061-442320/442317
55	056	Kurintar Branch	Pradeep Kumar Regmi	Kurintar, Chitwan	056-410104
56	057	Parshadhap Branch	Thaneshwor Amatya	Parshadhap, Chitwan	056-404109/404110
57	058	Haraicha Branch	Sagarmani Ghimire	Haraicha, Morang	021-401082
58	059	Kerkha Branch	Dipak Kumar Khadka	Kerkha, Jhapa	023-475170/475171
59	060	Rupani Branch	Man Bahadur Chaudhary	Rupani -1, Saptari Nepal	031-450197/450198
60	061	Loharpatti Branch	Dev Krishna Shah	Loharpati, Mahottari	NA
61	062	Naya Bahuni Branch	Sanjeet Kumar Majhi	Belbari - 7, Nayabahuni Morang	NA
62	063	Badkhola Branch	Raju Prasad Adhikari	Municipality -3, Badkhola, Syangja	063-423174
63	064	Gajehada Branch	Manish Acharya	Banganga -4, Gajehada Kapilvastu	076-550423
64	065	Bode Branch	Ashish Bikram Thapa	Madhyapur Thimi Municipality, Bhaktapur	01-6636113/6636114
65	066	Narephat Branch	Sudhir Kumar Karki	Kathmandu -32, Narephat	01-5149301
66	067	Dhangadi Branch	Sabin Ghimire	Chauraha, Dhangadhi	091-590081/590082
67	068	Mahendranagar Branch	Ashok Joshi	Bhimdatta Municipality -4 near Mahendra salik	099-520697/521952
68	069	Birendranagar Branch	Aamod Subedi	Birendranagar Municipality -6 Birendra Chowk, Surkhet	083-590043/590044
69	070	Mangalbazar Branch	Sudan Maharjan	Mangalbazar Lalitpur Metro -16	01-5543060/5543061
70	071	Damak Branch	Dev Narayan Chaudhary	Thanaroad, Damak-06, Jhapa	023-590625
71	072	Birtamod Branch	Naresh Timsina	Bhadrapur Road, Birtamod -4, Jhapa	023-590347/590348
72	073	Kawasoti Branch	Prakash Devkota	Sabhapati Chowk, Kawasoti -2	078-540058/540059
73	074	New Baneshwor Branch	Bhim Nidhi Kant	New Baneshwor, Kathmandu	01-4494499/4495088
74	075	Manigram Branch	Shankar Pandey	Manigram	071-590015/590016
75	076	Bardaghat Branch	Bikram Gautam	Bardaghat -4 , Nawalparasi	078-590297/590298
76	077	Ghorahi Branch	Yub Raj Bhandari	Ghorahi SMC -15, Main Road, Near B.P Chowk, Dang	082-564182/564183
77	078	Kohalpur Branch	Ris Bahadur Thapa	Kohalpur-11. Sajha Chowk, Banke	081-542188/540392

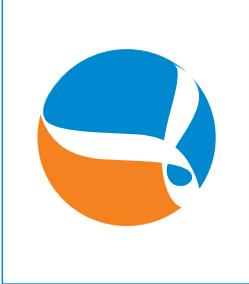
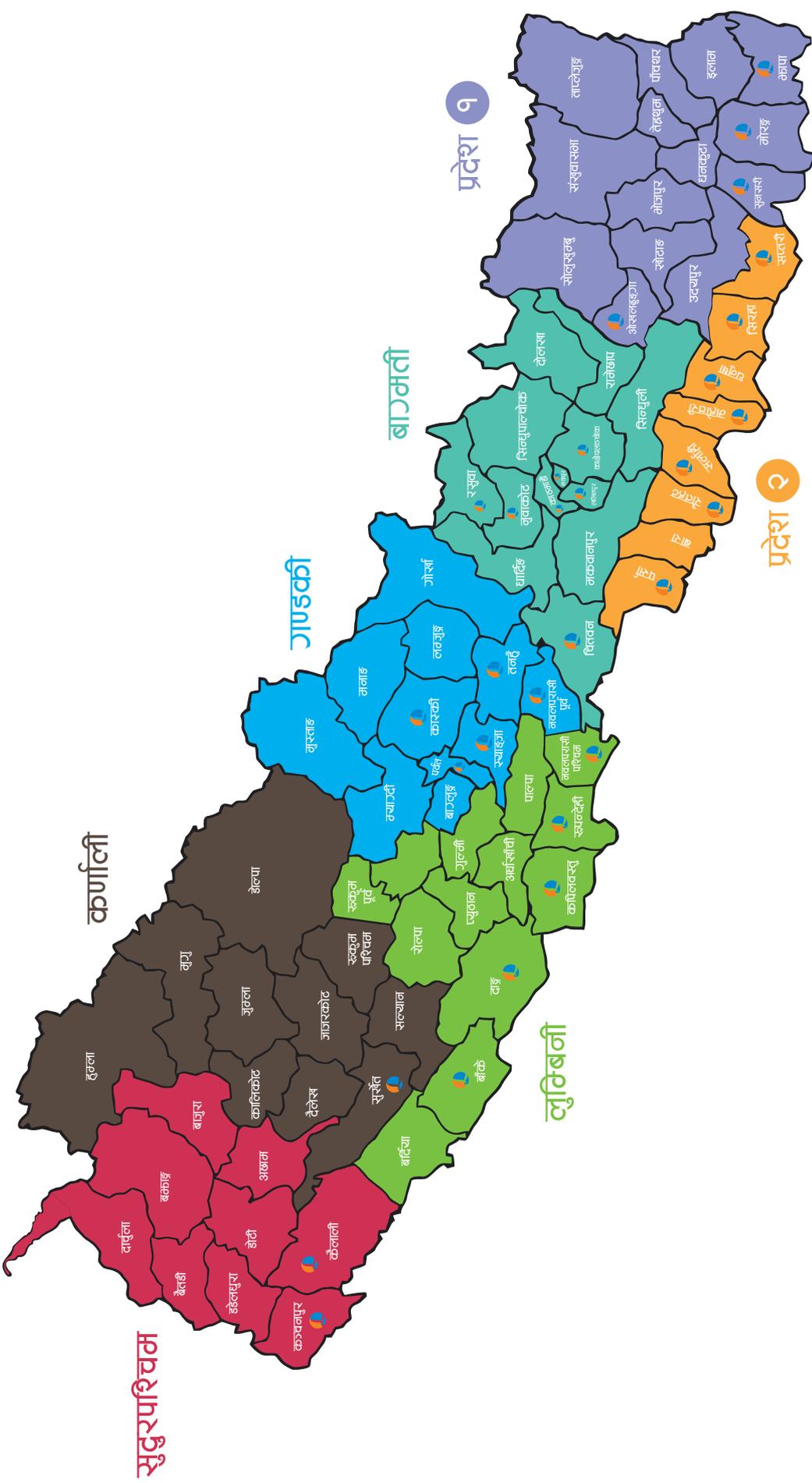
तपाईंको गर-गहनाको सही मुल्यांकन गर्दै
साना-ठूला आवश्यकता पूरा गर्दै



लुम्बिनी
सुन कर्जा

विशेषताहरू:

- सुन वा सुनका गरगहनाहरूका लागि
- व्यक्तिगत तथा संस्थाहरूका लागि
- सहूलियत व्याजदर
- कर्जा रकम १०,००० देखि १ करोडसम्म
- समयावधि १ वर्षसम्म



लुम्बिनी विकास बैंक लि.

Lumbini Bikas Bank Ltd.

केन्द्रीय कार्यालय

सुनराइज भिज पार्क, चौथो तल्ला

डिल्लीबाजार, काठमाडौं

फोन: ०१-४४३३५५/४४३३५५

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वेब: www.lumbinibikasbank.com

निरन्तर सहयोग

(नेपाल राष्ट्र बैंकबाट "स" वर्गको इजाजतप्राप्त संस्था)