

“समृद्धिको लागि सहकार्य”

# आठौँ वार्षिक प्रतिवेदन आर्थिक वर्ष २०७६/७७



**प्रोक्सी फाराम**

श्री सञ्चालक समिति  
ग्रीन डेभलपमेन्ट बैंक लि.  
पोखरा-८, सभागृह चोक, कास्की ।

**विषय: प्रतिनिधि नियुक्त गरेको बारे ।**

महाशय,

..... जिल्ला ..... म.न.पा./उ.म.न.पा./न.पा./गा.पा. वडा नं. .... बस्ने म/हामी ...  
..... ले त्यस कम्पनीको शेयरधनीको हैसियतले २०७७ साल चैत्र २८ गते शनिबारका  
दिन हुने आठौं वार्षिक साधारणसभामा स्वयम उपस्थिति भई छलफल तथा निर्णयमा सहभागि हुन नसक्ने  
भएकोले उक्त सभामा भाग लिन तथा मतदान गर्नको लागि ..... जिल्ला .....  
म.न.पा./उ.म.न.पा./न.पा./गा.पा. वडा नं. .... बस्ने त्यस कम्पनीका शेयर वाला श्री .....  
..... शेयर धनी नं./BOID NO ..... लाई  
मेरो/हाम्रो प्रतिनिधि गरी पठाएका छु/छौं ।

**निवेदक:**

दस्तखत:.....  
नाम: .....  
ठेगाना: .....  
शेयर धनी नं./BOID NO .....  
शेयर संख्या: .....  
मिति: .....

**द्रष्टव्य: यो निवेदन साधारण सभा सुरु हुनभन्दा ४८ घण्टा अगावै बैंकको रजिष्टर्ड कार्यालयमा पेश गरिसक्नुपर्नेछ ।**

शेयरधनीको नाम: श्री ..... शेयरधनी परिचय नं. .... शेयर  
संख्या मिति २०७७ साल चैत्र २८ गते शनिबारका दिन हुने ग्रीन डेभलपमेन्ट बैंक लि. को आठौं वार्षिक साधारण  
सभामा उपस्थित हुन जाँदै गरिएको

**प्रवेश पत्र**

.....  
शेयरधनीको दस्तखत

.....  
कम्पनी सचिव

सभामा भाग लिन आउँदा यो प्रवेश-पत्र अनिवार्य रूपमा नाम, दस्तखत, शेयरधनी परिचय नं. तथा कूल शेयर  
संख्या उल्लेख गरि साथै लिई आउनुपर्नेछ ।

## आठौं वार्षिक साधारण सभा सम्बन्धी सूचना

यस डेभलपमेन्ट बैंकको मिति २०७७/११/२८ गते बसेको संचालक समितिको १५६ औं बैठकको निर्णय अनुसार यस डेभलपमेन्ट बैंकको आठौं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा देहाय बमोजिमका विषयहरूमा छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरूको उपस्थितिको लागि हार्दिक अनुरोध गर्दछु ।

### सभा बस्ने मिति, समय र स्थान

मिति : २०७७ साल चैत्र २८ गते , शनिवार (तदनुसार १० अप्रील, २०२१)

समय : बिहान ११:०० बजे ।

स्थान : होटल वाराही, लेकसाईड, पोखरा ।

(कोभिड-१९ महामारीको जोखिमका कारण साधारण सभामा अनलाइन (भर्चुअल) प्रविधि मार्फत समेत सहभागी हुने गरी शेयरधनी महानुभावहरूलाई Meeting को ID तथा Passcode उपलब्ध गराउने व्यवस्था गरिएको छ ।)

### छलफलका विषयहरू :

#### क. सामान्य प्रस्ताव

- १) आ.व २०७६/७७ को संचालक समितिको प्रतिवेदन छलफल गरी पारित गर्ने ।
- २) लेखापरीक्षकको प्रतिवेदन सहितको २०७७ आषाढ मसान्तको वासलात तथा आ.व २०७६/७७ को नाफा नोक्सान हिसाब र सोही अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरण तथा अनुसूचीहरू माथि छलफल गरी पारित गर्ने ।
- ३) संचालक समितिले प्रस्ताव गरे वमोजिम आ.व.२०७६/७७ को मुनाफा तथा संचित मुनाफा रकम समेतवाट यस डेभलपमेन्ट बैंकको हाल कायम चुक्तापूँजी रु.५०,००,००,०००.०० (अक्षरेपी पचास करोड रुपैयाँ मात्र) को ०.२० प्रतिशतले हुन आउने नगद लाभाशं रु.१०,००,०००.०० (अक्षरेपी दश लाख रुपैयाँ मात्र) लाभाशंमा लाग्ने कर प्रयोजनार्थ वितरण गर्ने प्रस्ताव उपर छलफल गरि पारित गर्ने ।
- ४) लेखापरीक्षण समितिको सिफारिश बमोजिम आ.व २०७७/७८ का लागि बाह्य लेखापरीक्षक नियुक्ति गर्ने र निजको पारिश्रमिक तोक्ने । (वर्तमान लेखा परिक्षक सुजन काफ्ले एण्ड एसोसियट्स पुनः नियुक्तिको लागि योग्य हुनुहुन्छ ।)
- ५) सर्वसाधारण शेयरधनीहरूको प्रतिनिधित्व गर्ने २ (दुई) जना संचालकहरूको निर्वाचन गर्ने ।
- ६) स्वतन्त्र संचालक नियुक्त हुनुभएको जानकारी सम्बन्धमा ।

#### ख. विशेष प्रस्ताव

- १) संचालक समितिले प्रस्ताव गरे वमोजिम आ.व.२०७६/७७ सम्मको मुनाफा तथा शेयर प्रिमियमवाट हाल कायम चुक्ता पूँजी रु.५०,००,००,०००.०० (अक्षरेपी पचास करोड रुपैयाँ मात्र) को ३.८ प्रतिशतका दरले हुन आउने रकम रु.१,९०,००,०००.०० (अक्षरेपी एक करोड नव्वे लाख रुपैयाँ मात्र ।) वोनस शेयर वितरण गर्ने प्रस्ताव उपर छलफल गरि पारित गर्ने र सोही वमोजिम डेभलपमेन्ट बैंकको प्रवन्धपत्रमा बैंकको अधिकृत, जारी तथा चुक्ता पूँजी वृद्धि गर्न आवश्यक संसोधन प्रस्ताव पारित गर्ने ।
- २) यस ग्रीन डेभलपमेन्ट बैंक लि र अन्य उपयुक्त बैंक तथा वित्तीय संस्थाहरू एक आपसमा गाभ्ने/गाभिने वा प्राप्ति (Merger/Acquisition) को लागि उपयुक्त संस्थाको पहिचान गर्ने, उपयुक्त देखिएमा सो सम्बन्धी सम्झौतापत्र (MOU) मा हस्ताक्षर गरी अन्य आवश्यक सम्पूर्ण कार्यहरू गर्न/गराउन संचालक समितिलाई अख्तियारी प्रदान गर्ने ।
- ३) डेभलपमेन्ट बैंकको प्रवन्धपत्रमा आवश्यक संसोधन गरी अभिलेख गराउंदा आवश्यक थपघट, संसोधन वा परिमार्जन गर्नु परेमा सो सम्बन्धी सम्पूर्ण अख्तियारी संचालक समितिलाई प्रदान गर्ने ।

ग. विविध ।

सञ्चालक समितिको आज्ञाले,

कम्पनी सचिव

### साधारण सभा सम्बन्धी अन्य जानकारी

१. डेभलपमेन्ट बैंकको शेयर दाखिल खारेजको काम मिति २०७७/१२/१७ गते एक दिनका लागि बन्द रहने छ । नेपाल स्टक एक्सचेन्ज लिमिटेडमा मिति २०७७/१२/१६ गते सम्म कारोवार भई प्रचलित कानून वमोजिम यस डेभलपमेन्ट बैंकको शेयर रजिष्ट्रार श्री एन आई वि एल एस क्यापिटल लिमिटेड, लाजिम्पाट, काठमाण्डौमा प्राप्त शेयर नामसारी लिखतको आधारमा शेयरधनी दर्ता कितावमा कायम शेयरधनीहरूले मात्र सो सभामा भाग लिन र मतदान गर्न पाउने छन् ।
२. सभामा उपस्थित हुने शेयरधनी महानुभावहरूले आफ्नो परिचय खुल्ने आधिकारिक परिचय पत्र वा सो को प्रतिलिपि वा शेयरधनी खुल्ने **BOID Statement** वा डेभलपमेन्ट बैंकले जारी गरेको प्रवेश पत्र साथमा लिई आउनु हुन अनुरोध छ ।
३. सभामा भाग लिन प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले सभा शुरू हुने समय भन्दा कम्तीमा ४८ घन्टा अगावै डेभलपमेन्ट बैंकको केन्द्रीय कार्यालय, पोखरा-८, सभागृह चोक, कास्कीमा दर्ता गराई सक्नु पर्नेछ । बैंकको शेयरधनी बाहेक अरूलाई प्रोक्सी दिन र एक भन्दा बढी व्यक्तिलाई आफ्नो शेयर विभाजन गरी प्रोक्सी दिन पाइने छैन ।
४. प्रतिनिधि (प्रोक्सी) नियुक्त गरिसक्नु भएको शेयरधनी आफैँ सभामा उपस्थित भई हाजिरी पुस्तिकामा दस्तखत गर्नु भएमा प्रोक्सी दिई सकेको भएता पनि प्रोक्सी स्वतःबदर हुने छ । प्रतिनिधि नियुक्त गरिसकेपछि उक्त प्रतिनिधि बदर गरी यो प्रतिनिधि पत्र (प्रोक्सी) लाई मान्यता दिइयोस भनी छुट्टै पत्र समेत लेखि पठाउनु भएको रहेछ भने अरु प्रतिनिधि पत्र (प्रोक्सी) बदर भई सोही पत्र साथ आएको प्रतिनिधिपत्र (प्रोक्सी) मात्र मान्य हुनेछ । सोको लिखित सूचना सोही अवधि भित्र डेभलपमेन्ट बैंकको केन्द्रीय कार्यालयमा दर्ता गरि सक्नु पर्नेछ ।
५. संचालकको निर्वाचन सम्बन्धी कार्यक्रम मिति २०७७ चैत्र २२ गते बैंकको केन्द्रीय कार्यालय, पोखरा-८, सभागृह चोकको सूचना पाटीमा टाँस गरिनेछ ।
६. छलफलका विषयहरू मध्ये विविध शीर्षक अन्तर्गत छलफल गर्न चाहने शेयरधनी महानुभावहरूले सभा हुनु भन्दा ७ दिन अगावै सो विषय सञ्चालक समितिका अध्यक्षलाई लिखित रूपमा दिनुपर्नेछ । तर यसलाई छलफल र पारित हुने प्रस्तावको रूपमा समावेश गरिने छैन ।
७. सभामा भाग लिने प्रत्येक शेयरधनी महानुभावहरूले सभा हुने स्थानमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नु पर्नेछ । शेयरधनी महानुभावहरूको सुविधाको लागि हाजिरी पुस्तिका उक्त दिन विहान १०:०० वजे देखि खुल्ला रहनेछ । भर्चुअल माध्यमबाट सभामा भाग लिन चाहने शेयरधनी महानुभावहरूले [info@greenbank.com.np](mailto:info@greenbank.com.np) मा इमेल गरी वा फोन नं. ०६१-५३३५९० मा सम्पर्क गरी साधारण सभा शुरू हुनुभन्दा २४ घण्टा अगावै आफ्नो नाम इमेल ठेगाना टिपाउनु पर्ने छ । भर्चुअल माध्यम मार्फत उपस्थित हुने शेयरधनी महानुभावहरूलाई **Meeting ID** र **Passcode** उपलब्ध गराई सभामा सहभागी हुने व्यवस्था मिलाइने छ ।
८. डेभलपमेन्ट बैंकको आठौँ बार्षिक साधारण सभाको सूचना , आठौँ बार्षिक प्रतिवेदन शेयरधनी महानुभावहरूको ठेगानामा पठाइने छ । कारणवस उक्त प्रतिवेदन प्राप्त हुन नसकेमा बैंकको केन्द्रीय कार्यालय पोखरा-८ सभागृह चोक, कास्की वा एन आई वि एल एस क्यापिटल लिमिटेड वा बैंकको **website: [www.greenbank.com.np](http://www.greenbank.com.np)** बाट प्राप्त गर्न सक्नु हुनेछ ।

## आठौं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट अध्यक्षद्वारा प्रस्तुत वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

ग्रीन डेभलपमेन्ट बैंक लि को आठौं वार्षिक साधारण सभामा उपस्थित हुनुभएका सम्पूर्ण शेयरधनी महानुभावहरूमा संचालक समिति तथा मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागतका साथ अभिवादन व्यक्त गर्दछु । बैंक स्थापनाको सातौं वर्ष पार गरि आठौं वर्षमा प्रवेश गर्दा बैंकले विभिन्न किसिमका आन्तरिक तथा बाह्य चुनौती, आरोह अवरोह सामना गर्दै शाखा संजाल विस्तार, अत्याधुनिक बैंकिङ सुविधा, वित्तीय पहुचमा योगदान गर्न उल्लेख्य रूपमा सफल भएको जानकारी गराउदछु । बैंकको स्वामित्वकर्ताको रूपमा रहनुभएका तपाईं शेयरधनीहरू माफ बैंकको आ.व.२०७६/७७ को सञ्चालक समितिको प्रतिवेदन यस गरिमामय सभामा प्रस्तुत गर्न पाउँदा ज्यादै नै हर्षित छु । आ.व. २०७६/७७ मा यस डेभलपमेन्ट बैंक ले हासिल गरेको प्रगति एवं उपलब्धीहरू समावेश गरिएको २०७७ आषाढ मसान्तको वासलात, आ.व २०७६/७७ को नाफा नोक्सान हिसाब, नगद प्रवाह विवरण एवं सो संग सम्बन्धित अनुसूचीहरू लगायतका वित्तीय विवरणहरू यस गरिमामय सभामा स्वीकृतिको लागि पेश गर्दछु । यस सभाले बैंकले भविष्यमा अपनाउनुपर्ने रणनीति, भावी कार्यदिशा तथा बैंकलाई अझ बढी सबल, सक्षम एवं सुदृढ बनाउने सन्दर्भमा अमूल्य राय, सुझावका साथ मार्ग निर्देशन गर्नेछ भन्ने आशा एवं विश्वास लिएको छु ।

### १) विगत वर्षको कार्य सम्पादन तथा कारोवारको समिक्षा एवं वित्तीय भ्रलकः

देशमा स्थानिय निकाय, प्रदेश सभा तथा प्रतिनिधि सभाको संरचना अनुरूप कार्य अगाडी वढेकोमा यही पौष ५ गते संसद विघटन गर्ने निर्णय भयो र फेरी सम्मानित सर्वोच्च अदालतको आदेश वमोजिम संसद पुनर्स्थापना भएकोले राजनैतिक अस्थिरता सृजना भएको महसुस भएको छ । आर्थिक सम्वृद्धीका क्षेत्रहरू खुल्ला भई बैंक तथा वित्तीय संस्थाहरूको व्यवसाय विस्तारको सम्भावनाको लागि राजनैतिक स्थितरता आवश्यक हुन्छ । बैंक/वित्तीय संस्थाहरूको पूंजी वृद्धिसंगै व्यवसाय विस्तारको लागि शाखा विस्तार गर्ने कार्यमा होडबाजी जस्तै देखिएको छ । अर्को तर्फ ग्रामीण क्षेत्रमा समेत वित्तीय पहुँच बढाउन बैंक तथा वित्तीय संस्थाहरूका शाखा कार्यालयहरू खोल्ने क्रम हवातै बढेको छ । २०७६ आषाढ मसान्तमा बैंक तथा वित्तीय संस्थाहरूको शाखा संख्या ८६८६ रहेकोमा २०७७ आषाढ मसान्तमा ९७६५ पुगेको छ । उक्त संख्या २०७७ पुस मसान्तमा १०,१८७ पुगेको छ ।

विश्वव्यापी रूपमा फैलिएको कोरोना भाईरस (COVID-19) को प्रभावले समग्र अर्थतन्त्रमा तुलो प्रभाव पारेको छ । २०७६ चैत्र ११ गतेवाट लागु भएको नाकावन्दी तथा समयसमयमा लागु भएका निषेधाज्ञाले गर्दा समग्र बैंकिङ कार्यमा नकारात्मक प्रभाव पारेको छ । कर्जाको माग कम हुँदा बैंकहरूले न्युनतम व्याजदरमा कर्जा प्रवाह गर्ने होडवाजी नै चलेकोले हाम्रो जस्ता साना बैंकहरूका ग्राहकलाई तुला बैंकले तान्ने क्रम वढेको छ । तथापी २०७७ आश्विन पछि व्यवसायिक क्रियाकलापहरू कमशः सुचारु हुदै गएकोले कर्जाको मागमा केही वृद्धी भई यस ग्रीन डेभलपमेन्ट बैंकले पनि पछिल्ला त्रयमासहरूमा व्यवसाय विस्तार गर्दै लगेको छ ।

बैंकको आ.व २०७५/७६ र २०७६/७७ को वित्तीय विवरणहरूको तुलनात्मक रूपमा प्रस्तुत गरिएको छ ।

रकम रु. हजारमा

क्र.स.	विवरण	आ.व २०७५/०७६	आ.व २०७६/०७७	बृद्धि (प्रतिशत)
१.	चुक्ता पूंजी	५००,०००.००	५००,०००.००	०.०० %
२.	जगेडा कोष	२१,१४९.०७	३३,६५१.४५	५९.१२ %
३.	कुल सम्पत्ति	१६,२१,०८६.२७	१८,७०,२३७.९०	१५.३७ %
४.	निक्षेप संकलन	१०,९०,५१९.९८	१३,०६,२१४.०९	१९.७८ %

५.	कर्जा लगानी	१०,९९,५८०.९३	१२,२३,२१८.९०	११.२४ %
६.	ब्याज आम्दानी	१,३१,८२८.७४	१,८४,४३८.९३	३९.९१ %
७.	ब्याज खर्च	६०,३११.६६	१,०५,११४.५७	७४.२९ %
८.	कुल संचालन आम्दानी	१,४०,९१९.७९	१,९२,३१४.५३	३६.४७ %
९.	कुल संचालन खर्च	१,०२,६५६.१९	१,६८,७००.२२	६४.३४ %
१०.	कर र बोनस अगाडीको मुनाफा	२२,१९०.४१	१७,८८१.६७	- १९.४२ %
११.	खुद मुनाफा	१७,०२७.१२	१२,५०२.३८	- २६.५७ %

त्यसैगरी, २०७७ फाल्गुण मसान्तसम्म बैंकले १ अर्ब ६० करोड १९ लाख निक्षेप संकलन गरि १ अर्ब ६१ करोड ३४ लाख कर्जा प्रवाह गरेको छ ।

## २) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कारोवारलाई परेको प्रभाव :

आर्थिक वर्ष २०७५/७६ मा ७ प्रतिशत आर्थिक वृद्धि हासिल भएकोमा आर्थिक वर्ष २०७६/७७ मा २.२८ प्रतिशतमा सीमित रहेको केन्द्रीय तथ्याङ्क विभागको प्रारम्भिक अनुमान छ । कृषि क्षेत्रको वृद्धिदर २.६ प्रतिशत, उद्योग क्षेत्रको ३.२ प्रतिशत तथा सेवा क्षेत्रको वृद्धिदर २ प्रतिशत रहेको अनुमान छ ।

कोभिड-१९ संक्रमण नियन्त्रण तथा रोकथामका लागि विश्वव्यापी रूपमा अवलम्बन गरिएका उपायहरूबाट उत्पादनदेखि आपूर्तिसम्मका श्रृंखला अवरुद्ध भई विश्व अर्थतन्त्र संकुचनमा गएको छ । अन्तर्राष्ट्रिय मुद्राकोषले जुन २०२० मा अद्यावधिक गरेको वर्ल्ड इकोनोमिक आउटलुक अनुसार सन् २०२० मा विश्व अर्थतन्त्र ४.९ प्रतिशतले संकुचन हुने प्रक्षेपण गरेको थियो भने सन् २०२१ मा विश्व अर्थतन्त्र पुनरुत्थान हुने अनुमान छ । अन्तर्राष्ट्रिय मुद्राकोषले विश्व अर्थतन्त्र सन् २०२१ मा ५.४ प्रतिशतले विस्तार हुने प्रक्षेपण गरेको छ । सन् २०२१ मा विकसित मुलुकहरूको मुद्रास्फीति १.१ प्रतिशत र उदीयमान तथा विकासोन्मुख मुलुकहरूको मुद्रास्फीति ४.५ प्रतिशतमा सीमित हुने प्रक्षेपण छ ।

आर्थिक वर्ष २०७७/७८ मा वार्षिक औसत उपभोक्ता मुद्रास्फीति ७ प्रतिशतको सीमाभित्र राख्ने लक्ष्य रहेकोमा ६ महिनाको औसत उपभोक्ता मुद्रास्फीति ३.७२ प्रतिशत रहेको छ । वार्षिक विन्दुगत आधारमा २०७७ पुसमा उपभोक्ता मुद्रास्फीति ३.५६ प्रतिशत रहेको छ । समीक्षा अवधिमा दाल तथा गेडागेडी, घिउ तथा खाने तेल, मासु तथा माछा लगायतका खाद्य वस्तुहरूको मुद्रास्फीति उच्च रहेतापनि गैरखाद्य वस्तु तथा सेवा अन्तर्गतका घरभाडा, शिक्षा तथा लताकपडा लगायतका वस्तु तथा सेवाको मूल्य वृद्धि कम रहेका कारण समग्र मुद्रास्फीतिमा कमी आएको छ । विश्व अर्थतन्त्रमा कोभिड-१९ को प्रभाव न्यून हुदै गएको छ । छिमेकी मुलुक चीन तथा भारतको अर्थतन्त्रमा कोभिडको प्रभाव पूर्वानुमान भन्दा कम हुने अन्तर्राष्ट्रिय मुद्रा कोषको पछिल्लो प्रक्षेपण छ । मुद्रास्फीति अघिल्लो वर्षको तुलनामा सन् २०२१ मा केही बढ्ने प्रक्षेपण रहेको छ ।

समीक्षा अवधिमा निर्यात ६.१ प्रतिशतले वृद्धि भई रु ६० अर्ब ८० करोड र आयात ४.८ प्रतिशतले घट्न गई रु ६६१ अर्ब २५ करोड भएको छ । फलस्वरूप, व्यापार घाटामा ५.८ प्रतिशतले सुधार आएको छ । यस अवधिमा चालु खाता रु ४९ अर्ब ५३ करोडले घाटामा रहेको छ । उक्त अवधिमा शोधनान्तर रु १२४ अर्ब ९२ करोडले बचतमा रहेको छ । आर्थिक वर्ष २०७७/७८ मा कम्तिमा ७ महिनाको वस्तु तथा सेवा आयात धान्न पर्याप्त हुने गरी विदेशी विनिमय सञ्चिति कायम गर्ने मौद्रिक नीतिको लक्ष्य रहेकोमा २०७७ पुस मसान्तमा १२.६ महिनाको वस्तु तथा सेवा आयात धान्न पुग्ने विदेशी विनिमय सञ्चिति रहेको छ ।

एशियाली अर्थतन्त्र सन् २०२० मा १.६ प्रतिशतले संकुचन हुने अन्तर्राष्ट्रिय मुद्राकोषको प्रक्षेपण छ । यसमध्ये भारतको अर्थतन्त्र ४.५ प्रतिशतले संकुचन हुने र चीनको अर्थतन्त्र १ प्रतिशतले विस्तार हुने प्रक्षेपण छ । नेपालको आर्थिक वृद्धि भने

१ प्रतिशतमा सीमित हुने अन्तर्राष्ट्रिय मुद्राकोषको प्रक्षेपण छ ।

### ३) गत आर्थिक वर्षका उपलब्धी तथा भावी कार्यक्रम:

बैंङ्कोको हाल चुक्ता पूंजी रु ५० करोड रहेकोमा पूर्जीको अनुपातमा व्यवसाय विस्तार गर्नुपर्ने भएकाले व्यवसाय विस्तारको लागि शाखा विस्तार गरी विभिन्न स्थानबाट सर्वसाधारणहरूलाई आधुनिक बैकिङ्ग सेवा उपलब्ध गराउनुका साथै बैंङ्कोको व्यवसायमा वृद्धि गर्ने योजना अनुसूच्य आ.व. २०७६/७७ मा नवलपुरको गैडाकोट र कावासोतीमा शाखा विस्तार गरी सकिएको छ । यी शाखाहरू समेत बैंकका शाखा कार्यालयहरूको संख्या १३ पुगेको छ । आ.व. २०७५/७६ मा बैंकको केन्द्रीय कार्यालय पोखरामा स्थानान्तरण गर्न स्वीकृती प्राप्त गरेकोमा २०७६ भाद्र ९ गते देखी विधिवत रूपमा बैंकको केन्द्रीय कार्यालय पोखरा महानगरपालिका वडा नं ८, सभागृहचोक, कास्कीमा स्थानान्तरण गरिएको छ । नेपाल राष्ट्र बैंक भुक्तानी प्रणाली विभागबाट स्वीकृति प्राप्त गरी ATM सेवा, Mobile Banking, Fonepay लगायतका आधुनिक बैंकिङ्ग सेवाहरू संचालनमा ल्याईएको छ । यसले वचत तथा निक्षेपको अंश तथा व्यक्तिगत ग्राहकहरूको संख्या वढाउन राम्रै सहयोग पुऱ्याएको छ ।

सबै शाखा कार्यालयहरूबाट निःशुल्क ABBS सुविधा, ECC सुविधा, Connect IPS भुक्तानी सुविधा उपलब्ध भईरहेको छ भने C-ASBA संचालनको लागि धितोपत्र बोर्डमा प्रकृया अगाडी वढाई सकिएको, RTGS सञ्चालनको लागि नेपाल राष्ट्र बैंकसंग सम्झौता गरि आवश्यक पूर्वाधार निर्माणको थालनी गरिसकिएको छ । पोखरा शाखाबाट ३६५ दिने बैंकिङ्ग सेवा संचालन गरिएकोमा अन्य शाखाहरूबाट समेत ग्राहकको कारोवार एवं माग बमोजिम उक्त सेवा थप गर्दै लगिने छ ।

### भावी कार्यक्रमहरू :

- १) व्यवसायिक रूपले सम्भाव्य देखिएका बैंङ्कोको कार्यक्षेत्र भित्रका स्थानहरूमा शाखा कार्यालय विस्तार गर्ने ।
- २) बैंङ्कोको सीमित शाखाहरूबाट प्रवाह हुँदै आएको सुन चाँदी धितो कर्जा सूविधालाई सम्भाव्य अन्य शाखाहरूमा समेत विस्तार गर्ने ।
- ३) लघुवित्त कर्जालाई थप व्यवस्थित गरी ग्रामीण क्षेत्रमा प्रभावकारी रूपमा प्रवाह गर्ने ।
- ४) लगानीका क्षेत्रमा थप विविधिकरण गर्ने र आम्दानीको दायरा फराकिलो बनाउने ।
- ५) विभिन्न निक्षेप योजना तथा कार्यक्रमहरू मार्फत ग्राहकहरूको संख्या एवं निक्षेपमा वृद्धि गर्ने ।
- ६) समय सापेक्ष ग्राहकको माग बमोजिम अन्य सुविधाहरू थप गर्ने ।
- ७) नेपाल राष्ट्र बैंङ्कोको निर्देशन बमोजिम कमिक रूपमा पूंजी वृद्धि गरी प्रदेशस्तरको विकास बैंङ्ग बनाउने ।
- ८) विभिन्न संगठित संस्थाहरूसंग समन्वय गरी ग्राहकहरूलाई विशेष सुविधा प्रदान गर्ने ।

### ४. मानव संसाधन:

विद्यमान प्रतिस्पर्धात्मक बैंकिङ्ग क्षेत्रमा सफलता हासिल गर्नका लागि दक्ष कर्मचारीहरू नै सबैभन्दा महत्वपूर्ण पक्ष हुन भन्ने मान्यतालाई बैंङ्गले आत्मसात गर्दै आएको छ । पूंजी वृद्धि संगै बैंक/वित्तीय संस्थाहरूले व्यवसाय बिस्तार गर्न शाखा बिस्तार गर्दै जाने क्रम वढीरहेकोले वित्तीय बजारमा दक्ष जनशक्तिको अभाव कायमै रहेको छ । बैंकको शाखा संजाल विस्तारको साथै व्यावसायिक उद्देश्य प्राप्त गर्न मानव संसाधनको महत्वपूर्ण भूमिका रहने तथ्यलाई हृदयंगम गर्दै ग्राहक सेवालाई उच्चतम सन्तुष्टिमा पुऱ्याउन उपयुक्त मानव संसाधन ब्यवस्थापन हुनु आवश्यक छ ।

कर्मचारीहरूको क्षमता विकासको लागि उपयुक्त वातावरण सृजना गरी उनीहरूको इमान्दारी, व्यावसायिक दक्षता, आपसी सद्भाव, सिर्जनशीलता, मिलेर काम गर्ने जस्ता विषयहरूलाई प्रवर्द्धन तथा कार्यान्वयन गर्ने तर्फ बैंक प्रयत्नशील रही आएको छ । कर्मचारीहरूको वृत्ति बिकास तथा दक्षता अभिवृद्धि गर्न समय समयमा विभिन्न आन्तरिक तथा बाह्य प्रशिक्षणहरू, तालिम, गोष्ठी तथा सेमिनारहरूमा समावेश गराउने गरिएको छ । त्यस्तै निजहरूको मनोबल उच्च राख्न वार्षिक कार्यसम्पादन मूल्यांकन गरी सोही बमोजिम निजहरूको समय समयमा समय सापेक्ष तलव तथा सुबिधामा पुनरावलोकन गर्ने, उत्कृष्ट कर्मचारीहरूलाई वढुवा तथा प्रोत्साहन स्वस्वय ग्रेड थप गर्ने परिपाटीको बिकास गरिएको छ । निर्णय प्रक्रियामा

कर्मचारीहरूलाई सहभागी गराउने परिपाटीको विकास गरिएको छ । हाल बैंकमा जम्मा ८५ जना कर्मचारीहरू कार्यरत रहेका छन् ।

#### ५. सामाजिक उत्तरदायित्व:

सामाजिक उत्तरदायित्व अर्न्तगत बैंकले विभिन्न सामाजिक क्षेत्रहरूमा आर्थिक सहयोग गर्दै आएको छ । बैंकका हरेक वार्षिक उत्सवहरूको पुनित अवसरमा विभिन्न क्षेत्रहरू जस्तै शिक्षा, स्वास्थ्य, धार्मिक, सामाजिक एवं वातावरणका क्षेत्रमा सहयोग गर्नुका अतिरिक्त विभिन्न खालका सामाजिक संघ संस्थाहरूले आयोजना गरेका सामाजिक र मानवीय सेवाका कार्यक्रमहरूमा प्रायोजक तथा सह प्रायोजकको रूपमा समेत उपस्थिति जनाई आर्थिक सहयोग गर्दै आएको छ । बैंकको आठौं वार्षिक उत्सवको अवसरमा वागलुङ जिल्लाको राममन्दीर, वागलुङलाई रु.५०,०००.०० र पोखरा-३० स्थित लेखनाथ साना सहरी खानेपानी उपभोक्ता समितिलाई रु.२०,०००.०० आर्थिक सहयोग गरेको छ । त्यस्तै विश्वव्यापी महामारीका रूपमा फैलिएको कोरोना भाईरस (COVID-19) को रोकथाम तथा उपचारमा सहयोग पुऱ्याउने हेतुले नेपाल सरकारले स्थापना गरेको गण्डकी प्रदेश सरकार, कोरोना रोकथाम तथा उपचार कोषमा रु.१,२०,०००.०० जम्मा गरिएको छ ।

#### ६. संस्थागत सुशासन:

बैंकमा संस्थागत सुशासन कायम राख्ने विषयमा संचालक समिति तथा व्यवस्थापन सदैव प्रतिबद्ध रही आएको छ । बैंकले संस्थागत सुशासन सम्बन्धी मार्गदर्शनहरूको पूर्ण परिपालन गरिआएको छ । यसको साथै, सञ्चालक समितिका सबै सदस्यहरू एवम् कर्मचारीहरूले नेपाल राष्ट्र बैंकबाट तोकिएको आचरण सम्बन्धी व्यवस्थाहरूको पूर्ण परिपालन गरेका छन् । संस्था आफैले बनाएका नीति नियम तथा सम्बन्धित नियमनकारी निकायहरूबाट दिइएका नीति निर्देशनहरूको पूर्ण रूपमा पालना गर्न प्रतिबद्ध छ । संस्थाले संचालन गरेका कार्यक्रमहरू पारदर्शी, व्यवसायिक एवम् नियमसंगत छन् । बैंकले नियमनकारी निकाय तथा कानूनको परिपालनाको निम्ति मात्र नभई आवश्यक पारदर्शिताका निम्ति पनि संस्थागत सुशासनलाई आफ्नो उच्च प्राथमिकतामा राखि आफ्नो कर्तव्य र दायित्वको रूपमा लिई सुशासनका आधारभूत पक्षहरू सुनिश्चित गर्न प्रतिबद्ध रहेको छ ।

आन्तरिक लेखा परीक्षकबाट त्रैमासिक रूपमा सम्पूर्ण आर्थिक गतिविधिहरूको अध्ययन गरी तयार पारेको लेखा परीक्षण प्रतिवेदन उपर आन्तरिक लेखा परीक्षण समितिले छलफल गर्दछ । उक्त प्रतिवेदनमा ओंल्याएका कैफियतहरू सुधारको लागि व्यवस्थापन सदैव सजग रहेको छ । जोखिम व्यवस्थापन समितिले बैंडको कारोवारमा निहित विभिन्न प्रकारका जोखिमहरू सम्बन्धमा विभिन्न कोणबाट विश्लेषण गरी जोखिम न्यूनीकरणको लागि सुझाव दिने गरेको छ । कर्मचारी व्यवस्थापन तथा सेवा सुविधा समितिले बैंकमा आवश्यक मानव संसाधन, तिनीहरूको गुणस्तर, तालिम कार्यक्रम तथा नीति तयार गर्ने, कर्मचारीहरूको तलब भत्ता लगायतका अन्य सुविधाहरू पुनरावलोकन गर्ने कार्यहरू सम्बन्धमा संचालक समितिमा सिफारिश गर्ने गर्दछ ।

बैंडले सम्पत्ति शुद्धिकरण तथा आतङ्ककारी क्रियाकलापमा वित्तीय लगानी निवारण सम्बन्धमा प्रचलित ऐन, नियम तथा नेपाल राष्ट्र बैंकबाट जारी निर्देशनहरूको कार्यान्वयन तथा पालना गरि आएको छ । सम्पत्ति शुद्धिकरण निवारण सम्बन्धी समितिले सम्पत्ति शुद्धिकरण निवारण सम्बन्धमा भए गरेका काम कारवाहीको नियमित अनुगमन गर्ने गरेको छ । नेपाल राष्ट्र बैंकको निर्देशन वमोजिम go-AML को लागि आवश्यक सफ्टवेयर खरिद गरी सोही सफ्टवेयर मार्फत् नेपाल राष्ट्र बैंकमा पेश गर्नुपर्ने विभिन्न कारोवारहरूको प्रतिवेदन पेश गर्ने गरिएको छ । बैंकले संचालन गरेका कार्यक्रमहरू पारदर्शी एवम् नियम संगत छन् । बैंकले तयार गरेका वित्तीय विवरणहरू नेपाल वित्तीय प्रतिवेदनमान (NFRSs), लेखा सम्बन्धी सर्वमान्य सिद्धान्त र नेपाल राष्ट्र बैंकको निर्देशन अनुसार छन् ।

#### ७. व्यावसायिक सम्बन्ध बिस्तार:

ग्राहक महानुभावहरूलाई उच्च प्राथमिकतामा राख्ने सिद्धान्तबाट बैंक संधै निर्देशित छ । व्यावसायिक कारोवारको शिलशिलामा आफ्ना ग्राहकहरूलाई विविध वित्तीय सेवा उपलब्ध गराउनको लागि विभिन्न बैंक तथा वित्तीय संस्थाहरू एवम् अन्य संस्थाहरूसंग सम्भौता गरी एक अर्काका ग्राहकहरूलाई सुविधा पुऱ्याउन सहकार्य गरी सो सम्बन्धी आवश्यक व्यवस्था मिलाइएको छ । कर्जा तथा निक्षेप तर्फ विभिन्न नयाँ प्रकारका सेवा प्रारम्भ गर्दै बैंक आज ग्राहकहरूको



आवश्यकता अनुसारका उच्च गुणस्तरका सेवाहरू प्रदान गर्न निरन्तर प्रयासमा जुटिरहेको छ । हाम्रो सफलताको श्रेय ग्राहकहरूको अपार विश्वासलाई नै जान्छ र यस अवसरमा ग्राहक सेवाको गुणस्तर बढाउने प्रण गर्दछौं । यस संस्थाले आफ्नो कारोवारसंग सम्बन्धित ग्राहकहरू, व्यवसायिक एवं आद्यौगिक प्रतिष्ठान, संघसंस्थाहरू तथा विभिन्न निकायहरूसंग सौहार्दपूर्ण तथा व्यवसायिक सम्बन्ध कायम राख्दै आएको छ । यो संस्था डेभलपमेन्ट बैंक एशोशियशन नेपालको सदस्य समेत रहेको छ । त्यस्तै, यसै वर्ष बैंकले बैंक तथा वित्तीय संस्था परिसंघ नेपाल (सिविफिन) को सदस्यता लिएको छ । वित्तीय संस्थाहरू बिचको सम्बन्ध तथा व्यवसायिक प्रतिस्पर्धामा स्वच्छता अभिवृद्धि गर्न संस्था सदैब प्रयत्नशील रहेको छ ।

#### ८. आन्तरिक नियन्त्रण प्रणाली :

बैंकको शाखा संजाल एवम् कार्यक्षेत्र बढ्दै जाने, कारोवार बढ्दै जाने, कर्मचारी संख्या बढ्दै जाने, कर्जाको लगानी बढ्दै जाने आदि कारणले कर्जा एवम् संचालन जोखिममा बृद्धि हुँदै जान्छ । यस्ता जोखिमहरू न्यूनिकरणको लागि आन्तरिक नियन्त्रण प्रणाली मजबुत हुन जरूरी छ । आन्तरिक नियन्त्रण प्रणालीको प्रभावकारी व्यवस्थापनका लागि बैंकले बैंकिङ्ग कारोवारसंग सम्बन्धित आवश्यक विनियम, निति, निर्देशिका, योजना, कार्यविधि, Product Paper हरू तर्जुमा गरी कार्य गर्दै आएको छ । नेपाल राष्ट्र बैंकको स्थलगत एवम् गैह्र स्थलगत निरीक्षणका क्रममा दिएका निर्देशन एवम् सुझावहरू तथा आन्तरिक एवम् वाह्य लेखा परीक्षण प्रतिवेदनमा औंल्याएका कैफियतहरूलाई आन्तरिक लेखापरीक्षण समितिको शिफारिस वमोजिम संचालक समितिले उच्च महत्वका साथ तिनीहरूको सूधार एवम् कार्यान्वयन गर्न व्यवस्थापनलाई निर्देशन दिने र उक्त सुझावहरूको प्रभावकारी कार्यान्वयन गर्ने गरिएको छ ।

#### ९. सम्पत्ति शुद्धीकरण नियन्त्रण तथा ग्राहक पहिचान :

बैंकले सम्पत्ति शुद्धीकरण तथा आतंकवादी क्रियाकलापमा वित्तीय लगानी नियन्त्रण सम्बन्धमा नेपाल राष्ट्र बैंकले तोके वमोजिम ग्राहकहरूको ग्राहक पहिचान विवरण अद्यावधिक गर्ने, विभिन्न किस्मका कारोवारहरूको विद्युतिय माध्यमबाट प्रतिवेदन पेश गर्ने गरिएको छ । साथै, बैंकको सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समितिले नेपाल राष्ट्र बैंकले तोके वमोजिमका विवरणहरू प्रतिवेदनहरू समयमा पेश गर्ने, सम्पत्ति शुद्धीकरण (मनि लाउन्डरिङ्ग) निवारण ऐन, २०६४ वमोजिम कार्य गर्ने सम्बन्धमा छलफल गरि संचालक समितिलाई आवश्यक सुझाव दिने गरेको छ ।

#### १०. संचालक समितिमा हेरफेर:

बैंकको चौथो साधारण सभाबाट सर्वसाधारण शेयरधनीहरूको प्रतिनिधित्व गर्ने संचालक पदमा निर्वाचित हुनुभएका संचालक श्री दिपेन्द्र श्रेष्ठले मिति २०७६।११।३० गते आफ्नो व्यक्तिगत कारण देखाई राजीनामा दिनुभएको छ । संचालक समितिको मिति २०७६।११।१५ गतेको निर्णय वमोजिम श्री राधेश्याम कमरोलाई स्वतन्त्र संचालकमा नियुक्त गरिएको छ ।

#### ११. बैंकको कारोवारमा असर पार्ने मुख्य कुराहरू:

बैंक तथा वित्तीय संस्थाहरूले आफ्ना संजालहरू विस्तार गर्ने क्रममा ग्रामिण क्षेत्रहरूमा समेत बैंकिङ्ग पहुँच पुर्याएका छन् जसबाट प्राथमिकता प्राप्त क्षेत्र र विपन्न वर्गको उत्थानमा आवश्यक सहयोग पुगिरहेको छ भने आधुनिक बैंकिङ्ग सेवाबाट कार्य प्रणालीमा थप सहजता प्रदान गरेको छ । वित्तीय संस्थाहरूको बृद्धि, शाखा संजालहरूमा बृद्धि, कारोवारमा बृद्धि जस्ता कारणले वित्तीय बजारको अवस्था बलियो भएतापनि बैंकिङ्ग कारोवारलाई प्रत्यक्ष र अप्रत्यक्ष रूपमा असर पार्ने विभिन्न तत्वहरू हुने भएकोले निम्नानुसारका जोखिम एवं चुनौतीहरू रहने देखिन्छ ।

- प्रादेशिक संरचनाहरूको कार्यान्वयन सन्दर्भमा आइपर्ने चुनौतीहरू ।
- कोरोना भाइरस (COVID-19) को दीर्घकालिन प्रभाव ।
- कर्जा लगानीमा उत्पादनशील क्षेत्रको अभाव ।
- बैंकिङ्ग क्षेत्रमा देखिने अधिक/न्यून तरलताको समस्या एवम् बैंक तथा वित्तीय संस्थाहरू बिचको तीव्र प्रतिस्पर्धा ।
- देशको आर्थिक अवस्था, अन्तराष्ट्रिय बजारमा आउने मन्दी एवम् मुद्राको अवमूल्यन ।
- संचालन जोखिम बढ्दै जानुको कारण पर्न सक्ने जोखिम ।
- बैंकिङ्ग क्षेत्रमा दक्ष जनशक्तिको अभावका कारण हुन सक्ने जोखिम ।

#### १२. लेखापरीक्षण प्रतिवेदनका सम्बन्धमा संचालक समितिको प्रतिक्रिया:

बैंकको नियमित कार्य सम्पादनका क्रममा भएका सामान्य कमी कमजोरी बाहेक नेपाल राष्ट्र बैंकको नीति निर्देशन, कम्पनी रजिष्ट्रारको कार्यालय तथा नेपालको प्रचलित कानून विपरीत हुने गरी अन्य कुनै नकारात्मक कैफियत लेखा परीक्षणप्रतिवेदनमा देखिएको छैन । लेखा परिक्षकले दिएका सुभावाहस्को कार्यान्वयनको लागि व्यवस्थापनलाई निर्देशन दिई सकिएको र सोही अनुरूप अधिकांश सुभावाहरू कार्यान्वयनमा ल्याई सकेको व्यहोरा जानकारी गराउन चाहान्छु ।

**१३. लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :**

समीक्षा वर्षमा लाभांश बाँडफाँड गर्न सिफारिस गरिएको छैन ।

**१४. जफत गरिएको शेयर संख्या :**

समीक्षा वर्षमा कुनै पनि शेयर जफत गरिएको छैन ।

**१५. बैंक र यसको सहायक कम्पनीहरू संगको कारोवार :**

बैंकको कुनै पनि सहायक कम्पनी छैन ।

**१६. बैंकका मूल शेयरधनीहरूले समीक्षा अवधिमा बैंकलाई दिएको जानकारी :**

केही नभएको ।

**१७. विगत आर्थिक वर्षमा बैंकका संचालक तथा पदाधिकारीहरूले लिएको शेयर स्वामित्व विवरण:**

केही नभएको ।

**१८. बैंकसँग सम्बन्धित संभौताहरूमा कुनै संचालक तथा निजका आफन्तको व्यक्तिगत स्वार्थ सम्बन्धी जानकारी:**

केही नभएको ।

**१९. पुनः खरीद गरिएको शेयरहरूको विवरण :**

समीक्षा अवधिमा शेयरहरूको पुनः खरीद कार्य भएन ।

**२०. कुल व्यवस्थापन खर्च :**

कर्मचारी खर्च	३,२६,९४,४२६.००
कार्यालय संचालन खर्च	३,०७,७८,३०९.००
कुल खर्च	६,३४,७२,७२७.००

**२१. लेखापरिक्षण समितिका पदाधिकारीको नाम, काम, कर्तव्य र सुविधा :**

नेपाल राष्ट्र बैंकको निर्देशन बमोजिम आन्तरिक नियन्त्रण प्रणालीलाई चुस्त दुरुस्त राख्ननिम्नानुसारको लेखा परीक्षण समिति गठन भएको तथा लेखापरिक्षण समितिका सदस्यहरूको नामावली निम्न वमोजिम रहेको छ ।

संयोजक	श्री राधेश्याम कमारो	संचालक
सदस्य	श्री कृष्ण शंकर श्रेष्ठ	संचालक
सदस्य सचिव	श्री दुर्गा प्रसाद श्रेष्ठ	वरिष्ठ प्रबन्धक

लेखापरिक्षण समितिले आन्तरिक तथा वाह्य लेखा परीक्षकले तयार पारेको प्रतिवेदनको नियमित रूपमा बैठक बसी त्यस प्रतिवेदनमा उठाइएका कैफियतहरूका वारेमा छलफल गर्ने, बैंकको वित्तीय स्थिति, आन्तरिक नियन्त्रण, विभिन्न जोखिम एवम् चुनौतिहरूको अध्ययन एवम् व्यवस्थापन, नियमित कार्य सम्पादन आदिको बारेमा नियमित समीक्षा गर्दछ । सो प्रतिवेदनमा औल्याइएका कैफियतहरू माथि छलफल गरी संचालक समितिमा राय सुभावा पेश गर्नुका साथै आवश्यक सुधारका लागि व्यवस्थापनलाई समयमै निर्देशन दिने र दिईएको निर्देशनहरूको कार्यान्वयनका वारेमा पुनरावलोकन समेत गर्ने गरेको छ । आन्तरिक लेखा परिक्षण समितिका संयोजक एवम् सदस्यहरूलाई बैठक भत्ता वापत प्रति बैठक रु. ४,०००.०० प्रदान गरिएको छ ।

**२२. संचालक, कार्यकारी प्रमुख, बैंकका आधारभूत शेयरधनी वा निजका आफन्तले बैंकलाई बुझाउन बाँकी रकम :**

केही नभएको ।

**२३. संचालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक भत्ता तथा सुविधाको विवरण :**

आर्थिक वर्ष २०७६/७७ मा संचालक समितिको बैठक १४ पटक वसेको र संचालक समितिको बैठकमा उपस्थित हुँदाको बैठक भत्ता नियमावलीमा उल्लेख भए बमोजिम अध्यक्ष एवम् संचालकहरूलाई प्रति बैठक भत्ता क्रमशः रु.५,०००.०० र रु.४,०००.०० प्रदान गर्ने गरिएको छ । आर्थिक वर्ष २०७६/७७ मा संचालक समितिको बैठक भत्ता स्वस्व अध्यक्ष तथा संचालकहरूलाई रु.२,५८,०००.०० (अक्षरूपी दुई लाख अन्दाउन्न हजार मात्र ) भुक्तानी गरिएको छ । यस बाहेक संचालकहरूलाई मासिक रूपमा पत्र पत्रिका तथा टेलिफोन सुविधा वापत रु.१,५००.०० प्रदान गरिएको छ । त्यस्तै आर्थिक वर्ष २०७६/७७ मा प्रमुख कार्यकारी अधिकृतलाई वार्षिक तलब, भत्ता वापत कुल रु.४०,६९,५१७.४८ भुक्तानी गरिएको छ । बिल मोवाइल खर्च भुक्तानी दुर्घटना विमा, औषधि उपचार बिमा र विदा नियमानुसार प्रदान गरिएको छ । प्रमुख कार्यकारी अधिकृतको पारिश्रमिक समेत व्यवस्थापनका अन्य कर्मचारीको पारिश्रमिक र सुविधा गरी समीक्षा वर्षमा जम्मा रु. ३,२६,९४,४२६.०० (अक्षरूपी तिन करोड छवीस लाख चौरानव्वे हजार चार सय छवीस रूपैया मात्र ) खर्च भएको जानकारी गराउँदछु ।

**२४. शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांश :**

केही नभएको ।

**२५. पूंजीको पर्याप्तता :**

नेपाल राष्ट्र बैंकको निर्देशन अनुसार बैंकको प्राथमिक पुंजी अनुपात ५.५ प्रतिशत र पुंजीकोष अनुपात ११ प्रतिशत हुनु पर्ने व्यवस्था रहेको छ । आर्थिक वर्ष २०७६/७७ मा यस बैंकको प्राथमिक पुंजी अनुपात ३९.७५ प्रतिशत र पुंजीकोष अनुपात ४०.७९ प्रतिशत कायम रहेको छ । यसरी २०७७ को आषाढ मसान्त सम्ममा नेपाल राष्ट्र बैंकको न्यूनतम मापदण्ड भन्दा प्राथमिक पुंजी अनुपात र पुंजी कोष अनुपात क्रमशः ३४.२५ प्रतिशत र २९.७९ प्रतिशतले वढी रहेको छ ।

**२६. कृतज्ञता ज्ञापन :**

अन्तमा म संचालक समितिको तर्फबाट यस संस्थाको प्रगति तथा समृद्धिका लागि हरेक क्रियाकलापमा सहयोग, सुभावा तथा अटुट साथ दिइरहनु भएका हाम्रा सम्पूर्ण शेयरधनी महानुभावहरू, ग्राहकवर्ग, शम्भु चिन्तकहरू तथा संस्थाको उत्तरोत्तर प्रगतिका लागि कटिबद्ध भई लाग्नु भएका लगनशील, दक्ष र योग्य व्यवस्थापन समुह तथा कर्मचारी वर्ग सबैलाई हार्दिक धन्यवाद दिन चाहन्छु । संस्थाको प्रगतिको लागि निरन्तर सहयोग र मार्ग निर्देशन गर्ने नियमनकारी निकाय नेपाल राष्ट्र बैंक, नेपाल धितो पत्र बोर्ड, नेपाल स्टक एक्सचेञ्ज लि., कम्पनी रजिष्ट्रारको कार्यालय, आन्तरिक राजस्व कार्यालय लगायत सम्पूर्ण सम्बन्धित सरकारी निकायहरू, एन आई बि एल एस क्यापिटल लि., गैर सरकारी संघ संस्थाहरू प्रति कृतज्ञता व्यक्त गर्दछु । बैंकका विभिन्न गतिविधिहरूको अध्ययनका साथै बैंकलाई आफ्नो अमूल्य सुभावा उपलब्ध गराई उचित मार्गदर्शन प्रदान गर्ने लेखापरीक्षण समिति, जोखिम व्यवस्थापन समिति, सम्पत्ति शुद्धीकरण निवारण सम्वन्धी समिति, कर्मचारी सेवा सुविधा समिति प्रति हार्दिक धन्यवाद प्रकट गर्दछु । नियमित रूपमा लेखा परिक्षण गरी समयमा नै राय सुभावा प्रदान गर्ने आन्तरिक लेखा परिक्षक विवेक श्रेष्ठ एण्ड एसोसिएट्स तथा समयमै बैंकको लेखा परीक्षण कार्य सम्पन्न गरी महत्वपूर्ण सुभावाहरू प्रदान गर्नुभएकोमा बाह्य लेखा परीक्षक सुजन काफ्ले एण्ड एसोसिएट्सलाई धन्यवाद दिन चाहन्छु । साथै संस्थाको गतिबिधीलाई सकारात्मक रूपमा जनसमक्ष पुऱ्याइदिने संचार जगत र प्रत्यक्ष तथा अप्रत्यक्ष रूपमा संस्थाको प्रगतिमा सहयोग पुऱ्याउने सम्पूर्ण शुभेच्छुकहरू प्रति हार्दिक आभार व्यक्त गर्दछु । आगामी दिनहरूमा पनि सबै क्षेत्रबाट यस संस्थाको प्रगतिका लागि अझ बढी स्नेह तथा सद्भाव पाउने आशा एवं बिश्वास लिएको छु ।

धन्यवाद ।

गणेश कुमार श्रेष्ठ

अध्यक्ष

संचालक समिति

ग्रीन डेभलपमेन्ट बैंक लि.

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

१. सञ्चालक समितिको प्रतिवेदन : यसै प्रतिवेदनसँग सम्मिलन रहेको ।
२. लेखापरीक्षकको प्रतिवेदन : यसै प्रतिवेदनसँग सम्मिलन रहेको ।
३. लेखापरीक्षण भएको वित्तीय विवरण : यसै प्रतिवेदनसँग सम्मिलन रहेको ।
४. कानूनी कारवाही सम्बन्धी विवरण :
  - (क) आ.व. ०७६/०७७ मा संस्थाले वा संस्थाको विरुद्धमा कुनै मुद्दा दायर भएको भए :  
यस समीक्षा अवधिमा संस्थाको संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्धमा कुनै मुद्दा मामिला दायर भएको जानकारीमा नआएको ।
  - (ख) यस संस्थाका संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको वा सो सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भए :  
संस्थालाई यस सम्बन्धमा कुनै सूचना वा जानकारी प्राप्त नभएको ।
  - (ग) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए :  
संस्थाले कुनै मुद्दा दायर नगरेको र अन्यत्रबाट पनि कुनै मुद्दा दायर भएको विषयमा यस संस्थालाई सम्बन्धित अदालत वा कार्यालयबाट कुनै सूचना वा जानकारी प्राप्त नभएको ।
५. संगठित संस्थाको शेयर कारोबार तथा प्रगतिको विवरण:
  - (क) धितो बजारमा भएको संगठित संस्थाको शेयरको कारोबार सम्बन्धमा व्यवस्थापनको धारणा:  
यस डेभलपमेन्ट बैंकका शेयरहरू नेपाल स्टक एक्सचेन्जमा सूचिकृत भई नेपाल धितोपत्र बोर्डको रेखदेखमा खुल्ला बजारले निर्धारण गरेको मूल्य बमोजिम कारोबार भैरहेको छ ।
  - (ख) गत वर्षको त्रैमासिक रूपमा शेयरको विवरण: यस अवधिको शेयर कारोबार विवरण नेपाल स्टक एक्सचेन्ज लिमिटेडको वेबसाईट [www.nepalstock.com.np](http://www.nepalstock.com.np) का अनुसार यस प्रकार रहेको छ:

सि.नं.	विवरण	प्रथम त्रयमास	दोश्रो त्रयमास	तेश्रो त्रयमास	चौथो त्रयमास
१.	अधिकतम मूल्य	११७	११२	१४४	११३
२.	न्यूनतम मूल्य	१०२	९८	१०६	१०९
३.	अन्तिम मूल्य	१०६	१०९	११०	११२
४.	कुल कारोवार शेयर संख्या	६३,६१४	८४,८६१	४०८,३०९	१८,८८७
५.	कुल कारोवार संख्या	४३३	४८४	१,३९९	९२
६.	कुल कारोवार भएको दिन	६१	५८	४५	१०

६. समस्या तथा चुनौतीहरू:  
आन्तरिक समस्या तथा चुनौती :

- दक्ष जनशक्ति व्यवस्थापन
- बढ्दो संचालन खर्च
- ब्याजदरमा हुने परिवर्तन
- विश्वव्यापी रूपमा फैलिएको कोरोना भाईरसको कारणले ऋणहरूको कर्जा भुक्तानी गर्न सक्ने क्षमतामा कमी,
- कारोवारको वृद्धिसँगै हुने संचालन जोखिम

**वाह्य समस्या तथा चुनौती :**

- अस्वस्थ प्रतिस्पर्धा
- विश्वव्यापी रूपमा फैलिएको कोरोना भाईरसको कारणले समग्र अर्थतन्त्रमा परेको प्रभाव
- कर्जाको माग र निक्षेपको वृद्धि विचको सन्तुलन नहुनु ।
- लगानी योग्य परियोजनाहरूको अभाव हुनु ।

**रणनीति :**

- व्यवसायको आकारमा वृद्धि
- वजारको माग अनुस्रम व्याजदरमा समयानुकुल परिमार्जन ।
- दक्ष जनशक्ति विकास
- संचालन खर्चको व्यवस्थापन
- लगानीयोग्य परियोजनको खोजी
- जोखिम व्यवस्थापनका लागि आन्तरिक नियन्त्रण प्रणालीको विकास
- समायनुकुल प्रविधिको प्रयोग
- सेवाको गुणस्तरको वृद्धि

**७. संस्थागत सुशासन:**

संस्थागत सुशासनका लागि आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न बाह्य एवं आन्तरिक लेखापरिक्षकको व्यवस्थाको साथै आन्तरिक लेखापरिक्षण समिति, जोखिम व्यवस्थापन समिति, सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समिति, संचालक समिति लगायत बैंकका सवै तहका पदाधिकारीहरूलाई पदिय दायित्व अनुस्रम कृयाशिल गराईएकोछ । नियमनकारी निकायहरूबाट प्रदान गरिएका नीति निर्देशन अनुस्रम बैंकको कारोवारलाई व्यवस्थित गर्न आवश्यक नीति नियम तथा निर्देशिकाहरू तर्जुमा गरी कार्यान्वयन गरिएको छ ।

## Independent Auditor's Report

To the Shareholders of Green Development Bank Ltd.

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the General Purpose financial statements of the M/S Green Development Bank Ltd. (the "Bank"), which comprise the statement of financial position as at Ashadh 31, 2077 (July 15, 2020), and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the company as at 31 Ashad, 2077 (15 July 2020), and of its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

#### *Basis for opinion*

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

#### *Other Information*

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

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inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is material misstatement of the other information, we are required to report that fact.

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

#### ***Key Audit Matters***

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

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management,
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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





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

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

- replies to the queries as per the demand were provided,
- the balance sheet, off-balance sheet transactions, profit and loss account, cash flow statement and other financial statements, as well, have been prepared in such format and in accordance with such procedures as prescribed by the Rastra Bank, and whether or not they actually matched with the accounts, records, books and ledgers maintained by the bank and financial institution,
- the accounts, records, books and ledgers have been maintained accurately in accordance with prevailing laws,
- any official of the bank or financial institution has not committed any act contrary to the prevailing laws or committed any irregularity or caused any loss or damage to the bank or financial institution,
- credits have been written off as per the Credit Write-off Byelaws or directives of the Rastra Bank,
- the transactions of the financial institution have been carried on in a satisfactory manner as prescribed by the Rastra Bank,
- matters to be informed to the shareholders have been adequately provided in notes to accounts and other disclosure

We did not come across, based on our audit, cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Bank has acted contrary to the provisions of law or caused loss or damage to the Bank or committed any misappropriation of the funds of Bank and materially complied with the provisions of the Companies Act 2063 as well.

.....  
CA Laba Kumar Khatri  
Partner



**Place:** Kathmandu, Nepal  
**Date:** Magh 28, 2077

**Green Development Bank Ltd.**  
**Statement of Financial Position**  
As on 31 Asar 2077

Particulars	Note	NPR Bank	
		31.03.2077	31.03.2076
<b>Assets</b>			
Cash and Cash Equivalents	4.1	484,043,809	425,825,120
Due from Nepal Rastra Bank	4.2	85,163,063	32,369,330
Placement with Bank and Financial Institutions	4.3	-	-
Derivative Financial Instruments	4.4	-	-
Other Trading Assets	4.5	-	-
Loans and Advances to BFIs	4.6	69,870,408	125,923,707
Loans and Advances to Customers	4.7	1,135,668,654	973,657,223
Investment Securities	4.8	55,000,000	35,000,000
Current Tax Assets	4.9	2,954,493	-
Investment in Subsidiaries	4.10	-	-
Investment in Associates	4.11	-	-
Investment Property	4.12	-	-
Property and Equipment	4.13	26,260,202	21,718,183
Goodwill and Intangible Assets	4.14	2,143,756	1,450,170
Deferred Tax Assets	4.15	602,520	427,775
Other Assets	4.16	8,530,994	4,714,760
<b>Total Assets</b>		<b>1,870,237,897</b>	<b>1,621,086,269</b>
<b>Liabilities</b>			
Due to Bank and Financial Institutions	4.17	3,519,631	82,536,473
Due to Nepal Rastra Bank	4.18	-	-
Derivative Financial Instruments	4.19	-	-
Deposits from Customers	4.20	1,316,850,248	1,007,983,505
Borrowings	4.21	-	-
Current Tax Liabilities	4.9	-	184,539
Provisions	4.22	302,150	-
Deferred Tax Liabilities	4.15	-	-
Other Liabilities	4.23	15,914,423	9,232,682
Debt Securities Issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>Total Liabilities</b>		<b>1,336,586,452</b>	<b>1,099,937,199</b>
<b>Equity</b>			
Share Capital	4.26	500,000,000	500,000,000
Share Premium		5,001,809	5,001,809
Retained Earnings		15,137,828	909,082
Reserves	4.27	13,511,808	15,238,180
<b>Total Equity Attributable to Equity Holders</b>		<b>533,651,445</b>	<b>521,149,070</b>
Non Controlling Interest			
<b>Total Equity</b>		<b>533,651,445</b>	<b>521,149,070</b>
<b>Total Liabilities and Equity</b>		<b>1,870,237,897</b>	<b>1,621,086,269</b>
Contingent Liabilities and Commitments	4.28	35,837,000	17,969,780
Net Assets Value per share		106.73	104.23

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Head: Finance & Planning

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Chief Executive Officer

Sujan Kafle & Associates  
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External Auditor

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Director

Mr. Radhe Shyam Kamaroo  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

**Green Development Bank Ltd.**  
**Statement of Profit or Loss**  
 For the year ended 31 Asar 2077

Particulars	Note	31.03.2077	31.03.2076
Interest Income	4.29	184,438,934	131,828,740
Interest Expense	4.30	105,114,566	60,311,660
<b>Net Interest Income</b>		<b>79,324,368</b>	<b>71,517,079</b>
Fee and Commission Income	4.31	6,806,358	8,246,833
Fee and Commission Expense	4.32	112,930	213,185
<b>Net Fee and Commission Income</b>		<b>6,693,428</b>	<b>8,033,648</b>
<b>Net Interest, Fee and Commission Income</b>		<b>86,017,796</b>	<b>79,550,728</b>
Net Trading Income	4.33	-	-
Other Operating Income	4.34	1,069,237	844,218
<b>Total Operating Income</b>		<b>87,087,033</b>	<b>80,394,946</b>
Impairment Charge/ (Reversal) for Loans and Other Losses	4.35	5,732,632	16,073,198
<b>Net Operating Income</b>		<b>81,354,401</b>	<b>64,321,748</b>
<b>Operating Expense</b>			
Personnel Expenses	4.36	32,694,426	23,422,587
Other Operating Expenses	4.37	23,542,675	13,978,036
Depreciation & Amortisation	4.38	7,235,626	4,730,719
<b>Operating Profit</b>		<b>17,881,675</b>	<b>22,190,406</b>
Non Operating Income	4.39	-	-
Non Operating Expense	4.40	-	-
<b>Profit Before Income Tax</b>		<b>17,881,675</b>	<b>22,190,406</b>
Income Tax Expense	4.41	5,379,299	5,163,289
Current Tax		5,554,044	7,583,118
Deferred Tax		(174,745)	(2,419,829)
<b>Profit for the Period</b>		<b>12,502,375</b>	<b>17,027,117</b>
<b>Profit Attributable to:</b>			
Equity-holders of the Bank		12,502,375	17,027,117
Non-Controlling Interest		-	-
<b>Profit for the Period</b>		<b>12,502,375</b>	<b>17,027,117</b>
<b>Earnings per Share</b>			
Basic Earnings per Share		2.50	3.41
Diluted Earnings per Share		2.50	3.41

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.....  
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 Chairman

**Green Development Bank Ltd.**  
**Statement of Other Comprehensive Income**  
 For the year ended 31 Asar 2077

Particulars	31.03.2077	31.03.2076
<b>Profit for the year</b>	<b>12,502,375</b>	<b>17,027,117</b>
<b>Other Comprehensive Income, Net of Income Tax</b>		
<b>a) Items that will not be reclassified to profit or loss</b>		
Gains/(losses) from investment in equity instruments measured at fair value		-
Gains/(losses) on revaluation		-
Actuarial gains/(losses) on defined benefit plans	-	(43,253)
Income tax relating to above items	-	12,976
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>	<b>-</b>	<b>(30,277)</b>
<b>b) Items that are or may be reclassified to profit or loss</b>		
Gains/(losses) on cash flow hedge	-	
Exchange gains/(losses)(arising from translating financial assets of foreign operation)	-	-
Income tax relating to above items	-	
Reclassify to profit or loss	-	
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>
<b>c) Share of other comprehensive income of associate accounted as per equity method</b>	<b>-</b>	<b>(30,277)</b>
<b>Other Comprehensive Income for the year, Net of Income Tax</b>	<b>-</b>	<b>(30,277)</b>
<b>Total Comprehensive Income for the Period</b>	<b>12,502,375</b>	<b>16,996,840</b>
Total Comprehensive Income attributable to:		
Equity-Holders of the Bank	12,502,375	16,996,840
Non-Controlling Interest		
<b>Total Comprehensive Income for the Period</b>	<b>12,502,375</b>	<b>16,996,840</b>

.....  
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 Chairman

**Green Development Bank Ltd.**  
**Statement of Changes in Equity**  
**For the year ended 31 Asar 2077**

Particulars	Attributable to Equity-Holders of the Bank							Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation Reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve		
<b>Balance at Shrawan 01, 2075</b>	500,000,000	5,001,809	2,161,128	-	-	-	-	-	504,832,805
<b>Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	17,027,117	-	-	-	17,027,117
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	-	-	-	-
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-
Exchange gains/(losses)/arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	17,027,117	-	-	-	16,996,840
Transfer to Reserves during the year	-	-	-	-	(12,954,199)	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	58,163	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-
NFRS Adjustment	-	-	-	-	-	-	-	-	-
<b>Total Contributions by and Distributions</b>	-	-	-	-	(686,574)	-	-	-	(686,574)
<b>Balance at Asar 31, 2076</b>	500,000,000	5,001,809	3,405,424	4,508,504	3,420,627	5,019,109	-	-	16,346,448
<b>Balance at Shrawan 01, 2076</b>	500,000,000	5,001,809	5,566,352	4,508,504	9,09,082	5,163,124	-	-	521,149,071
<b>Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	12,502,375	-	-	-	12,502,375
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	-	-	-	-
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-
Exchange gains/(losses)/arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	12,502,375	-	-	-	12,502,375
Transfer to Reserves during the year	-	-	-	-	(3,501,754)	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	5,628,125	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-
NFRS Adjustment	-	-	-	-	-	-	-	-	-
<b>Total Contributions by and Distributions</b>	-	-	-	-	14,228,747	(4,903,101)	-	-	12,502,375
<b>Balance at Asar 31, 2077</b>	500,000,000	5,001,809	8,067,027	5,184,759	15,137,829	260,023	-	-	533,651,446

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**Director**

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

**Green Development Bank Ltd.**  
**Statement of Cash Flows**  
For the year ended 31 Asar 2077

Particulars	31.03.2077	31.03.2076
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest Received	184,438,934	131,828,740
Fee and Other Income Received	6,806,358	8,246,833
Dividend Received	-	-
Receipts from Other Operating Activities	1,069,237	844,218
Interest Paid	(105,114,566)	(60,311,660)
Commissions and Fees Paid	(112,930)	(213,185)
Cash Payment to Employees	(32,694,426)	(23,422,587)
Other Expenses Paid	(29,275,307)	(30,051,234)
<b>Operating Cash Flows before Changes in Operating Assets and Liabilities</b>	<b>25,117,301</b>	<b>26,921,124</b>
<b>(Increase) Decrease in Operating Assets</b>		
Due from Nepal Rastra Bank	(52,793,732)	(2,053,885)
Placement with Banks and Financial Institutions	-	-
Other Trading Assets	-	-
Loans and Advances to BFIs	56,053,300	(113,719,760)
Loans and Advances to Customers	(162,011,431)	(402,236,907)
Other Assets	(6,945,472)	(622,476)
<b>Increase (Decrease) in Operating Liabilities</b>		
Due to Banks and Financials Institutions	(79,016,842)	(177,717,936)
Due to Nepal Rastra Bank	-	-
Deposit from Customers	308,866,743	666,113,630
Borrowings	-	-
Other Liabilities	6,799,352	186,865
<b>Net Cash Flow from Operating Activities before Tax Paid</b>	<b>96,069,219</b>	<b>(3,129,343)</b>
Income Tax Paid	(5,379,299)	(5,163,289)
<b>Net Cash Flow from Operating Activities</b>	<b>90,689,920</b>	<b>(8,292,632)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investment Securities	(20,000,000)	(25,000,000)
Receipts from Sale of Investment Securities	-	-
Purchase of Property and Equipment	(11,777,645)	(16,123,252)
Receipts from Sale of Property and Equipment	-	-
Purchase of Intangible Assets	(693,587)	(988,560)
Purchase of Investment Properties	-	-
Receipts from Sale of Investment Properties	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net Cash Used in Investing Activities</b>	<b>(32,471,231)</b>	<b>(42,111,812)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from Issue of Debt Securities	-	-
Repayments of Debt Securities	-	-
Receipts from Issue of Subordinated Liabilities	-	-
Repayments of Subordinated Liabilities	-	-
Receipt from Issue of Shares	-	-
Dividends Paid	-	-
Interest Paid	-	(710,851)
Other Receipts/Payments	-	(710,851)
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>(710,851)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>58,218,689</b>	<b>(51,115,296)</b>
Cash and Cash Equivalents at Shrawan 01, 2076	425,825,120	476,940,415
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held	-	-
<b>Cash and Cash Equivalents at Asar 31, 2077</b>	<b>484,043,808</b>	<b>425,825,119</b>

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## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

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

### 1. Reporting Entity

Green Development Bank Limited is a limited liability company domiciled in Nepal which has been in operation in Nepal since 2070 (BS). The development bank is registered with the Office of Company Registrar as a public limited company and carries out banking activities in Nepal under the license from Nepal Rastra Bank as Class “Kha” licensed institution (Regional Level-5 Districts (2076/02/14)). It's registered and corporate office are at Pokhara, Nepal since 05/05/2076 were in Baglung, Nepal earlier. The development bank offers maximum banking services of banking products and services including loans and advances, deposits etc. to wide range of clients encompassing individuals, corporates, large public sector companies, government corporations, etc. as authorized by the Nepal Rastra Bank (Central Bank of Nepal).

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

### 2. Basis of Preparation

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

#### 2.1. Statement of Compliance

The financial statements have been prepared and approved by the Board of Directors in accordance with Nepal Financial Reporting Standards (NFRS) and as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and in the format issued by Nepal Rastra Bank in Directive No. 4 of NRB Directives, 2076.

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

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

7 (Sept 2018)	Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Interest income shall be calculated by applying effective interest rate to the gross carrying amount of a financial asset unless the financial asset is written off either partially or fully.	Bank has recognized interest income on gross carrying amount of Financial assets unless Financial assets are written off partially or fully.
3 (Nov 2019)	Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the lease term unless either: (a) Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or (b) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.	Lease payments under an operating lease over the lease term has been booked under straight line basis except for the incremental payments made to compensate the lessor's expected inflationary cost. Ten percentage increment in rental payment in every 2 years on initial agreed amount is considered as lessor's expected inflationary cost.
4 (Nov 2019)	The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received, unless it is immaterial or impracticable to determine reliably, between parties to the contract that are an integral part of the effective interest rate (see NAS 18 Revenue), transaction costs and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to estimate reliably the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).	Bank uses coupon rate as effective interest rate on loan and advances.



## 2.2. Reporting Period

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

	Nepali Calendar	English Calendar
Current Year	2076/77	2019/20
Previous Year	2075/76	2018/19
Current Year Period	Shrawan 01, 2076 to Ashar 31, 2077	July 17, 2019 to July 16, 2020
Previous Year Period	Shrawan 01, 2075 to Ashar 31, 2076	July 17, 2018 to July 16, 2019

## 2.3. Functional and Presentation Currency

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

## 2.4. Use of Estimates, Assumptions and Judgment

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

## 2.5. Changes in Accounting Policies

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

## 2.6. New Reporting standards issued but not effective

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

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

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

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

## 2.7. Discounting

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

## 2.8. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately, unless they are immaterial as permitted

by the Nepal Accounting Standard – NAS 1 on ‘Presentation of Financial Statements’. Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of the development bank. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

### **2.9. Prior Period Errors**

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

### **3. Significant Accounting Policies**

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

#### **3.1. Basis of Measurement**

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

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

#### **3.2. Basis of consolidation**

##### **a. Business Combinations and Goodwill**

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

##### **b. Non-Controlling Interest**

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

##### **c. Subsidiaries**

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

##### **d. Loss of Control**

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

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

The development bank does not have any special purpose entity.

##### **f. Transaction elimination on consolidation**

The development bank does not have any subsidiary.

#### **3.3. Cash and cash equivalents**

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

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

### **3.4. Financial assets and Financial Liabilities**

#### **3.4.1. Initial Recognition**

##### **a. Date of Recognition**

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

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

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

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

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

Financial assets have been divided into following categories

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

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

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

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

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

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

At the inception, the development bank determines the classification of its financial liabilities.

Accordingly, financial liabilities are classified as:

##### **a. Financial liabilities at fair value through profit or loss**

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

##### **b. Financial liabilities at amortized cost**

##### **(a) Financial Liabilities at Fair Value through Profit or Loss**

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss.

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

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

After initial recognition, such financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Within this category, deposits and debt instruments with fixed maturity period have been recognized at amortized cost using the method that very closely

approximates effective interest rate method. The amortization is included in 'Interest Expenses' in the Statement of Profit or Loss. Gains and losses are recognized in the Statement of Profit or Loss when the liabilities are derecognized.

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

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

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

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

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

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

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

#### Amortized Cost Measurement

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

### 3.4.4. Fair Value Measurement

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

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

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

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

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

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

Further, All unquoted investments are recorded at cost.

### 3.4.5. Impairment of Financial Assets

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

**Evidence of impairment may include:**

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

Default or delinquency in interest or principal payments;

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

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

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

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

**i. Individually Assessed Financial Assets**

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

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

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

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

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

- The development bank's aggregate exposure to the customer;
- The viability of the customer's business model and their capacity to trade successfully out of

- financial difficulties and generate sufficient cash flows to service debt obligations;
- The amount and timing of expected receipts and recoveries;
  - The extent of other creditors' commitments ranking ahead of, or pari-pasu with the development bank and the likelihood of other creditors continuing to support the company;
  - The realizable value of security and likelihood of successful repossession;

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

#### **i. Collectively Assessed Financial Assets**

Impairment is assessed on a collective basis in two circumstances:

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

#### **Implemented Policy**

As per decision of ICAN on NFRS carve out, impairment shall be recognized higher of NRB provision and impairment computed as per NFRS 39. Impairment under impairment testing as under NFRS is Rs 14,824,862 is less than impairment computed under NRB provision amounting to Rs 34,070,965. Hence, Development Bank has recognized higher amount of impairment amounting to as per NRB provision.

#### **3.3. Trading Assets**

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

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

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

Two condition are satisfied for recognition of PPE

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

##### **b. Measurement**

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

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

##### **c. Depreciation**

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

*Rate of Depreciation per annum (%)*

Assets Category	For the Year Ended 15 July 2020	For the year ended 16 July 2019
Buildings	5%	5%

Motor Vehicles	20%	20%
Computer Equipment	25%	25%
Furniture, Office Equipment	25%	25%
Other Assets	15%	15%
Leasehold Properties	10 years (SLM Basis)	10 years (SLM Basis)

#### a. Changes in Estimates

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

#### b. Capital Work in Progress

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

#### c. De-recognition

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

### 3.3. Goodwill and Intangible Assets

#### Goodwill

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

#### Intangible Assets

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

#### Computer Software & Licenses

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

#### Amortization of Intangible Assets

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

### 3.3. Investment Property

Assets Category	For the Year Ended July 2020	For the year ended 16 July 2019
Computer Software	5 Years	5 Years
Licenses	5 Years	5 Years

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

#### Measurement

Investment property is accounted for under Cost Model in the Financial Statements. Accordingly,

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

### **De-recognition**

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

### **3.4. Income Tax**

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

#### **A. Current Tax**

Current tax assets and liabilities consist of amounts expected to be recovered from or paid to Inland Revenue Department in respect of the current year, using the tax rates and tax laws enacted or substantively enacted on the reporting date and any adjustment to tax payable in respect of prior years.

#### **B. Deferred Tax**

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:

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

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

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

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

### **3.6. Provisions**

A provision is recognized if, as a result of a past event, the development bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking in to account the risks and uncertainties surrounding the obligation at that date. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows. A provision for onerous contracts is recognized when the expected benefits to be derived by the development bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured as the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Provision are not recognized for future operating losses.

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



Profit or Loss net of any reimbursement.

### 3.7. Revenue Recognition

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

#### A. Interest Income

For all financial assets measured at amortized cost, interest bearing financial assets classified as Fair value through other comprehensive income, interest income is recorded using the rate that closely approximates the EIR because the development bank considers that the cost of exact calculation of effective interest rate method exceeds the benefit that would be derived from such compliance. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

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

#### B. Fee and Commission Income

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

#### C. Dividend Income

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

#### D. Net Trading Income

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

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

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

### 3.8. Interest Expense

For financial liabilities measured at amortized cost using the rate that closely approximates effective interest rate, interest expense is recorded using such rate. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

### 3.9. Employee Benefits

Employee benefits include:

I. Short term employee benefits are measured on an undiscounted basis and are expenses as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Development bank has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Short term employee benefit includes following benefits which is expected to be paid within 12 months from reporting period.

- a. Wages, salaries and social security contributions;
- b. annual leave and paid sick leave;

- c. Profit sharing and bonuses, and
- d. Non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees

## **II. Post employments benefits are as follows:**

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

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

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

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

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

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Up to fiscal year 2075.76, Gratuity benefit comes under heading of defined benefit plan as per NFRS. But from this fiscal year the development bank has changed gratuity to defined contribution plan as per Labor Act 2017

#### **Gratuity**

In compliance with Labor Act, 2017, provision is made in the account year of service, for gratuity payable to employees who joined development bank on a permanent basis.

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

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

### **3.10. Finance and Operating Leases**

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

Rentals payable and receivable under operating leases are accounted for on a straight-line basis over the periods of the leases and are included in 'Other operating expenses' and 'Other operating income', respectively.

The development bank has taken carve out as mentioned in point no 2.1 above for lease accounting.

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

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

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

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

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

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts may have various legal forms, such as a guarantee, some types of letter of credit, etc. Where the development bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, etc. whether cancellable or

not and the development bank had not made payments at the reporting date, those instruments are included in these financial statements as commitments.

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

### **3.13. Share capital and reserves**

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

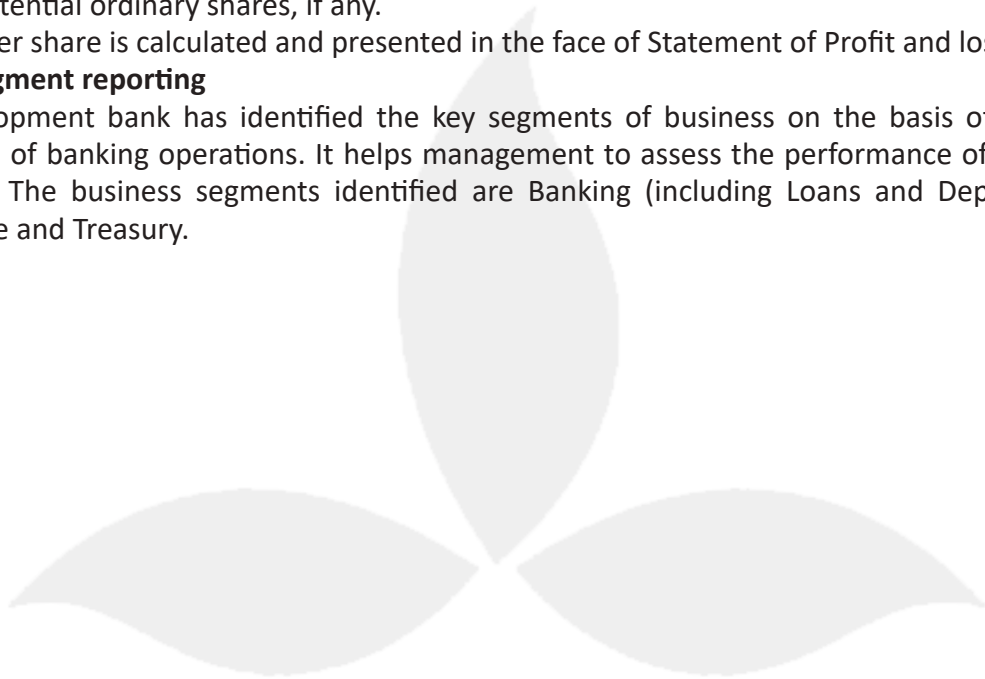
### **3.14. Earnings per share**

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

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

### **3.15. Segment reporting**

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



**Green Development Bank Ltd.**  
**Notes to Financial Statement**  
For the year ended 31 Asar 2077

**Cash and Cash Equivalent**

4.1

Particulars	NPR	
	31.03.2077	31.03.2076
Cash in Hand	23,782,211	19,909,967
Balances with BFIs	460,261,598	405,915,153
Money at Call and Short Notice	-	-
Other	-	-
<b>Total</b>	<b>484,043,809</b>	<b>425,825,120</b>

**Due from Nepal Rastra Bank**

4.2

Particulars	NPR	
	31.03.2077	31.03.2076
Statutory Balances with NRB	85,163,063	32,369,330
Securities purchased under Resale Agreement	-	-
Other Deposit and Receivable from NRB	-	-
<b>Total</b>	<b>85,163,063</b>	<b>32,369,330</b>

**Placements with Banks and Financial Institutions**

4.3

Particulars	NPR	
	31.03.2077	31.03.2076
Placement with Domestic BFIs	-	-
Placement with Foreign BFIs	-	-
Less: Allowances for Impairment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Derivative Financial Instruments**

4.4

Particulars	NPR	
	31.03.2077	31.03.2076
<i>Held for Trading</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts.	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Other Trading Assets

4.5

Particulars	NPR	
	31.03.2077	31.03.2076
Treasury Bills	-	-
Government Bonds	-	-
NRB Bonds	-	-
Domestic Corporate Bonds	-	-
Equities	-	-
Other Trading Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Loans and Advances to BFIs

4.6

Particulars	NPR	
	31.03.2077	31.03.2076
Loans to Micro-Finance Institutions	70,115,382	127,004,298
Other	-	-
Allowances for Impairment	(701,154)	(1,270,043)
<b>Sub-Total</b>	<b>69,414,228</b>	<b>125,734,255</b>
Interest Receivable	456,179	189,452
<b>Total</b>	<b>69,870,408</b>	<b>125,923,707</b>

### 4.6.1 Allowances for Impairment

Balance at Shrawan 01	1,270,043	123,272
Impairment Losss for the year:	(568,889)	1,146,771
Charge for the year	-	1,146,771
Recoveries/Reversal	(568,889)	-
Amount Written Off	-	-
Balance at Asar End	701,154	1,270,043

## Loans and Advances to Customers

4.7

Particulars	NPR	
	31.03.2077	31.03.2076
Loans and Advances measured at Amortized Cost	1,153,103,522	994,603,108
Less: Impairment Allowances	-	-
Collective Impairment	(9,474,865)	(9,112,973)
Individual Impairment	(23,894,945)	(17,955,316)
<b>Net Amount</b>	<b>1,119,733,711</b>	<b>967,534,819</b>
Loans and Advances measured at FVTPL	-	-
Interest Receivable	15,934,943	6,122,404
<b>Total</b>	<b>1,135,668,654</b>	<b>973,657,223</b>

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

Particulars	31.03.2077	NPR 31.03.2076
<b>Product</b>	-	-
Term Loans	469,197,421	347,454,261
Overdraft	301,987,643	340,533,101
Trust Receipt/Import Loans	-	-
Demand and other Working Capital Loans	-	-
Personal Residential Loans	122,793,096	99,784,754
Real Estate Loans	10,750,743	3,849,275
Margin Lending Loans	19,617,074	19,372,266
Hire Purchase Loans	157,448,725	133,099,404
Deprived Sector Loans	21,022,335	16,103,519
Bills Purchased	-	-
Staffs Loans	-	239,706
Other	50,286,485	34,166,823
<b>Sub-Total</b>	<b>1,153,103,522</b>	<b>994,603,108</b>
Interest Receivable	15,934,943	6,122,404
<b>Grand Total</b>	<b>1,169,038,465</b>	<b>1,000,725,512</b>

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

Particulars	31.03.2077	NPR 31.03.2076
Nepalese Rupee	1,169,038,465	1,000,725,512
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>Grand Total</b>	<b>1,169,038,465</b>	<b>1,000,725,512</b>

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

Particulars	31.03.2077	NPR 31.03.2076
<b>Secured</b>		
Moveable/Immoveable Assets	1,074,688,916	975,433,806
Gold and Silver	32,206,200	-
Guarantee of Domestic BFIs	-	-
Government Guarantee	-	-
Guarantee of International Rated Bank	-	-
Collateral of Export Document	-	-
Collateral of Fixed Deposit Receipt	13,635,000	4,698,623
Collateral of Government Securities	-	-
Counter Guarantee	-	-
Personal Guarantee	-	14,230,973
Other Collateral	32,573,405	239,706
<b>Subtotal</b>	<b>1,153,103,522</b>	<b>994,603,108</b>
<b>Unsecured</b>		
<b>Grand Total</b>	<b>1,153,103,522</b>	<b>994,603,108</b>

#### 4.7.4: Allowance for Impairment

Particulars	NPR	
	31.03.2077	31.03.2076
<b>Specific Allowance for Impairment</b>		
Balance at Shrawan 01	17,955,316	6,674,534
Impairment Loss for the year		-
Charge for the year	5,939,629	11,280,782
Recoveries/Reversals during the year		-
Write-Offs	-	-
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Asar End	23,894,945	17,955,316
<b>Collective Allowances for Impairment</b>		
Balance at Sharawan 01	10,383,016	5,590,600
Impairment Loss for the year	-	-
Charge/(Reversal) for the year	(908,150)	4,792,416
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Asar End	9,474,865	10,383,016
<b>Total Allowances for Impairment</b>	<b>33,369,811</b>	<b>28,338,332</b>

#### Investment Securities

4.8

Particulars	NPR	
	31.03.2077	31.03.2076
Investment Securities measured at Amortized Cost	50,000,000	30,000,000
Investment in Equity measured at FVTOCI	5,000,000	5,000,000
<b>Total</b>	<b>55,000,000</b>	<b>35,000,000</b>

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

Particulars	NPR	
	31.03.2077	31.03.2076
Debt Securities	-	-
Government Bonds	50,000,000	30,000,000
Government Treasury Bills	-	-
Nepal Rastra Bank Bonds	-	-
Nepal Rastra Bank Deposit Instruments	-	-
Other	-	-
Less: Specific Allowances for Impairment	-	-
<b>Total</b>	<b>50,000,000</b>	<b>30,000,000</b>

#### 4.8.2: Investment in Equity measured at FVTOCI

Particulars	NPR	
	31.03.2077	31.03.2076
Equity Instruments		
Quoted Equity Securities	-	-
Unquoted Equity Securities	5,000,000	5,000,000
<b>Total</b>	<b>5,000,000</b>	<b>5,000,000</b>

4.8.3: Information relating to Investment in Equities

Particulars	31.03.2077	NPR
		31.03.2076
		Cost/Fair Value
Investment in Quoted Equity		
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
Investment in Unquoted Equity		
Prabhu Life Insurance Ltd.		
50,000 Promoter's Shares of Rs. 100 Each	5,000,000	5,000,000
<b>Total</b>	<b>5,000,000</b>	<b>5,000,000</b>

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

Particulars	31.03.2077	NPR
		31.03.2076
<b>Current Tax Assets</b>		
Current year Income Tax Assets	8,508,537	7,398,578
Tax Assets of Prior Periods	-	-
<b>Current Tax Liabilities</b>		
Current year Income Tax Liabilities	5,554,044	7,583,118
Tax Liabilities of Prior Periods	-	-
<b>Total</b>	<b>2,954,493</b>	<b>(184,539)</b>

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

Particulars	31.03.2077	NPR
		31.03.2076
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
<b>Total Investment</b>	-	-
Less: Impairment Allowances	-	-
<b>Net Carrying Amount</b>	-	-

4.10.1: Investment in Quoted Subsidiaries

	31.03.2077	NPR
		31.03.2076
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

4.10.2: Investment in Unquoted Subsidiaries

	31.03.2077	NPR
		31.03.2076
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		-



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

	Percentage of Ownership	Percentage of Ownership
	31.03.2077	31.03.2076
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
<b>Total</b>		-

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

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

#### Investment in Associates

4.11

Particulars	31.03.2077	NPR 31.03.2076
Investment in Quoted Associates	-	-
Investment in Unquoted Associates	-	-
<b>Total Investment</b>	-	-
Less: Impairment Allowances	-	-
Net Carrying Amount	-	-

#### 4.11.1: Investment in Quoted Associates

NPR

	31.03.2077	31.03.2076
	Cost/Fair Value	Cost/Fair Value
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

#### 4.11.2: Investment in Unquoted Associates

NPR

	31.03.2077	31.03.2076
		Cost/Fair Value
.....Ltd.		
.....Shares of Rs. .... Each		
.....Ltd.		
.....Shares of Rs. .... Each		
<b>Total</b>		

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

NPR

Percentage of Ownership

	31.03.2077	31.03.2076
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		

#### 4.11.4: Equity Value of Associates

.....Ltd.  
.....Ltd.  
.....Ltd.  
.....Ltd.  
.....Ltd.

#### Investment Properties

4.12

NPR

Particulars	31.03.2077	31.03.2076
<b>Investment Properties measured at Fair Value</b>		
Balance as on Shrawan 01.	-	-
Addition/(Disposal) during the year.	-	-
Net Changes in fair value during the year.	-	-
Adjustment/Transfer.	-	-
Net Amount	-	-
<b>Investment Properties measured at Cost</b>		
Balance as on Shrawan 01	-	-
Addition/(Disposal) during the year	-	-
Net Changes in fair value during the year	-	-
Adjustment/Transfer	-	-
Net Amount	-	-
Total	-	-

Particulars	Bank							NPR		
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery & Other		Equipment & others	Total Asar end 2077
<b>Cost</b>										
<b>Balance as on Asar end 2075</b>	-	-	3,270,471	-	5,134,857	-	-	9,419,237	-	17,824,565
Addition during the Year										
Acquisition										
Capitalization			8,201,960		921,500			6,575,852		7,497,352
Disposal during the year										8,201,960
Adjustment/Revaluation										-
<b>Balance as on Asar end 2076</b>	-	-	11,472,431	-	6,056,357	-	-	15,995,089	-	17,824,565
Addition during the Year										
Acquisition			2,515,964		1,012,700		7,734	7,639,689		11,176,088
Capitalization			2,515,964		1,012,700		7,734	7,639,689		
Disposal during the year										
Adjustment/Revaluation			(3,028,000)		(113,039)		110,128	2,913,564		(117,356)
<b>Balance as on Asar end 2076</b>	-	-	10,960,386	-	6,956,018	-	117,862	26,548,342	-	26,758,043
<b>Depreciation and Impairment</b>										
<b>As on Asar end 2075</b>	-	-	481,120	-	1,927,666	-	-	5,090,129	-	7,498,916
Impairment for the year										
Depreciation charge for the year			1,262,122		727,605			2,317,052		4,306,779
Disposals										
Adjustments										
<b>As on Asar end 2076</b>	-	-	1,743,242	-	2,655,271	-	-	7,407,181	-	7,498,916
Impairment for the year										
Depreciation charge for the year			1248897.194		835,216.13		17,015	4,396,465		6,497,594
Disposals										
Adjustments										
<b>Balance as on Asar end 2077</b>	-	-	2,992,139	-	3,490,487	-	17,015	11,822,765	-	19,119
<b>Capital Work in Progress</b>										
<b>Net Book Value</b>	-	-	7,968,247	-	3,465,531	-	100,847	14,725,577	-	26,260,202
<b>As on Asar end 2076</b>	-	-	9,729,189	-	3,401,086	-	-	8,587,908	-	21,718,183
<b>As on Asar end 2077</b>	-	-	7,968,247	-	3,465,531	-	-	14,725,577	-	26,260,202

Goodwill and Intangible Assets	Bank			Total Asar end 2076	Total Asar end 2077	4.14 NPR
	Goodwill	Software				
Particulars	Purchased	Developed	Other			
<b>Balance as on Asar end 2075</b>	2,019,558				-	2,019,558
Addition during the Year						
Acquisition	1,412,500					
Capitalization	1,412,500					
Disposal during the year						
Adjustment/Revaluation						
<b>Balance as on Asar end 2076</b>	3,432,058					3,432,058
Addition during the Year						
Acquisition	1,412,500					
Capitalization	1,412,500					
Disposal during the year						
Adjustment/Revaluation						
<b>Balance as on Asar end 2077</b>	<b>4,844,558</b>					
<b>Amortisation and Impairment</b>						
<b>As on Asar end 2075</b>	1,557,948					
Impairment for the year						
Amortisation charge for the year	423,940					
Disposals						
Adjustment						
<b>As on Asar end 2076</b>	1,981,888					1,981,888
Impairment for the year						
Amortisation charge for the year	718,913					
Disposals						
Adjustment						
<b>Balance as on Asar 2077</b>	<b>2,700,802</b>					
<b>Capital Work in Progress</b>						
<b>Net Book Value</b>	-	-	-			2,143,756
<b>As on Asar end 2076</b>	1,450,170					1,450,170
<b>As on Asar end 2077</b>	2,143,756				2,143,756	

**Deferred Tax**

4-15

	Bank	NPR
		<b>Current Year</b>
		<b>Net Deferred Tax Assets / (Liabilities)</b>
<b>Particulars</b>	<b>Deferred Tax Assets</b>	<b>Deferred Tax Liabilities</b>
<b>Deferred tax on temporary differences on following items</b>		
Loans and Advances to BFIs		
Loans and Advances to Customers		
Investment Properties		
Investment Securities		
Property and Equipment		771,023
Employees' Defined Benefit Plan		(771,023)
Lease Liabilities		-
Provisions		-
Other Temporary Differences	1,058,932.55	1,058,933
Deferred tax on temporary differences		287,910
Deferred tax on carry forward of unused tax losses		-
Deferred tax due to changes in tax rate		-
Net Deferred Tax Asset (Liabilities) as on year end of .....		(427,775)
Deferred Tax (Asset)/ Liabilities as on Shrawan 01,2076		139,865
Origination/(Reversal) during the year		(174,745)
Deferred Tax expense (income) recognized in profit or loss		-
Deferred Tax expense (income) recognized in OCI		-
Deferred Tax expense (income) recognized directly in Equity		-

**Bank**

		Previous Year
		<b>Net Deferred Tax Assets / (Liabilities)</b>
<b>Particulars</b>	<b>Deferred Tax Assets</b>	<b>Deferred Tax Liabilities</b>
<b>Deferred tax on temporary differences on following items</b>		
Loans and Advances to BFIs		-
Loans and Advances to Customers		-
Investment Properties		-
Investment Securities		-
Property and Equipment		-
Employees' Defined Benefit Plan	427,775	427,775
Lease Liabilities		-
Provisions		-
Other Temporary Differences	-	-
Deferred tax on temporary differences		427,775
Deferred tax on carry forward of unused tax losses		-
Deferred tax due to changes in tax rate		-
Net Deferred Tax Asset (Liabilities) as on year end of .....		(2,005,029)
Deferred Tax (Asset)/ Liabilities as on Shrawan 01,2075		(2,432,805)
Origination/(Reversal) during the year		(2,419,829)
Deferred Tax expense (income) recognized in profit or loss		(12,976)
Deferred Tax expense (income) recognized in OCI		-
Deferred Tax expense (income) recognized directly in Equity		-

**Other Assets**

4-16

	31.03.2077	31.03.2076
<b>Particulars</b>		
Assets held for Sale	-	-
Other Non-Banking Assets	-	-
Bills Receivable	-	-
Accounts Receivable	1,486,062	454,584
Accrued Income	-	-
Prepayments and Deposits	6,475,810	3,857,245
Income Tax Deposit	-	-
Deferred Employee Expenditure	-	5,877
Other Assets	569,121	397,054
<b>Total</b>	<b>8,530,994</b>	<b>4,714,760</b>

**Due to Banks and Financial Institutions**

**4.17**

<b>Particulars</b>	<b>31.03.2077</b>	<b>NPR</b>
		<b>31.03.2076</b>
Money Market Deposits	-	-
Interbank Borrowing	-	-
Other Deposits from BFIs	3,519,631	82,536,473
Settlement and Clearing Accounts	-	-
<b>Total</b>	<b>3,519,631</b>	<b>82,536,473</b>

**Due to Nepal Rastra Bank**

**4.18**

<b>Particulars</b>	<b>31.03.2077</b>	<b>NPR</b>
		<b>31.03.2076</b>
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of Last Resort facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other Payable to NRB	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Derivative Financial Instruments**

**4.19**

<b>Particulars</b>	<b>31.03.2077</b>	<b>NPR</b>
		<b>31.03.2076</b>
<i>Held for Trading</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>	-	-
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts.	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Deposits from Customers

4.20

Particulars	31.03.2077	NPR
		31.03.2076
Institutional Customers:		
Term Deposits.	122,000,000	109,148,109
Call Deposits	154,706,433	289,241,916
Current Deposits.	3,120,213	16,490,876
Others.	-	-
Individual Customers:		
Term Deposits	631,227,205	300,354,867
Saving Deposits	346,936,136	273,594,721
Current Deposits	27,683,413	13,384,772
Others	17,021,055	1,151,294
<b>Sub-Total</b>	<b>1,302,694,455</b>	<b>1,003,366,554</b>
Interest payable on deposits	14,155,793	4,616,951
<b>Total</b>	<b>1,316,850,248</b>	<b>1,007,983,505</b>

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

Particulars	31.03.2077	NPR
		31.03.2076
Nepalese Rupee	1,302,694,455	1,003,366,554
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>Total</b>	<b>1,302,694,455</b>	<b>1,003,366,554</b>

## Borrowings

4.21

Particulars	31.03.2077	NPR
		31.03.2076
<i>Domestic Borrowings</i>		
Nepal Government	-	-
Other Institutions.	-	-
Other	-	-
Sub Total	-	-
<i>Foreign Borrowings</i>		
Foreign Banks and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Provisions** **4.22**

Particulars	31.03.2077	NPR
		31.03.2076
Provisions for Redundancy	-	-
Provisions for Restructuring	-	-
Pending Legal Issues and Tax Litigation	-	-
Onerous Contracts	-	-
Other Provisions	302,150	-
<b>Total</b>	<b>302,150</b>	<b>-</b>

**4.22.1: Movement in Provision**

Particulars	31.03.2077	NPR
		31.03.2076
Balance at Shrawan 01	-	-
Provisions made during the year	302,150	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of Discount	-	-
Balance at Asar end	302,150	-

**Other Liabilities** **4.23**

Particulars	31.03.2077	NPR
		31.03.2076
Liabilities for employees defined benefit obligations	1,958,679	673,472
Liabilities for long service leave	1,081,596	752,446
Liabilities for employees defined benefit Contribution	489,500	255,034
Short term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	590,157	226,569
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	-	-
Employee bonus payable	1,788,167	2,219,040
Other Liabilities	10,006,324	5,106,121
<b>Total</b>	<b>15,914,423</b>	<b>9,232,682</b>

**4.23.1: Defined Benefit Obligation**

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

NPR

Particulars	31.03.2077	31.03.2076
Present value of unfunded obligations	1,089,516	673,472
Present value of funded obligations	-	-
Total present value of obligations	-	-
Fair value of plan assets	-	-
Present value of net obligations	-	-
Recognised liability for defined benefit obligations	1,089,516	673,472



#### 4.23.2: Plan Assets

Plan assets comprise NPR

Particulars	31.03.2077	31.03.2076
Equity securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	-	-
<b>Total</b>	-	-

Actual return on plan assets

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

Particulars	31.03.2077	31.03.2076
Defined benefit obligations at Sawan 1	752,446	435,646
Actuarial losses	56,236	43,253
Benefits paid by the plan	(211,940)	(65,400)
Current service costs and interest	492,774	259,973
Defined benefit obligations at Asar end	1,089,516	673,472

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

Particulars	31.03.2077	31.03.2076
Fair value of plan assets at Sawan 1	-	-
Contributions paid into the plan	-	-
Benefits paid during the year	-	-
Actuarial (losses) gains	-	-
Expected return on plan assets	-	-
Fair value of plan assets at Asar end	-	-

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

Particulars	31.03.2077	31.03.2076
Current service costs	434,591	-
Interest on obligation	58,183	38,156
Expected return on plan assets	-	221,817
Actuarial Losses /(Gain)	56,236	-
<b>Total</b>	549,010	259,973

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

Particulars	31.03.2077	31.03.2076
Actuarial (gain)/loss	-	43,253
<b>Total</b>	-	43,253

#### 4.23.7: Actuarial assumptions

Particulars	31.03.2077	31.03.2076
Discount rate	9%	8%
Expected return on plan asset	-	-
Future salary increase	6%	8%
Withdrawal rate	-	-

**Debt securities issued** 4.24

	NPR	
	31.03.2077	31.03.2076
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
<b>Total</b>	-	-

**Subordinated Liabilities** 4.25

Particulars	NPR	
	31.03.2077	31.03.2076
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities com	-	-
Other	-	-
<b>Total</b>	-	-

**Share capital** 4.26

Particulars	NPR	
	31.03.2077	31.03.2076
Ordinary shares	500,000,000	500,000,000
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
<b>Total</b>	500,000,000	500,000,000

**4.26.1: Ordinary Shares**

Particulars	NPR	
	31.03.2077	31.03.2076
Authorized Capital		
5,000,000 Ordinary share of Rs. 100 each	500,000,000	500,000,000
Issued capital		
5,000,000 Ordinary share of Rs. 100 each	500,000,000	500,000,000
1,000,000 Ordinary share of Rs. 100 each		
Subscribed and paid up capital		
5,000,000 Ordinary share of Rs. 100 each	500,000,000	500,000,000
<b>Total</b>	500,000,000	500,000,000

**4.26.2: Ordinary share ownership**

Particulars		
	31.03.2077	31.03.2076
	Percent	
<b>Domestic ownership</b>		
Nepal Government	-	-
"A" class licensed institutions	-	-
Other licensed intitutions	-	-
Other Institutions	2.01%	2.58%
Public	42.99%	42.42%
Promoters	55.00%	55.00%
<b>Foreign ownership</b>		-
<b>Total</b>	100%	100%

### Details of Shareholders Holding 0.50. or above Share

Share Holder's Name	This Year		
	No of Shares	Amount	%
DEEP SHANKAR SHRESTHA	750,000.00	75,000,000.00	15.00%
GANESH KUMAR SHRESTHA	247,500.00	24,750,000.00	4.95%
KRISHNA SHANKAR SHRESTHA	187,500.00	18,750,000.00	3.75%
PRAYASH NARAYAN BHARI	150,000.00	15,000,000.00	3.00%
DILA RAM KHAREL	69,310.00	6,931,000.00	1.39%
KESHAR KUMAR GIRI	68,594.00	6,859,400.00	1.37%
RAJAN GIRI	66,670.00	6,667,000.00	1.33%
MITRA LAL GAUTAM	50,006.00	5,000,600.00	1.00%
INDRAJIT CHHANTYAL	50,000.00	5,000,000.00	1.00%
PRABIN SHANKAR SHRESTHA	50,000.00	5,000,000.00	1.00%
PRADEEP GHIMIRE SHARMA	50,000.00	5,000,000.00	1.00%
NARENDRA KUMAR SHRESTHA	50,000.00	5,000,000.00	1.00%
SHYAM PRASAD SHRESTHA	50,000.00	5,000,000.00	1.00%
PRAKASH KUMAR SHRESTHA	50,000.00	5,000,000.00	1.00%
BIRAT KUMAR SHRESTHA	38,290.00	3,829,000.00	0.77%
PUSKAL PRASAD SHRESTHA	31,250.00	3,125,000.00	0.63%
MANMOHAN SHRESTHA	31,000.00	3,100,000.00	0.62%
SHIVA LAL GIRI	25,003.00	2,500,300.00	0.50%
BABU RAM KHAREL	25,001.00	2,500,100.00	0.50%
YUGESHWOR KUMAR OJHA	25,000.00	2,500,000.00	0.50%
GOPI LAL SHRESTHA	25,000.00	2,500,000.00	0.50%
NAVIN NAPIT	25,000.00	2,500,000.00	0.50%
RAMJEE PRASAD POKHAREL	25,000.00	2,500,000.00	0.50%
BIJAYA KARKI	25,000.00	2,500,000.00	0.50%
SHOVITA OJHA SHRESTHA	25,000.00	2,500,000.00	0.50%
NARAYAN PRASAD SHRESTHA	25,000.00	2,500,000.00	0.50%
MANOBIGYAN SHRESTHA	25,000.00	2,500,000.00	0.50%
SANDEEP DHUNGANA	25,000.00	2,500,000.00	0.50%
RABINDRA KUMAR SHRESTHA	25,000.00	2,500,000.00	0.50%
KALYAN PRASAD OJHA	25,000.00	2,500,000.00	0.50%
PAWAN KUMAR SHRESTHA	25,000.00	2,500,000.00	0.50%
ENAM RAJ SHRESTHA	25,000.00	2,500,000.00	0.50%
MIN BAHADUR KARKI KSHETRI	25,000.00	2,500,000.00	0.50%

## Reserves

4.27

Particulars	31.03.2077	NPR
		31.03.2076
Statutory general reserve	8,067,026	5,566,551
Exchange equilisation reserve	-	-
Corporate social responsibility reserve	324,116	227,217
Capital redemption reserve	-	-
Regulatory reserve	5,184,759	4,508,504
Investment adjustment reserve	-	5,000,000
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	-	-
Dividend equalisation reserve	-	-
Actuarial gain	(64,093)	(64,093)
Special reserve	-	-
Other reserve	-	-
<b>Total</b>	<b>13,511,808</b>	<b>15,238,180</b>

## Contingent liabilities and commitments

4.28

Particulars	31.03.2077	NPR
		31.03.2076
Contingent liabilities	-	-
Undrawn and undisbursed facilities	35,837,000	17,969,780
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
<b>Total</b>	<b>35,837,000</b>	<b>17,969,780</b>

### 4.28.1: Contingent Liabilities

Particulars	31.03.2077	NPR
		31.03.2076
Acceptance and documentary credit	-	-
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	-	-
Underwriting commitment	-	-
Other commitments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 4.28.2: Undrawn and undisbursed facilities

Particulars	31.03.2077	NPR
		31.03.2076
Undisbursed amount of loans	35,837,000	17,969,780
Undrawn limits of overdrafts	-	-
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	-	-
<b>Total</b>	<b>35,837,000</b>	<b>17,969,780</b>

#### 4.28.3: Capital commitments

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

Particulars	31.03.2077	NPR
		31.03.2076
Capital commitments in relation to Property and Equipm	-	-
Approved and contracted for	-	-
Approved but not contracted for	-	-
<b>Sub total</b>	-	-
Capital commitments in relation to Intangible assets	-	-
Approved and contracted for	-	-
Approved but not contracted for	-	-
<b>Sub total</b>	-	-
<b>Total</b>	-	-

#### 4.28.4: Lease commitments

Particulars	31.03.2077	NPR
		31.03.2076
Operating lease commitments	-	-
Future minimum lease payments under non cancellable operating lease, where the bank is lessee	-	-
Not later than 1 year	7,126,594	5,436,634
Later than 1 year but not later than 5 years	38,188,344	28,057,763
Later than 5 years	17,239,587	17,712,195
<b>Sub total</b>	62,554,526	51,206,592
<b>Finance lease commitments</b>	-	-
Future minimum lease payments under non cancellable operating lease, where the bank is lessee	-	-
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
<b>Sub total</b>	-	-
<b>Grand total</b>	62,554,526	51,206,592

#### 4.28.5: Litigation

Bank do not have any either initiated any litigation.

### Interest Income

4.29

Particulars	NPR	
	31.03.2077	31.03.2076
Cash and cash equivalent	23,413,721	18,780,339
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	12,127,946	9,077,104
Loans and advances to customers	147,005,817	103,624,808
Investment securities	1,883,000	259,000
Loan and advances to staff	8,450	87,489
Other Interest Income	-	-
<b>Total interest income</b>	<b>184,438,934</b>	<b>131,828,740</b>

### Interest Expenses

4.30

Particulars	NPR	
	31.03.2077	31.03.2076
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposits from customers	105,114,566	60,311,660
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Charges	-	-
<b>Total Interest expense</b>	<b>105,114,566</b>	<b>60,311,660</b>

### Fees and Commission Income

4.31

Particulars	NPR	
	31.03.2077	31.03.2076
Loan administration fees	1,242,080	737,900
Service fees	5,131,159	7,286,565
Consortium fees	-	-
Commitment fees	2,912	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	-	-
Prepayment and swap fees	-	-
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	356,681	222,369
Commission on letter of credit	-	-
Commission on guarantee contracts issued	-	-
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	73,527	-
<b>Total Fees and Commission Income</b>	<b>6,806,358</b>	<b>8,246,833</b>

#### Fees and Commission Expense

4.32

NPR

Particulars	31.03.2077	31.03.2076
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees.	-	-
Remittance fees and commission	-	-
Other fees and commission expense	112,930	213,185
<b>Total Fees and Commission Expense</b>	<b>112,930</b>	<b>213,185</b>

#### Net Trading income

4.33

NPR

Particulars	31.03.2077	31.03.2076
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
<b>Net trading income</b>	<b>-</b>	<b>-</b>

#### Other Operating Income

4.34

NPR

Particulars	31.03.2077	31.03.2076
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	-	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	-	-
Gain/loss on sale of property and equipment	28,265	-
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other Operating Income	1,040,972	844,218
<b>Total</b>	<b>1,069,237</b>	<b>844,218</b>

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

4.35

NPR

Particulars	31.03.2077	31.03.2076
Impairment charge/(reversal) on loan and advances to BFIs	-	-
Impairment charge/(reversal) on loan and advances to customers	5,732,632	16,073,198
Impairment charge/(reversal) on financial Investment	-	-
Impairment charge/(reversal) on placement with BFIs	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
<b>Total</b>	<b>5,732,632.1</b>	<b>16,073,198.0</b>

## Personnel Expenses

4.36

Particulars	NPR	
	31.03.2077	31.03.2076
Salary	16,655,511	11,738,497
Allowances	10,164,783	5,751,217
Gratuity Expense	1,384,216	259,973
Provident Fund	1,663,255	976,900
Uniform	-	528,584
Training & development expense	471,829	441,760
Leave encashment	566,665	549,562
Medical	-	152,966
Insurance	-	-
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	-	50,977
Other expenses related to staff	-	753,111
<b>Subtotal</b>	<b>30,906,258</b>	<b>21,203,547</b>
Employees Bonus	1,788,167	2,219,040
<b>Grand total</b>	<b>32,694,426</b>	<b>23,422,587</b>

## Other Operating Expense

4.37

Particulars	NPR	
	31.03.2077	31.03.2076
Directors' fee	436,450	152,000
Directors' expense	96,561	73,117
Auditors' remuneration	212,150	226,000
Other audit related expense	632,369	177,932
Professional and legal expense	-	-
Office administration expense	3,757,254	2,441,329
Operating lease expense	6,289,627	3,787,730
Operating expense of investment properties	-	-
Corporate social responsibility expense	28,125	51,111
Onerous lease provisions	-	-
Other Expenses	12,090,139	7,068,817
<b>Total</b>	<b>23,542,675</b>	<b>13,978,036</b>

### 4.37.1: Office Administrative Expenses

Particulars	NPR	
	31.03.2077	31.03.2076
Light, Electricity & Water	1,102,379	637,845
Postage, Telex, Telephone & Fax	289,848	974,031
Office Equipment, Furniture Repair	315,559	600
Printing & Stationery	962,335	711,852
Other-Meeting Expenses	86,000	117,000
Other-Internet Expenses	1,001,134	-
<b>Total</b>	<b>3,757,254</b>	<b>2,441,329</b>



#### Depreciation and Amortisation

4.38

Particulars	NPR	
	31.03.2077	31.03.2076
Depreciation on property and equipment	6,516,713	4,306,779
Depreciation on investment property	-	-
Amortisation of intangible assets	718,913	423,940
<b>Total</b>	<b>7,235,626</b>	<b>4,730,719</b>

#### Non Operating Income

4.39

Particulars	Bank	
	31.03.2077	31.03.2076
Recovery of loan written off	-	-
Other income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Non Operating Expenses

4.40

Particulars	NPR	
	31.03.2077	31.03.2076
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense.	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Income Tax Expenses

4.41

Particulars	NPR	
	31.03.2077	31.03.2076
<b>Current tax expense</b>	-	-
Current year	5,554,044	7,583,118
Adjustments for prior years	-	-
<b>Deferred tax expense</b>	-	-
Origination and reversal of temporary differences	(174,745)	(2,419,829)
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
<b>Total income tax expense</b>	<b>5,379,299.3</b>	<b>5,163,289.0</b>

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

Particulars	NPR	
	31.03.2077	31.03.2076
Profit before tax	17,881,675	22,190,406
Tax amount at tax rate of.....%	-	-
Add: Tax effect of expenses that are not deductible for tax purpose	631,806	3,086,653
Less: Tax effect on exempt income	-	-
Add/less: Tax effect on other items	-	-
<b>Total income tax expense</b>	<b>5,554,044.0</b>	<b>7,583,117.6</b>
<b>Effective tax rate</b>	<b>31%</b>	<b>34%</b>

**Green Development Bank Ltd.**  
**Statement of Distributable Profit or Loss**  
For the year ended 31 Ashad 2076  
(As per NRB Regulation)

**Green Development Bank Ltd.**  
**Statement of Distributable Profit or Loss**  
For the year ended 31 Asar 2077  
(As per NRB Regulation)

Particulars	Bank	NPR
	31.03.2077	31.03.2076
<b>Net profit or (loss) as per statement of profit or loss</b>	12,502,375	17,027,117
<b>Opening Figures</b>	<b>909,083</b>	<b>(2,511,425)</b>
<b>Appropriations:</b>		
a. General reserve	2,500,475.05	3,405,423
b. Foreign exchange fluctuation fund		
c. Capital redemption reserve		
d. Corporate social responsibility fund	125,023.75	170,271
e. Employees' training fund		(7,052)
f. Other		
> Investment adjustment reserve	(5,000,000)	4,900,000
> Cash dividend		-
> Bonus Share issued		
> Corporate Social Responsibility Fund	(28,125)	(51,111)
> Employee training fund		-
> Share issue expenses written off	-	680,574
<b>Profit or (loss) before regulatory adjustment</b>	<b>15,814,084</b>	<b>5,417,587</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	(501,510)	(4,016,636)
b. Short loan loss provision in accounts (-)/reversal (+)		-
c. Short provision for possible losses on investment (-)/reversal (+)		-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)		
e. Deferred tax assets recognised (-)/ reversal (+)	(174,745)	(427,775)
f. Goodwill recognised (-)/ impairment of Goodwill (+)		
g. Bargain purchase gain recognised (-)/reversal (+)		
h. Acturial loss recognised (-)/reversal (+)	-	(64,093)
i. Other (+/-)		-
<b>Distributable profit or (loss)</b>	<b>15,137,829</b>	<b>909,083</b>

Mr. Durga Prasad Shrestha  
Head: Finance & Planning

Mr. Umesh Kumar Acharya  
Chief Executive Officer

Sujan Kafle & Associates  
Chartered Accountants  
External Auditor

Mr. Prakash Kumar Shrestha  
Director

Mr. Radhe Shyam Kamaroo  
Director

Mr. Manobigyan Shrestha  
Director

Mr. Krishna Shankar Shrestha  
Director

Mr. Ganesh Kumar Shrestha  
Chairman

## Green Development Bank Ltd.

As on Aasadh 31,2077 (July 15, 2020)

### 4. SIGNIFICANT ACCOUNTING POLICIES (Disclosures)

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

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

The development bank has no any staff loan appearing in books as at Asar 31 2077.

The fair value of such loans as at Asar 31 2076 was Rs 239,706.00. And their previous NAS carrying amount was Rs. 245,583.00. The difference between the fair value and NAS carrying amount was Rs. 5,876.00 has been netted off against staff loans & recognized as pre-paid staff cost in other assets.

#### B. Adjustment on loan impairment

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

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

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

As at Asar 31 2077 fair value of investment which are available for sale was amounting to Rs 5.00 Mn. Such investment was in unquoted securities so the fair value of and cost of securities were same.

As at Asar 31 2076 fair value of investment which are available for sale was amounting to Rs 5.00 Mn. Such investment was in unquoted securities so the fair value of and cost of securities were same.

#### D. Deferred Taxation

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

As on Asar 31 2077 deferred tax asset of Rs 287,911 was recognized for deductible temporary difference.

As on Asar 31 2076 deferred tax assets of Rs 427,775 was recognized for deductible temporary differences.

#### E. Interest Income

Income amounting to Rs 184.44Mn was recognized for financial year 2076/77 for accrual of interest on loans, Interest benefit for staff loans and amortization of development bonds as an impact of interest unwinding.

Income amounting to Rs 131.82 Mn was recognized for financial year 2075/76 for accrual of interest on loans, Interest benefit for staff loans and amortization of development bonds as an impact of interest unwinding.

#### F. Personnel Cost

Additional expense of Rs 502,946 was added in Personnel expenses as result of actuarial valuation for the fiscal year 2076/77

Additional expense of Rs 252,866 was recognized as Personnel expenses as result of actuarial valuation and Rs 50,997 was deducted as amortization of prepaid staff loan for Financial Year 2075/76.

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

## 5. Disclosures and Additional Information

### 5.1. Risk Management

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

S. No.	Members of Risk Management Committee	Designation
1	Non-Executive Director from Promoter	Member
2	Non-Executive Director from Public	Member
3	Operation and Compliance Head	Member
4	Risk Department Head	Member secretary

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

The responsibilities of Risk Management Committee are as follows:

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

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

### Risk Governance

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

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

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

#### 5.1.1. Credit Risk

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

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

mobilization.

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

#### Maximum exposure to credit risk

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

#### 5.1.2. Market Risk

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

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

#### 5.1.3. Liquidity Risk

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for fixed nature asset positions is not available to the Bank on acceptable terms. The Liquidity Risk is managed by ALCO. The ALCO has developed the Treasury circular for overall liquidity management of bank.

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

Amount in Rs.

Particulars	Less than 3 months	3 to 6 months	6 to 1 year	More than 1 year	Total
Assets					
Cash and cash equivalent	484,044.00	-	-	-	484,044.00
Due from Nepal Rastra Bank	85,163.00	-	-	-	85,163.00
Placement with Bank and FIs	-	-	-	-	-
Derivative financial instruments.	-	-	-	-	-
Other trading assets	-	-	-	3,500.00	3,500.00
Loan and advances to B/FIs	7,0115	-	-	-	7,0115
Loans and advances to customers	18,878.00	116,472.00	174,016.00	843,738.00	1,153,104.00

Investment in subsidiaries	-	-	-	-	-
Total	658,200.00	116,472.00	174,016.00	847,238.00	1,795,926.00
Liabilities					
Due to Bank and Financial Institution	-	-	-	-	-
Due to Nepal Rastra Bank	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-
Deposits from customers	953,515.00	169,908.00	159,433.00	23,358.00	1,306,214.00
Borrowing	-	-	-	-	-
Other liabilities	10,596.00		4,461.00	1,082.00	16,139.00
Debt securities issued	-	-	-	-	-
Total	964,111.00	169,908.00	163,894.00	24,440.00	1,322,353.00

#### 5.1.4. Operational Risk

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

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

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

#### 5.1.5. Internal Control

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

The effectiveness of the Company's internal control system is reviewed regularly by the Board, its Committees, Management and Internal Audit. The Audit Committee has reviewed the effectiveness of the Bank's system of internal control during the year and provided feedback to the Board as appropriate. The bank has outsourced the Internal Audit function to maintain independency on the internal control system of institution. The Internal Audit monitors compliance with policies/standards and the effectiveness of internal control structures across the Bank through its program of

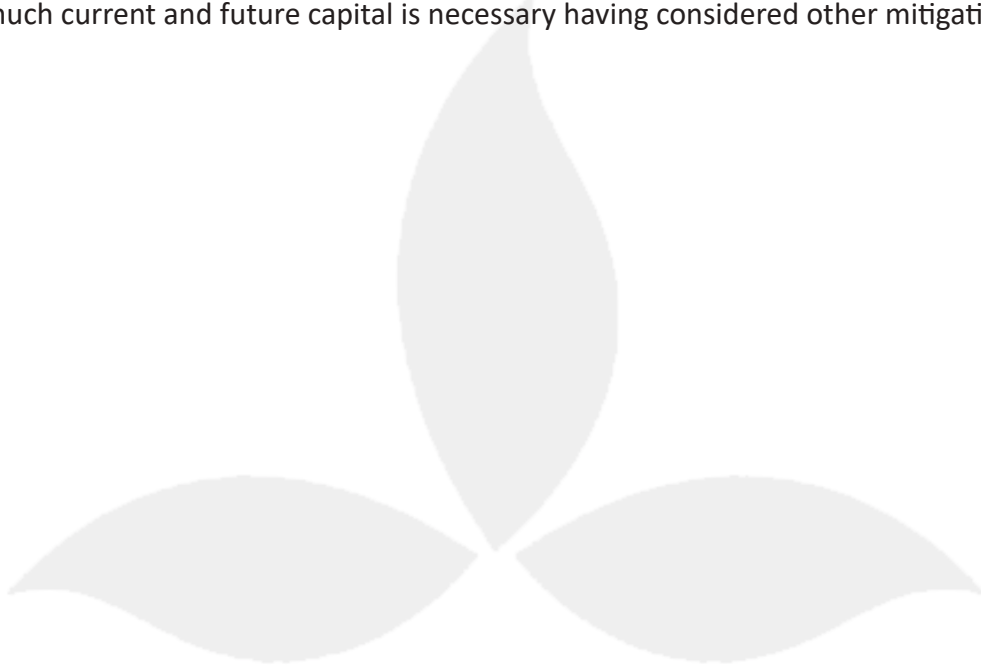
business/unit audits. The Internal Audit function is focused on the areas of greatest risk as determined by a risk-based assessment methodology. Internal Audit reports are quarterly forwarded to the Audit Committee. The findings of all audits are reported to the Chief Executive Officer and Business Heads for initiating immediate corrective measures.

## 5.2. Capital management

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

## 5.3. Qualitative Disclosures

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



### 5.3.1. Capital structure and capital adequacy

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

		<i>Rs in '000</i>	
<b>Tire I Capital</b>		<b>31-03-2077</b>	<b>31-03-2076</b>
a	Paid up Equity Share Capital	500,000.00	500,000.00
b	Irredeemable Non-cumulative preference shares		
c	Share Premium	5,002.00	5,002.00
d	Proposed Bonus Equity Shares		
e	Statutory General Reserves	8,067.03	5,566.55
f	Retained Earnings	15,137.83	909.00
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	602.52	428.00
n	Less: Fictitious Assets		
o	Less: Investment in equity in licensed Financial Institutions		
p	Less: Investment in equity of institutions with financial interests		
q	Less: Investment in equity of institutions in excess of limits		
r	Less: Investments arising out of underwriting commitments		
s	Less: Reciprocal crossholdings		
t	Less: Purchase of land & building in excess of limit and unutilized		
u	Less: Other Deductions		
<b>Total Capital Fund (Tier I)</b>		<b>527,604.33</b>	<b>511,049.55</b>

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

		<i>Rs in '000</i>	
<b>Supplementary Capital (Tier 2)</b>		<b>31-03-2077</b>	<b>31-03-2076</b>
a	Cumulative and/or Redeemable Preference Share		
b	Subordinated Term Debt		
c	Hybrid Capital Instruments		
d	General loan loss provision	10,176.02	14,279.00
e	Exchange Equalization Reserve		
f	Investment Adjustment Reserve		5,000.00
g	Asset Revaluation Reserve		
h	Other Reserves	260.02	163.12
<b>Total Capital Fund (Tier II)</b>		<b>10,436.04</b>	<b>19,442.12</b>



### c. Total qualifying capital

		Rs in '000	
<b>Total qualifying capital</b>		<b>31-03-2077</b>	<b>31-03-2076</b>
a	Core Capital (Tier 1)	527,604.33	511049.55
b	Supplementary Capital (Tier 2)	10,436.04	19442.12
<b>Total Capital Fund (Tier 1 +Tier 2)</b>		<b>538,040.38</b>	<b>530491.68</b>

### d. Capital adequacy ratio

		In Percentage	
<b>CAPITAL ADEQUACY RATIOS</b>		<b>31-03-2077</b>	<b>31-03-2076</b>
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments)		36.53%	38.35%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's ad		37.26%	39.81%

## 5.3.2. Risk exposures

### a. Risk Weighted Exposure for Credit Risk

							(Rs. in '000)
A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures	
	a	b	c	d=a-b-c	e	f=d*e	
Cash Balance	23,781.00	-	-	23,781.00	0%	-	
Balance With Nepal Rastra Bank	85,163.00	-	-	85,163.00	0%	-	
Gold	-	-	-	-	0%	-	
Investment in Nepalese Government Securities	-	-	-	-	0%	-	
All Claims on Government of Nepal	-	-	-	-	0%	-	
Investment in Nepal Rastra Bank securities	50,000.00	-	-	50,000.00	0%	-	
All claims on Nepal Rastra Bank	-	-	-	-	0%	-	
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-	-	-	0%	-	
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	20%	-	
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	50%	-	
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	100%	-	
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	150%	-	
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	-	-	-	-	0%	-	
Claims on Other Multilateral Development Banks	-	-	-	-	100%	-	
Claims on Domestic Public Sector Entities	-	-	-	-	100%	-	
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-	
Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-	
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-	
Claims on Public Sector Entity (ECA 7)	-	-	-	-	150%	-	
Claims on domestic banks that meet capital adequacy requirements	460,261.00	-	-	460,261.00	20%	92,052.20	
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%	-	-	-	-	20%	-	
Claims on Domestic Corporates	-	-	-	-	100%	-	
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)	662,228.38	-	-	662,228.38	75%	496,671.28	
Claims fulfilling all criterion of regularity retail except granularity	155,344.45	-	-	155,344.45	100%	155,344.45	
Claims secured by residential properties	117,360.36	-	-	117,360.36	60%	70,416.21	
Claims not fully secured by residential properties	-	-	-	-	150%	-	
Claims secured by residential properties (Overdue)	5,432.74	165.27	-	5,267.47	100%	5,267.47	
Claims secured by Commercial real estate	5,850.00	-	-	5,850.00	100%	5,850.00	
Past due claims (except for claims secured by residential properties)	211,544.70	40,482.02	-	171,062.68	150%	256,594.02	
High Risk claims	24,617.07	-	-	24,617.07	150%	36,925.61	
Lending Against Securities (Bonds & Shares)	-	-	-	-	100%	-	
Investments in equity and other capital instruments of institutions listed in stock	-	-	-	-	100%	-	
Investments in equity and other capital instruments of institutions not listed in the	-	-	-	-	150%	-	
Staff loan secured by residential property	-	-	-	-	50%	-	
Interest Receivable/claim on government securities	-	-	-	-	0%	-	

Cash in transit and other cash items in the process of collection				-	20%	-
Other Assets (as per attachment)	73,951.00	-	-	73,951.00	100%	73,951.00
<b>TOTAL (A)</b>	<b>1,875,533.70</b>	<b>40,647.29</b>	<b>-</b>	<b>1,834,886.41</b>		<b>1,193,072.25</b>
<b>B. Off Balance Sheet Exposures</b>	<b>Book Value</b>	<b>Specific Provision</b>	<b>Eligible CRM</b>	<b>Net Value</b>	<b>Risk Weight</b>	<b>Risk Weighted Exposures</b>
Revocable Commitments				-	0%	-
Bills Under Collection				-	0%	-
Forward Exchange Contract Liabilities				-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty				-	20%	-
Foreign counterparty (ECA Rating 0-1)				-	20%	-
Foreign counterparty (ECA Rating 2)				-	50%	-
Foreign counterparty (ECA Rating 3-6)				-	100%	-
Foreign counterparty (ECA Rating 7)				-	150%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty				-	50%	-
Foreign counterparty (ECA Rating 0-1)				-	20%	-
Foreign counterparty (ECA Rating 2)				-	50%	-
Foreign counterparty (ECA Rating 3-6)				-	100%	-
Foreign counterparty (ECA Rating 7)				-	150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty				-	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%	-
Underwriting commitments				-	50%	-
Lending of Bank's Securities or Posting of Securities as collateral				-	100%	-
Repurchase Agreements, Assets sale with recourse				-	100%	-
Advance Payment Guarantee				-	100%	-
Financial Guarantee				-	100%	-
Acceptances and Endorsements				-	100%	-
Unpaid portion of Partly paid shares and Securities				-	100%	-
Irrevocable Credit commitments (short term)	35,837.00			35,837.00	20%	7,167.40
Irrevocable Credit commitments (long term)				-	50%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1%				-	20%	-
Other Contingent Liabilities				-	100%	-
Unpaid Guarantee Claims				-	200%	-
<b>TOTAL (B)</b>	<b>35,837.00</b>	<b>-</b>	<b>-</b>	<b>35,837.00</b>		<b>7,167.40</b>
<b>Total RWE for credit Risk Before Adjustment (A) +(B)</b>	<b>1,911,370.70</b>	<b>40,647.29</b>	<b>-</b>	<b>1,870,723.41</b>		<b>1,200,239.65</b>
<b>Adjustments under Pillar II</b>						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE						
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE						
<b>Total RWE for Credit Risk after Bank's adjustments under Pillar II</b>	<b>1,911,370.70</b>	<b>40,647.29</b>	<b>-</b>	<b>1,870,723.41</b>		<b>1,200,239.65</b>

## b. Risk Weighted Exposure for Operational Risk

(Rs. in '000)

S.N.	Particulars	Fiscal Year		
		2074/075	2075/076	2076/077
1	Net Interest Income	31,326.35	69,125.84	68,890.16
2	Commission and Discount Income	5077.74	8033.65	6693.43
3	Other Operating Income	908.31	844.22	1069.24
4	Exchange Fluctuation Income			
5	Addition/Deduction in Interest Suspense during the period	1,882.93	2,303.75	15,452.44
6	<b>Gross income (a)</b>	<b>39,195.34</b>	<b>80,307.46</b>	<b>92,105.26</b>
7	<b>Alfa (b)</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
8	<b>Fixed Percentage of Gross Income [c=(a×b)]</b>	<b>5,879.30</b>	<b>12,046.12</b>	<b>13,815.79</b>
9	<b>Capital Requirement for operational risk (d) (average of c)</b>	<b>10,580.40</b>		
10	<b>Risk Weight (reciprocal of capital requirement of 10%) in times (e)</b>	<b>10</b>		
11	<b>Equivalent Risk Weight Exposure [f=(d×e)]</b>	<b>105,804.03</b>		

### SRP 6.4a (8) Adjustments under Pillar II (If Gross Income for the last three years is negative)

1	Total Credit and Investment (net of Specific Provision) of related month	-
2	Capital Requirement for Operational Risk (5% of net credit and investment)	-
3	<b>Risk Weight (reciprocal of capital requirement of 11%) in times</b>	9.09
4	<b>Equivalent Risk Weight Exposure (g)</b>	-
5	<b>Equivalent Risk Weight Exposure [h=f+g]</b>	<b>105,804.03</b>

**c. Total Risk Weighted Exposure**

		(Rs. in '000)	
<b>RISK WEIGHTED EXPOSURES</b>		<b>31-03-2077</b>	<b>31-03-2076</b>
a	Risk Weighted Exposure for Credit Risk	1,200,239.65	1,190,092.52
b	Risk Weighted Exposure for Operational Risk	105,804.03	36,477.50
c	Risk Weighted Exposure for Market Risk	-	
<b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>		<b>1,306,043.68</b>	<b>1,226,570.02</b>
<b>Adjustments under Pillar II</b>			
<b>SRP 6.4a (5)</b>	<i>ALM policies &amp; practices are not satisfactory, add 1% of net interest income to RWE</i>	688.90	241.35
<b>SRP 6.4a (6)</b>	<i>Add .....% of the total deposit due to insufficient Liquid Assets</i>	-	-
<b>SRP 6.4a (7)</b>	<i>Add RWE equivalent to reciprocal of capital charge of 5 % of gross income.</i>	46,052.60	18,919.00
<b>SRP 6.4a (9)</b>	<i>Overall risk management policies and precedures are not satisfactory. Add 4% of RWE</i>	52,241.75	49,564.86
<b>SRP 6.4a (10)</b>	<i>Desired level of disclosure requirement has not been achieved. Add 3% of RWE</i>	39,181.31	37,173.65
<b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b>		<b>1,444,208.24</b>	<b>1,332,468.88</b>

#### 5.4. Classification of financial assets and financial liabilities

Particulars	Amount in Rs			
	As at 31-03-2077		As at 31-03-2076	
	Carrying Value	Fair Value	Carrying Value	Fair value
<b>Assets</b>				
<b>Assets carried at Amortized Cost</b>				
Cash and cash equivalent	484,043,809	484,043,809	425,825,120	425,825,120
Due from Nepal Rastra Bank	85,163,063	85,163,063	32,369,330	32,369,330
Placement with Bank and Financial Institutions				
Loans and advances to BFIs	69,870,408	69,870,408	125,923,707	125,923,707
Loan and advances to customers	1,135,668,654	1,135,668,654	973,657,223	973,657,223
Investment securities at amortized cost	50,000,000	50,000,000	30,000,000	30,000,000
Investment in subsidiaries				
<b>Fair Value through Profit and Loss (FVTPL)</b>				
Derivative financial instruments.				
<b>Fair Value through Other Comprehensive Income (FVTOCI)</b>				
Investment securities at OCI	5,000,000	5,000,000	5,000,000	5,000,000
<b>Liabilities</b>				
<b>Liabilities carried at Amortised Cost</b>				
Due to Bank and Financial Institutions	3,519,631	3,519,631	82,536,473	82,536,473
Due to Nepal Rastra Bank	-	-	-	-
Deposits from customers	1,316,850,248	1,316,850,248	1,007,983,505	1,007,983,505
Debt securities issued				
<b>Fair Value through Profit and Loss (FVTPL)</b>				
Derivative financial instruments.				

#### 5.5. Segment Analysis

##### 5.5.1. General Information

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

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

The Bank operates in the following segments:

##### Banking:

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

##### Treasury:

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

**Card:**

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

**Remittance:**

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

**5.5.2. Information about reportable segment**

A. Information about reportable segment (NFRS)							Amount in Rs
Particulars	Banking	Treasury	Card	Remittance	All Others	Total	
(a) Revenue from external customers	164,264,922	25,296,721	-	356,681	2,396,205	192,314,529	
(b) Intersegment revenues							
(c) <b>Net Revenue</b>	<b>164,264,922</b>	<b>25,296,721</b>	-	<b>356,681</b>	<b>2,396,205</b>	<b>192,314,529</b>	
(d) Interest Revenue	147,005,817	25,296,721	-	-	-		
(e) Interest Expense	105,114,566	-	-	-	-		
(f) <b>Net interest revenue (b)</b>	<b>41,891,251</b>	<b>25,296,721</b>					
(g) Impairment Charge	5,732,632					5,732,632	
(h) Personnel Expenses	27,925,853	4,300,568	-	60,637	407,367	32,694,426	
(i) Other operating expenses	20,205,369	3,111,617	-	43,873	294,745	23,655,605	
(j) Depreciation and Amortization	6,180,290	951,762	-	13,420	90,155	7,235,626	
(k) <b>Segment profit/(loss)</b>	<b>(893,788)</b>	<b>16,932,773</b>	-	<b>238,750</b>	<b>1,603,939</b>	<b>17,881,675</b>	
(l) Entity's interest in the profit or loss of associates accounted for using equity method							
(m) Other material non-cash items:							
.....							
.....							
.....							
(n) Impairment of assets	-						
(o) Segment assets	1,805,220,841	55,000,000		1,486,062	8,530,994	1,870,237,897	
(p) Segment liabilities	1,320,369,879				549,868,018	1,870,237,897	

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

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

**5.5.4. Reconciliation of reportable segment revenues, profit or loss, assets and liabilities:**

**Revenue**

Particulars	Amount (Rs.)
<b>Total revenue for reportable segments</b>	189,918,324
Other revenues	2396205.39
Elimination of intersegment profits	-
<b>Entity's revenues</b>	<b>192,314,529</b>

**Profit or Loss**

Particulars	Amount (Rs.)
<b>Total profit or loss for reportable segments</b>	16,277,735
Other profit or loss	1,603,939
Elimination of intersegment profits	
<b>Unallocated amounts:</b>	
<b>Profit or loss before income tax</b>	<b>17,811,675</b>

### Assets

Particulars	Amount (Rs.)
<b>Total assets for reportable segments</b>	1,861,706,903
Other assets	8,530,994
Unallocated amounts:	
<b>Entity's assets</b>	<b>1,870,237,897</b>

### Liabilities

Particulars	Amount (Rs.)
<b>Total liabilities for reportable segments</b>	1,320,369,879
Other liabilities	549,868,018
Unallocated amounts:	
<b>Entity's liabilities</b>	<b>1,870,237,897</b>

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

Amount in Rs

S.N	Description	Revenue
(a)	General Banking-Loan to customers, BFIs, Others	1,205,539,062
(b)	Treasury: Investment of the bonds, Dividend income	55,000,000
(c)	Card: Mobile, Internet Banking and SCT card fees	-
(d)	Remittance	356,681

### 5.6. Share options and share based payment

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

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

Particulars	31.03.2077	31.03.2076
<b>Contingent liabilities</b>	-	-
Undrawn and undisbursed facilities	35,837,000	17,969,780
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
<b>Total</b>	<b>35,837,000</b>	<b>20,309,000</b>

### Litigations:

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

However, the Development bank has no any litigations.

### 5.8. Related Parties disclosures

#### a. Related party

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

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

#### b. Key Managerial Personnel

Key Management Personnel (KMP) of the Development bank include members of the Board, Chief Executive Officer and all top-level executives. Followings are a list of Board of Directors and CEO bearing office at 15 July 2020.

S.N.	Name of the Key Management Personnel	Post
1	Mr. Ganesh Kumar Shrestha	Chairman
2	Mr. Krishna Shankar Shrestha	Director
3	Mr. Manobigyan Shrestha	Director
4	Mr. Radhe Shyam Kamaroo	Director
5	Mr. Prakash Kumar Shrestha	Director
6	Mr. Umesh Kumar Acharya	Chief Executive Officer

Mr. Umesh Kumar Acharya has been appointed as Chief Executive Officer on 15 June 2018.

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

All the members of the Board are non-executive directors and no executive compensation is paid to the directors. Specific non-executive allowances paid to the directors till current period ended Asar 2077 are as under-

Particulars	Amount (NPR)
Board Meeting Fees	436,450.00
Other Allowances	-
Board Meeting Expenses	96,561.00

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

### d. Compensation to Management Level Employees

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

Particulars	31-03-2077 (Rs.)
Short Term Employee Benefits	3,329,940.00
Employee Bonus & Welfare	454,337.48
Post Employee Benefits	
Festival Allowances	250,000.00
Other Allowances	27,240.00
Total	4,061,517.48

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

Particulars	31-03-2077 (Rs.)
Short Term Employee Benefits	2,797,803
Employee Bonus & Welfare	242,287
Post Employee Benefits	
Festival Allowances	186,119
Other Allowances	86,646
Total	3,312,857

Senior Management Personnel indicates staff of Manager Level and above.

### 5.9. Merger and Acquisition

There are no merger or acquisitions transaction during the year

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

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

### 5.11. Events after reporting date

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

As on Asar 2077, Statement of Financial Position shows investment in unquoted equity amounting to Rs 5,000,000 (share of face value 100 per share) of Prabhu Life Insurance promoter's share. As required by NRB Directive, the development bank had created investment adjustment reserve of 100% of investment amounting to Rs 5,000,000 from the date of investment. Further, as on 19 Poush 2077 (3rd Jan 2021), equity share of Prabhu Life insurance was listed in Nepal Stock Exchange for trading.

Here, event of listing of share in stock exchange provide evidence for investment adjustment reserve appearing as on 31 Asar 2077 which is adjusting event and amount of the reserve is transferred to retained earnings.

#### 5.12. Effect on Non-Banking Assets

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

#### 5.13. Change of estimate

There is no change in estimate during the current year.

#### 5.14. Earnings per share

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

Amount in Rs

Particulars	Year ended	Year ended
	31-03-2077	31-03-2076
Profit attributable to equity shareholders (a)	12,502,375	17,027,117
Weighted average of number of equity shares used in computing basic earnings per share (b)	5,000,000	5,000,000
Adjusted weighted average of number of equity shares used in computing basic earnings per share		
Basic and diluted earnings per equity share of NPR 100 each (a/b)	2.50	3.41

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

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

#### 5.15. Non-performing assets

The Banks' non-performing assets ratio stood at 2.80% as at balance sheet date. Details of performing and non-performing loan and its changes are presented below

Particulars	Amount in Rs			
	31-03-2077	31-03-2076	Change	
			Amount	%
Pass loan (performing loans)	1,188,945,586	1,089,200,904	(2,266,483,785)	8.09%
<b>Non-Performing Loans (NPL)</b>	<b>34,273,318</b>	<b>32,166,797</b>	<b>(77,482,870)</b>	<b>40.88%</b>
Restructured /rescheduled			-	
Substandard	11,576,074	12,431,047	(25,280,742)	3.37%
Doubtful	10,086,694	7,454,066	(23,024,529)	108.89%
Loss	12,610,550	12,281,684	(29,177,599)	37.57%
<b>Gross Loans &amp; Advances</b>	<b>1,223,218,904</b>	<b>1,121,367,700</b>	<b>(2,343,966,655)</b>	<b>9.03%</b>



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

Particulars	Amount In Rs	
	Loans & Advances and Bills Purchased	Loans & Advances and Bills Purchased
	31-03-2077	31-03-2076
Total Amount Outstanding	1,223,218,904	1,121,607,407
Highest Exposure of a Single Unit	57,814,297.05	33,334,000.00
Concentration of exposure (%)	4.73%	2.97%

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

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

### 5.17. Reserves

#### 5.17.1. General Reserve

Section 44 of Bank and Financial Institutions Act 2073 requires the Bank to allocate at least 20% of the net profits of every year to General Reserve until it is twice the paid-up capital. The Bank has appropriated NPR 2,500,475 of the net profits to General Reserve in the current year.

Particulars	Amount in Rs	
	31-03-2077	31-03-2076
Opening General Reserve	5,566,551	2,161,128
20% of Profit to be transferred	2,500,475	3,405,423
Closing General Reserve	8,067,026	5,566,551

#### 5.17.2. Investment Adjustment Reserve

Bank has made investment in unquoted securities (promoter's share of Prabhu Life Insurance Company). Up to previous fiscal year, it was not listed in stock exchange so full amount of investment was charged to Investment Adjustment Reserve. During this fiscal year it is listed so amount of reserve is transferred to retained earnings.

Particulars	Amount in Rs	
	31-03-2077	31-03-2076
Opening Balance	5,000,000	100,000
Transfer to retained earning	(5,000,000)	4,900,000
Closing balance	-	5,000,000

#### 5.17.3. Regulatory Reserve

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

Particulars	Amount in Rs	
	31-03-2077	31-03-2076
<b>Opening Balance</b>	<b>4,508,504</b>	-
Interest Receivable Net off Bonus & Tax	501,510	4,016,636
Deferred Tax Assets	174,745	427,775
Actuarial Gain/Loss	-	64,093
<b>Closing balance</b>	<b>5,184,759</b>	<b>4,508,504</b>

Particulars	Amount in Rs	
	31-03-2077	31-03-2076
<b>Opening Balance</b>	<b>227,217</b>	<b>108,056</b>
Transfer to Reserve	125,024	170,271
Expensed during the year	(28,125)	(51,111)
<b>Closing balance</b>	<b>324,115</b>	<b>227,217</b>

### 5.18. Disclosure related to Training Expenses

As per NRB Directive 6(6), Bank should spend 3% of total personnel expense of previous year on training and personal development of employees. But due to existing pandemic situation in current fiscal year the bank could spend only 2.01% amounting to Rs 471,829 for training and development expense.

### 5.19. Interest Income

As per NAS 18 para 20 Revenue is recognized to the extent that it is probable that the economic benefits will flow to Bank and the revenue can be reliably measured. The cash interest income and AIR having overdue date less than 365 days are recognized as Interest Income. Similarly, the bank has complied with the Guideline issued by NRB "Guideline on Recognition of Interest Income, 2019" which was effective from 2018/2019.

Particulars	FY 2076-77	FY 2075-76
Total AIR on Asar end	21,764,292	9,056,288
AIR calculated but suspended to recognize in Interest Income	5,373,169	2,744,392
AIR recognized as income	16,391,122	6,311,856
<b>Charge to PL</b>	<b>10,079,266</b>	<b>2,303,748</b>

AIR transferred to regulatory reserve during the year is presented in table below. Total interest collection from Sharawn 2077 to Aswin 2077 amounting to Rs 10,565,675. As directed by NRB, Bank has deducted total interest collection after excluding 1,274,497, AIR of bad loan from total collection from AIR to be transferred to regulatory reserve during the year.

Particulars	Amount in Rs
Particulars	Amount
AIR booked as income during this fiscal year	21,764,292
Less: Interest of Bad Loan suspended	5,373,169
Less: Collection of interest from Shrawan 2077 to Aswin 2077 excluding collection of Bad Loan	9,291,178
Net AIR reserve in regulatory reserve	7,099,944
Bonus	645,449
Tax	1,936,348
<b>AIR to be transferred to Regulatory Reserve</b>	<b>4,518,146</b>
AIR transferred upto previous fiscal year	(4,016,636)
AIR to be transferred to Regulatory Reserve this year	501,510

## 5.20. COVID Impact and Relief provided by the bank

### a. Details of 10% and 2% interest rebate due to Covid-19 impact

Even though, the second half of the fiscal year began with excitement of Visit Nepal 2020, the Global pandemic COVID 19 around the globe imperils the Nepal's high economic growth ambitions. The government of Nepal has put the stay-at-home order to control the spread of Covid-19 by maintaining social distance. The measures taken to control the spread of COVID-19 resulted the economy in hardship especially in hospitality, transport, educations, and productive sectors.

Beyond the obvious health concerns the spread of corona virus presents major challenges for many of the borrowers have faced several hardships to meet the loan commitment of the bank. Central bank has also assisted the stabilization of the financial market by issuing several circulars/directives for providing relaxation to the borrowers such as interest rebate, lower interest rate, working capital funding etc.

The bank has complied with the notices, circulars and directives of Nepal Rastra Bank to mitigate the COVID impact in the economy. The bank has provided the 10% rebate on interest of Rs. 153,297.48 as per NRB Notice Bai.Bi.Ni.Bi./Niti/Suchana/18/076/77 point number 6 dated 2076/12/16.

Similarly, the bank has provided 2% interest rebate to the eligible loan customers effective for the fourth quarter of the fiscal year of Rs. 17,13,051.75 The bank has also stopped interest on interest and penal interest calculation till Asar 2077.

Due to Covid-19, different branches and department has remained closed affecting the regular business. Further, employees of bank are highly risky from suffering Covid-19 and thereby bank has facilitated work from home to their Covid-19 suffering staff and facilitates all medical and necessary assistance.

**b. Details of extension of grace period of payment of loan and interest under (Directive #2, Point 7(Kha))**

As provided in Unified Directive 2077 of NRB, Directive 2 point 7 (Kha), bank can increase grace period for payment of loan and interest in case of loan provided in Covid 19 affected sector with different time period of extension on “ Highly affected”, “ Medium Affected” and “ Minimum Affected” areas.

Bank has not extended grace of period of any loan during the fiscal year.

**c. Details of restructured and rescheduled loan under Directive #2, Point 8(2)**

Bank has not restructured and rescheduled any loans during the fiscal year as provided in Unified Directive 2077 of NRB, Directive 2 point 8 (2).

**d. Details of loan which is categories as pass loan but by considering overdue period 5% provision has been charged Directive #2, Point 9(1)**

				Amount in Rs
Type of Credit	Outstanding Principal	Outstanding Interest	Loan Provision Classification	Provision
Overdraft	50,255,569	1,556,619	5%	2,512,778
Margin Loan	3,650,000	69,145	5%	182,500
Term Loan	227,860,600	6,431,735	5%	11,393,030
<b>Total</b>	<b>281,766,169</b>	<b>8,057,499</b>		<b>14,088,308</b>

**e. Details of working capital or term loan limit extension under Directive #2, Point 34(5)**

Details of loan which limit has been extended due to impact of Covid-19 is provided below

Deatail of Additional Working Capital (Loan Limit Enhancement)									Amount in Rs
S.No.	Client	Product	Loan Limit Chait 30, 2076	Outstanding balance Chait 2076	Loan Limit Asar 31, 2077	Outstanding Balance Asar 31, 2077	Difference of limit	% Increase in limit	Loan Classification
1	FAMILY MEAT PRODUCTS	Business Loan	8,400,000	8,186,823	9,240,000	8,854,305	840,000	10%	Good
2	KRISHNA METAL UDHYOG	Business Loan	3,500,000	3,308,440	3,850,000	3,584,987	350,000	10%	Good
3	KUHUN MANGALA POULTRY	Business Loan	1,000,000	958,639	1,100,000	1,021,310	100,000	10%	Good
4	MUKTINATH AGRO FARM	Other Loan	4,400,000	4,251,266	4,840,000	4,654,561	440,000	10%	Good
5	UMESH TOURS AND TRAVEL	Hire Purchase Loan	1,600,000	1,486,372	1,760,000	1,559,539	160,000	10%	Good

**e. Details of working capital or term loan limit extension under Directive #2, Point 34(5)**

Details of loan which limit has been extended due to impact of Covid-19 is provided below

Green Development Bank Ltd.  
Comparison Unaudited and Audited Financial Statements as of FY 2076/77

NPR

Statement of Financial Position	As per unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In amount	In %	
<b>Assets</b>					
Cash and cash equivalent	484,043,809	484,043,809	-	0.00%	
Due from NRB and placements with BFIs	85,163,063	85,163,063	-	0.00%	
Loan and advances	1,216,747,382	1,205,539,062	(11,208,321)	-0.92%	Due to change in loan loss provision
Investments Securities	55,000,000	55,000,000	-	0.00%	
Investment in subsidiaries and associates	-	-	-	0.00%	
Property And Equipment	28,403,958	26,260,202	(2,143,757)	-7.55%	Due to Reclassification
Goodwill and intangible assets	2,360,061	2,143,756	(216,305)	0.00%	
Other assets	15,107,243	12,088,007	(3,019,236)	-19.99%	Due to Reclassification
<b>Total Assets</b>	<b>1,886,825,516</b>	<b>1,870,237,897</b>	<b>(16,587,618)</b>	<b>-0.88%</b>	
<b>Capital and Liabilities</b>					
Paid up Capital	500,000,000	500,000,000	-	0.00%	
Reserves and surplus	42,312,818	33,651,445	(8,661,373)	-20.47%	Due to Change in profit or loss
Deposits	1,306,214,086	1,316,850,248	10,636,162	0.81%	Due to Reclassification
Borrowings	-	-	-	0.00%	
Bond and Debenture	-	-	-	0.00%	
Other liabilities and provisions	38,298,613	19,736,204	(18,562,409)	-48.47%	Due to Reclassification
<b>Total Capital and Liabilities</b>	<b>1,886,825,516</b>	<b>1,870,237,897</b>	<b>(16,587,620)</b>	<b>-0.88%</b>	
<b>Statement of Profit or Loss</b>					
Interest income	186,721,221	184,438,934	(2,282,287)	-1.22%	Due to Reclassification of Income, recognition of interest accrual
Interest expense	105,114,566	105,114,566	-	0.00%	
<b>Net interest income</b>	<b>81,606,655</b>	<b>79,324,368</b>	<b>(2,282,287)</b>	<b>-2.80%</b>	
Fee and commission income	7,327,291	6,806,358	(520,933)	-7.11%	Due to Reclassification of Income
Fee and commission expense	388,735	112,930	(275,805)	-2.85%	Due to Reclassification of Expense
<b>Net fee and commission income</b>	<b>88,545,212</b>	<b>86,017,796</b>	<b>(2,527,415)</b>	<b>-2.85%</b>	
Other operating income	2,431,304	1,069,237	(1,362,067)	-1.54%	Due to Reclassification of Income
<b>Total operating income</b>	<b>90,976,515</b>	<b>87,087,033</b>	<b>8,655,729</b>	<b>34.81.91%</b>	
Impairment charge/(reversal) for loans and other losses	(2,846,911)	5,732,632	8,579,543	-301.36%	Due to Reclassification
<b>Net operating income</b>	<b>93,823,427</b>	<b>81,354,401</b>	<b>(12,469,026)</b>	<b>-13.29%</b>	
Personnel expenses	33,540,755	32,694,426	(846,329)	-2.52%	Due to actual valuation
Other operating expenses	29,848,745	30,778,301	929,555	3.11%	Due to Reclassification
<b>Operating profit</b>	<b>30,433,927</b>	<b>17,881,675</b>	<b>(12,552,252)</b>	<b>-41.24%</b>	
Non operating income/expense	-	-	-		
<b>Profit before tax</b>	<b>30,433,927</b>	<b>17,881,675</b>	<b>(12,552,252)</b>	<b>-41.24%</b>	
Income tax	9,130,178	5,379,299	(3,750,879)	-41.08%	Change in income and effect of Deferred Tax
<b>Profit/(loss) for the period</b>	<b>21,303,749</b>	<b>12,502,375</b>	<b>(8,801,373)</b>	<b>-41.31%</b>	
Other comprehensive income	-	-	-		
<b>Total comprehensive income</b>	<b>21,303,749</b>	<b>12,502,375</b>	<b>(8,801,373)</b>	<b>-41.31%</b>	
<b>Distributable Profit</b>	<b>21,303,749</b>	<b>12,502,375</b>	<b>(8,801,373)</b>	<b>-41.31%</b>	
Net profit/(loss) as per profit or loss	21,303,749	12,502,375	(8,801,373)	-41.31%	
Add/Less: Regulatory adjustment as per NRB Directive	-	-	-		
<b>Free profit/(loss) after regulatory adjustments</b>	<b>21,303,749</b>	<b>12,502,375</b>	<b>(8,801,373)</b>	<b>-41.31%</b>	



नेपाल राष्ट्र बैंक  
विकास बैंक सुपरिवेक्षण विभाग



केन्द्रीय कार्यालय  
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च.नं. १९५

मिति: २०७७/११/०७

ग्रीन डेभलपमेन्ट बैंक लिमिटेड  
कास्की, पोखरा ।

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

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७६/७७ को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित एवं कार्यान्वयन गर्ने गरी आ.व. २०७६/७७ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा अनुरोध गर्दछु । साथै, संस्थाले प्रस्ताव गरे अनुसार आ.व. २०७६/७७ सम्मको मुनाफा तथा शेयर प्रिमियमबाट रु.१,९०,००,०००/०० (अक्षरेपी एक करोड नब्बे लाख मात्र) बराबरको बोनस शेयर तथा रु.१०,००,०००/०० (अक्षरेपी दश लाख मात्र) नगद लाभांश (बोनस शेयरमा लाग्ने कर प्रयोजनको लागि) अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्न स्वीकृत प्रदान गरिएको व्यहोरा समेत निर्णयानुसार अनुरोध गर्दछु ।

- (क) बाह्य लेखापरीक्षण प्रतिवेदनमा औल्याइएका सञ्चालन जोखिम, सुचना प्रविधि सम्बन्धी जोखिम न्यूनिकरण गर्ने प्रभावकारी संयन्त्र तयार गर्नुहुन ।
- (ख) यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७७ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
- (ग) आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका थप अन्य कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

(पुष्पा अधिकारी)  
उप निर्देशक

**बोधार्थ:**

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

नेपाल राष्ट्र बैंक, बिकास बैंक सुपरिवेक्षक विभागको मिति २०७७/११/०७ को लाभांश घोषणा/वितरण तथा वार्षिक वित्तिय विवरण प्रकाशन गर्न स्वीकृत प्रदान गरिएको पत्रसाथ प्राप्त निर्देशनहरू उपर व्यवस्थापनको जवाफ:

- क. बाह्य लेखा परिक्षण प्रतिवेदनमा औल्याइएका सञ्चालन जोखिम, सूचना प्रविधि सम्बन्धी जोखिम न्यूनिकरण गर्न सूचना प्रविधि लेखा परिक्षण लगायतका कार्यहरू गरि प्रभावकारी कार्यान्वयन गरिएको छ ।
- ख. नेपाल राष्ट्र बैंकबाट जारी एकिकृत निर्देशन १९/०७७ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तिय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्ण पालना गरिनेछ ।
- ग. आन्तरिक लेखा परिक्षक बाह्य लेखा परिक्षक तथा नेपाल राष्ट्र बैंकबाट औल्याइएका कैफियतहरू पुनः नदोहोरिने गरी सुधार गर्न आवश्यक व्यवस्था मिलाइ सकिएको छ ।

**ग्रीन डेभलपमेन्ट बैंक लिमिटेडको**

**प्रबन्धपत्रमा गर्नु पर्ने प्रस्तावित थप तथा संशोधनहरूको विवरण**

क्र.स	साविकको व्यवस्था	हाल गर्नु पर्ने संशोधन तथा थप गर्नुपर्ने व्यवस्था	कारण र औचित्य
१	दफा ६ (क) : डेभलपमेन्ट बैंकको अधिकृत पूँजी रु.५०,००,००,०००.०० (अक्षरेपी पचास करोड मात्र) हुने छ। सो पूँजीलाई प्रति शेयर रु.१००.०० दरका ५०,००,०००.०० (पचास लाख मात्र) थान साधारण शेयरमा विभाजन गरिएको छ ।	दफा ६ (क) : डेभलपमेन्ट बैंकको अधिकृत पूँजी रु.५१,९०,००,०००.०० (अक्षरेपी एकाउन्न करोड नव्वे लाख मात्र) हुने छ । सो पूँजीलाई प्रति शेयर रु.१००.०० दरका ५१,९०,०००.०० (एकाउन्न लाख नव्वे हजार मात्र) थान साधारण शेयरमा विभाजन गरिएको छ ।	आठौं वार्षिक साधारण सभाबाट पारित भई बोनस सेयर वितरण गरे पश्चात चुक्ता पूँजी
२	दफा ६ (ख) : डेभलपमेन्ट बैंकको जारी पूँजी रु.५०,००,००,०००.०० (अक्षरेपी पचास करोड मात्र) हुने छ। सो पूँजीलाई प्रति शेयर रु.१००.०० दरका ५०,००,०००.०० (पचास लाख मात्र) थान साधारण शेयरमा विभाजन गरिएको छ ।	दफा ६ (ख) : डेभलपमेन्ट बैंकको जारी पूँजी रु.५१,९०,००,०००.०० (अक्षरेपी एकाउन्न करोड नव्वे लाख मात्र) हुने छ। सो पूँजीलाई प्रति शेयर रु.१००.०० दरका ५१,९०,०००.०० (एकाउन्न लाख नव्वे हजार मात्र) थान साधारण शेयरमा विभाजन गरिएको छ ।	रु.५१,९०,००,०००.०० (अक्षरेपी एकाउन्न करोड नव्वे लाख मात्र) पुग्ने भएको र सोहि बमोजिम अधिकृत, जारी र चुक्ता पूँजी बृद्धि गर्नुपर्ने
३	दफा ६ (ग) : डेभलपमेन्ट बैंकको चुक्ता पूँजी रु.५०,००,००,०००.०० (अक्षरेपी पचास करोड मात्र) हुने छ।	दफा ६ (ग) : डेभलपमेन्ट बैंकको चुक्ता पूँजी रु.५१,९०,००,०००.०० (अक्षरेपी एकाउन्न करोड नव्वे लाख मात्र) हुने छ।	भएकोले ।

