

मल्टीपर्स फाइनेन्स लिमिटेडको
२५ औं वार्षिक साधारण सभा सम्बन्धी सूचना :
राजविराज - ४, नेता चौक

मिती २०७९/०९/०८ गते बसेको सञ्चालक समितिको बैठक नं.४०५को निर्णयानुसार निम्न लिखित मिती, समय र स्थानमा निम्न विषयहरू उपर छलफल गर्नको लागि यस वित्तीय संस्थाको २५ औं वार्षिक साधारण सभा बस्ने भएको हुँदा शेयरधनी महानुभावहरूको जानकारी तथा उपस्थितिको लागि यो सूचना प्रकाशित गरिएको छ :

१. सभा बस्ने मिती, समय र स्थान :

मिती : २०७९ साल पौष ३० गते (तदनुसार जनवरी १४, २०२३)

समय : दिउसो १ बजे

स्थान : वित्तीय संस्थाको केन्द्रीय कार्यालय, राजविराज, सप्तरी

२. छलफलका विषयहरू :

(क) सामान्य प्रस्तावहरू :

१. आर्थिक वर्ष २०७८/७९ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहितको २०७९ आषाढ मसान्तको वार्षिक आर्थिक विवरण (वासलात तथा आ.ब. २०७८/७९ को नाफा नोक्सान हिसाब र सोही अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरू) छलफल गरी पारित गर्ने ।
३. लेखापरीक्षण समितिको सिफारिस बमोजिम आर्थिक वर्ष २०७९/८० को हरहिसाब लेखापरीक्षण गर्नको लागि लेखापरीक्षकको नियुक्ति गर्ने र निजको पारिश्रमिक तोक्ने ।

(ख) विशेष प्रस्तावहरू :

१. चुक्तापूँजी रु.४५,२०,००,०००।०० (अक्षरेपी पैतालिस करोड बीस लाख) को १:०.३५ (अर्थात १ शेयर बराबर शुन्य दशमलव पैतिस शेयर वा प्रत्येक शेयरको ३५%) को अनुपातमा हकप्रद शेयर जारी गरी जारी तथा चुक्ता पूँजी बृद्धि गरि रु.६१,०२,००,०००।०० (अक्षरेपी एकसठ्ठी करोड दुई लाख) पुरयाउने ।
२. वित्तीय संस्थाको हालको पूँजी संरचना संस्थापक शेयरधनी तर्फ ६० प्रतिशत र सर्वसाधारण शेयरधनी तर्फ ४० प्रतिशत रहेकोमा सो पूँजी संरचना संस्थापक शेयरधनी तर्फ ५१ प्रतिशत र सर्वसाधारण शेयरधनी तर्फ ४९ प्रतिशत कायम गर्न प्रबन्ध पत्रमा संशोधन गर्ने ।
३. वित्तीय संस्थाको प्रबन्धपत्र र नियमावली संशोधन गर्ने ।
४. उपरोक्त प्रस्ताव नं.ख अन्तर्गत पारित विशेष प्रस्तावहरू समेतलाई समावेश गरि बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३, कम्पनी ऐन, २०६३ तथा अन्य प्रचलित कानून बमोजिम प्रबन्धपत्र तथा नियमावली कम्पनी रजिष्टारको कार्यालय तथा सम्बन्धित अन्य निकायबाट स्वीकृत गराउन तथा केही संशोधन गर्नुपर्ने भए सो समेत गर्न सञ्चालक समितिलाई वा सञ्चालक समितिले तोकेको पदाधिकारीलाई अख्तियारी प्रत्यायोजन गर्ने ।

(ग) विविध ।

संचालक समितिको आज्ञाले

कम्पनी सचिव

साधारण सभा सम्बन्धी सामान्य जानकारी

१. मिति २०७९।९।२० गतेका दिन १ दिन शेयर दाखिल खारेज दर्ता बन्द (Book Close) रहने छ । नेपाल स्टक एक्सचेन्ज लि. मा मिति २०७९।९।१९ गते सम्म कारोवार भई नियमानुसार शेयर नामसारी भई कायम शेयरधनीहरूले मात्र सो सभामा भाग लिन र मतदान गर्न सक्ने छन् ।
२. सभामा भाग लिन इच्छुक शेयरधनी महानुभावहरूलाई सभा हुने दिन शेयर प्रमाण पत्रमा उल्लेखित परिचयपत्र नं./हितग्राही खाता खोलिएको प्रमाण सहित वित्तीय संस्थाद्वारा जारी गरिएको प्रवेश पत्र साथमा लिई आउन हुन अनुरोध छ । प्रवेश पत्र प्राप्त नगर्नु भएका शेयरधनीले आफ्नो कुनै एक सक्कल शेयर प्रमाणपत्र/हितग्राही खाता खोलिएको प्रमाणपत्र परिचय खुल्ने कुनै प्रमाण (जस्तै नागरिकता प्रमाणपत्र वा अन्य कुनै फोटो सहितको परिचयपत्र) साथमा लिई आउन हुन अनुरोध छ । सभामा भाग लिन प्रत्येक शेयरधनी महानुभावहरूले सभा हुने स्थानमा उपस्थित भई सभास्थलमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नुपर्नेछ । हाजिरी पुस्तिका बिहान ११:०० बजे देखि खुल्ला रहनेछ ।
३. प्रतिनिधी (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले सम्पूर्ण शेयरको प्रतिनिधिपत्र (प्रोक्सी फाराम) भरी वित्तीय संस्थाको सभा शुरु हुनु भन्दा कम्तीमा ४८ घण्टा अगाडी वित्तीय संस्थाको केन्द्रीय कार्यालय, नेता चौक, राजविराज, सप्तरी मा दर्ता गरी सक्नु पर्नेछ । यसरी प्रतिनिधी (प्रोक्सी) नियुक्त गरिएको व्यक्ति वित्तीय संस्थाको शेयरधनी हुनु अनिवार्य छ ।
४. सभामा भाग लिन प्रतिनिधी (प्रोक्सी) नियुक्त गरिसकेपछि सम्बन्धित शेयरधनी स्वयं सभामा उपस्थित भई मतदान गर्न चाहेमा शेयरधनीले गरिदिएको प्रोक्सी स्वतः बदर हुनेछ ।
५. सर्वसम्मतबाट प्रतिनिधी चयन गरिएको अवस्थामा बाहेक एक भन्दा बढी व्यक्तिहरूको संयुक्त नाममा (साभा गरी) शेयर लिएको रहेछ भने शेयरधनीको दर्ता कितावमा दर्ता क्रमानुसार पहिलो नाममा उल्लेख भएको व्यक्ति एक जनाले मात्र सभामा भाग लिन सक्नेछ ।
६. नाबालक वा विक्षिप्त शेयरधनीको तर्फबाट वित्तीय संस्थाको शेयरधनी दर्ता कितावमा संरक्षकको रुपमा नाम दर्ता भईरहेको व्यक्तिले मात्र सभामा भाग लिन सक्नु हुनेछ । तर संरक्षक आफै शेयरधनी नभएमा संरक्षकको रुपमा नाम दर्ता भइरहेको व्यक्तिले मात्र सभामा भाग लिन सक्नु हुनेछ । तर संरक्षक आफै शेयरधनी नभएमा संरक्षकले अरु शेयरधनीको प्रतिनिधी (प्रोक्सी) भई सभामा भाग लिन सक्नु हुने छैन ।
७. कुनै संगठित संस्था वा कम्पनीले शेयर खरीद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधीले शेयरवालाको हैसियतले सभामा भाग लिन सक्नु हुनेछ ।
८. प्रतिनिधी मुकरर गर्दा आफ्नो नाममा रहेको सम्पूर्ण शेयरको प्रतिनिधी एकै व्यक्तिलाई गर्नु पर्दछ । एक भन्दा बढी व्यक्तिलाई आधा-आधा वा अरु कुनै किसिमबाट छुट्टाएर दिएमा बदर हुनेछ ।
९. छलफलका विषयसूची मध्ये विविध शीर्षक अन्तर्गत छलफल गर्न इच्छुक शेयरधनीले सभा हुनु भन्दा ७ (सात) दिन अगावै छलफलको विषय कम्पनी सचिव मार्फत सञ्चालक समितिको अध्यक्षलाई लिखित रुपमा दिनु पर्नेछ । तर त्यस्ता विषयलाई छलफल र पारित हुने प्रस्तावको रुपमा समावेश गरिने छैन ।
१०. शेयरधनी महानुभावहरूको जानकारीको लागि वित्तीय संस्थाको संक्षिप्त आर्थिक विवरण वित्तीय संस्थाको वेबसाइट : www.multipurposefinance.com मा प्रकाशित गरिएको छ । पूर्ण आर्थिक विवरण, नाफा नोक्सान हिसाब, नगद प्रवाह विवरण, सञ्चालक समितिको प्रतिवेदन, लेखापरीक्षकको प्रतिवेदन, वार्षिक साधारण सभामा प्रस्तुत छलफलका विषयहरू सहितको वार्षिक प्रतिवेदन वित्तीय संस्थाको वेबसाइटमा प्रकाशित गरिनेछ । अन्य विस्तृत जानकारीको लागि वित्तीय संस्थाको केन्द्रीय कार्यालयको फोन नं.०४१-५९११७१ मा सम्पर्क राख्नु हुन वा वेबसाइट : www.multipurposefinance.com मा हेर्नुहुन अनुरोध छ ।

प्रोक्सी फाराम

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

श्री सञ्चालक समिति
मल्टीपर्पस फाइनेन्स लिमिटेड
राजविराज, सप्तरी

विषय : २५ औं वार्षिक साधारण सभामा प्रतिनिधी नियुक्त गरेको बारे ।

महाशय,

.....जिल्ला.....पालिका वडा नं.....बस्ने म/हामी
.....ले त्यस कम्पनीको शेयरवालाको हैसियतले
२०७९ साल पौष ३० गते शनिवारका दिन हुने पच्चीसौं वार्षिक साधारण सभामा म/हामी
स्वयम् उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा
मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नको
लागि.....जिल्ला.....पालिका वडा नं.....बस्ने त्यस
कम्पनीका शेयरवाला श्री.....लाई मेरो/हाम्रो प्रतिनिधी
मनोनित गरि पठाएको छु/छौं ।

प्रतिनिधी नियुक्त भएको व्यक्तिको :

नाम :

दस्तखत :

शेयरधनी परिचय/हितग्राही खाता नं.

शेयर संख्या :

निवेदक

दस्तखत :-

नाम :-

ठेगाना :-

शेयरधनी परिचय/हितग्राही खाता नं.:

शेयर संख्या :-

मिती :

द्रष्टव्य : यो निवेदन साधारण सभा हुनु भन्दा कम्तीमा ४८ घण्टा अगावै वित्तीय संस्थाको
रजिष्टर्ड कार्यालय राजविराज, सप्तरीमा दर्ता गरिसक्नु पर्नेछ ।

प्रवेश-पत्र

मल्टीपर्पस फाइनेन्स लिमिटेडको २५ औं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको
प्रवेश-पत्र ।

शेयरधनीको नामशेयरधनी नं./हितग्राही खाता नं.....

शेयर प्रमाण-पत्र नं..... शेयर संख्या :

शेयरधनीको दस्तखत

द्रष्टव्य :

१. शेयरधनीहरूले माथि उल्लेखित सम्पूर्ण विवरण अनिवार्य रुपमा भर्नुहोला ।

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

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कम्पनी सचिव

सञ्चालक समितिका अध्यक्ष ज्यूको मन्तव्य

आर्थिक वर्ष २०७८/७९

आदरणीय शेयरधनी महानुभावहरु,

हाम्रो मल्टीपर्स फाइनेन्स लिमिटेड को २५ औं वार्षिक साधारण सभामा उपस्थित हुनु भएका आदरणीय शेयरधनी महानुभावहरु, विभिन्न निकायबाट पाल्नु भएका प्रतिनिधीहरु, लेखापरीक्षक तथा कर्मचारीहरु लगायत समस्त वित्तीय संस्था परिवारलाई सञ्चालक समिति तथा मेरो तर्फबाट समेत छिन्नमस्ता भगवती माताको पवित्र नगरी राजविराजमा हार्दिक स्वागत तथा अभिवादन गर्दछु । सञ्चालक समिति वित्तीय संस्थाका संस्थापक र सर्वसाधारण शेयरधनीहरुको प्रतिनिधित्व गर्दै वित्तीय संस्थाको सर्वोपरि हितमा कार्य गर्ने निकाय हो । सञ्चालक समिति यहाँहरुको आशा एवं विश्वासलाई मूर्तरूप दिन सदा कटिबद्ध रहेको र भविष्यमा पनि रहिरहने तथ्य यहाँहरु समक्ष राख्न चाहन्छु । हाम्रा अमूल्य ग्राहक, कर्मचारी तथा शुभेच्छुकहरुको साथै यहाँहरुको सहयोग र सुझाव अनुसार वित्तीय संस्थाले निरन्तर प्रगति गर्दै आएको तथ्य उल्लेख गर्न पाउँदा खुशी लागेको छ ।

विगत ४ वर्ष देखि वित्तीय संस्थाले वित्तीय विवरणहरु नेपाल वित्तीय प्रतिवेदनमान (Nepalese Financial Reporting Standard-NFRS) अनुसार तयार गरिएको छ । यस अवसरमा म २०७९ आषाढ मसान्तको वित्तीय संस्थाको वासलात, आर्थिक वर्ष २०७८/७९ को नाफा-नोक्सान हिसाब, नाफा-नोक्सान बाँडफाँड हिसाब, नगद प्रवाह विवरण तथा अन्य सम्पूर्ण वित्तीय विवरणहरु सभाको स्वीकृतिका लागि प्रस्तुत गर्दछु । यस सम्मानित सभामा म सञ्चालक समितिको तर्फबाट वित्तीय संस्थाको गत आर्थिक वर्षको कार्यको समीक्षा तथा भावी कार्यक्रमहरु प्रस्तुत गर्दछु । आ.व.०७८/७९ को अन्त्यमा वित्तीय संस्थाको कुल सम्पत्ति करिब रु १ अर्ब ३४ करोड ५१ लाख छ । जस मध्ये कर्जा सापट तर्फ रु ७१ करोड ८१ लाख छ । साथै वित्तीय संस्थाले निक्षेप तर्फ २०७९ आषाढ मसान्त सम्ममा कुल निक्षेप रु ८४ करोड ७ लाख परिचालन गर्न सक्षम भएको छ । यसैगरी खुद मुनाफा रु २३ लाख ५४ हजार आर्जन गर्न सफल भएको छ व्यहोरा जानकारी गराउन चाहन्छु ।

वित्तीय संस्थाको भावी कार्यक्रममा वित्तीय संस्थाको शाखा विस्तार, कारोबारको आधुनिकीकरण र वित्तीय संस्थाको स्तरोन्नतीको लक्ष्य राखेका छौं । कर्जा विविधीकरण समेत गरी कर्जामा निहित जोखिमहरुलाई न्यूनीकरण गर्ने अवधारणालाई निरन्तरता दिने, निक्षेपको लागत लगायत अन्य सञ्चालन लागत कम गरी मुनाफाको स्थितीलाई अझ सुदृढ गर्नु नै प्रमुख कार्यक्रम रहेको छ । २०७९ आषाढ मसान्तमा वित्तीय संस्थाको पूँजीकोषको अनुपात ४५.४९% रहेको, निष्कृय कर्जाको अनुपात १.३०% रहेको, तरलताको अनुपात ४०.१०% रहेको, वित्तीय संस्थाको कारोवारहरुमा निहीत जोखिमहरुको व्यवस्थापन सन्तोषजनक ढंगबाट गरिएको । साथै, वित्तीय संस्थाको व्यवस्थापन पक्ष सबल र सक्षम रहेको कारण वित्तीय संस्थाको अवस्था एकदमै स्वस्थ छ । आगामी वर्षहरुमा पनि यस वित्तीय संस्थालाई मुलुकको एउटा उत्कृष्ट र असल वित्त कम्पनीको रूपमा स्थापित गराई देशको आर्थिक विकासमा महत्वपूर्ण योगदान दिने किसिमले आफ्नो बैकिङ्ग सेवा प्रदान गर्न प्रतिबद्ध छौं ।

वित्तीय संस्थाको कार्यक्षेत्र १ जिल्लाबाट विस्तार गरी मधेश प्रदेश को ५ वटा (सप्तरी, सिरहा, धनुषा, महोत्तरी र सर्लाही) जिल्लामा पुर्याई सकेको र निकट भविष्यमा नै कार्यक्षेत्र विस्तार गरी मधेश प्रदेश भरी नै वित्तीय कारोवार संचालन गर्ने लक्ष्य रहेकोमा सोको लागि आवश्यक पूँजी बृद्धि गर्नको लागि नेपाल राष्ट्र बैंकबाट साविकका शेयरधनीहरुको लागि ३५ प्रतिशत हकप्रद शेयर जारी गर्नको लागि पूर्व सहमति प्राप्त भई यसै साधारण सभामा सोको स्वीकृतीको लागि प्रस्ताव पेश गरिएको छ र सो प्रस्ताव पारित भएपछि चुक्तापूँजी बृद्धि भई ६१ करोड २ लाख हुने र प्रादेशिक स्तरको वित्तीय संस्थाको लागि न्यूनतम पूँजी ५० करोड आवश्यक रहेकोमा यस वित्तीय संस्थाको पूँजी आवश्यक न्यूनतम पूँजी भन्दा बढी हुने भएकोले कार्यक्षेत्र विस्तार भई प्रादेशिक स्तरको हुने व्यहोरा जानकारी गराउन चाहन्छु ।

वित्तीय संस्थाको कार्यक्षेत्र विस्तार पश्चात समीक्षा आ.व. मा जनकपुरधाम उपमहानगरपालिका लगायत ४ स्थान (महोत्तरीको रामगोपालपुर, गौशाला र सप्तरीको कल्याणपुर) मा शाखा खोलिएको र चालु आ.व. मा थप २ वटा शाखा खोल्ने लक्ष्य रहेकोमा यही माघ मसान्त सम्ममा महोत्तरी जिल्लाको मनरा शिस्वा नगरपालिकामा शाखा खोल्नको लागि आवश्यक कार्य भईरहेको र २०८० साल आषाढ मसान्त सम्ममा थप १ वटा शाखा पनि संचालनमा आइसक्ने व्यहोरा जानकारी गराउन चाहन्छु ।

साथै, यस संस्थाले विगत आर्थिक वर्ष देखि आफ्नो खुद मुनाफाको १% रकम संस्थागत सामाजिक उत्तरदायित्व बहन गर्न खर्च गर्ने कोषमा जम्मा गर्दै आएको र सो रकम विभिन्न सामाजिक कार्यमा खर्च गरिने व्यहोरा जानकारी गराउन चाहन्छु ।

अन्त्यमा, यस वित्तीय संस्थाको उद्देश्य प्राप्तिका लागि सहयोग पुर्याउनु हुने समस्त शेयरधनी महानुभावहरु, ग्राहकवर्ग, नागरिक समाज, संचारजगत तथा नेपाल सरकारका सम्बद्ध निकायलगायत नेपाल राष्ट्र बैंक प्रति सञ्चालक समितिको तर्फबाट हार्दिक आभार प्रकट गर्दछु । वित्तीय संस्थाको उत्तरोत्तर प्रगतिमा पुर्याउनुभएको योगदानका लागि वित्तीय संस्थाका कार्यकारी प्रमुख लगायत वित्तीय संस्थाका सम्पूर्ण अधिकृत तथा कर्मचारीहरु र अन्य सहयोगीहरुलाई धन्यवाद दिन चाहन्छु । साथै, वित्तीय संस्थाका गतिविधिहरुलाई सकारात्मकरूपमा जनसमक्ष पुर्याइदिने संचारजगत र प्रत्यक्ष अप्रत्यक्ष रूपमा वित्तीय संस्थालाई सहयोग पुर्याउने सम्पूर्ण शुभेच्छुकहरुप्रति पनि म हार्दिक आभार व्यक्त गर्दै वित्तीय संस्थाको सञ्चालक समितिको वार्षिक प्रतिवेदन लगायत आ.व.२०७८/७९ को वित्तीय विवरणहरु छलफल गरी पारित गरिदिनु हुन यो प्रस्ताव पेश गर्दछु ।

धन्यवाद ।

फुल देवी मिश्र
अध्यक्ष

मल्टीपर्स फाइनान्स लिमिटेड को

२५ औं वार्षिक साधारण सभामा
सञ्चालक समितिको तर्फबाट प्रस्तुत
२५ औं वार्षिक प्रतिवेदन

आदरनीय शेयरधनी महानुभावहरु,

यस वित्तीय संस्थाको २५ औं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट यहाँहरुलाई स्वागत गर्न पाउँदा मलाई खुशी लागेको छ । यस वर्ष हाम्रो वित्तीय संस्थाले सञ्चालनको २४ वर्ष सफलतासाथ पुरा गरी २५ औं वर्षमा प्रवेश गरेकोमा हामी सबैले गौरवान्वित महसुस गरेका छौं । सञ्चालक समितिको तर्फबाट म यहाँहरु समक्ष सञ्चालक समितिको वार्षिक प्रतिवेदनको साथै २०७९ आषाढ मसान्तको वित्तीय संस्थाको वासलात, आर्थिक वर्ष २०७८/७९ को नाफा नोक्सान हिसाब, नगद प्रवाह विवरण तथा सो सँग सम्बन्धित अनुसूचीहरु र वित्तीय संस्थाको विभिन्न कृयाकलापहरु यस वार्षिक प्रतिवेदन सँगै अनुमोदनको लागि प्रस्तुत गरेको छु ।

नेपालमा आ.ब. २०७२/७३ देखि नेपाल वित्तीय प्रतिवेदनमान (Nepalese Financial Reporting Standards-NFRS) लागु भई विगत ४ वर्ष देखि वित्तीय विवरणहरु नेपाल वित्तीय प्रतिवेदनमान (Nepalese Financial Reporting Standards-NFRS) अनुसार तयार गरी प्रकाशित गरिएका छन् । नेपाल वित्तीय प्रतिवेदनमानले समावेश नगरेका क्षेत्रहरुमा अन्तराष्ट्रिय वित्तीय प्रतिवेदनमान (International Financial Reporting Standards-IFRS) लाई आधारको रुपमा लिईएको छ । यो वार्षिक प्रतिवेदन नेपाल राष्ट्र बैंकको निर्देशिका २०७८, बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ तथा कम्पनी ऐन, २०६३ का प्रावधान अनुरूप तयार गरी प्रस्तुत गरिएको छ ।

विगतमा हामीले धेरै कामहरु गरेका छौं र भविष्यमा गर्नुपर्ने यस्ता कार्यहरु अझ धेरै छन् । अहिले पनि हाम्रो अगाडि धेरै चुनौती तथा अवसरहरु छन् । विगतका अनुभवहरु तथा उपलब्धिले नेपालको बैंकिङ उद्योगमा नवीनता प्रदान गर्ने कमलाई निरन्तरता दिन सकिन्छ भन्ने कुरामा हामी दृढ छौं । देशको वर्तमान अवस्थालाई विश्लेषण गर्दै वित्तीय संस्थाले आउँदो दिनको लागि रणनीतिक योजना बनाई अगाडी बढ्ने लक्ष्य लिएको छ । हामीलाई विश्वास छ आउँदा दिनहरुमा हाम्रो वित्तीय संस्था क्रमशः विभिन्न वित्तीय सेवाहरु प्रदान गर्न सक्ने वित्तीय संस्थाको रुपमा विकसित हुनेछ ।

यस गरिमामय सभामा यस वित्तीय संस्थाको उत्थान र प्रगतिका लागि आदरणीय शेयरधनी महानुभावहरुले विगतमा व्यक्त गर्नु भएका अभिव्यक्ति तथा अमूल्य राय सुझाव समेतलाई दृष्टिगत गरी गरिएको कार्यान्वयनको फलस्वरूप आर्थिक वर्ष २०७८/७९ मा यस वित्तीय संस्थाले प्रगति गर्न सकेको हो । यस वित्तीय संस्थाको उपलब्धिहरु र भविष्यका योजनाहरुका बारेमा आफ्ना शेयरधनी महानुभावहरुलाई जानकारी गराउनु हामीले आफ्नो परम कर्तव्य ठानेका छौं । त्यसैले, यहाँहरुको प्रतिनिधित्व गर्ने हामी सञ्चालकहरुका तर्फबाट वित्तीय संस्थाको आ.ब. २०७८/७९ को विस्तृत प्रतिवेदन पेश गर्ने अनुमति चाहन्छौं ।

१. आ.ब.२०७८/७९ को कारोवारको सिंहावलोकन

क. वित्तीय स्थिति

वित्तीय संस्थाको २०७९ आषाढ मसान्तको संक्षिप्त वित्तीय स्थिति देहाय बमोजिम रहेको छ ।

रु. हजारमा

विवरण	आषाढ मसान्त		वृद्धि	
	२०७९	२०७८	रकम	प्रतिशत
चुक्ता पूँजी	४५२,०००	४००,०००	५२,०००	१३.००
जगेडा तथा कोष	५४,९१६	४९,०२२	५,८९४	१२.०२
निक्षेप	८४०,७६१	३६९,७३१	४७१,०३०	१२७.४०
कुल कर्जा	७९२,३१४	४२९,०४१	३६३,२७३	६६.०२
लगानी	७४,३७४	५४,१६७	२०,२०७	३७.३०

रु. हजारमा

शीर्षक/आ.ब.	आ.ब.		वृद्धि	
	२०७७/७८	२०७७/७८	रकम	प्रतिशत
खुद व्याज आमदानी	३३,६४२	२७,४५३	६,१८९	२२.५४
कमिशन तथा संचालन आमदानी	८,६८९	२,६५५	६,०३४	२२७.२७
कर्मचारी तथा संचालन खर्च	३०,४४३	१२,३३७	१८,१०६	१४६.७६
संचालन मुनाफा	४,७१६	२०,९९६	(१६,२८०)	(७७.५४)
खुद मुनाफा	२,३५४	१४,१४९	(११,७९५)	(८३.३६)

१. पूँजी कोषको पर्याप्तता :

आर्थिक वर्ष २०७८/७९ को अन्त्यमा पूँजीकोषको अनुपात ४५.४९ प्रतिशत कायम रहेको छ जुन नेपाल राष्ट्र बैंकको निर्देशन बमोजिम कायम गर्नुपर्ने न्यूनतम ११ प्रतिशत भन्दा बढी रहेको छ ।

२. सम्पत्तिको गुणस्तर :

वित्तीय संस्थाले आफ्नो कर्जाको गुणस्तरमा सम्झौता नगर्ने नीति रहेकोमा यस वर्ष बजारमा तरलता अभावको कारण केही कर्जाहरुको समयमा व्याज असुल नहुन सकेको कारण गत आ.ब. १.०४ प्रतिशत रहेको कुल निष्कृत्य कर्जामा यस वर्ष केही वृद्धि हुन गई कुल कर्जामा निष्कृत्य कर्जा १.३० प्रतिशत हुन गएको छ ।

३. संस्थागत सुशासन :

वित्तीय संस्थामा संस्थागत सुशासन (Corporate Governance) को स्तरलाई उच्चतम राख्ने कुरामा वित्तीय संस्थाले महत्व दिने नीति बनाएको र आगामी वर्षमा पनि अत्यन्त उच्च कायम राख्ने कुरामा हामी प्रतिबद्ध छौं । प्रभावकारी संस्थागत सुशासनको कार्यान्वयनलाई प्राथमिकतामा राखी वित्तीय संस्थाका उद्देश्य, मूल्य मान्यता, आन्तरिक संरचना, व्यावहारिक सिद्धान्त र कर्मचारीका आचरण निर्धारण गरिएका छन् । सञ्चालक समितिका कामकारवाहीहरू तथा वित्तीय संस्थाका अन्य सबै क्रियाकलापहरूलाई पारदर्शीरूपमा सञ्चालन गरी संस्थागत सुशासनको विकास गर्न वित्तीय संस्था सदा क्रियाशील रहेको छ । नेपाल राष्ट्र बैंक एवं अन्य सम्बद्ध निकायहरूबाट समय समयमा जारी भएका नीति एवं निर्देशनलाई वित्तीय संस्थाले पूर्ण रूपमा लागु गर्दै आएको छ र आगामी दिनहरूमा पनि पूर्ण रूपमा लागु गरिनेछ ।

४. सूचना प्रविधि :

सूचना प्रविधिको विकासका साथै ग्राहकवर्गको चाहनालाई परिपूर्ति गर्न सूचना प्रविधिको उल्लेखनीय भूमिकालाई ध्यानमा राखी चालु आ.व.मा वित्तीय संस्थाले ABBS, एस.एम.एस.बैंकिङ्ग, मोबाइल बैंकिङ्ग, क्यूआर कोडबाट भुक्तानी, मोबाइल वालेट, टेलिफोन तथा मोबाइलको बिल भुक्तानी, मोबाइल रिचार्ज, बिजुली बिलको भुक्तानी, प्लेनको टिकट खरीद, एक खाताबाट अर्को खातामा डिजिटल माध्यमबाट रकमान्तर सुविधा जस्ता प्रविधिमूलक सेवाहरू प्रदान गर्ने र आफ्नो सूचना प्रविधिमा समयानुकूल सुधार एवं विकास गर्दै लाने लक्ष्य अनुरूप विभिन्न किसिमका विधुतिय सेवा दिने योजनाहरू कार्यान्वयनमा ल्याएका छन् । साथै, नेपाल राष्ट्र बैंकको निरीक्षण प्रतिवेदनबाट प्राप्त सुझावहरूको कार्यान्वयन गर्दै भविष्यमा समेत सूचना प्रविधिमा समयानुकूल सुधार एवं विकास गर्दै लाने लक्ष्य लिइएको छ ।

५. आन्तरिक नियन्त्रण प्रणाली :

बैंकिङ्ग व्यवसायमा निहित कर्जा, बजार, सञ्चालन तथा प्रविधि लगायतका जोखिमहरूलाई दृष्टिगत गरी वित्तीय संस्थाले आन्तरिक नियन्त्रण प्रणालीलाई दृढ बनाउने नीति लिएको छ । यस सम्बन्धमा बैंकिङ्ग कारोबारका सबै क्षेत्रमा आवश्यक नीति, नियमहरू बनाई कार्यान्वयनमा ल्याइएको छ । त्यसै गरी वित्तीय संस्थाका कामकारबाहीहरू प्रचलित कानून बमोजिम भए गरेको छ/छैन त्यसको यकिन गर्ने उद्देश्यले वित्तीय संस्थामा एउटा स्वतन्त्र (Independent) आन्तरिक लेखापरीक्षक नियुक्त गरिएको । आन्तरिक लेखापरीक्षकले आफ्नो प्रतिवेदन लेखापरीक्षण समिति मार्फत सञ्चालक समितिमा पेश गर्ने व्यवस्था मिलाइएको छ ।

ख. राष्ट्रिय तथा अन्तराष्ट्रिय परिस्थिती र यसका प्रभावहरू(श्रोत: मौद्रिक नीति -२०७८/७९)

नेपाल सरकारले आ.व. २०७८/७९ को बजेटमा ५.८४ प्रतिशत आर्थिक वृद्धिको लक्ष्य तोकेको थियो । आर्थिक वर्ष २०७८/७९ मा ४.२५ प्रतिशत आर्थिक वृद्धि हासिल भएको छ । आर्थिक वर्ष २०७९/८० मा ८ प्रतिशत आर्थिक वृद्धिको लक्ष्य रहेको छ ।

धान रोपाईका लागि मनसुन अनुकूल रहेको, कृषि कर्जा बिस्तारलाई प्राथमिकतामा राखिएको र श्रमशक्ति थपिएका कारण कृषि क्षेत्र बिस्तार हुने देखिन्छ । यसै गरी कोभिड १९ को संक्रमण कम भईरहेको र चाँडो नियन्त्रणमा आएमा उद्योग र सेवा क्षेत्र समेत बिस्तार हुने अनुमान छ ।

आर्थिक वर्ष २०७८/७९ मा वार्षिक औसत मुद्रास्फीति दर ६ प्रतिशतको सिमाभित्र राख्ने लक्ष्य लिईएकोमा ११ महिनाको वार्षिक औसत मुद्रास्फीति दर ६.०९ प्रतिशत रहेको छ । आर्थिक वर्ष २०७९/८० मा वार्षिक औषत उपभोक्ता मुद्रास्फीति ७ प्रतिशतको सिमाभित्र राख्ने लक्ष्य रहेको छ ।

बैंक तथा वित्तीय संस्थाहरूले कायम गर्नुपर्ने अनिवार्य नगद मौज्दात अनुपात आर्थिक वर्ष २०७८/७९ मा ३ प्रतिशत तोकिएको थियो भने आर्थिक वर्ष २०७९/८० मा ४ प्रतिशत कायम गरिएको छ ।

बैधानिक तरलता अनुपात वित्त कम्पनीहरुको लागि आर्थिक वर्ष २०७८/७९ मा ८ प्रतिशत यथावत कायम गरिएको छ ।

अन्तिम ऋणदाता सुविधा दरको रुपमा रहेको बैंक दरलाई आर्थिक वर्ष २०७८/७९ मा ६ प्रतिशतबाट ८ प्रतिशत कायम गरिएको छ ।

ग. प्रतिवेदन तयार भएको मिति सम्म चालु वर्षको उपलब्धी र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा :

चालु आर्थिक वर्ष २०७९/८० को मंसिर मसान्त सम्मको यस वित्तीय संस्थाको कारोबारको स्थिती निम्नानुसार रहेको छ ।

यस वित्तीय संस्थाको २०७९ मंसिर मसान्त सम्म कुल निक्षेप रु. १ अर्ब ११ करोड र कुल कर्जा तथा सापट रु. ९० करोड ३२ लाख पुगेको छ ।

सेवा बिस्तार :

यस वित्तीय संस्थाले आफ्नो पूँजीकोषलाई बढाउँदै लगी वित्तीय क्षमता अभिवृद्धि गर्दै लैजाने नीति अनुरूप गत आ.व. मा गत आ.व. तथा संचित मुनाफाबाट शेयरधनीहरुको लागि १३ प्रतिशत बोनस शेयर दिई चुक्ता पूँजी ४५ करोड २० लाख पुर्याएको । चुक्ता पूँजी बढ्दै जाँदा वित्तीय क्षमता पनि बृद्धि हुदै जाने भएकोले कारोबारको दायरालाई अझ बढी फराकिलो पार्न चुक्ता पूँजी बढाउने सोच रहेको छ । यसरी चुक्ता पूँजी बृद्धि गर्दै लगी वित्तीय संस्थाको सम्पूर्ण कारोबार र कार्यक्षेत्र बढाउँदै लैजाने सोचाई रहेको छ ।

वित्तीय संस्थाले आ.व. २०७९/८० मा उपलब्ध श्रोतहरुको प्रभावकारी परिचालन गरी वित्तीय क्षेत्रमा आफ्नो अग्रता कायमै राखेछ । यस क्रममा वित्तीय संस्थाले हालका सेवाहरुको गुणस्तरमा वृद्धिका अलावा नयाँ सेवाहरुको सुरुवात तथा नयाँ बजारहरुमा प्रवेश गर्ने तर्फ कार्य अगाडी बढाएको छ । लगानीका नयाँ क्षेत्रहरु पहिल्याउँदै जाने योजना अनुसार वित्तीय संस्थाले समग्र कृषि क्षेत्रलाई प्राथमिकताको सूचीमा राखी कृषि क्षेत्र सँग सम्बन्धीत उद्योगहरुमा लगानी थप बिस्तार गर्ने जस अन्तर्गत कुखुरा पालन, मत्स्यपालन, व्यवसायिक कृषि खेती तथा कृषि उपजको प्रशोधन, जडीबुटी उत्पादन तथा प्रशोधन र साना एवं मझौला उद्योगहरुको विकासमा विशेष जोड दिने लक्ष्य राखेको छ । हाम्रो वित्तीय संस्थाले कृषि क्षेत्र तथा साना तथा मझौला खालका कृषि तथा डेरी उद्योगहरुलाई लगानीमा प्रोत्साहन गर्ने उद्देश्यले नयाँ कार्य योजना लागु गरेको छ । समीक्षा आ.व. मा धनुषा जिल्लाको जनकपुरधाम उपमहानगरपालिका, महोत्तरी जिल्लाको गौशाला नगरपालिका, महोत्तरी जिल्लाको रामगोपालपुर नगरपालिका र सप्तरी जिल्लाको कल्याणपुर नगरपालिकामा शाखा कार्यालय संचालनमा आईसकेको र १ महिना भित्र महोत्तरी जिल्लाको मनरा शिसवा नगरपालिकामा शाखा कार्यालय संचालनमा आईसक्ने र चालु आ.व. मा थप १ वटा शाखा कार्यालय खोल्ने योजना रहेको छ ।

हाल देशमा ५० प्रतिशत भन्दा बढी जनसंख्या वित्तीय सेवाको उपभोगबाट वञ्चित रहेको अवस्थामा चाँडो भन्दा चाँडो ग्राहकको संख्या बढाउने तर्फ आगामी दिनहरुमा यस वित्तीय संस्थाको निरन्तर प्रयास रहने छ । एकातर्फ कोभिड १९ संक्रमणको कारण र रुस तथा युकेन

युद्धको कारण वित्तीय संस्थाहरूमा विगत केही महिना देखि तरलताको चरम अभाव रहेको र संक्रमणको दर केही कम भएकोले व्यापार व्यवसाय विगतको तुलनामा केही सहज रूपमा संचालन भईरहेकोले ऋणको माग बृद्धि भएतापनि लगानी योग्य रकमको अभावमा सूचारु रूपमा कर्जा लगानी गर्न नसकेको, नेपाल राष्ट्र बैंकले ऋणीहरूलाई सहूलियत दिने उद्देश्यले बैंक तथा वित्तीय संस्थाहरूको स्प्रेड दर पनि संकुचन गर्न निर्देशन दिएकोले वित्तीय संस्थाको कारोबार तथा आमदानी संकुचित हुनेछ भन्ने अर्को तर्फ देशको ठूलो जनसंख्या वित्तीय सेवाबाट वञ्चित पनि रहिरहेका छन् । तसर्थ, आम जनमानसमा उपयोगी हुने सेवाहरूको विकास गर्नेतर्फ वित्तीय संस्थाको विशेष ध्यान रहने छ । विगतका वर्षहरू देखि वित्तीय संस्थाले साना निक्षेपका सेवाहरू लागु गर्नुको मुख्य उद्देश्य पनि यही नै रहेको छ । यस्ता निक्षेपहरू वित्तीय संस्थाको विभिन्न शाखाहरूबाट प्रभावकारी रूपमा परिचालन गर्न सकिन्छ भन्ने विश्वास लिईएको छ । सेवा वितरणका प्रणालीलाई सुहाउँदो निक्षेपका योजना नै भविष्यको सफलताको कारण हुनेछ भन्ने धारणा यस वित्तीय संस्थाले लिएको छ । साथै, यस्तो लक्ष्य प्राप्तिको निमित्त प्रविधीको पनि प्रयोग बढाईनेछ ।

वित्तीय संस्थाहरूको संख्यात्मक बृद्धिको अवस्थाबाट वित्तीय संस्थाको प्रतिस्पर्धी क्षमतालाई कायम राख्ने सम्बन्धमा थप आमदानीका श्रोतहरू खोज्नुपर्ने रणनीति स्वभाविक देखिन्छ । साथै, नेपाल राष्ट्र बैंकबाट जारी सेवा तथा सेवा शुल्क सम्बन्धी मार्गदर्शनलाई समेत ध्यानमा राखि हालका सेवाहरूमा थप शुल्क लगाउनुको साटो नयाँ सेवाहरू प्रदान गरी वा कारोबारमा बृद्धि गरी, नेपाल राष्ट्र बैंकको निर्देशनको अधिनमा रही शेयर खरीद बिक्री, ट्रेजरी बिल तथा विकास ऋणपत्रहरूमा लगानी गरी आमदानी बृद्धि गर्ने जस्ता लक्ष्य हासिल गर्न उपयुक्त देखिन्छ । त्यस्तै, खर्च तर्फ आमदानीलाई आधार मानि खर्च व्यवस्थापन गर्नुपर्नेमा जोड दिईनेछ । यस सम्बन्धमा शाखाको आमदानी गर्न सक्ने क्षमता हेरी आकार निर्धारण गर्ने, तिनीहरूलाई चाँडो भन्दा चाँडो नाफा दिने शाखामा परिणत गर्ने, प्रविधीको सहायताले कारोबार खर्च घटाउने, खर्चको निरन्तर अनुगमन गर्ने आदि गतिविधीहरू प्रमुख रहेका छन् ।

वित्तीय साक्षरता :

विदेशी मुलुकबाट विप्रेषणको कारण आम समुदायको आमदानीमा भईरहेको बृद्धि तथा भविष्यमा आर्थिक रूपमा सुरक्षित रहन बचत गर्ने बानीको विकास गर्नुपर्ने खाँचोको सम्बन्धमा वित्तीय संस्थाले विभिन्न कार्यक्रमहरू गरेको छ । जस अन्तर्गत वित्तीय संस्थाका कर्मचारीहरू आफ्नो शाखा अन्तर्गत पर्ने कार्यक्षेत्रमा बैंकिङ्ग बानी नभएका स्थानहरू चयन गरी समाजका मान्छेहरूलाई भेला गरी बचत गर्दाका फाईदा तथा बैंकिङ्ग सम्बन्धी विभिन्न जानकारी तथा सूचनाहरू लिएर वित्तीय क्षेत्रमा जनसहभागिताको विकास गर्न वित्तीय साक्षरता अभियानमा सूचनामुलक कार्यक्रमका साथ जुटेका छौं । यस कार्यक्रमलाई आउँदो दिनमा पनि निरन्तरता दिई जनसहभागिता बढाई वित्तीय साक्षरता बढाउने कार्य जारी राखिनेछ ।

प्रविधी विकास :

संस्थाको सूचना प्रविधीलाई प्रभावकारी रूपमा अधावधिक गर्दै आधुनिक सेवा विस्तार गर्दा लाग्ने समय र खर्चलाई किफायती बनाउँदै लैजाने प्रयास गरिएको छ । यस आर्थिक वर्षमा सोही अनुरूप वित्तीय संस्थाको मोबाइल बैंकिङ्ग सेवा शुरु गरिएको जसको माध्यमबाट ग्राहकहरूले आफ्नो खातामा हुने कुनै पनि कारोबारको एस.एम.एस. मार्फत अलर्ट जानकारी पाउने, क्यूआर कोड भुक्तानी, मोबाइल वालेट, मोबाइलको रिचार्ज, मोबाइल र टेलिफोनको बिल भुक्तानी, केबलको भुक्तानी, बिजुली तथा खानेपानीको भुक्तानी, प्लेनको टिकट खरीद र एक बैंक तथा

वित्तीय संस्थाबाट अर्को बैंक तथा वित्तीय संस्थामा रकमान्तरको सुविधा र चेक बुक तथा स्टेटमेन्टको सुविधा उपलब्ध गराईनेछ र भविष्यमा सो सुविधाहरु अझ थप हुदै जाने छ । साथै, सम्पत्ति शुद्धिकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी नेपाल राष्ट्र बैंकबाट जारी निर्देशनको पालनाको लागि Go-AML Software जडान गरी कार्यान्वयनमा ल्याईसकिएको छ ।

घ. वित्तीय संस्थाको औद्योगिक र व्यवसायिक सम्बन्ध :

वित्तीय संस्था व्यवस्थापन वित्तीय क्षेत्रमा लामो अनुभव प्राप्त व्यक्तिहरुबाट संचालित छ । ग्राहकवर्गको आवश्यकतालाई केन्द्र बिन्दु मानेर संस्थाले गुणस्तरिय सेवा प्रदान गर्दै आइरहेको छ । जसले गर्दा ग्राहक र यस संस्थाको बिचमा सुमधुर सम्बन्ध कायम रहेको छ । कर्मचारीहरुलाई उच्च मनोबलका साथ काम गर्ने वातावरणको सृजना गरिएको छ । संस्थाको कारोबार सँग सम्बन्ध राख्ने ग्राहकवर्ग, संगठित संघसंस्थाहरु, औद्योगिक तथा व्यवसायिक संघसंस्थाहरु र शेयरधनी महानुभावहरु सँग पारस्परिक लाभ तथा पारदर्शिताको आधारमा सम्बन्धलाई अझ बढाउदै गएको छ ।

ङ सञ्चालक समितिमा भएको हेरफेर र सोको कारण :

यस वित्तीय संस्थाको सञ्चालक समितिमा संस्थापक समुहबाट ३ जना, सर्वसाधारण शेयरधनीको समुहबाट २ जना र विशेषज्ञ संचालकको रुपमा १ जना गरि ६ जना संचालक रहने व्यवस्था रहेको छ । यस आ.व. मा सर्वसाधारण शेयरधनी तर्फका सञ्चालक श्री शिवहरी प्रसाद भट्टराईको मिति २०७९।०८।१७ गतेका दिन असामयिक निधन भएकोले संस्थापक शेयरधनी तर्फबाट २ जना र सर्वसाधारण शेयरधनीको तर्फबाट १ जना गरी जम्मा ३ जना मात्र सञ्चालक रहनु भएको र निकट भविष्यमा नै स्वतन्त्र सञ्चालक लगायत रिक्त रहेको सञ्चालकहरु नियुक्त गरिने छ ।

च. वित्तीय संस्थाको कारोबारलाई असर पार्ने मुख्य कुराहरु :

- (१) वित्तीय संस्थाबाट प्रदान गरिने दीर्घकालीन, मध्यकालीन लगानी र जमानत पत्र जारी गर्ने जस्ता गैर कोषीय सेवाहरु उपलब्ध गराउंदा हुनसक्ने संभावित जोखिमहरु ।
- (२) नेपाल सरकार वा नेपाल राष्ट्र बैंकले बैंक तथा वित्तीय संस्था सम्बन्धी नीति-निर्देशनमा परिवर्तन गर्दा सिर्जना हुन सक्ने संभावित जोखिमहरु ।
- (३) नेपाल राष्ट्र बैंकको निर्देशन अनुसार व्याजदरमा हुने परिवर्तन तथा थपघटले उत्पन्न हुन सक्ने संभावित जोखिमहरु ।
- (४) राष्ट्रको आर्थिक, मौद्रिक तथा वित्तीय नीति परिवर्तनबाट सृजना हुन सक्ने संभावित जोखिमहरु ।
- (५) यथासमयमा कर्जा असुली नभई उत्पन्न हुने आर्थिक जोखिमहरु ।
- (६) कर्जा तथा लगानीको दायरा सांघुरिएर उत्पन्न हुनसक्ने जोखिमहरु ।
- (७) अन्तराष्ट्रिय बजारमा हुने मन्दीबाट नेपाली बजारमा पर्न सक्ने असरबाट हुनसक्ने आर्थिक जोखिमहरु ।
- (८) देशको आर्थिक अवस्थामा आउने उतार चढावबाट पर्न सक्ने जोखिमहरु ।
- (९) पूँजी बजारको अवस्थामा आउने उतार चढावबाट पर्न सक्ने जोखिमहरु ।
- (१०) देशको राजनैतिक अस्थिरताले पर्न सक्ने असरहरु ।

- (११) तिब्रतर बैकिङ्ग प्रतिस्पर्धाका कारण पर्न सक्ने असरहरु ।
- (१२) प्रविधीमा हुने परिवर्तनका कारण पर्न सक्ने असरहरु ।
- (१३) देशमा महामारीको कारण वित्तीय कारोबारमा पर्न सक्ने असरहरु ।

वित्तीय संस्थाको कर्जा तथा सापट र लगानी खराब भई हुन सक्ने जोखिमहरुको लागि नेपाल राष्ट्र बैंकको निर्देशानुसार वित्तीय संस्थाले कर्जा नोक्सानी व्यवस्था र लगानीमा सम्भावित हानी नोक्सानी बापतको व्यवस्था जस्ता कोषहरुको व्यवस्था गरेको छ । वित्तीय संस्थाले वित्त बजारमा हुने प्रतिस्पर्धाको लागि जनशक्ति विकासमा आवश्यक ध्यान पुर्याएको छ । यस बाहेक व्यवसायिक जोखिमहरुबाट श्रृजना हुनसक्ने हानि नोक्सानीको लागि व्यवस्थापन चनाखो भई सम्भावित हानी नोक्सानी हुन नदिन वा कम गर्न सक्षम तथा प्रतिबद्ध छ ।

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

आर्थिक वर्ष २०७८/७९ को लेखापरीक्षण प्रतिवेदनमा प्रतिकुल कैफियत उल्लेख भएको छैन र प्रारम्भिक लेखापरीक्षण प्रतिवेदनमा उल्लेख भएका कैफियतहरुलाई लेखापरीक्षण समितिको सिफारिसमा सञ्चालक समितिको निर्णय तथा निर्देशानुसार सुधार गरिएको छ । लेखापरीक्षकले संस्थाको कारोबारबाट आफु सन्तुष्ट रहेको प्रतिवेदन दिनु भएको छ ।

ज. लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :

आर्थिक वर्ष २०७८/७९ को मुनाफाबाट लाभांश प्रस्ताव नगरिएको ।

झ. शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनु भन्दा अगावै सो बापत वित्तीय संस्थाले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो बिक्री गरि वित्तीय संस्थाले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण :

यस अवधिमा वित्तीय संस्थाले कुनै शेयर जफत गरेको छैन ।

ञ. विगत आर्थिक वर्षमा वित्तीय संस्था र यसको सहायक कम्पनीको कारोबार प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितीको पुनरावलोकन :

यस संस्थाको कुनै सहायक कम्पनी छैन । संस्थाको कारोबारको स्थिती र आर्थिक वर्षको अन्तयमा रहेको स्थिती संलग्न वासलात, नाफा नोक्सान हिसाब तथा नगद प्रवाह विवरणले स्पष्ट पार्दछ ।

ट. यस वित्तीय संस्था तथा यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरु र सो अवधिमा वित्तीय संस्थाको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन:

यस वित्तीय संस्थाको कुनै सहायक कम्पनीहरु छैनन् । वित्तीय संस्थाले आर्थिक वर्ष २०७८/७९ मा गरेको प्रमुख कारोबार र कारोबारमा आएको परिवर्तन संलग्न वासलात, नाफा नोक्सान हिसाब, नगद प्रवाह विवरण र लेखा सम्बन्धी टिप्पणीहरुले स्पष्ट पार्दछ ।

ठ. विगत आर्थिक वर्षमा संस्थाको आधारभूत शेयरधनीहरुले संस्थालाई उपलब्ध गराएको जानकारी : छैन ।

ड. विगत आर्थिक वर्षमा वित्तीय संस्थाका संचालक तथा पदाधिकारीहरुले लिएको शेयरको स्वामित्वको विवरण र संस्थाको शेयर कारोबारमा निजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुबाट वित्तीय संस्थाले प्राप्त गरेको जानकारी :

आर्थिक वर्ष २०७८/७९ मा वित्तीय संस्थाका सञ्चालकहरु तथा पदाधिकारीहरुले यस संस्थाको शेयर नेपाल राष्ट्र बैंकको निर्देशन तथा विद्यमान कानूनको प्रतिकूल हुने गरी स्वामित्वमा लिएको रेकर्डबाट देखिदैन र यस संस्थालाई यस बारेमा कहि कतैबाट जानकारी समेत प्राप्त भएको छैन ।

ढ. विगत आर्थिक वर्षमा संस्था सँग सम्बन्धित सम्भौताहरुमा कुनै संचालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा :

जानकारी उपलब्ध भएको छैन ।

ण. संस्थाले आफ्नो शेयर आफैले खरीद गरेको भए त्यसरी आफ्नो शेयर खरीद गर्नुको कारण त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी खरीद गरे वापत संस्थाले भुक्तानी गरेको रकम :

संस्थाले आफ्नो शेयर आफै खरीद गरेको छैन ।

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

वित्तीय संस्थाको आफ्नो व्यवसाय विस्तार सँगै त्यसमा अन्तरनीहित जोखिमहरु न्यूनीकरण गर्नको लागि आन्तरिक नियन्त्रण प्रणालीको महत्वपूर्ण भुमिका रहेको हुन्छ । सोही अनुरूप बैकिङ व्यवसायमा निहित कर्जा, बजार तथा संचालन लगायतका जोखिमहरुलाई मध्यनजर गर्दै वित्तीय संस्थाले आन्तरिक नियन्त्रण प्रणालीलाई दृढो बनाउने नीति लिएको छ । यसै गरी संचालन प्रकृया तर्फ आर्थिक प्रशासन विनियमावली, कर्मचारी प्रशासन विनियमावली, कर्जा अपलेखन विनियमावली, कर्जा तथा लगानी नीति, सम्पत्ति तथा दायित्व जोखिम व्यवस्थापन नीति, वित्तीय श्रोत संकलन सम्बन्धी नीति, सम्पत्ति शुद्धिकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी नीति, सूचना प्रविधि नीति, धितो मूल्यांकन निर्देशिका, ग्राहक पहिचान कार्यविधि तथा आवश्यक कार्यनिर्देशिकाहरु तयार गरि लागु गरिरहेको छ । यसको अलावा वित्तीय संस्थाले आवश्यकता अनुसार अन्य कार्यविधिहरु तयार गरि सोही अनुरूप आफ्नो क्रियाकलापहरु संचालन गरेको छ ।

समितिकहरू :

सञ्चालक समितिलाई नीति निर्देशन तथा वित्तीय संस्थाको कृयाकलापलाई नियन्त्रण र अनुगमन गर्न सहयोग पुर्याउन सञ्चालक स्तरमा लेखापरीक्षण समिति, जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति र सम्पत्ति शुद्धिकरण निवारण सम्बन्धी समितिकहरू कार्यरत रही आएका छन् ।

लेखापरीक्षण समिति :

वित्तीय संस्थाको गैर कार्यकारी सञ्चालकको संयोजकत्वमा ३ सदस्य रहेको लेखापरीक्षण समितिले वित्तीय संस्थाको वित्तीय स्थिति, आन्तरिक नियन्त्रण र जोखिम व्यवस्थापन व्यवस्था र लेखापरीक्षण कार्यक्रम आदि बारे नियमित समीक्षा गर्ने गर्दछ । यसले आन्तरिक तथा बाह्य लेखापरीक्षण प्रतिवेदन तथा नेपाल राष्ट्र बैंकबाट हुने सुपरीवेक्षण प्रतिवेदनमा उल्लेखित विषयहरू सुधारका लागि व्यवस्थापनलाई आवश्यक सुझाव दिनुका साथै सञ्चालक समितिलाई सोको जानकारी नियमित रूपमा दिदै आएको छ ।

जोखिम व्यवस्थापन समिति :

यस समितिको मुख्य उद्देश्य नेपाल राष्ट्र बैंकको एकीकृत निर्देशनले यस समितिलाई तोकेको काम, कर्तव्य र उत्तरदायित्व वहन गर्दै वित्तीय संस्थामा अर्न्तनिहित तथा भविष्यमा आउन सक्ने विभिन्न जोखिमहरू (कर्जा, बजार, संचालन, प्रविधी आदि) को पहिचान, अनुगमन तथा व्यवस्थापन गरी सञ्चालक समिति समक्ष प्रतिवेदन पेश गर्ने तथा सो सम्बन्धमा व्यवस्थापनलाई आवश्यक सुझाव दिनु हो ।

सम्पत्ति शुद्धिकरण निवारण सम्बन्धी समिति :

सम्पत्ति शुद्धिकरण निवारण सम्बन्धी समिति एक सञ्चालक स्तरको समिति हो, जसको मुख्य उद्देश्य सम्पत्ति शुद्धिकरण निवारण सम्बन्धमा वित्तीय संस्थाले तर्जुमा गरेको नीति/नियम/मार्गदर्शनहरूको पुनरावलोकन गर्नु, सम्पत्ति शुद्धिकरण, आतंकवादी कृयाकलापमा वित्तीय लगानी तथा भ्रष्टाचार सम्बन्धी जोखिम पहिचान तथा नियन्त्रण गर्न वित्तीय संस्थाले तयार गरेको संयन्त्रको आवधिक पुनरावलोकन गर्नु रहेको छ । यस समितिले सम्पत्ति शुद्धिकरण तथा आतंकवादी कृयाकलापमा वित्तीय लगानी तथा भ्रष्टाचार सम्बन्धी कानून, नियमनकारी निकायले तोकेको मापदण्ड र वित्तीय संस्थाको नीतिकहरू कार्यान्वयन सम्बन्धमा व्यवस्थापनलाई आवश्यक सुझाव दिन सक्ने छ तथा आवधिक रूपमा यस समितिले गरेका निर्णयहरूको तथा निर्णय बमोजिम भएका कार्यहरूको जानकारी सञ्चालक समिति समक्ष प्रस्तुत गर्ने गर्दछ ।

त्यस्तै, व्यवस्थापकिय स्तरमा उच्च व्यवस्थापकहरू रहेको व्यवस्थापन समिति, जनशक्ति व्यवस्थापन समिति, खरीद समिति आदि रहेका छन् । यी समितिकहरूबाट वित्तीय संस्थाको विविध कारोवार तथा गतिविधीहरू सम्बन्धमा नियमित काम कारवाही हुदै आएका छन् ।

थ. विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :

आर्थिक वर्ष २०७८/७९ मा कुल व्यवस्थापन खर्च मध्ये कर्मचारी खर्चमा बोनस समेत रु. २,०३,५४,०५३।०० र अन्य संचालन खर्च रु. ८२,०९,११५।०० रहेको छ । जसको विस्तृत विवरण अनुसुची ४.३६ र ४.३७ मा उल्लेख भएको छ ।

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

यस संस्थाको सञ्चालक समितिले कम्पनी ऐन, बैंक तथा वित्तीय संस्था सम्बन्धी ऐन तथा नेपाल राष्ट्र बैंकको निर्देशनको अधिनमा रही गैर कार्यकारी सञ्चालकको संयोजकत्वमा ३ सदस्यीय लेखापरीक्षण समिति गठन गरिएको छ ।

श्री जय प्रकाश ठाकुर	संयोजक
श्री अजित कुमार मिश्र	सदस्य
श्री विभाकर मिश्र	सदस्य सचिव

लेखापरीक्षण समितिका संयोजकलाई प्रति बैठक रु. ५,०००।०० प्रदान गर्ने गरिएको छ । समितिले आन्तरिक लेखापरीक्षण प्रतिवेदन, प्रारम्भिक लेखापरीक्षण प्रतिवेदन र नेपाल राष्ट्र बैंकबाट प्राप्त प्रतिवेदन उपर छलफल गरि व्यवस्थापनलाई आवश्यक निर्देशन दिने र सञ्चालक समितिमा सिफारिस गर्ने गरेको छ । साथै समय समयमा संस्थाको वित्तीय अवस्थाको बारेमा विस्तृत जानकारी लिई आवश्यक निर्देशन दिने गरेको छ ।

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

यस वित्तीय संस्थाको कुनै पनि पदाधिकारी, शेयरधनी वा निजको नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले यस वित्तीय संस्थालाई कुनै पनि रकम बुझाउन बाँकी रहेको छैन ।

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

सञ्चालक समितिको सदस्यहरुलाई बैठक भत्ता वापत रु.१,००,३००।०० भुक्तानी दिइएको छ । कार्यकारी प्रमुखलाई आ.ब. २०७८।७९ मा तलब र भत्ता वापत रु.२१,९८,५४८।३८ भुक्तानी दिइएको छ ।

प. शेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांश रकम :

शेयरधनीहरुले बुझिलिन बाँकी रहेको लाभांश नरहेको ।

फ. कम्पनी ऐन २०६३ को दफा १४१ बमोजिम सम्पत्ति खरीद वा बिक्री गरेको कुराको विवरण : छैन ।

ब. कम्पनी ऐन २०६३ को दफा १७५ बमोजिम सम्बद्ध कम्पनी बिच भएको कारोबारको विवरण :

यस वित्तीय संस्थाको कुनै सम्बद्ध कम्पनी छैन ।

भ. कम्पनी ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुरा : छैन ।

म. अन्य आवश्यक कुराहरु :

शेयरधनी महानुभावहरुको लागि सूचना व्यवस्था: वित्तीय संस्थाले कारोवार सम्बन्धी सूचना आदान प्रदान गर्ने प्रकृयालाई उच्च प्राथमिकता दिएको छ । यस सन्दर्भमा वित्तीय संस्थाले वार्षिक प्रतिवेदन, त्रैमासिक प्रतिवेदन लगायत अन्य वित्तीय संस्थाको प्रगति विवरणहरु विभिन्न समाचार माध्यम एवं वित्तीय संस्थाको वेबसाइट www.multipurposefinance.com मार्फत जानकारी गराउने गरेको छ । वित्तीय संस्थामा समय समयमा लगानीकर्ता तथा व्यक्तिगत रुपमा mfcfin43@gmail.com र अन्य माध्यमबाट आएका विभिन्न जिज्ञासाहरुको उचित निष्कर्ष निकाल्ने उपयुक्त र महत्वपूर्ण थलो वार्षिक साधारण सभा भएकोले सबै शेयरधनी महानुभावहरुलाई सभामा सहभागी भई वित्तीय संस्थाको प्रगतिमा छलफल गर्न प्रोत्साहित गरेका छौं ।

अन्त्यमा,

सिङ्गे देशको आर्थिक अवस्था विविध कारणवश अस्थिर रहेको अवस्थामा पक्कै पनि बैकिङ्ग तथा वित्तीय क्षेत्रमा यसको नकारात्मक प्रभाव परेको तथ्य यहाँहरुलाई जानकारी नै छ । यस विषम परिस्थितिलाई मनन गरी बृहत रुपमा कर्जा लगानी गरी ठूलो जोखिम उठाउनुको सट्टा यस वित्तीय संस्थाले भएको सम्पत्ति र लगानीहरुलाई व्यवस्थित गर्ने, नयाँ प्रविधी र उत्पादनहरुको खोजी गर्ने, राष्ट्रिय तथा क्षेत्रिय बैकिङ्ग सम्बन्धहरु बिस्तार गर्ने, ग्राहकको सेवा स्तरमा बृद्धि गर्ने लगायत आफुलाई आन्तरिक तथा बाह्य रुपमा सुदृढ राख्ने कार्यहरुमा लागि रहेकै कारण हाम्रो संस्था आफ्नो सम्पत्ति तथा पूँजीबाट उच्चतम प्रतिफल आर्जन गर्न प्रयासरत रहेको छ । आगामी दिनमा देशको शान्ति सुरक्षा र आर्थिक सुधारको अपेक्षा गरिएको छ । देशमा स्थिरता, कोरोना संक्रमण महामारीको बिस्तारमा कमी आउनु र शान्ति सुरक्षाको स्थिती सुदृढ हुदै गएमा आ.व.२०७९/८० को उपलब्धी दर सन्तोषजनक रहने बिश्वास दिलाउन चाहन्छु । साथै, म सञ्चालक समितिको तर्फबाट हाम्रा सबै शेयरधनी महानुभावहरु, ग्राहक वर्ग तथा शुभचिन्तकहरुलाई वहाँहरुको अटुट समर्थन तथा सहयोगका लागि हार्दिक कृतज्ञता व्यक्त गर्दछु । यो वित्तीय संस्था आज जुन उचाईमा पुगेको छ त्यसको श्रेय यहाँहरुको निरन्तर र अमूल्य समर्थनलाई जान्छ । नेपाल राष्ट्र बैंक तथा नेपाल सरकारको निरन्तर सहयोग र मार्ग निर्देशनको लागि म कृतज्ञता व्यक्त गर्न चाहन्छु । यसै अवसरमा वित्तीय संस्थाको सफलतामा महत्वपूर्ण भुमिका खेल्ने समस्त कर्मचारीहरुलाई पनि हार्दिक धन्यवाद दिन चाहन्छु ।

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मिती : २०७९।९।३०

सूचीकृत संगठीत संस्थाहरुको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ को दफा २०(३) तथा २०(४) को प्रयोजनको लागि प्रकाशित

सूचीकृत संगठीत संस्थाहरुको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ को दफा २०(३) तथा २०(४) बमोजिमको प्रमाणीकरण

- (क) ऐन, नियमावली तथा नियमनकारी निकायबाट समय समयमा जारी भएको निर्देशन तथा निर्देशिका बमोजिम गर्नुपर्ने कुरा, अनुपालना गरिएको छ ।
- (ख) नियमनकारी निकायले इजाजतपत्र जारी गर्दाको बखत तोकेका शर्तहरु, अनुपालना गरिएको छ ।
- (ग) नियमनकारी निकायले संस्थाको नियमन, निरीक्षण वा सुपरीवेक्षण गर्दा सम्बन्धित संस्थालाई दिईएको निर्देशन । अनुपालना गरिएको छ ।
- (घ) पछिल्लो बार्षिक तथा विशेष साधारण सभा सम्पन्न भएको मिति : यस वित्तीय संस्थाको मिति २०७८।०९।३० गते २४ औं बार्षिक साधारण सभा सम्पन्न भएको थियो ।
- (ङ.) कर्मचारीहरुको संरचना, पदपूर्ति, वृत्ति विकास, तालिम, तलव, भत्ता तथा अन्य सुविधा, हाजिर र बिदा, आचारसंहिता लगायतका कुराहरु समेटिएको कर्मचारी सेवा शर्त विनियमावली व्यवस्था भए/नभएको : नेपाल राष्ट्र बैंकबाट स्वीकृत भई कर्मचारी सेवा, शर्त, वृत्तिविकास आदि समेटिएको कर्मचारी सेवा विनियमावली, २०७२ लागु गरिएको छ ।
- (च) आर्थिक प्रशासन विनियमावली भए/नभएको : आर्थिक प्रशासन विनियमावली, २०७१ तर्जुमा गरी नेपाल राष्ट्र बैंकबाट स्वीकृत गराई लागु गरिएको छ ।
- (छ) आन्तरिक नियन्त्रण कार्यविधी भए/नभएको : वित्तीय संस्थाको आन्तरिक नियन्त्रणका लागि विभिन्न नीति तथा कार्यविधीहरु तर्जुमा गरी लागु गरिएको छ ।
- (ज) आन्तरिक नियन्त्रण प्रणालीको लागि कुनै समिति गठन भए/नभएको गठन नभएको भए सोको कारण : वित्तीय संस्थाको आन्तरिक नियन्त्रणका लागि व्यवस्थापकिय तहका समितिहरु तथा सञ्चालक समितिका विभिन्न उपसमितिहरु गठन गरिएको छ ।

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF MULTIPURPOSE FINANCE LIMITED

Report on the Audit of the Financial Statements

We have audited the accompanying financial statement of Multipurpose Finance Limited ("the financial institution") which comprise the Statement of Financial Position as at Ashadh 32, 2079 (July 15, 2022), the Statement of Profit or Loss (including Other Comprehensive Income), the Statement of Change in Equity and the Statement of Cash Flow for the Year then ended on that date, and a summary of the significant accounting policies and other explanatory information (here after referred to as "the financial statement").

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, and subject to the effect of matters mentioned in 'Basis of Qualified Opinion' section, the aforesaid financial statements presents fairly, in all material respects, the financial position of Financial Institution as at Ashadh 32, 2079 (July 15, 2022) and its financial performance, change in equity, cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with Nepal Financial Reporting Standards and comply with Companies Act, 2063 and Bank and Financial Institution Act, 2073.

Basis of Qualified Opinion

We conduct our audit of the financial statement accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent on the Financial Institution according with the Handbook of the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion in the financial statements.

The financial position of the Financial Institution as at Ashadh 32, 2079 (July 15, 2022) and its financial performance, change in equity and cash flow for the year then ended will change if the effects of the following points are considered:

1. Actuarial valuation of employee long term benefits is required under Para 66 and 67 of Nepal Accounting Standards (NAS)-19 to recognize adequate employee long term benefits in the financial statements. The financial institution has recognized staff gratuity as per its policy which is a deviation from NAS-19.
2. Nepal financial Reporting Standard (NFRS)-9 requires that a financial assets shall be measured at fair value. Similarly, NAS 40 requires fair value of investment property. The financial institution has not considered fair value of its investment property and impairment loss has not been recognized which is deviation from NFRS-9 and NAS-40.



Information Other than the financial Statements and Auditor's Report Thereon

The Financial Institution Management is responsible for the preparation of other information. The other information comprises the information included in the Management Report, Report of the Board of Directors and Chairman's Statement but does not include the financial statement and our auditor's report thereon.

Our opinion in the financial statements does not cover the other information and we don't express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements of our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those Charges with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 statement that are free from material misstatement whether due to fraud and error.

In preparing the financial statement, management is responsible for assessing the Financial Institution's ability to continue as 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 Financial Institution or to cease the operation, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Financial Institution's financial reporting process.

Auditors Responsibility for the Audit of the Financial Statements

Our objective are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not 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 decision of user 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 through 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 risk, and



- obtain audit evidence that is sufficient and appropriate to provide the basis of our opinion. The risk of not detecting a material misstatement resulting from a fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Financial Institution's internal control.
- Evaluate the appropriateness of accounting policy used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtain whether a material uncertainty exist related to event or condition that may cast significant doubt on the Financial Institution'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 conclusion are based on the audit evidence obtain up to the date of an auditor's report. However, further events or condition may cause the Financial Institution to cease to continue as a going concern.
- Evaluate overall presentation, structure and content of the financial statements; include the disclosures, and whether the financial statements represent the underlying transaction and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Financial Institution to express an opinion in the Financial Statements. We are responsible for the direction, suspension and performance of the financial institution 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 finding, including any significant deficiency in internal control that we identify during our audit.

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

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Report on Other Legal and Regulatory Requirements

Based on our examination we would like to further report that:

- We have obtained all the information and explanation, which we were considered necessary for the purpose of our audit.
- The Statement of Financial Position, Statement of Profit or Loss (including other Comprehensive Income), Statement of Cash Flows and attached Schedules deal with by these reports are prepared as per procedures and format prescribed by Nepal Rastra Bank and agree with the books of account maintained by the Financial Institution.
- The proper book of account has required by the law have been maintained by the Financial Institution.
- During our examination of the books of account of the Financial Institution, we have not come across any cases where any office holder of the Financial Institution has acted contrary to the provisions of law or caused loss or damage to the Financial Institution.
- The Financial Institution has been functioning as per the Directives of Nepal Rastra Bank.
- We have not come across any fraudulence in the accounts, based on our sample examination of the books.

For, H. K. S. D. Associates
Chartered Accountants



CA. Suraj Kumar Dhakal
Partner

Dated: Poush 06, 2079
Kathmandu, Nepal
UDIIN No: 221222CA01566sLpvP

Multipurpose Finance Limited
Statement of Financial Position
As on 32 Asadh 2079 (July 16, 2022)

	Note	2079 Asar 32	2078 Asar 31
Assets			
Cash and cash equivalent	4.1	337,112,515	372,645,942
Due from Nepal Rastra Bank	4.2	23,801,120	-
Placement with Banks and Financial Institutions	4.3	-	-
Derivative financial instruments	4.4	-	-
Other trading assets	4.5	-	-
Loans and advances to B/Fis	4.6	5,826,105	-
Loans and advances to customers	4.7	712,313,852	429,041,107
Investment securities	4.8	74,374,310	54,166,865
Current tax assets	4.9	3,694,863	-
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	-	-
Investment property	4.12	3,372,467	4,101,349
Property and equipment	4.13	166,780,948	30,274,613
Goodwill and Intangible assets	4.14	2,358,126	-
Deferred tax assets	4.15	3,806,453	497,032
Other assets	4.16	11,633,458	4,004,954
Total Assets		1,345,074,217	894,731,862
	Note	2079 Asar 32	2078 Asar 31
Liabilities			
Due to Banks and Financial Institutions	4.17	-	-
Due to Nepal Rastra Bank	4.18	-	-
Derivative financial instruments	4.19	-	-
Deposits from customers	4.20	840,760,856	369,730,643
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	1,327,564
Provisions	4.22	-	-
Deferred tax liabilities	4.15	-	-
Other Liabilities	4.23	5,311,572	14,894,023
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
Total Liabilities		846,072,428	385,952,230
Equity			
Share capital	4.26	452,000,000	400,000,000
Share premium		-	21,341,453
Retained earnings		(7,914,245)	38,416,608
Reserves	4.27	54,916,034	49,021,571
Total equity attributable to equity holders		499,001,789	508,779,632
Non-controlling interest		-	-
Total Equity		499,001,789	508,779,632
Total liabilities and equity		1,345,074,217	894,731,862
Contingent liabilities and commitment	4.28	-	-
Net assets value per share		110.40	127.19

As per our report of even date

Rajnish Kumar Singh
Chief Executive Officer

Phul Mishra
Chairperson

CA. Suraj K. Dhakal
Partner
H. K. S. D. Associates
Chartered Accountants

Arpana Kumari Mishra
Director

Jay Prakash Thakur
Director

Shivahari P. Bhattarai
Director

Date: Poush 06, 2079
Place: Janakpur, Nepal

Multipurpose Finance Limited
Statement of Profit or Loss
For the year ended 32 Asar 2079 (July 16, 2022)

	Note	2079 Asar 32	2078 Asar 31
Interest income	4. 29	91,543,854	61,839,881
Interest expense	4. 30	57,901,786	34,386,816
Net interest income		33,642,068	27,453,065
Fee and commission income	4. 31	8,689,251	2,225,262
Fee and commission expense	4. 32	-	-
Net fee and commission income		8,689,251	2,225,262
Net interest, fee and commission income		42,331,319	29,678,327
Net trading income	4. 33	824,470	4,787,932
Other operating income	4. 34	-	-
Total operating income		43,155,789	34,466,259
Impairment charge/ (reversal) for loans and other losses	4. 35	7,995,995	1,562,979
Net operating income		35,159,794	32,903,279
Operating expense			
Personnel expenses	4. 36	20,354,053	6,323,174
Other operating expenses	4. 37	8,209,115	5,731,991
Depreciation & amortisation	4. 38	1,880,434	282,254
Operating Profit		4,716,192	20,565,861
Non operating income	4. 39	-	430,000
Non operating expense	4. 40	-	-
Profit before income tax		4,716,192	20,995,861
Income tax expense	4. 41		
Current Tax		1,188,264	6,905,264
Deferred Tax		1,173,498	(58,085)
Profit for the year		2,354,430	14,148,681
Profit attributable to:			
Equity holders of the Bank		2,354,430	14,148,681
Non-controlling interest		-	-
Profit for the year		2,354,430	14,148,681
Earnings per share			
Basic earnings per share		0.52	3.54
Diluted earnings per share		0.52	3.54

As per our report of even date

Rajnish Kumar Singh
Chief Executive Officer

Phul Mishra
Chairperson

CA. Suraj K. Dhakal
Partner
H. K. S. D. Associates
Chartered Accountants

Arpana Kumari Mishra
Director

Jay Prakash Thakur Shivahari P. Bhattarai
Direc Director

Date: Poush 06, 2079
Place: Janakpur, Nepal

Multipurpose Finance Limited
Statement of Other Comprehensive Income
As on 32 Asadh 2079 (July 16, 2022)

	Note	2079 Asar 32	2078 Asar 31
Profit for the year		2,354,430	14,148,681
Other comprehensive income, net of income tax			
a) Items that will not be reclassified to profit or loss			
Gains/(losses) from investment in equity instruments measured at fair value		(13,151,352)	(1,223,302)
Gains/(losses) from investment in mutual fund units measured at fair value		(1,791,710)	140,000
Gains/(losses) on revaluation		-	-
Actuarial gains/(losses) on defined benefit plans		-	-
Income tax relating to above items		4,482,919	324,991
Net other comprehensive income that will not be reclassified to profit or loss		(10,460,143)	(758,312)
b) Items that are or may be reclassified to profit or loss			
Gains/(losses) on cash flow hedge		-	-
Exchange gains/(losses) (arising from translating financial assets of foreign operation)		-	-
Income tax relating to above items		-	-
Reclassify to profit or loss		-	-
Net other comprehensive income that are or may be reclassified to profit or loss		-	-
c) Share of other comprehensive income of associate accounted as per equity method		-	-
Other comprehensive income for the year, net of income tax		(10,460,143)	(758,312)
Total Comprehensive Income for the year		(8,105,714)	13,390,370
Total Comprehensive Income attributable to:			
Equity holders of the Bank		(8,105,714)	13,390,370
Non-controlling interest		-	-
Total Comprehensive Income for the year		(8,105,714)	13,390,370

As per our report of even date

Rajnish Kumar Singh
Chief Executive Officer

Phul Mishra
Chairperson

CA. Suraj K. Dhakal
Partner
H. K. S. D. Associates
Chartered Accountants

Arpana Kumari Mishra
Director

Jay Prakash Thakur
Director

Shivahari P. Bhattarai
Director

Date: Poush 06, 2079
Place: Janakpur, Nepal

Multipurpose Finance Limited
Statement of Cash Flows
For the year ended 32 Asar 2079 (July 16, 2022)

	2079 Asar 32	2078 Asar 31
CASH FLOWS FROM OPERATING ACTIVITIES:		
Interest received	91,543,854	61,839,881
Fees and other income received	8,689,251	2,225,262
Dividend received		
Receipts from other operating activities	824,470	5,217,932
Interest paid	(57,901,786)	(34,386,816)
Commission and fees paid	-	-
Cash payment to employees	(19,882,434)	(4,223,588)
Other expense paid	(8,150,215)	(5,731,991)
Operating cash flows before changes in operating assets and liabilities	15,123,141	24,940,680
(Increase)/Decrease in operating assets		
Due from Nepal Rastra Bank	(23,801,120)	-
Placement with bank and financial institutions	-	-
Other trading assets	-	-
Loan and advances to bank and financial institutions	(5,826,105)	-
Loan and advances to customers	(291,268,740)	(108,586,104)
Other assets	(11,323,367)	25,059,660
Increase/ (Decrease) in operating liabilities	-	-
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposit from customers	471,030,213	130,846,864
Borrowings	-	-
Other Liabilities	(11,381,635)	(15,177,216)
Net cash flow from operating activities before tax paid	142,552,386	57,083,884
Income taxes paid	-	(6,847,180)
Net cash flow from operating activities	142,552,386	50,236,704
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(38,493,699)	(54,730,676)
Receipts from sale of investment securities	-	-
Purchase of property and equipment	(137,899,388)	(394,900)
Receipt from sale of property and equipment	-	-
Purchase of intangible assets	(2,400,152)	-
Receipts from the sale of intangible assets	-	-
Investment properties	728,882	430,000
Receipts from the sale of investment properties	-	-
Interest received	-	-
Dividend received	-	-
Net cash used in investing activities	(178,064,357)	(54,695,576)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Receipt from issue of right shares shares	-	175,962,100
Security premium	-	19,963,395
Dividends paid	-	-
Interest paid	-	-
Other receipt/payment	-	-
Net cash from financing activities	-	195,925,495
Net increase (decrease) in cash and cash equivalents	(35,511,971)	191,466,623
Cash and cash equivalents at Shrawan 01, 2077	372,645,942	181,179,319
Effect of exchange rate fluctuations on cash and cash equivalents held		
Cash and cash equivalents at Ashadh end 2078	337,133,971	372,645,942

As per our report of even date

Rajnish Kumar Singh
Chief Executive Officer

Phul Mishra
Chairperson

CA. Suraj K. Dhakal
Partner
H. K. S. D. Associates
Chartered Accountants

Arpana Kumari Mishra
Director

Jay Prakash Thakur
Director

Shivahari P. Bhattarai

Date: Poush 06, 2079
Place: Janakpur, Nepal

Multipurpose Finance Limited
Statement of Change in Equity
As on 32 Asadh 2079 (July 16, 2022)

As on 31 Asar 2079 (July 16, 2022)												
Attributable to equity holders of the Bank												
	Share Capital	Share Premium	General Reserve	Exchange Equalisatio n Reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Other Reserve	Total	Non-controlling interest	Total
Balance at Shrawan 01, 2077 (16-Jul-2020)	224,037,900	1,378,058	12,869,488	-	7,846,059	-	23,872,950	28,521,889	937,424	299,463,767		299,463,767
Adjustmeamt/ Restatement	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted / restated Balance at Shrawan 01, 2077 (16-Jul-2020)	224,037,900	1,378,058	12,869,488	-	7,846,059	-	23,872,950	28,521,889	937,424	299,463,767	-	299,463,767
Comprehensive Income for the FY 2077-78 (2020-21) :												
Profit for the year								14,148,681		14,148,681	-	14,148,681
Other Comprehensive Income, net of tax	-	-	-	-	-	(758,312)	-	-	-	(758,312)		(758,312)
Gains/(losses) from investment in equity instruments measured at fair value						(758,312)		-		(758,312)		(758,312)
Gains/(losses) on revaluation												
Actuarial gain / (loss) on defined benefit plan												
Gain / (loss) on cash flow hedge												
Exchange gains / (losses) (arising from translating financial assets of foreign operation)									-	-		-
Total Comprehensive Income for the year	-	-	-	-	-	(758,312)	-	14,148,681	-	13,390,370		13,390,370
Transfer to Reserves during the year			2,829,736	-	1,282,739	-		(4,253,962)	141,487	-		-
Transfer from Reserves during the year										-		-
Transactions with Owners, directly recognized in Equity :												
Share issued	175,962,100	19,963,395								195,925,495		195,925,495
Share based payments												
Dividend to equity holders										-		-
Bonus shares issued												
Cash Dividend Paid												
Other										-		-
Total Contributions by and Distributions	175,962,100	19,963,395	2,829,736	-	1,282,739	-	-	(4,253,962)	141,487	195,925,495		195,925,495
Balance at Asar 31, 2078 (16-Jul-2021)	400,000,000	21,341,453	15,699,224	-	9,128,797	(758,312)	23,872,950	38,416,608	1,078,911	508,779,632		508,779,632
Comprehensive Income for the FY 2078-79 (2021-22) :												
Profit for the year								2,354,430		2,354,430		2,354,430
Other Comprehensive Income, net of tax	-	-	-	-	-	(10,460,143)	1,064,714	-	-	(9,395,430)		(9,395,430)
Gains/(losses) from investment in equity instruments measured at fair value						(10,460,143)		-		(10,460,143)		(10,460,143)
Gains/(losses) on revaluation							1,064,714			1,064,714		
Actuarial gain / (loss) on defined benefit plan										-		-
Gain / (loss) on cash flow hedge										-		-
Exchange gains / (losses) (arising from translating financial assets of foreign operation)									-	-		-
Total Comprehensive Income for the year	-	-	-	-	-	(10,460,143)	1,064,714	2,354,430	-	(7,041,000)		(7,041,000)
Transfer to Reserves during the year	-	-	470,886	-	14,795,464	-		(15,289,894)	23,544	-		-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-		-
Transactions with Owners, directly recognized in Equity :												
Share issued	52,000,000	-								52,000,000		52,000,000
Dividend to equity holders										-		-
Cash Dividend Paid								(2,720,000)		(2,720,000)		
Bonus shares issued		(21,341,453)						(30,675,389)		(52,016,842)		
Total Contributions by and Distributions	52,000,000	(21,341,453)	470,886	-	14,795,464	-	-	(48,685,283)	23,544	(2,736,842)	-	(2,736,842)
Balance at Asar 32, 2079 (16-Jul-2022)	452,000,000	-	16,170,110	-	23,924,261	(11,218,465)	24,937,663	(7,914,245)	1,102,455	499,001,790	-	499,001,790

Multipurpose Finance Limited
Statement of Distribution of Profit or Loss
As on 32 Asadh 2079 (July 16, 2022)
(As per NRB Regulations)

	2079 Asar 32	2078 Asar 31
Opening balance in retained earnings	38,416,608	28,521,889
Less: Bonus Distribution	(30,675,389)	-
Less: Cash Distribution	(2,720,000)	-
Balance Retained Earning	5,021,219	28,521,889
Net profit or (loss) as per statement of profit or loss	2,354,430	14,148,681
Less: appropriations (-) / contributions (+):		
a. General reserve	(470,886)	(2,829,736)
b. Foreign exchange fluctuation fund	-	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(23,544)	(141,487)
e. Employees' training fund	-	-
f. Other	-	-
Profit or (loss) before regulatory adjustment	6,881,219	39,699,347
Regulatory adjustment :		
a. Interest receivable (-)/ previous accrued interest received (+)	(1,754,782)	(571,352)
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 (-)/resersal (+)	728,882	430,000
e. Deferred tax assets recognised (-)/ reversal (+)	(3,309,420)	(383,075)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Fair value loss recognised (-)/ reversal (+)	(10,460,143)	(758,312)
i. Decrease in depreciation expenses (-) / increase (+)	-	-
j. Opening Adjustments (-) income / expenses (+)	-	-
Distributable profit or (loss)	(7,914,245)	38,416,608

Multipurpose Finance Limited

Notes to the Financial Statements

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

1. Reporting entity

1.1. Corporate information

Multipurpose Finance Limited (hereinafter referred to as “the Financial Institution”), formerly known as Multipurpose Finance Company Limited, is a public limited company domiciled in Nepal. It was incorporated on BS 2053-10-10 (AD 1997-01-23) under then prevailing Companies Act, 2011(1964) of Nepal. It is a class “C” licensed financial institution regulated under the Banks and Financial Institutions Act, 2073(2017). It commenced operations as financial institution on 2054-11-17 (1998-03-01) and has its registered head office in Rajbiraj, Saptari, Nepal and corporate office at Janakpurdham, Dhanusha since 2079-01-02.

1.2. Principal activities of the Financial Institution

Principal activities of the Financial Institution comprise full-fledged financing services including financial intermediation, trade finance services, remittance and other ancillary banking services to a diverse clientele encompassing individuals and organizations.

2. Basis of preparation

2.1. Statement of compliance

The financial statements of the Financial Institution have been prepared in accordance with Nepal Financial Reporting Standards 2013 (NFRS) developed by the Accounting Standards Board, Nepal (ASBN) and pronounced for application by the Institute of Chartered Accountants of Nepal (ICAN) on September 13, 2013. These financial statements comply with the requirements of the Companies Act, 2006 and amendments thereto and also provide appropriate disclosures required under regulations of the Securities Exchange Board of Nepal (SEBON).

Details of the significant accounting policies followed by the Financial Institution in the preparation of financial statements for the reporting period are given in Note 3.

2.1.1. Reporting pronouncements

Nepal Rastra Bank (NRB), the Banks and Financial Institutions regulator of the country, has instructed banks and financial institutions to prepare their financial statements in accordance with NFRS effective from financial year 2017-18. NRB circular to this effect was issued under reference number Bai.bi.ni.bi./Niti/Paripatra/KaKhaGa/10/074/75 dated November 30, 2017. NRB has also implemented standardized format of financial statements.

The Accounting Standards Board of Nepal has developed NFRS 2013 by converging with International Financial Reporting Standards 2012 (IFRS) as issued by the International Accounting Standards Board (IASB). The Institute of Chartered Accountants of Nepal has pronounced implementation of NFRS.

Accompanying financial statements for the year ended July 16, 2022 are the set of financial statements the Financial Institution has prepared in accordance with NFRS.

2.2. Reporting period and approval of financial statements

The accompanying financial statements cover annual reporting period between July 16, 2021 and July 16, 2022 (the reporting period) and the status is reported as at the year-end date of July 16, 2022 (the report date). These financial statements, inclusive of comparative figures of July 16, 2021 have been approved and authorized for issue by the board of directors as per its decision dated 2079/09/06 and have recommended for its approval at the shareholders annual general meeting.

2.2.1. Responsibility for financial statements

The board of directors of the Financial Institution is responsible for the preparation of financial statements of the Financial Institution which reflects a true and fair view of the financial position and performance of the Financial Institution. The board is of the view that the financial statements in its entirety have been prepared in conformity with the prevailing financial reporting standards and the Companies Act of Nepal.

The board of directors acknowledges their responsibility for financial statements as set out in the 'Statement of Director's Responsibility' and in the certification on the statement of financial position.

These financial statements include the following components:

- a Statement of Financial Position [SoFP] providing the information on the financial position of the Financial Institution as at the end of the reported period;
- a Statement of Profit or Loss [SoPL] and a Statement of Other Comprehensive Income [SoCI] providing the information on the financial performance of the Financial Institution for the reported period;
- a Statement of Changes in Equity [SoCE] reporting all changes in the shareholders' funds during the reported period of the Financial Institution;
- a Statement of Cash Flows [SoCF] providing the information to the users, on the ability of the Financial Institution to generate cash and cash equivalents and utilization of those cash flows; and
- Notes to the financial statements comprising significant accounting policies, other disclosures and other explanatory information relevant to the study of financial statements.

2.3. Functional and presentation currency

Financial statements are presented in Nepalese Rupees (NPR), the functional currency of Financial Institution. Assets and liabilities are presented in the order of liquidity in the statement of financial position. Incomes and expenses are classified 'by nature' in the presentation of statement of profit or loss. Cash flows from operations are derived using the direct method in the presentation of statement of cash flows.

2.4. Use of estimates, assumptions and judgments

Preparation of financial statements in conformity with NFRS required the Financial Institution's management to make critical judgments, estimates and assumptions such that could potentially have a material impact on the reported financial figures. These affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

On an ongoing basis the management reviews these estimates and underlying assumptions to ensure that they continue to be relevant and reasonable. Revisions to accounting estimates are recognized prospectively.

The most significant areas of assumptions and estimation applied in the application of accounting policies that have the most significant effect on the amounts recognized in the financial statements are listed hereinafter and their description follows:

- Fair value of financial instruments
- Classification of financial assets and financial liabilities
- Impairment losses on financial assets
- Impairment losses on non-financial assets
- Useful economic life of property and equipment
- Taxation and deferred tax
- Defined benefit obligations
- Provisions for liabilities, commitments and contingencies

Information about significant areas of estimation and critical judgments in applying accounting policies, other than those stated above and which have significant effects on the amount recognized in the financial statements are described in the respective areas.

2.4.1. Fair value of financial instruments

Fair value of financial assets and financial liabilities, for which there is no observable market prices, are determined using a variety of valuation techniques that include the use of statistical models. The Financial Institution measures fair value using a fair value hierarchy that reflects the significance of input used in making measurements. The use of fair value hierarchy is described in Note 5.1.7.

2.4.2. Classification of financial assets and liabilities

Significant accounting policies of the Financial Institution provide scope for financial assets and financial liabilities to be recognized under different accounting classifications. These are either measured at fair value or at amortized cost and can be presented under any of the following accounting classifications based on specific circumstances.

- Financial assets or financial liabilities subsequently measured at Amortized Cost; or
- Financial assets or financial liabilities designated as at Fair Value Through Profit or Loss (FVTPL); or
- Financial assets or financial liabilities subsequently measured at Fair Value Through Profit or Loss (FVTPL); or
- Financial assets subsequently measured at Fair Value through Other Comprehensive Income (FVTOCI).

Presentation and / or measurement of the amounts recognized in financial statements could be different for a particular financial asset or financial liability under any two different accounting classifications. The Financial Institution's management exercise judgment in the application of appropriate accounting policy to achieve correct accounting classifications for its financial assets and financial liabilities. Accounting policy relating to financial assets and financial liabilities is presented in Note 3.4.3 and the related explanatory information is presented in Note 5.3.

2.4.3. Impairment losses on financial assets

Impairment loss on financial assets – loans and advances are determined at the higher of:

- Loan loss provision amount derived as prescribed in directive no. 02 of Nepal Rastra Bank; and
- Impairment loss amount determined as per Incurred Loss Model specified in para 63 of NAS 39.

There arises a need for the Financial Institution's management to apply judgment and estimation in assessing and determining the amount of impairment loss on financial assets measured at amortized cost. Some of the areas that require management judgment and estimation are listed herein below:

- selection of appropriate impairment assessment tool;
- defining individually significant assets;
- designing impairment assessment questionnaire;
- estimating future recoverable cash flows on financial asset; and
- adjusting results of historical data analysis to incorporate the economic conditions and portfolio factors that existed at the reporting date.

Exercise of judgment is an integral part of the impairment assessment process and the Financial Institution exercises its experienced judgment to adjust observable data for a Financial Institution of financial assets to reflect current circumstances. The use of reasonable estimates is an essential part of the preparation of financial statements and does not undermine their reliability.

The Financial Institution's policy in accounting for impairment of financial assets is explained in Note 3.4.8.

2.4.4. Impairment losses on non-financial assets

At each reporting date, or more frequently if events or changes in circumstances necessitates, the Financial Institution assesses whether there are any indicators of impairment for a non-financial asset. This requires the estimation of the 'Value in Use' of such individual assets. Estimating the 'Value in Use' requires the management to make an estimate of the expected future cash flows from the asset and also to select a suitable discount rate to calculate the present value of the relevant cash flows. This valuation requires the management to make estimates about expected future cash flows and discount rates. Additional disclosure on this is stated in Note 3.22.

2.4.5. Useful economic life of property and equipment

The Financial Institution reviews the residual values, useful lives and methods of depreciation of property and equipment at regular intervals. Judgment of the management is exercised in the estimation of these values, rates, methods.

2.4.6. Taxation and deferred tax

The Financial Institution is subject to income tax under Income Tax Act 2002A.D. and amendments thereto, and due to the potential differences, that may exist between the Financial Institutions and the Income Tax Authorities with regard to the interpretation of complex tax provisions, management judgment is required to determine the total provision for current tax and deferred tax amounts.

Deferred tax assets are recognized in respect of tax losses to the extent that it is probable that future taxable profit will be available against which such losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. Additional disclosure on tax is stated in Note 3.10.

2.4.7. Defined benefit obligations

The Financial Institution recognizes following two types of employee liabilities as defined benefit obligations:

- a) Gratuity Liability
- b) Accumulated Leave Liability

The cost of the defined benefit obligations is determined using actuarial valuation from an independent actuary. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, attrition rate, future salary increases, mortality rates and future pension increases, etc.

In determining the appropriate discount rate, management considers the interest rates of Nepal government bonds with maturities corresponding to the expected duration of the defined benefit obligation as may be available. The mortality rate is based on publicly available mortality tables. Future salary increases and pension increases are based on expected future salary increase rates. The Financial Institution reviews actuarial assumptions at each reporting date. Additional disclosure on this is stated in Note 3.15

2.4.8. Provisions for liabilities, commitments and contingencies

The Financial Institution receives legal claims in the normal course of business. Management has made judgments as to the likelihood of any claim succeeding in making provisions. The time of concluding legal claims is uncertain, as is the amount of possible outflow of economic benefits. Timing and cost ultimately depend on the due processes in respective legal jurisdictions.

All discernible risks are accounted for in determining the amount of all known liabilities. Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognized in the statement of financial position but are disclosed unless they are remote. Additional disclosure on this is stated in Note 5.6.

Information about significant areas of estimation and critical judgments in applying accounting policies, other than those stated above, and which have significant effects on the amounts recognized in the financial statements are described in respective notes.

2.5. Changes in accounting policies

The Financial Institution has consistently applied the accounting policies for all periods reported in the financial statements. There were no changes in accounting policy in the reporting period.

2.6. New standards issued but not yet effective

The ASBN has not issued a new NFRS since the current version of NFRS were issued in September 2013. However, the IASB has issued a number of new IFRS standards and interpretations, including amendments to the existing IFRS, since the IFRS 2012 based on which NFRS 2013 have been developed.

2.7. New standards and interpretations not adopted

The updates on IFRS subsequent to 2012 become applicable when the ASBN incorporates them within the NFRS. The Financial Institution has not adopted those standards.

2.8. Discounting

The Financial Institution calculates amortized cost of a financial asset or a financial liability using the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of a financial asset or a financial liability to the net carrying amount of the financial asset or liability. If expected life cannot be determined reliably, then the contractual life is used.

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

2.9. Going concern

The management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Financial Institution's ability to

continue as a going concern, such as restrictions or plans to curtail operations. Therefore, the financial statements of the Financial Institution continue to be prepared on a going concern basis.

2.10. Offsetting

In the Statement of Financial Position, financial assets and financial liabilities are netted off only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not netted off in the Statement of Profit or Loss unless required or permitted by an Accounting Standard or Interpretation and as specifically disclosed in the accounting policy of the Financial Institution.

2.11. Materiality and aggregation

In the financial statements materiality and aggregation is dealt with in compliance with Nepal Accounting Standard – NAS 1 “Presentation of Financial Statements” and within the scope of formats implemented by Nepal Rastra Bank. Accordingly, each material class of similar items is presented separately and items that are not similar in nature or function are also presented separately unless these are immaterial.

2.12. Rounding

The amounts in the financial statements are rounded off to the nearest Rupees, except where otherwise indicated as permitted by NAS 1 – “Presentation of Financial Statements”.

2.13. Comparative information

Accounting policies are consistently applied across all periods reported. The presentation and classification of financial figures relating to previous period are regrouped or reclassified where relevant to facilitate consistent presentation and better comparability.

2.14. Events after the reporting date

Events after the reporting date are those events, favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorized for issue.

All material and important events that occurred after the reporting date have been considered and appropriate disclosures have been made in line with NAS 10 – “Events After the Reporting Period”. Explanatory information on events after the reporting date is presented in Note 5.10.

3. Significant Accounting Policies

The Financial Institution has applied the accounting policies set out below consistently to all periods presented in the accompanying financial statements unless specifically stated otherwise.

Index of significant accounting policies is produced below for easy reference.

Principal Note	Accounting Policy Topic	Additional Note	Page No.
3	Significant Accounting Policies		
3.1	Basis of measurement		
3.2	Basis of consolidation		
3.3	Cash and cash equivalent	4.1	
3.4	Loan and advances to customers	4.7	
3.6	Property and equipment	4.13	
3.7	Investment securities	4.8	
3.8	Deferred tax assets	4.15	
3.9	Current tax assets	4.9	
3.10	Deposits	4.20	
3.11	Revenue recognition	4.29 4.31	
3.12	Interest expense	4.30	
3.13	Foreign currency transactions, translation and balances		
3.14	Share capital and reserves	4.26, 4.27	
3.15	Earnings per share		
3.16	Segment reporting		
3.17	Impairment of Non-Financial Assets		
3.18	Statement of cash flows		

3.1. Basis of Measurement

Financial Statements of the Financial Institution have been prepared on historical cost convention including for the following:

- Investment Property (land and building acquired as non-banking assets)
- Liabilities for employee defined benefit obligations and liabilities for long service leave.

3.2. Basis of consolidation

The Financial Institution's financial statements comprise stand-alone financial statements only it has no subsidiary companies that require consolidation.

- a. Business combination: None
- b. Non-controlling interest (NCI): None
- c. Subsidiaries: None
- d. Loss of control: None
- e. Special Purpose Entity (SPE): None
- f. Transaction elimination on consolidation: None

3.3. Cash and cash equivalent

Cash and cash equivalent comprise of the total amount of cash-in-hand, balances with other bank and financial institutions, money at call and short notice, and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the licensed institution in the management of its short-term commitments. Restricted deposits are not included in cash and cash equivalents. These are measured at amortized cost and presented as a line item on the face of Statement of Financial Position (SoFP).

3.4. Financial assets and financial liabilities

Financial assets refer to assets that arise from contractual agreements on future cash flows or from owning equity instruments of another entity. Since financial assets derive their value from a contractual claim, these are non-physical in form and are usually regarded as being more liquid than other tangible assets. Common examples of financial assets are cash, cash equivalents, bank balances, placements, investments in debt and equity instruments, derivative assets and loans and advances.

Financial liabilities are obligations that arise from contractual agreements and that require settlement by way of delivering cash or another financial asset. Settlement could also require exchanging other financial assets or financial liabilities under potentially unfavorable conditions. Settlement may also be made by issuing own equity instruments. Common examples of financial liabilities are due to banks, derivative liabilities, deposit accounts, money market borrowings and debt capital instruments.

The contractual agreements, generally referred to as financial instruments, are characterized by the existence of counter parties and the contract terms give rise to a financial asset to one counterparty and a corresponding financial liability or equity instrument to the other counterparty.

The Financial Institution has applied NFRS 9 – “Financial Instruments” in the classification and measurement of its financial instruments. Para 5.2.2 of NFRS 9 prescribes the application of impairment requirements in paragraphs 58-65 and AG84-AG93 of NAS 39 to financial assets measured at amortized cost. Accordingly, the Financial Institution has applied Para 63 of IAS 39 and measured impairment loss on financial assets measured at amortized cost following the incurred loss model.

3.4.1. Date of recognition of financial instruments

All financial assets and financial liabilities are initially recognized in the Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument.

3.4.2. Initial recognition and measurement of financial instruments

All financial assets and financial liabilities are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

3.4.3. Classification and subsequent measurement of financial assets

Financial assets are classified based on how the asset is measured subsequent to its initial recognition as per NFRS 9 – “Financial Instrument”. Accordingly, at the time of initial recognition, financial assets are classified as:

- financial assets subsequently measured at amortized cost, and
- financial assets subsequently measured at fair value.

Classification and subsequent measurement of financial assets are arrived at on the basis of both the following criteria:

- the entity's business model for managing the financial assets, and
- the contractual cash flow characteristics of the financial asset.

Details on different classes of financial assets recognized on the financial statements are presented in Note 5.3.

3.4.4. Classification and subsequent measurement of financial liabilities

Financial liabilities are classified based on how the liability is measured subsequent to its initial recognition as per NFRS 9 – “Financial Instrument”. Accordingly, at the time of initial recognition, financial liabilities are classified as:

- subsequently measured at FVTPL, or
- subsequently measured at amortized cost.

Details on different classes of financial liabilities recognized on the financial statements are presented in Note 5.3.

3.4.5. Reclassification of financial assets and liabilities

Reclassification of financial assets and liabilities are at the election of management and determined on an instrument-by-instrument basis. Reclassification of financial assets is done if and only if the business model objective for the financial asset changes so its previous model assessment would no longer apply.

NFRS 9 does not permit reclassification in the following cases:

- for equity investments measured at FVTOCI; and
- where the fair value option has been exercised in any circumstance for a financial asset or a financial liability.

3.4.6. De-recognition of financial assets and financial liabilities

3.4.6.1. De-recognition of financial assets

The Financial Institution derecognizes a financial asset, or where applicable a part of financial asset or part of a Financial Institution of similar financial assets, when:

- the contractual rights to the cash flows from the financial asset expire; or
- the Financial Institution transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred; or

- the Financial Institution 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:
 - o either the Financial Institution has transferred substantially all the risks and rewards of the asset; or
 - o the Financial Institution has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognized in other comprehensive income is recognized in the statement of profit or loss. Any interest in transferred financial assets that qualify for de-recognition that is created or retained by the Financial Institution is recognized as a separate asset or liability.

Where there is the Financial Institution's continuing involvement that takes the form of guaranteeing the transferred asset, the extent of the continuing involvement is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received by the Financial Institution and which it could be required to repay.

3.4.6.2. De-recognition of financial liabilities

The Financial Institution derecognizes a financial liability when its contractual obligations are 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 the statement of profit or loss as a disposal gain or loss.

3.4.7. Fair value of financial assets and financial liabilities

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

- in the principal market for the asset or liability; or
- in the absence of principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Financial Institution.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interests.

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

Fair Value of non-financial assets such as land and building are derived based on reports of independent professional property valuers. Total assets revaluation reserve of land is Rs. 2,49,37,663 including current years revaluation reserve of Rs. 10,64,714. Further Impairment on building of Rs. 619,359 due to devaluation on value of building is recognized in notes 4.13.

Explanatory information on fair value measurement of assets and liabilities, along with the fair value hierarchy adopted by the Financial Institution in determining the fair value of financial assets, is provided in Note 5.1.7.

3.4.8. Impairment of financial assets

The Financial Institution, at the end of each reporting period, assesses whether there is any objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Financial Institution of financial assets that can be reliably estimated.

It may not be possible to identify a single, discrete event that caused the impairment. Rather the combined effect of several events may have caused the impairment. Objective evidence of impairment includes observable data such as following:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- where observable data indicate that there is a measurable decrease in the estimated future cash flows from a Bank of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the Financial Institution, including adverse changes in repayment patterns or economic conditions that correlate with defaults.

Statistical methods are used to determine impairment losses on a collective basis for homogenous portfolio of loan assets. The Financial Institution applies "net flow rate" methodology to calculate historical loss experience on a collective portfolio basis. Under this, loans are grouped into ranges according to the number of days in arrears and statistical analysis is used to estimate the likelihood that loans in each range will progress through the various stages of delinquency and ultimately turn into uncollectible. The loss rates are regularly reviewed against actual loss experience.

3.4.9.1 Loan loss provision amount as prescribed in directive no. 02 of Nepal Rastra Bank

Impairment loss on financial assets – loans and advances are determined at the higher of:

- Loan loss provision amount derived as prescribed in directive no. 02/75 of Nepal Rastra Bank; and
- Impairment loss amount determined as per Incurred Loss Model specified in para 63 of NAS 39.

As a result, financial institution has recognized Loan loss provision amount derived as prescribed in directive no. 02/75 of Nepal Rastra Bank because this amount is higher than impairment loss amount determined as per Incurred Loss Model specified in para 63 of NAS 39.

Particulars	FY 2078-79	FY 2077-78
Gross loan and advances to customers excluding staff loans and accrued interest	732,967,648.00	426,883,694.27
Loan loss provision as per NRB Directive	14,827,691.76	7,451,055.36
Loan loss provision as per NFRS	7,036,262.03	5,064,657.00
Loan loss revision recognized (whichever is higher)	14,827,691.76	7,451,055.36

Loan loss provision derived as prescribed in directive no. 02 of Nepal Rastra Bank are considered for making provision against loan and advances during the year.

3.4.9. Loan to employees at below market interest rate

The Financial Institutions generally provides loans to its employees at below market interest rate. This asset is bifurcated and recognized as two different elements viz. a prepaid employee benefit and a loan asset. Initially fair value of a loan to an employee is estimated by discounting the future loan repayments using a market rate of interest. The initial difference between the transaction price of the loan and its fair value is recognized as employee benefit. The remaining part of the loan receivable is accounted for as a financial asset subsequently measured at amortized cost.

The prepaid employee benefit element is accounted for as short-term employee benefit under NAS 19 – “Employee Benefits”. The balance in prepaid employee benefit is amortized over the full term of the loan with corresponding expense recognition determined at the difference between:

- the interest income for the period applying effective interest rate on the fair value of the loan; and
- the interest payable by the employee.

Since the differential interest amount between market interest rate and employee loan interest rate is not substantial or materially high, the asset is not bifurcated and recognized as two different elements viz. a prepaid employee benefit and a loan asset in this year.

3.5. Trading assets

Trading assets are those assets that are acquired principally for the purpose of selling in the near term, or held as part of a portfolio that is managed together for short-term profit. It includes non-derivative financial assets such as government bonds, NRB bonds, domestic corporate bonds, treasury bills, equities, etc. held primarily for trading purpose. If a trading asset is a debt instrument, it is subject to the same accounting policy applied to financial assets measured at amortized cost. If a trading asset is an equity instrument, it is subject to the same accounting policy applied to financial assets measured at FVTPL.

3.6. Derivative assets and derivative liabilities

None

3.7. Property and equipment

Property and equipment are tangible items that are held for and used in the provision of services, for rental to others, or for administrative purposes, and are expected to be used for more than one year period. The Financial Institution applies NAS 16 – “Property, Plant and Equipment” in the accounting of property and equipment.

Additional information on property and equipment with a reconciliation of carrying amounts, accumulated amortization at the beginning and at the end of the periods is presented in Note 4.13.

3.7.1. Basis of recognition

Property and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Financial Institution and the cost of the asset can be reliably measured.

3.7.2. Basis of measurement

An item of property 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 eligible subsequent costs. Subsequent expenditure is capitalized only when it is probable that the future economic benefits of

the expenditure will flow to the Financial Institution. Ongoing repairs and maintenance are expensed as incurred.

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 and capitalized borrowing costs. Purchased software which is integral to the functionality of the related equipment is capitalized as part of Computer Equipment.

3.7.3. Cost model

The Financial Institution applies the cost model to all property and equipment and records these at cost of purchase together with any incidental expenses thereon, less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing part of the equipment when that cost is incurred, if the recognition criteria are met.

3.7.4. Revaluation model

The Financial Institution doesn't apply revaluation model any class of property and equipment.

3.7.5. De-recognition

The carrying amount of an item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the profit or loss in the year the asset is derecognized.

When replacement costs are recognized in the carrying amount of an item of property and equipment, the remaining carrying amount of the replaced part is derecognized.

3.7.6. Capital work-in-progress

These are expenses of a capital nature directly incurred in the construction of buildings and system development, awaiting capitalization. These are stated in the Statement of Financial Position at cost less any accumulated impairment losses. Capital work-in-progress is transferred to the relevant asset when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

3.7.7. Depreciation

The Financial Institution provides depreciation from the date the assets are available for use up to the date of disposal. The assets are depreciated on a straight-line basis over the periods appropriate to the estimated useful lives, based on the pattern in which the asset's future economic benefits are expected to be consumed by the Financial Institution other than disclosed separately.

Class of Fixed Assets	Estimated Useful Life
Freehold Building	Up to 50 years
Motor Vehicles	Up to 10 years
Plant and Machinery	Up to 10 years
Furniture & Fixture	Up to 10 years
Office Equipment	Up to 10 years

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or the date that the asset is de-recognized. Depreciation does not cease when the assets become idle or is retired from active use unless the asset is fully depreciated. Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

3.7.8. Changes in estimates

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

3.8. Goodwill and Intangible assets

3.8.1. Goodwill

Goodwill that arises on the acquisition of Subsidiaries is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the financial institution's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

At the reporting date, the financial institution does not have intangible asset in the form of goodwill, arising on business combination.

3.8.2. Intangible assets

Intangible assets are identifiable non-monetary asset without physical substance, which are held for and used in the provision of services, for rental to others or for administrative purposes. The financial institution applies NAS 38 – "Intangible Assets" in accounting for its intangible assets.

The financial institution recognizes an intangible asset when:

- the cost of the asset can be measured reliably;
- there is control over the asset as a result of past events (for example, purchase or self-creation); and
- future economic benefits (inflows of cash or other assets) are expected from the asset.

Intangibles can be acquired by separate purchase; as part of a business combination; by a government grant; by exchange of assets; or by self-creation (internal generation). An intangible asset appearing in the financial institution's books is computer software which is already written off from the books.

3.8.3. Computer software

Software acquired by the Financial Institution is measured at cost less accumulated amortization and any accumulated impairment losses.

Additional information on intangible assets with a reconciliation of carrying amounts, accumulated amortization at the beginning and at the end of the periods is presented in Note 4.5.

3.8.4. Intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the Cash Generating Unit level as appropriate, when circumstances indicate that the carrying value is impaired. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the 'indefinite life assessment' continues to remain valid. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

At the reporting date the Financial Institution does not have intangible assets with indefinite useful lives.

3.8.5. De-recognition of intangible assets

Intangible assets are de-recognized on disposal or when future economic benefits are no more expected from their use. Gains or losses arising from de-recognition of an intangible asset are measured as the

difference between the net disposal proceed and the carrying amount of the asset. Such a gain or loss is recognized in the profit or loss.

3.8.6. Amortization and impairment of intangible assets

The useful lives of intangible assets are assessed as either finite or infinite. Except for goodwill other intangible assets with finite lives 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 estimate of the useful economic life based on a pattern in which the asset's economic benefits are consumed by the Financial Institution. Amortization methods, useful lives, residual values are reviewed at each financial year end and adjusted if appropriate. The Financial Institution assumes that there is no residual value for its intangible assets.

Class of Intangible Assets	Estimated Useful Life
IT Software	Up to 5 years

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. Expenditure on an intangible item that was initially recognized as an expense by the Financial Institution in previous annual financial statements or interim financial statements are not recognized as part of the cost of an intangible asset at a later date. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Goodwill and intangible assets with infinite useful lives such as license are not amortized, but are assessed for impairment annually. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable.

3.9. Investment property

Investment properties are land or building or both other than those classified as property and equipment under NAS 16 – “Property, Plant and Equipment”; and assets classified as non-current assets held for sale under NFRS 5 – “Non-Current Assets Held for Sale & Discontinued Operations”. The Financial Institution has recognized as investment property all land or land and building acquired as non-banking assets through foreclosure by the Financial Institution.

Non-banking assets (only land and building) are initially recognized at cost. Subsequent to initial recognition the Financial Institution has chosen to apply the cost model allowed by NAS 40 – “Investment Property” and since it is not intended for owner-occupied use, a depreciation charge is not raised.

3.10. Income Tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current and deferred taxes. The Financial Institution applies NAS 12 – “Income Taxes” for the accounting of Income Tax. Income tax expense is recognized in the Statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or directly in other comprehensive income. Tax expense relating to items recognized directly in other comprehensive income is recognized in the Statement of Other Comprehensive Income.

3.10.1. Current Tax

Current tax comprises the amount of income taxes payable (or recoverable) in respect of the taxable profit (or tax loss) for the reporting period, and any amount adjusted to the tax payable (or receivable) in respect of previous years. It is measured using tax rates enacted, or substantively enacted, at the reporting date.

The Financial Institution has determined tax provision for the reported period based on its accounting profit for that period, and incorporating the effects of adjustments for taxation purpose as required under the Income Tax Act 2002 A.D. (2058 B.S.) and amendments thereto, using a corporate tax rate of 30.00%.

The Financial Institution recognizes a current tax liability to the extent that the current tax expense for current and prior periods remain unpaid. Conversely, a current tax asset is recognized if the tax paid in respect of current and prior periods exceed the amount payable for those periods. Explanatory information on current tax calculation is stated in Note 4.41.

3.10.2. Deferred Tax

Deferred tax is recognized at the reporting date in respect of temporary differences between:

- the carrying amounts of assets and liabilities for financial reporting purposes; and
- the amounts used for taxation purposes (i.e., tax base).

Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credits and carried forward unused tax losses (if any), to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they will be reversed, using tax rates enacted, or substantively enacted, at the reporting date. Deferred tax income or expense relating to items recognized directly in equity is recognized in Other Comprehensive Income.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Explanatory information on deferred tax calculation is stated in Note 4.15.

3.11. Deposits, debt securities issued and subordinated liabilities

3.11.1. Deposits from customers and BFIs

The Financial Institution presents deposit accounts held by customers and those held by BFIs in the Financial Institution under respective line items in the face of the consolidated statement of financial position. These are classified as financial liabilities measured at amortized cost.

3.11.2. Debt securities issued

The Financial Institution presents debt securities, debenture issued by the Financial Institution under this line item. These are classified as financial liabilities measured at amortized cost. The Financial Institution does not have any debt securities issued at the reporting date.

3.11.3. Subordinated liabilities

These comprise of liabilities subordinated, at the event of winding up, to the claims of depositors, debt securities issued and other creditors. Items eligible for presentation under this line item include redeemable preference share, subordinated notes issued, borrowings etc. These are subject to the same accounting policies applied to financial liabilities measured at amortized cost. The Financial Institution does not have any subordinated liabilities at the reporting date.

3.12. Provisions

The Financial Institution applies NAS 37 – “Provisions, Contingent Liabilities & Contingent Assets” in the accounting of provisions.

3.12.1. Provisions for onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Financial Institution 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. The Financial Institution does not have any onerous contracts at the reporting date.

3.12.2. Other provisions

A provision is recognized if, as a result of a past event, the Financial Institution 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 of Provisions is determined by discounting the expected future cash outflows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognized as interest expense in profit or loss.

Before a provision is established, the Financial Institution recognizes any impairment loss on the assets associated with that contract. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

3.13. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Financial Institution and the revenue can be measured reliably. The Financial Institution applies NAS 18 – “Revenue” in the accounting of revenue, unless otherwise stated.

3.13.1. Interest income

Interest income are recognized in profit or loss using the effective interest rate (EIR) method for all financial assets measured at amortized cost. Interest income is earned on bank balances, investments in money market and capital market instruments, loans and advances, etc.

EIR method is a method of calculating the amortized cost of a financial asset and of allocating the interest income over the relevant period. EIR is the rate that exactly discounts estimated future cash receipts or cash payments through the expected life of the financial asset to the net carrying amount of the financial asset.

When calculating EIR the Financial Institution estimates future cash flows considering all contractual terms of the financial asset, but not future credit losses. The Financial Institution has excluded from EIR calculation the upfront management fees received at the origination of long tenor loans and advances to customers.

Details of interest income on loan and advances:

Particulars	2079 Ashadh 32	2078 Ashadh 31
Cash received during the year	8,10,69,522.75	59,670,857.00
Closing Accrued Income	74,99,292.1	4,334,460.00
Opening Accrued Income	4,334,460.00	4,147,243.00
Income recognized during the year	8,35,76,354.85	59,831,074.00

financial institution has not provided any rebate on interest charges during the year ended 32nd Ashadh 2079.

TABLE 1

Particulars	As of Asadh end 2079	
	No. of Customers	Amount (NRs.)
Accrued Interest Received after Asadh end 2078 till 15 Bhadra 2078	8	656,000.00
Additional 0.3% Loan Loss Provision created on Pass Loan Portfolio	639.00	1,922,960.21
Extension of moratorium period of loan provided to Industry or Project under construction	NA	NA
Restructured/Rescheduled Loan with 5% Loan Loss Provision	NA	NA
Enhancement of Working Capital Loan by 20% to COVID affected borrowers	NA	NA
Enhancement of Term Loan by 10% to COVID affected borrowers	NA	NA
Expiry Date of Additional 20% Working Capital Loan (COVID Loan) extended for up to 1 year with 5% provisioning	NA	NA
Expiry Date of Additional 10% Term Loan (COVID Loan) extended for up to 1 year with 5% provisioning	NA	NA
Time Extension provided for repayment of Principal and Interest for up to two years as per clause 41 of NRB Directives 2	NA	NA

TABLE 2

Particulars	As of Asadh end 2078	
	No. of Customers	Amount (NRs.)
Refinance Loan	NA	NA
Business Continuity Loan	NA	NA

TABLE 3

Particulars	As of Asadh end 2078	
	No. of Customers	Amount (NRs.)
Subsidized Loan	3	27,757,030.02

3.13.2. Fees and commission income

The Financial Institution earns fee and commission income on providing a diverse range of services to its customers. Such income earned on services including account maintenance, remittance transactions, agency commissions, e-commerce transactions, bank guarantees, loan management, etc. are recognized as the related services are performed. Fee and commission earned for the provision of services over a period of time are recognized as income on cash basis at the time of issue of Guarantee.

Explanatory information on net fees and commission income is stated in Note 4.31.

3.13.3. Dividend income

Dividend income is recognized when the right to receive income is established, which is the ex-dividend date for quoted equity instruments and unit investments. In line with the requirements of the Income Tax Act 2002, dividends received from domestic companies are recognized as final withholding income, while those received in respect of unit investments in mutual funds and equity interest in foreign companies are recognized in gross amounts and respective withholding taxes are recognized as tax receivables.

3.13.4. Net trading income

Trading income comprises of gains or losses relating to financial assets and liabilities held in the Financial Institution's trading books. The Financial Institution presents all accrued interest, dividend, unrealized fair value changes and disposal gains or losses in respect of trading assets and liabilities under this head.

Explanatory information on net trading income is stated in Note 4.33.

3.13.5. Net income from other financial instrument at fair value through Profit or Loss

None

3.14. Interest expense

Interest expense is recognized in profit or loss using the effective interest rate (EIR) method for all financial liabilities measured at amortized cost. Interest expense is borne on inter-bank borrowings, deposit from customers, debenture issued, refinance borrowing, etc.

Explanatory information on interest expense is stated in Note 4.30.

3.15. Employee Benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. The Financial Institution's remuneration package includes both short term and long-term benefits and comprise of items such as salary, allowances, paid leave, accumulated leave, gratuity, provident fund and annual statutory bonus.

The Financial Institution applies NAS 19 – "Employee Benefits" in accounting of all employee benefits and recognizes the followings in its financial statements:

- a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
- an expense when the Financial Institution consumes the economic benefit arising from service provided by an employee in exchange for employee benefits.

Explanatory information on personnel expense is stated in Note 4.36.

3.15.1. Short term employee benefits

These are employee benefits which fall due wholly within twelve months after the end of the period in which the employees render the related service. This includes salary, allowances, medical insurance, statutory bonus to employees, etc. These are measured on an undiscounted basis and are charged to profit or loss in the period the services are received. Prepaid benefits on loans advanced to employees at below-market interest rate are amortized over the full period of the loan. Financial Institution has not advanced any loan to employees at below market interest rate.

3.15.2. Defined contribution plan (DCP)

DCPs are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (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 service in the current and prior periods. The Financial Institution has one DCP in the form of 'Provident Fund'.

Contributions by the Financial Institution to a DCP in proportion to the services rendered by its employees are recognized as incurred in profit or loss in the same period. If there stands any payable to the DCP at the reporting date, a corresponding liability is also recognized in the SoFP.

3.15.3. Defined benefit plans (DBP)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Financial Institution has one DBP in the form of 'Gratuity'.

3.15.3.1. Description of DBP – Gratuity

An actuarial valuation is not carried out considering the small organization structure and hence actuarial gains or losses are not recognized. Instead, the gratuity liability is fully funded to the corresponding DBP to the extent of gratuity entitlement earned by the employees in the same period. Employer's contribution to DBP is recognized as gratuity expense in profit or loss.

3.15.4. Other long term employee benefits

The Financial Institution has recognized accumulated leave liability, in respect of accrued leave which is expected to be utilized by employees in periods beyond one year from the reporting date, as other long term employee benefits.

3.15.5. Terminal benefits

Termination benefits are expensed at the earlier of when the Financial Institution can no longer withdraw the offer of those benefits and when the Financial Institution recognizes costs for a restructuring. If benefits are not expected to be wholly settled within 12 months of the reporting date, then they are discounted. The Financial Institution does not have any terminal benefit plan for the reporting period.

3.16. Leases

None

3.17. Foreign Currency translation

None

3.18. Financial guarantee and loan commitment

None

3.19. Share capital and reserves

Ordinary shares in the Financial Institution are recognized at the amount paid per ordinary share. Financial Institution's shares are listed at Nepal Stock Exchange Ltd. The holders of ordinary shares are entitled to one vote per share at general meetings of the Financial Institution and are entitled to receive the annual dividend payments. The Financial Institution does not have any other form of share capital (preference shares, convertible instruments, share based payments, etc.) apart from the ordinary shares.

There are a number of statutory and non-statutory reserve headings maintained by the Financial Institution in order to comply with regulatory framework and other operational requirements. The various reserve headings are explained hereinafter:

3.19.1. General reserve

This is a statutory reserve and is a compliance requirement of NRB directive no. 4/75 and stipulations of BAFIA. The Financial Institution is required to appropriate a minimum 20% of current year's net profit into this heading each year until it becomes double of paid-up capital and then after a minimum 10% of profit each year. This reserve is not available for distribution to shareholders in any form and requires specific approval of the central bank for any transfers from this heading. The Financial Institution has consistently appropriated the required amount from each year's profit into this heading. There is no such statutory requirement for the Subsidiary.

3.19.2. Exchange equalization reserve

There is no such statutory requirement for the Financial Institution.

3.19.3. Fair value reserve

This is a non-statutory reserve and is a requirement in the application of accounting policy for financial assets. NFRS 9 requires that cumulative net change in the fair value of financial assets measured at FVTOCI is recognized under fair value reserve heading until the fair valued asset is de-recognized. Any realized fair value changes upon disposal of the re-valued asset are reclassified from this reserve heading to retained earnings.

Financial institution has recognized under fair value reserve Rs. (1,12,18,455) as fair value loss recognized through other comprehensive income.

3.19.4. Asset revaluation reserve

This is a non-statutory reserve and is a requirement in the application of accounting policy for non-financial assets such as property, equipment, investment property and intangible assets that are measured following a re-valuation model. Revaluation reserves often serve as a cushion against unexpected losses but may not be fully available to absorb unexpected losses due to the subsequent deterioration in market values and tax consequences of revaluation. The Financial Institution have amount Rs. 2,49,37,663 under asset revaluation reserve.

3.19.5. Special reserve

This is a statutory reserve and is a compliance requirement of NRB circular 12/072/73. The Financial Institution is required to appropriate an amount equivalent to 100% of capitalized portion of interest income on borrowing accounts where credit facility was rescheduled or restructured, following the after effects of the great earthquake that struck the nation in April 2015. Fund in this account can be reclassified to retained earnings upon full and final repayment of the credit facility.

3.19.6. Corporate social responsibility fund

This is a statutory reserve and is a compliance requirement of NRB circular 11/073/74. The Financial Institution is required to appropriate an amount equivalent to 1% of net profit into this fund annually. The fund is created towards funding the Financial Institution's corporate social responsibility expenditure during the subsequent year. Balance in this fund is directly reclassified to retained earnings in the subsequent year to the extent of payments made under corporate social responsibility activities.

The financial Institution has not done any activities in respect of corporate social responsibility during the year. Hence balance amount of reserve is accumulated at the end of this year.

Movement of CSR are as follow:

Particulars	2078/79	2077/78
Opening Reserve	411,269	269,782
Add: Addition during the year	23,544	141,487

Less: Expensed during the year	0	0
Closing Reserve	434,813	411,269

3.19.7. Investment adjustment reserve

This is a statutory reserve heading and is a compliance requirement of NRB directive no.4/075 and 8/075. The Financial Institution is required to maintain balance in this reserve heading which is calculated at fixed percentages of the cost of equity investments that are not held for trading. Changes in this reserve requirement are reclassified to retained earnings.

3.19.8. Actuarial gain / loss reserve

This is a non-statutory reserve and is a requirement in the application of accounting policy for employee benefits. NAS 19 requires that actuarial gain or loss resultant of the change in actuarial assumptions used to value defined benefit obligations be presented under this reserve heading. Any change in this reserve heading is recognized through other comprehensive income and is not an appropriation of net profit.

3.19.9. Training Reserve

The financial institution has not created any training reserve during the year due to the excess expenditure already incurred than required.

3.19.10. Regulatory Reserve

As per the NRB Directive 4/075 clause 3 the Finance is required to credit an amount equal to the adjustments made as per NFRS while preparing Opening Statement of Financial Position and NFRS compliant financial statements of succeeding years to the Regulatory Reserve. The amount shall be transferred from Retained Earnings to the Regulatory Reserve in the Statement of Changes in Equity. Accordingly, the Finance has credited the following amounts:

		Fig. NPR	
Particulars	2078/79	2077/78	
Opening Reserve	9,128,798	7,846,059	
Add: Accrued Interest receivable increase	1,754,782	112,152	
Add: Interest income after Ashadh end net of tax	-	459,200	
Add: Deferred tax assets decrease	3,309,420	383,075	
Less: Decrease in non-banking assets	(728,882)	(430,000)	
Add: Fair value loss	10,460,143	758,312	
Closing Reserve	23,924,262	9,128,798	

Heading wise (Net)

Fig. NPR									
FY	Interest receivable	Short loan loss provision	Short provision for possible losses on investment	Short Provision on NBA	Deferred Tax Assets	Actuarial Loss Recognized	Fair Value Loss Recognized in OCI	Other	Total
2075/76	2,085,321	-	-	6,312,349	936,516	-	-	278,782	9,612,968
2076/77	836,649	-	-	(1,781,000)	(822,559)	-	-	-	(1,766,909)
2077/78	112,152	-	-	(430,000)	383,075	-	758,312	459,200	1,282,739
2078/79	1,754,782	-	-	(728,882)	3,309,420	-	10,460,143	-	14,795,464
Total	4,788,904	-	-	3,372,467	3,806,453	-	11,218,455	737,982	23,924,261

3.20. Earnings per share including diluted

The Financial Institution calculates basic and diluted Earnings per Share (EPS) data for its ordinary shares as required under Nepal Accounting Standards – NAS 33 on “Earnings per Share”. Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Financial Institution by the weighted average number of ordinary shares outstanding during the reported period. Diluted EPS is calculated by adjusting the profit or loss that is attributable to the ordinary shareholders of the Financial Institution and the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares, such as share options granted to employees and hybrid capital instruments.

The Financial Institution has issued bonus shares of Rs. 5.2 Crores and has reached its paid-up capital to Rs. 45.2 Crores as on 32nd Ashadh 2079.

3.21. Segment reporting

The Financial Institution discloses information on operating segments to enable users of financial statements to evaluate the nature and financial effects of the Financial Institution’s business activities and that of the economic environment in which the Financial Institution operates. Detail information on the Financial Institution’s operating segment is presented in Note 5.4.

3.22. Impairment of Non-Financial Assets

The Financial Institution reviews the carrying amounts of its non-financial assets (other than investment properties and deferred tax assets) to determine whether there exists any indication of impairment. Where any indication of impairment exists, the Financial Institution makes an estimation of the asset’s recoverable amount.

The ‘recoverable amount’ of an asset is the greater of its ‘Value in Use’ and its ‘Fair Value’ less costs to sell. In determining the ‘Value in use’, future cash flow estimates are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining ‘Fair Value’ less cost to sell, an appropriate valuation model is used.

An impairment loss is recognized in the profit or loss if the carrying amount of an asset exceeds the estimated recoverable amount from that asset. The impairment loss is recognized through expense charge in profit or loss with a corresponding write down in the carrying value of the asset. Conversely, subsequent reversal of impairment charge is also recognized when a subsequent assessment of the asset’s recoverable amount results in a reduction in previously recognized impairment loss for that asset.

3.23. Statement of cash flows

The Financial Institution has reported its cash flow statement applying the ‘Direct Method’ in accordance with NAS 07 – “Statement of Cash Flows”. Application of the direct method in presenting cash flow statement discloses major classes of gross cash receipts and gross cash payments, thereby provides information which may be useful in estimating future cash flows of an entity.

‘Cash and Cash Equivalents’, as referred to in the statement of cash flows are the same as presented on the face of the consolidated statement of financial position. ‘Cash Flows’ are inflows and outflows of cash and cash equivalents.

The statement of cash flows reports cash flows during the period classified by operating, investing and financing activities as defined hereunder:

- Operating Activities: are the principal revenue generating activities of the reporting entity and other activities that are not classified as investing or financing activities.
- Investing Activities: are the acquisition and disposal of long-term assets and other long-term investments.

- Financing Activities: are activities that result in changes in the size and composition of the contributed equity and borrowed capital of the Financial Institution.

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Cash and Cash Equivalent

4.1

	2079 Asar 32	2078 Asar 31
Cash in Hand	7,311,024	15,573,647
Balances with BFIs	-	-
Money at call and short notice	329,801,491	357,072,295
Other	-	-
Total	337,112,515	372,645,942

Due from Nepal Rastra Bank

4.2

	2079 Asar 32	2078 Asar 31
Statutory balances with NRB	23,801,120	-
Securities purchased under resale agreement	-	-
Other deposit and receivable from NRB	-	-
Total	23,801,120	-

Placements with Banks and Financial Institutions

4.3

	2079 Asar 32	2078 Asar 31
Placement with domestic B/FIs	-	-
Placement with foreign B/FIs	-	-
Less: Allowances for impairment	-	-
Total	-	-

Derivative financial instruments

4.4

	2079 Asar 32	2078 Asar 31
<i>Held for trading</i>		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Others	-	-
<i>Held for risk management</i>		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Total	-	-

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Other trading assets

4.5

	2079 Asar 32	2078 Asar 31
Treasury bills	-	-
Government bonds	-	-
NRB bonds	-	-
Domestic corporate bonds	-	-
Equities	-	-
Total	-	-
Pledged	-	-
Not pledged	-	-

Loans and advances to BFIs

4.6

	2079 Asar 32	2078 Asar 31
Loans to microfinance institutions	5,902,842	-
Other	-	-
Less: Allowances for impairment	(76,737)	-
Total	5,826,105	-

4.6.1 Allowances for Impairment

Balance at Sawan 1	-	-
Impairment losses for the year:		
Charge for the year	76,737	-
Recoveries/reversal	-	-
Amount written off	-	-
Balance at Asar end	76,737	-

Loans and advances to customers

4.7

	2079 Asar 32	2078 Asar 31
Loans and Advances measured at Amortized Cost	727,064,806	436,492,162
Less: Impairment Allowances	(14,750,955)	(7,451,055)
Collective Impairment	(14,478,145)	(7,290,565)
Individual Impairment	(272,810)	(160,490)
Net Amount	712,313,852	429,041,107
Loans and Advances measured at FVTPL	-	-
Total	712,313,852	429,041,107

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

4.7.1: Analysis of Loans and Advances – By Product

	2079 Asar 32	2078 Asar 31
<u>Product</u>		
Term loans	95,222,633	-
Overdraft	336,350,377	-
Trust receipt/Import loans	-	-
Demand and other working capital Loans	-	-
Personal residential loans	41,072,036	37,356,403
Real estate loans	1,200,000	-
Margin lending loans	-	-
Hire purchase loans	1,737,084	-
Subsidized Loan loans	27,757,030	-
Deprived sector loans	65,542,532	24,259,715
Agricultural & Irrigation loans	129,996,271	-
Bills purchased	-	-
Staffs loans	2,394,008	4,616,008
Other (Loan against FD)	18,293,544	365,267,576
Sub-Total	719,565,514	431,499,702
Interest receivable	7,499,292	4,992,460
Grand Total	727,064,806	436,492,162

4.7.2: Analysis of loans and advances – By Currency

	2079 Asar 32	2078 Asar 31
Nepalese Rupee	727,064,806	436,492,162
Indian Rupee	-	-
United State Dollar		
Great Britain Pound		
Euro		
Japanese Yen		
Chinese Yuan		
Other		
Total	727,064,806	436,492,162

4.7.3: Analysis of Loans and Advances – By Collateral

	2079 Asar 32	2078 Asar 31
<u>Secured</u>		
Movable/Immovable Assets	708,771,262	408,543,017
Gold and silver		
Guarantee of domestic B/Fis		
Government guarantee		
Guarantee of international rated bank		
Collateral of export document		
Collateral of fixed deposit receipt	18,293,544	27,949,146
Collateral of Government securities		
Counter guarantee		
Personal guarantee		

Multipurpose Finance Limited

Notes to Financial Statements

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

Other collateral	-	-
Subtotal	727,064,806	436,492,162
<i>Unsecured</i>	-	-
Grand Total	727,064,806	436,492,162

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

4.7.4: Allowances for Impairment

	2079 Asar 32	2078 Asar 31
<u>Specific allowances for impairment</u>		
Balance at Sawan 1	160,490	1,734,704
Impairment loss for the year:	112,320	(1,574,214)
Charge for the year	-	-
Recoveries/reversal during the year	112,320	(1,574,214)
Write-offs		
Exchange rate variance on foreign currency impairment		
Other movement		
Balance at Asar end	272,810	160,490
<u>Collective allowances for impairment</u>		
Balance at Sawan 1	7,290,565	4,153,372
Impairment loss for the year:	7,187,580	3,137,193
Charge/(reversal) for the year	7,187,580	3,137,193
Exchange rate variance on foreign currency impairment		
Other movement		
Balance at Asar end	14,478,145	7,290,565
Total Allowances for Impairment	14,750,955	7,451,055

Investment Securities **4.8**

	2079 Asar 32	2078 Asar 31
Investment securities measured at amortized cost		
Investments in Bonds & Bills	19,544,780	-
Investment in equity measured at FVTOCI	32,856,141	44,026,865
Quoted Equity	22,661,641	38,832,365
Unquoted Equity	10,194,500	5,194,500
Mutual Fund Units	21,973,390	10,140,000
Total	74,374,310	54,166,865

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

4.8.1: Investment Securities measured at Amortized Cost

	2079 Asar 32	2078 Asar 31
Debt Securities		-
Government bonds	15,000,000	-
Government treasury bills	4,544,780	-
Nepal Rastra Bank bonds		-
Nepal Rastra Bank deposits instruments		-
Other	-	-
Less: Specific Allowances for Impairment	-	-
Total	19,544,780	-

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

	2079 Asar 32	2078 Asar 31
Equity Instruments		
Quoted Equity Shares	22,661,641	38,832,365
Unquoted Equity Shares	10,194,500	5,194,500
Mutul Fund Units	21,973,390	10,140,000
Total	54,829,530	54,166,865

4.8.3: Information relating to investment in equities

	2079 Asar 32		2078 Asar 31	
	Cost	Fair value	Cost	Fair value
Investment in quoted equity	35,812,992	22,661,641	40,055,667	38,832,365
1. Api Power Company Ltd (905 shares @ 100 paidup)	231547	221273	367,735	403,000
2. Asian Life Insurance Co. Limited (250 shares @ 100 paidup)	299556	143500	532,071	539,200
3. Chhimek Laghubitta Bikas Bank Limited (889 shares @ 100 paidup)	1216600	977900	1,285,120	1,216,600
4. Chilime Hydropower Company Limited (1632 shares @ 100 paidup)	1030500	657696	1,041,526	1,030,500
5. Deprosc Development Bank Limited (500 shares @ 100 paidup)	843000	470000	918,273	843,000
6. Everest Insurance Co. Ltd. (2332 shares @ 100 paidup)	1647800	1166000	1,651,107	1,647,800
7. Global IME Laghubitta Bitty Sanstha Ltd (1258 shares @ 100 paidup)	3541270	1634142	3,599,273	3,541,270
8. Himalyan General Insurance Co.Ltd (3346 shares @ 100 paidup)	2365143	1739920	2,900,681	3,072,000
9. Infinity Laghubitta Bitty Sanstha Ltd (1276 shares @ 100 paidup)	1916873	1263240	2,144,131	2,131,695
10. Mithila Laghubitta Bikas Bank Ltd (1750 shares @ 100 paidup)	3283000	2392250	3,262,478	3,283,000
11. National Life Insurance Co. Ltd	345300	205989	385,202	345,300

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

(357 shares @ 100 paidup)				
12. Neco Insurance Co. Ltd.	1752400	1197844	2, 224, 132	1, 752, 400
(1726 shares @ 100 paidup)				
13. Nirdhan Uthan Bank Ltd	2560000	2277128	2, 822, 730	2, 560, 000
(2072 shares @ 100 paidup)				
14. NMB Microfinance Bittiya sanstha Ltd	2143500	1125150	2, 339, 067	2, 143, 500
(1500 shares @ 100 paidup)				
15. Prabhu Insurance Ltd	1562403	807636	1, 692, 789	1, 728, 000
(1887 shares @ 100 paidup)				
16. Premier Insurance Co. Ltd.	2340000	1316160	2, 577, 346	2, 340, 000
(2285 shares @ 100 paidup)				
17. Prime Life Insurance Company Limited	477000	327175	458, 420	477, 000
(575 shares @ 100 paidup)				
18. Sagarmatha Insurance Co. Ltd	672000	482850	834, 977	672, 000
(555 shares @ 100 paidup)				
19. Sanima Mai Hydropower Ltd.		-	1, 244, 931	1, 539, 000
(3000 shares @ 100 paidup)				
20. Shikhar Insurance Co. Ltd.	1189200	629460	1, 310, 886	1, 171, 200
(780 shares @ 100 paidup)				
21. Surya Life Insurance Company Limited	3227000	1526328	3, 171, 801	3, 227, 000
(3944 shares @ 100 paidup)				
22. Swabalamban Bikas Bank Ltd	331800	233800	362, 427	331, 800
(200 shares @ 100 paidup)				
23. Swarojgar Laghu Bitta Bikas Bank Ltd	1200000	851000	1, 215, 589	1, 200, 000
(1000 shares @ 100 paidup)				
24. Vijaya laghubitta Bittiya Sanstha Ltd.	1637100	1015200	1, 712, 974	1, 637, 100
(1080 shares @ 100 paidup)				
Investment in unquoted equity	10, 194, 500	10, 194, 500	5, 194, 500	5, 194, 500
Vision Lumbini Urja Company (Seti Nadi Jalbidhut 25W)	10, 000, 000	10, 000, 000	5, 000, 000	5, 000, 000
(100,000 Shares of Rs 100 each)				
Nepal clearing House Ltd	100, 000	100, 000	100, 000	100, 000
(3,784 Shares of Rs 100 each)				
Credit Information Bureau (CIB)	94, 500	94, 500	94, 500	94, 500
(11,813 Shares of Rs 100 each)				
Investment in Mutual Fund Units	237, 65, 100	219, 73, 389. 7	100, 00, 000	1, 01, 40, 000
Prabhu Select Fund	101, 40, 000	96, 10, 000	100, 00, 000	1, 01, 40, 000
(10,00,000 units of Rs 10 each)				
MMF1	43, 63, 400	34, 86, 356. 6		-
(436,340 units of Rs 10 each)				
NBF3	1, 66, 700	1, 57, 198. 1		-
(16,670 units of Rs 10 each)				
NMBSBFE	95, 000	84, 835		-
(9,500 units of Rs 10 each)				
RMF1	50, 00, 000	46, 35, 000		-
(5,00,000 units of Rs 10 each)				
Kumari Yojana Ltd	40, 00, 000	40, 00, 000		-
(400,000 Shares of Rs 10 each)				
Total	552, 50, 167	5, 41, 66, 865	552, 50, 167	5, 41, 66, 865

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Current tax assets	4.9	
	2079 Asar 32	2078 Asar 31
Current tax assets	-	-
Current year income tax assets	4,318,319	5,110,214
Tax assets of prior periods	-	-
Current tax liabilities	-	-
Current year income tax liabilities	623,456	6,437,778
Tax liabilities of prior periods	-	-
Total	3,694,863	(1,327,564)

Investment in Subsidiaries 4.10

	2079 Asar 32	2078 Asar 31
Investment in quoted subsidiaries	-	-
Investment in unquoted subsidiaries	-	-
Total Investment	-	-
Less: Impairment allowances	-	-
Net carrying amount	-	-

4.10.1: Investment in quoted subsidiaries

	2079 Asar 32		2078 Asar 31	
	Cost	Fair Value	Cost	Fair Value
....., Ltd.	-	-	-	-
.....Shares of Rs..... each	-	-	-	-
....., Ltd.	-	-	-	-
.....Shares of Rs..... each	-	-	-	-
Total	-	-	-	-

4.10.2: Investment in unquoted subsidiaries

	2079 Asar 32		2078 Asar 31	
	Cost	Fair Value	Cost	Fair Value
....., Ltd.	-	-	-	-
.....Shares of Rs..... each	-	-	-	-
....., Ltd.	-	-	-	-
.....Shares of Rs..... each	-	-	-	-
Total	-	-	-	-

Multipurpose Finance Limited

Notes to Financial Statements

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

4.10.3: Information relating to subsidiaries of the finance

	Percentage of ownership held by the finance	
	2079 Asar 32	2078 Asar 31
No Subsidiary	-	-
	2079 Asar 32	
Ltd Ltd
Equity interest held by NCI (%)	-	-
Profit/(loss) allocated during the year	-	-
Accumulated balances of NCI as on Asar end 2076	-	-
Dividend paid to NCI	-	-
	2079 Asar 32	2078 Asar 31
	 Ltd
Equity interest held by NCI (%)		-
Profit/(loss) allocated during the year		-
Accumulated balances of NCI as on Asar end 2075		-
Dividend paid to NCI		-
Investment in Associates		4.11

	2079 Asar 32	2078 Asar 31
Investment in quoted associates	-	-
Investment in unquoted associates	-	-
Total Investment	-	-
Less: Impairment Allowances	-	-
Net Carrying Amount	-	-

4.11.1: Investment in quoted associates

	2079 Asar 32		2078 Asar 31	
	Cost	Fair Value	Cost	Fair Value
....., Ltd.	-		-	
.....Shares of Rs..... each	-		-	
....., Ltd.	-		-	
.....Shares of Rs..... each	-		-	
Total				

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

4.11.2: Investment in unquoted associates

	2079 Asar 32		2078 Asar 31	
	Cost	Fair Value	Cost	Fair Value
....., Ltd.		-		-
.....Shares of Rs..... each		-		-
....., Ltd.		-		-
.....Shares of Rs..... each		-		-
Total				

4.11.3: Information relating to associates of the finance

	Percentage of Ownership held by finance	
	2079 Asar 32	2078 Asar 31
....., Ltd.	-	-
....., Ltd.	-	-
....., Ltd.	-	-
....., Ltd.	-	-

4.11.4: Equity value of associates

	2079 Asar 32	2078 Asar 31
....., Ltd.	-	-
....., Ltd.	-	-
Total		

Investment properties

4.12

	2079 Asar 32	2078 Asar 31
Investment properties measured at fair value		
Balance as on Shrawan 01,	-	-
Addition/disposal during the year	-	-
Net changes in fair value during the year	-	-
Adjustment/transfer	-	-
Net amount	-	-
Investment properties measured at cost		
Balance as on Shrawan 01,	4,101,349	4,531,349
Addition/disposal during the year	(728,882)	(430,000)
Adjustment/transfer	-	-
Accumulated depreciation	-	-
Accumulated impairment loss	-	-
Net amount	3,372,467	4,101,349
Total	3,372,467	4,101,349

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Property and Equipment

4.13

Particulars	Land	Building	Leasehold Properties	Vehicles	Furnitures & Fixtures	Office Equipments	Computers & others	Total
Cost								
As on Shrawan 01, 2077	24,472,950	6,169,479	-	219,330	913,551	292,212	1,101,539	33,169,060
Addition during the year		-	-	-	-	-	-	-
Acquisition	-			258,900	-	-	136,000	394,900
Revaluation					-			-
Capitalization			-	-	-		-	-
Disposal during the year					-			-
Balance as on Asar end 2078	24,472,950	6,169,479	-	478,230	913,551	292,212	1,237,539	33,563,960
Addition during the Year		-	-	-		-	-	-
Acquisition	100,800,000	290,332	16,780,109	8,882,789	1,824,892	4,462,873	4,858,394	137,899,388
Capitalization					-	-	-	-
Disposal during the year			-	-	-	-	-	-
Adjustment/ Revaluation on Fair Va	1,064,714				-	-	-	1,064,714
Balance as on Asar end 2079	126,337,663	6,459,810	16,780,109	9,361,019	2,738,443	4,755,085	6,095,932	172,528,061
Depreciation and Impairment								
As on Shrawan 01,2077	-	1,393,392	-	209,273	477,423	197,828	729,177	3,007,092
Transfer to Reserve					-			-
Depreciation charge for the year		118,657	-	9,079	65,091	15,918	73,508	282,254
Impairment for the year		-	-	-	-	-	-	-
Disposals					-			-
Adjustment		-	-	-	-	-	-	-
As on Asar end 2078	-	1,512,050	-	218,353	542,514	213,746	802,685	3,289,347
Impairment for the year								
Depreciation charge for the year	-	127,714	279,464	730,190	204,236	183,530	313,274	1,838,408
Disposals		-	-	-	-	-	-	-
Impairment for the year		619,359	-	-	-	-	-	619,359
As on Asar end 2079	-	2,259,123	279,464	948,543	746,750	397,275	1,115,959	5,747,113
Capital Work in Progress Net book value		-						-
As on Asar end 2078	24,472,950	4,657,429	-	259,877	371,037	78,466	434,854	30,274,613
As on Asar end 2079	126,337,663	4,200,688	16,500,645	8,412,476	1,991,693	4,357,810	4,979,973	166,780,948

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Goodwill and Intangible Assets

4.14

Particulars	Goodwill	Software		Other	Total Asar end
		Purchased	Developed		
Cost					
As on Shrawan 01,2077		–			–
Addition during the year		–			–
Acquisition					–
Capitalization					–
Disposal during the year		–			–
Adjustment/ Revaluation					
Balance as on Asar end 2078		–	–	–	–
Addition during the Year		–			–
Acquisition		2, 400, 152			2, 400, 152
Capitalization					–
Disposal during the year		–			–
Adjustment/ Revaluation					
Balance as on Asar end 2079		2, 400, 152	–	–	2, 400, 152
Amortisation and Impairment					
As on Shrawan 01,2077		–			–
Amortisation charge for the year		–			–
Impairment for the year					–
Disposals		–			–
Adjustment					
As on Asar end 2078		–	–	–	–
Amortisation charge for the year		42, 026			42, 026
Impairment for the year		–			–
Disposals		–			–
Adjustment					
As on Asar end 2079		42, 026	–	–	42, 026
Capital Work in Progress		–			–
Net Book Value					
As on Asar end 2078		–			–
As on Asar end 2079		2, 358, 126	–	–	2, 358, 126

Multipurpose Finance Limited

Notes to Financial Statements

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

Deferred Tax

4.15

	Previous FY 2077-78		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets / (Liabilities)
Deferred tax on temporary differences on following items			
Loans and Advances to B/Fis			
Loans and Advances to Customers	-	-	-
Investment properties			
Investment securities			
Property & equipment	-	(502,040)	(502,040)
Employees' defined benefit plan	674,081	-	674,081
Lease liabilities			
Provisions			
Fair Value Reserve	324,991	-	324,991
Deferred tax on temporary differences	999,072	(502,040)	497,032
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 2078			497,032
Deferred tax (asset)/ liabilities as on Shrawan 01, 2077			113,957
Origination/(Reversal) during the year			(383,075)
Deferred tax expense/ (income) recognized in profit or loss			(58,085)
Deferred tax expense/ (income) recognized in other comprehensive income			(324,991)
Deferred tax expense/ (income) recognized directly in equity			

Multipurpose Finance Limited

Notes to Financial Statements

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

Deferred Tax

4.15

			Current FY 2078-79
Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets / (Liabilities)
Deferred tax on temporary differences on following items			
Loans and Advances to B/Fis			
Interest Income	-	-	-
Investment properties			-
Investment securities			-
Property and Equipment	-	(1,358,927)	(1,358,927)
Employees' Defined Benefit Plan	682,461	-	682,461
Lease liabilities			
Provisions			
Fair Value Reserve	4,482,919	-	4,482,919
Deferred tax on temporary differences	5,165,379	(1,358,927)	3,806,453
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 2079			3,806,453
Deferred tax (asset)/ liabilities as on Shrawan 01, 2078			497,032
Origination/(Reversal) during the year			(3,309,420)
Deferred tax expense/ (income) recognized in profit or loss			1,173,498
Deferred tax expense/ (income) recognized in other comprehensive income			(4,482,919)
Deferred tax expense/ (income) recognized directly in equity			

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Other Assets

4. 16

	2079 Asar 32	2078 Asar 31
Assets held for sale	-	-
Bills receivable	-	-
Accounts Receivable	7, 600, 075	426, 910
Accrued Income	-	-
Prepayments and Deposits	519, 869	170, 388
Income tax deposit	-	-
Deferred employee expenditure	-	-
Other Assets	3, 513, 514	3, 407, 657
Total	11, 633, 458	4, 004, 954

Due to Banks and Financial Institutions

4. 17

	2079 Asar 32	2078 Asar 31
Money Market Deposits	-	-
Interbank borrowing	-	-
Other deposits from BFIs	-	-
Settlement and clearing accounts	-	-
Other deposits from BFIs	-	-
Total	-	-

Due to Nepal Rastra Bank

4. 18

	2079 Asar 32	2078 Asar 31
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of last report facility from NRB	-	-
Securities sold under repurchase agreement	-	-
Other payable to NRB	-	-
Total	-	-

Derivative Financial Instruments

4. 19

	2079 Asar 32	2078 Asar 31
<i>Held for Trading</i>		
Interest Rate Swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Other	-	-
<i>Held for Trading</i>		
Interest Rate Swap	-	-
Forward exchange contract	-	-
Other	-	-
Total	-	-

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Deposits from customers

4. 20

	2079 Asar 32	2078 Asar 31
Institutional customers:		
Term deposits	130, 601, 000	57, 251, 000
Call deposits	141, 752, 029	-
Current deposits	19, 928, 465	-
Individual customers:		
Term Deposits	356, 576, 499	162, 339, 205
Saving Deposits	180, 366, 991	150, 140, 438
Current deposits	11, 535, 873	-
Total	840, 760, 856	369, 730, 643

4. 20. 1: Currency wise analysis of deposit from customers

	2079 Asar 32	2078 Asar 31
Nepalese rupee	840, 760, 856	369, 730, 643
Indian rupee		
United State dollar		
Great Britian pound		
Euro		
Japanese yen		
Chinese yen		
Other		
Total	840, 760, 856	369, 730, 643
Accrued interest payable	-	-
Total Customer deposit including accrued interst payable	840, 760, 856	369, 730, 643

Borrowing

4. 21

	2079 Asar 32	2078 Asar 31
Domestic Borrowing		
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
Sub Total	-	-
Foreign Borrowing		
Foreign Bank and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
Total	-	-

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Provisions

4. 22

	2079 Asar 32	2078 Asar 31
Provisions for redundancy	-	-
Provisions for restructuring	-	-
Pending legal issues and tax litigation	-	-
Onerous Contracts	-	-
Other	-	-
	-	-

4. 22. 1: Movement in Provision

	2079 Asar 32	2078 Asar 31
Balance at Shrawan 01 (start of year)	-	-
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of Discount	-	-
Balance at Asar end (end of year)	-	-

Other liabilities

4. 23

	2079 Asar 32	2078 Asar 31
Liabilities for employees defined benefit obligations	1,050,693	4,506,013.69
Liabilities for long service leave	1,224,176	553,220.62
Short-term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	-	-
Interest payable on deposits	15,426	6,230,039.44
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	-	-
Employee bonus payable	471,619	2,099,586
Other Liabilities	2,549,659	1,505,163
Total	5,311,572	14,894,023

Debt securities issued

4. 24

	2079 Asar 32	2078 Asar 31
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
Total	-	-

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

4.23.1: Defined Benefit Obligations

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

	2079 Asar 32	2078 Asar 31
Present value of unfunded obligations		
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	-	-

4.23.2: Plan Assets

Plan assets comprise of the following:

	2079 Asar 32	2078 Asar 31
Equity securities		
Government bonds		
Bank deposit		
Other		
Total	-	-
Actual return on plan assets	-	-

4.23.3: Movement in the present value of defined benefit obligations

	2079 Asar 32	2078 Asar 31
Defined benefit obligations at Shrawan 1		
Actuarial losses		
Benefits paid by the plan		
Current service costs and interest		
Defined benefit obligations at Asar end	-	-

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

4.23.4: Movement in the fair value of plan assets

	2079 Asar 32	2078 Asar 31
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

	2079 Asar 32	2078 Asar 31
Current service costs		
Interest on obligation		
Expected return on plan assets		
Total	-	-

4.23.6: Amount recognised in other comprehensive income

	2079 Asar 32	2078 Asar 31
Actuarial (gain)/loss		
Total	-	-

4.23.7: Actuarial assumptions

	2079 Asar 32	2078 Asar 31
Discount rate		
Expected return on plan asset		
Future salary increase		
Withdrawal rate		

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Subordinated Liabilities

4.25

	2079 Asar 32	2078 Asar 31
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
Total	-	-

Share capital

4.26

	2079 Asar 32	2078 Asar 31
Ordinary shares	452,000,000	400,000,000
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
Total	452,000,000	400,000,000

4.26.1: Ordinary Shares

	2079 Asar 32	2078 Asar 31
Authorized Capital	800,000,000	400,000,000
- 8,000,000 Ordinary Shares @ NPR 100 each		
Issued Capital	452,000,000	400,000,000
- 45,20,000 Ordinary Shares @ NPR 100 each		
Subscribed and paid up capital	452,000,000	400,000,000
- 45,20,000 Ordinary Shares @ NPR 100 each		
Total	452,000,000	400,000,000

4.26.2: Ordinary share ownership

	2079 Asar 32		2078 Asar 31	
	Percent	Amount	Percent	Amount
Domestic ownership	100	452,000,000	100	400,000,000
Nepal Government				
"A" class licensed institutions				
Other licensed institutions				
Other Institutions				
Public	40	180,800,000	40	160,000,000
Other	60	271,200,000	60	240,000,000
Foreign ownership				
Total	100	452,000,000	100	400,000,000

Company issued the bonus shares of Rs. 5.2 Crores out of its Security Premium and Retained Earning balances in Chaitra 24, 2079

Multipurpose Finance Limited

Notes to Financial Statements

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

4.26.3: Details of more than 0.5% ordinary share ownership:

Name	Shares	Amount	%
KUMAR SITAULA	100007	10000700	2.21%
NIJA SITAULA	59246	5924600	1.31%
ATUL KUCHERIA	47979	4797900	1.06%
TARUN KUCHERIA	23989	2398900	0.53%
Nava Raj Amgain	50253	5025300	1.11%
DEEPAK KUMAR	31722	3172200	0.70%
BISHAL PANDIT	400059	40005900	8.85%
PUSKAR PANDIT	34013	3401300	0.75%
AJOD INSURANCE LIMITED	218710	21871000	4.84%
AJIT KUMAR MISHRA	42189	4218900	0.93%
CHANDAN AGRAWAL	90513	9051300	2.00%
Reliable Nepal Life Insurance Limited	678113	67811300	15.00%
NIRMAL SHAH	28363	2836300	0.63%
PUSHPA DEVI SHAH	22713	2271300	0.50%
PARO KUMARI	29097	2909700	0.64%
MENKA SINGH	174059	17405900	3.85%
DIP NARAYAN SHAH	103773	10377300	2.30%
NAVNEET MISHRA	72359	7235900	1.60%
ARVIND KUMAR VATS	26243	2624300	0.58%
AMAR KANT JHA	47192	4719200	1.04%
MANJU KUMARI SUDI MAHASETH	56613	5661300	1.25%
PREETY RAJ SHRESTHA	56613	5661300	1.25%
RANJEET BABU PRASAD	186450	18645000	4.13%
ARBIND KUMAR BATSHA	42189	4218900	0.93%
JAGADAMBA DEVI JHA	24065	2406500	0.53%
BINA MISHRA	29533	2953300	0.65%
Total	2,676,055	267,605,500	59.21%

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Reserves

4. 27

	2079 Asar 32	2078 Asar 31
Statutory general reserve	16,170,110	15,699,224
Exchange equalization reserve	-	-
Corporate social responsibility reserve	434,813	411,269
Capital redemption reserve	-	-
Regulatory reserve	23,924,261	9,128,797
Investment adjustment reserve	600,000	600,000
Capital Reserve	-	-
Assets Revaluation reserve	24,937,663	23,872,950
Fair value reserve	(11,218,455)	(758,311)
Divident equalization reserve	-	-
Acturial gain	-	-
Special reserve	67,642	67,642
Other reserve	-	-
Total	54,916,034	49,021,571

Contingent liabilities and commitments

4. 28

	2079 Asar 32	2078 Asar 31
Contingent liabilities	-	-
Undrawn and undisbursed facilities	-	-
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
Total	-	-

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Interest Income

4. 29

	2079 Asar 32	2078 Asar 31
Cash and cash equivalent	6,610,791	2,008,807
Due from Nepal Rastra Bank	-	-
Placement with bank and financial insitutions	-	-
Loans and advances to banks and financial institutions	947,882	-
Loans and advances to customers	82,628,473	59,831,074
Other Interest Income	1,356,708	-
Total interest income	91,543,854	61,839,881

Interest Expenses

4. 30

	2079 Asar 32	2078 Asar 31
Due to bank and financial institutions	1,092,737	-
Due to Nepal Rastra Bank	-	-
Deposits from customers	56,695,272	34,386,816
Borrowing Charges	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Interest Rebate	113,776	-
Total Interest expense	57,901,786	34,386,816

Fees and Commission Income

4. 31

	2079 Asar 32	2078 Asar 31
Loan administration fees	5,629,051	2,225,262
Service fees	-	-
Consortium fees	-	-
Remittances	60,646	-
Commitment fees	-	-
Prepayment and swap fees	-	-
Prepayment and swap fees	-	-
Other fees and commission Income	2,999,554	-
Total Fees and Commission Income	8,689,251	2,225,262

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Fees and Commission Expense

4. 32

Particulars	2079 Asar 32	2078 Asar 31
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
Total Fees and Commission Expense	-	-

Net Trading income **4. 33**

	2079 Asar 32	2078 Asar 31
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	824,470	4,787,932
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
Net trading income	824,470	4,787,932

Other Operating Income **4. 34**

	2079 Asar 32	2078 Asar 31
Foreign exchange revaluation gain	-	-
Gain/Loss on sale of investment securities	-	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instrument	-	-
Gain/loss on sale of property and equipment	-	-
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other	-	-
Total	-	-

Impairment charge/(reversal) for loan and other losses **4. 35**

	2079 Asar 32	2078 Asar 31
Impairment charge/(reversal) on loan and advances to B/Fis	76,737	-
Impairment charge/(reversal) on loan and advances to customers	7,299,899	1,562,979
Impairment charge/(reversal) on financial Investment	-	-
Impairment charge/(reversal) on placement with bank and financial institutions	-	-
Impairment charge/(reversal) on property and equipment	619,359	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
Total	7,995,995	1,562,979

Multipurpose Finance Limited
Notes to Financial Statements
For the year ended 32 Asar 2079 (July 16, 2022)

Personnel Expenses

4. 36

	2079 Asar 32	2078 Asar 31
Particulars		
Salary	8,938,440	3,138,072
Allowances	3,298,055	259,600
Gratuity Expense	2,508,637	307,015
Provident Fund	751,246	287,980
Uniform	35,619	-
Training and development expenses	314,565	-
Leave encashment	1,758,669	-
Medical	1,983,665	230,922
Insurance	-	-
Employees incentives	-	-
Cash-settled share-based payments	-	-
Pension expenses	-	-
Finance expense under NFRSs	-	-
Other expenses related to staff	293,538	-
Subtotal	19,882,434	4,223,588
Employees Bonus	471,619	2,099,586
Grand total	20,354,053	6,323,174

Other Operating Expense

4. 37

	2079 Asar 32	2078 Asar 31
Particulars		
Directors' fee	100,300	62,400
Directors' expense	-	-
Auditors' remuneration	254,250	195,000
Other audit related expenses	90,919	-
Professional and legal expense	58,900	-
Office administration expense	6,272,309	4,742,598
Operating lease expense	1,258,338	-
Operating expense of investment properties	-	-
Corporate social responsibility expense	-	-
Onerous lease provisions	-	-
Other Expenses	174,099	731,993
Total	8,209,115	5,731,991

Office administration expense

4. 37. 1

	2079 Asar 32	2078 Asar 31
Particulars		
Electricity & Water	656,165	131,447
Repair & Maintenance	191,793	59,725
Insurance	534,725	59,469
Postage, Telex, Telephone, Internet & Fax	855,018	44,194
Travelling Allowances & Expenses	674,989	760,870
Office expenses	40,047	868,663
Share issue expenses	-	2,071,267
Duty and Taxes	6,870	132,042
Fixed Assets Write off	-	-
Fuel Expenses	358,605	-
Printing & Stationery	855,620	164,665
AGM Expenses	52,000	145,000
AMC Charges	9,040	-
Office Cleaning Expenses	261,400	-
Nfia Membership Expenses	125,000	-
Other Membership Expenses	124,000	-
Internal Security Expenses	692,511	-
Hospitality Expenses	390,245	-

Multipurpose Finance Limited

Notes to Financial Statements

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

Kitchen Expenses	127,788	-
Pooja Expenses	51,320	-
Bank Commission And Charge Expenses	6,136	-
Fine-Penalties	281	-
Books & Periodicals	12,910	20,000

Multipurpose Finance Limited

Notes to Financial Statements

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

Advertisements and Business Promotions	245,846	285,256
Total	6,272,309	4,742,598

Depreciation and Amortisation **4.38**

	2079 Asar 32	2078 Asar 31
Depreciation on property and equipment	1,838,408	282,254
Depreciation on investment property	-	-
Amortization of intangible assets	42,026	-
Total	1,880,434	282,254

Non Operating Income **4.39**

	2079 Asar 32	2078 Asar 31
Recovery of loan written off	-	430,000
Other income	-	-
Total	-	430,000

Non Operating Expenses **4.40**

	2079 Asar 32	2078 Asar 31
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	-	-
Total	-	-

Income Tax Expenses **4.41**

	2079 Asar 32	2078 Asar 31
Current tax expense		-
Current year	623,456	6,437,778
Adjustments for prior years	564,808	467,486
Deferred tax expense	-	-
Origination and reversal of temporary differences	1,173,498	(58,085)
Changes in tax rate		
Recognition of previously unrecognized tax losses		
Total income tax expense	2,361,762	6,847,180

Multipurpose Finance Limited

Notes to Financial Statements

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

4.41.1: Reconciliation of tax expense and accounting profit

	2079 Asar 32	2078 Asar 31
Profit before tax stated in Statement of Profit or Loss	4,716,192	20,995,861
Adjustments for NFRS remeasurements excluded in current tax		
- incremental interest income on loans and advances (accrual accounting)	(2,506,832)	(160,217)
- reversal of loss provision on investment securities	-	-
Profit before tax prior to remeasurements required under NFRS	2,209,360	20,835,644
Add: Tax effect of expenses that are not deductible for tax purpose		
Donation	-	-
Gratuity Provision	743,678	307,015
Leave Encashment Provision	555,996	-
Other	-	-
Loan loss provision	7,376,636	1,562,979
Fine and Penalty	-	-
Depreciation charged as Company Act	1,880,434	282,254
Impairment of Assets	619,359	-
Last year bonus unpaid balance	114,959	-
Prior period bills	-	-
Less: Tax effect on exempt income		
Provision written back on Other Assets	-	-
Provision for non banking assets	-	-
Excess Loan loss provision as per income tax act	(5,861,003)	(1,132,979)
Depreciation charged as per Income Tax	(5,356,083)	(395,652)
Share issue expenses	(205,150)	-
Gain on Sale of Investment securities	-	-
Taxable Income	2,078,187	21,459,261
Current Tax Expense @ 30% of taxable income	623,456	6,437,778
Previos year tax expenses	564,808	467,486
Defferred Tax Expense/ (Income)	1,173,498	(58,085)
Total income tax expense	2,361,762	6,847,180
Effective tax rate	30%	30%

5. Disclosure and additional information

5.1. Risk management

Risk is an inherent feature of any business and it drives an entity towards income generation. Likewise, risk management objective of the Financial Institution is to strike balance between risk and return, and ensure optimum risk-adjusted return on capital. A reasonable level of return is essential for sustainability of the business. However, taking higher risk in search of higher earnings increases the risk of failure of business. Thus, effective risk management is a must for sustainability of business. Towards this end the Financial Institution has implemented robust risk management architecture as well as policies and processes approved by the board of directors. These encompass independent identification, measurement and management of risks across various facets of banking operation.

The Financial Institution takes on the capital adequacy norms pursuant to the central bank's statutory provision under Basel requirements, like ICAAP, Risk Management Guidelines etc. The determinants to this end are the past experiences with the products, Financial Institution's own risk assessment culture and contingency management for unpredictable situations.

5.1.1. Credit Risk

Banking business in Nepal is exposed to Credit Risk to a much larger extent. Its business is also concentrated in its Credit Risk Exposure. Bulk of its earnings is generated from credit related business, be it in form of interest income or Commission income. Given the volatile economic environment that the Financial Institution operates in, the margin between performing loan and non-performing loan can often be very thin. Therefore, it is always a major threat that any of the Financial Institution's credit customers may default.

Financial Institution has always placed Credit Risk Management in a high priority list. The Financial Institution has Credit Policy and Investment Policy in place which guides the dos and the don'ts in business generation. Any generation of risk assets and their impact on long term value generation is well deliberated in every credit proposal. Risks and returns are properly weighed and risk mitigating measures are explicitly spelled out.

The Financial Institution makes credit extension decision by assessing each business proposal thoroughly. It also ensures that the inherent credit risks that are associated with the business are addressed appropriately through coverage of better safety margin, additional collateral back up and lower exposure to keep the business at low leverage.

Within the Credit Risk Management, processes are well defined where checking, control and independence of the credit extension, risk assessment, review, monitoring and exposure accounting is fully complied with. All such actions and processes are properly recorded, reported and discussed. These reports on need basis and on a defined frequency are put to the oversight of Senior Management, Risk Management Committee and the Board.

5.1.2. Market Risk

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

Overall investment made and necessary analysis of the investments, including appropriate suggestions, are issued from Treasury which reviews the portfolio periodically. Treasury is independent and reports to Chief Risk Officer. Any credit impairment in the investment books is accounted for, for fair assessment of

the portfolio. The Financial Institution assesses the open position on daily basis and calculates risk exposure for allocation of required capital in line with Basel provisions.

5.1.3. Operation Risk

Operations Risk that arises out of inefficient processes and people inside and outside the Financial Institution is increasing these days. Operation risk, market risk and other risks are discussed in the Asset Liability Management Committee (Alco) in line with ALM Policy. Financial Institution has separate division to oversee operation risk including Compliance of KYC and AML. The division is headed by senior level staff with adequate access to the daily report, operational processes and right to recommend the changes in the system and procedures. The head of operation risk directly reports to the Chief Risk Officer.

Processes are reviewed periodically so that their perfection can be weighed and any shortcoming can be addressed. Most of the functions like line approval, bill payment, loan disbursement are centralized which controls activities that can cause errors due to inadequate knowledge on the part of staff. Similarly, awareness to the public is made on our services and products periodically by placing notices in the website of the Financial Institution, or in branches or publishing notices as appropriate.

The Financial Institution in line with Basel provisions calculates risk exposure and allocates sufficient capital/cushion for perceived operational risks.

5.1.4. Liquidity Risk

Liquidity risk is the Financial Institution's inability to meet its contractual and contingent financial obligations as they fall due, without incurring unacceptable losses. The obligations could be both 'On' and 'Off' balance sheet. By the inherent nature of its business model, Financial Institutions are always vulnerable to liquidity and solvency problems that can arise from mismatches in the tenor of its assets and liabilities.

The Financial Institution's primary liquidity risk management objective is to assess the funding requirement towards meeting its obligations and to ensure that adequate funds are available at appropriate times, both under normal and stressed conditions. Financial Institution reviews the liquidity risk management policies and procedures. The Financial Institution mitigates liquidity risk by maintaining adequate liquid assets towards meeting its short term and predictable outflows. Liquid funds are parked in many institutions and instruments to achieve the required diversification. Contingency funding arrangements are in place in the form of unutilized credit limits in inter-bank market and the accessibility to the repo market. In normal circumstances the Financial Institution operates with adequate buffer liquidity over the regulatory required liquidity ratios and has been able to manage its liquidity risk satisfactorily.

5.1.5 Legal and Compliance Risk Management

All legal agreements, deeds and documents including claims and charges are thoroughly studied prior to making any decision involving such documents. In case where the Financial Institution needs expert's opinion on particular issue, experts from the industry are consulted.

5.1.6 Fair value of financial assets and liabilities

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement, ranging from Level 1 inputs to Level 3 inputs.

Level 1

Fair value measurements are derived based on the input of unadjusted quoted market prices in an active market, for identical instruments. These could be stock exchanges or dealer price quotations (assets and

long positions are measured at a bid price, liabilities and short positions are measured at an asking price), without any deduction for transaction costs.

A market is considered as active if transactions for assets or liabilities take place with sufficient frequency and volume to provide reliable pricing information on an arm's length basis. The Financial Institution measures fair value of an instrument at active market price without adjustment for factors such as transaction costs.

Level 2

Fair value measurements are derived based on observable inputs, which are either observed directly such as in terms of prices or observed indirectly such as in terms of factors that are derived from prices. Such observable inputs include:

- quoted prices for similar instruments in active markets;
- quoted prices for identical or similar instruments in inactive markets;
- financial instruments are valued using models where all significant inputs are observable.

If a market for a financial instrument is not active, then the Financial Institution establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analysis and option pricing models.

The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Financial Institution, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Financial Institution calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument, i.e., without modification or repackaging, or based on a valuation technique whose variables include only data from observable markets.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value subsequently obtained from a valuation model is subsequently recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Level 3

Fair value measurements are derived using valuation techniques in which current market transactions or observable market data are not available. Under this, instruments are fair valued using valuation models which have been tested against prices or inputs to actual market transactions and make use of the Financial Institution's best estimate of the most appropriate model assumptions. Unobservable inputs have a significant effect on the instrument's value.

Valuation models are adjusted to reflect the spread for bid and ask prices to reflect costs to close out positions, credit and debit valuation adjustments, liquidity spread and limitations in the models. Also, profit

or loss calculated when such financial instruments are first recorded (day 1 profit or loss) is deferred and recognized only when the inputs become observable or on de-recognition of the instrument.

Valuation techniques include, among others, applying Net Present Value and Discounted Cash Flow Models over similar instruments for which observable market prices exist and comparing the results.

Assumptions and inputs used in valuation models include risk-free and benchmark interest rates, risk premiums in estimating discount rates, bond and equity prices, foreign exchange rates, expected price volatilities and corrections.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of counterparties involved where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Financial Institution assumes a third-party market participant would take them into account in a pricing transaction.

5.2 Capital management

Capital is crucial component in any business and even more so in case of Financial Institutions. Hence, capital is regulated so as to withstand the impact of adverse developments in its internal operations and its external operating environment. Similarly, the Financial Institution needs to maintain sufficient capital for business growth.

The Financial Institution has been able to generate and retain substantial earnings in order to ensure adequate capital formation, as required for its business growth.

5.2.2 Quantitative disclosures

5.2.2.1 Capital structure and capital adequacy

Tier 1 Capital (Core Capital) (CET1 +AT1)	
Common Equity Tier 1 (CET 1)	
a Paid up Equity Share Capital	452,000,000
b Equity Share Premium	0
d Statutory General Reserves	16,170,110
e Retained Earnings	-7,914,245
k Special Reserve	667,642
l Less: Goodwill	-
m Less: Intangible Assets	-
n Less: Deferred Tax Assets	-
o Less: Fictitious Assets	-
w Less: Defined Benefit Pension Assets	-
y Less: Other Deductions	-
Adjustments under Pillar II	
Less: Shortfall in Provision (6.4 a 1)	-
Less: Loans and Facilities extended to Related Parties and Restricted lending (6.4 a 2)	-
Common Equity Tier 1 (CET 1)	460,923,506

a	Perpetual Non-Cumulative Preference Share Capital	-
b	Perpetual Debt Instruments	-
c	Stock Premium	-
	Additional Tier 1 (AT1)	-
	Tier 1 Capital (Core Capital) (CET1 +AT1)	460,923,506
Particulars		Amount (Rs.)
	Tier 2 Capital (Supplementary Capital)	
a	General loan loss provision	8,323,517
b	Investment Adjustment Reserve	0
d	Assets Revaluation Reserve	24,937,663
	Tier 2 Capital (Supplementary Capital)	33,261,180

- Detailed information about the Subordinated Term Debts with information on the outstanding amount, maturity, amount raised during the year and amount eligible to be reckoned as capital funds:

Core Capital (Tier 1 Capital)	460,923,506
Supplementary Capital (Tier II)	33,261,180
Total Capital Fund (Tier I and Tier II)	494,184,686

- Capital Adequacy Ratio

Capital Adequacy Ratios	%
Common Equity Tier 1 Ratio	40.41%
Core Capital Ratio – Tier I	43.32%
Total Capital Ratio – Tier I + Tier II	43.32%

5.2.2.2 Risk Exposure

- Risk weighted exposures for Credit Risk, Market Risk and Operational Risk

RISK WEIGHTED EXPOSURES	Amount in Rs.
Risk Weighted Exposure for Credit Risk	1,034,738,758
Risk Weighted Exposure for Operational Risk	51,646,925
Risk Weighted Exposure for Market Risk	0
Total Risk Weighted Exposures	1,086,358,682

- Risk weighted exposures under each 11 categories of Credit Risk

S.N.	Categories of Credit Risk	Risk Weighted Exposure
1	Claims on Government and Central Bank	-
2	Claims on Other Financial Entities	-
3	Claims on Banks	65,960,298.10
4	Claims on Domestic Corporates and Securities Firms	-
5	Claims on Regulatory Retail Portfolio	-
6	Claims secured by residential properties	708,771,262.45
7	Claims secured by Commercial real estate	-
8	Past due claims	-
9	High Risk claims	-
10	Other Assets	260,007,197.18
11	Off Balance Sheet Items	-
Total Credit Risk Weighted Exposure		1,034,738,757.73

- Total Risk Weighted Exposure calculation table

Risk Weighted Exposures	Amount in Rs.
Credit Risk Exposure	1,034,738,758
Operational Risk Exposure	51,646,925
Market Risk Exposure	-
Total Risk Weighted Exposures	1,086,358,682
1% of the total RWE for disclosure requirement	10,863,857
3% Capital Charges for Operational Risk	10,827,567
3% of the total RWE for Overall Risk	32,591,570
Total Risk Weighted Exposures	1,140,668,677
Total Core Capital Fund	460,923,506
Total Capital Fund	494,184,686
Total Tier 1 Capital to Total Risk Weighted Exposures	40.41%
Total Capital Fund to Total Risk Weighted Exposure	43.32%

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

Non-Performing Loans		Gross Amount	Loss Provision	Net Amount
A	Good Loan	640,270,537.33	8,323,516.99	631,947,020.34
B	Watch-list Loan	73,416,869.14	3,670,843.46	69,746,025.68
C	Sub-Standard	7,986,177.40	1,996,544.35	5,989,633.05
D	Doubtful	1,127,954.68	563,977.34	563,977.34
E	Loss	272,809.63	272,809.63	0.00
Total		723,074,348.18	14,827,691.76	708,246,656.42

NPR In full figure

5.2.3 Compliance with external requirement

The Financial Institution is subject to compliance requirement under NRB Directive which stipulated a minimum Total Capital Adequacy Ratio (CAR) of 10.00%. The Financial Institution complied with this

requirement at all times during the reporting period. Compliance position at the reporting date is presented here under:

Capital Parameter	Requirement	Financial Institution
Minimum Tier 1 Capital	6.00%	40.41%
Minimum Total Capital	10.00%	43.32%

5.3 Classification of financial assets and financial liabilities

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortized cost. The summary of significant accounting policies describes how different classes of financial assets and financial liabilities are measured, and how income and expenses, including fair value gains and losses, are recognized.

The following tables provide a reconciliation of the carrying amounts of financial assets and financial liabilities as these are presented in the respective line items of consolidated statement of financial position and as per their classification in accordance with NFRS 9.

**Financial Institution –
at 15-Jul-2022** NPR full figure

	Measured at Fair Value		Measured at	Total
	FVTPL	FVTOCI	Amortized Cost	
Financial Assets:				
Cash and Cash Equivalents	-	-	360,913,635	360,913,635
Loans and Advances to Customers	-	-	712,313,852	718,926,708
Total Financial Assets	-	-	1,073,227,497	1,079,840,343
Financial Liabilities:				
Deposits from Customers	-	-	840,760,850	840,983,70
Total Financial Liabilities	-	-	840,760,850	840,983,70

**Financial Institution –
at 15-Jul-2021** NPR full figure

	Measured at Fair Value		Measured at	Total
	FVTPL	FVTOCI	Amortized Cost	
Financial Assets:				
Cash and Cash Equivalents	-	-	372,645,942	372,645,942
Loans and Advances to Customers	-	-	429,041,107	429,041,107
Total Financial Assets	-	-	801,687,049	801,708,049
Financial Liabilities:				
Deposits from Customers	-	-	369,730,643	369,730,643
Total Financial Liabilities	-	-	369,730,643	369,730,643

5.4 Operating Segments

Financial Institution is providing service related to Financial Intermediation that is core business of deposit mobilization and lending activities along with other auxiliary services. Further Financial

Institution is providing its services from five district only. Separate operating segments reporting is not relevant for the Financial Institution considering its scope of services and place of services.

5.5 Share options and share based payment

The Financial Institution did not have any share options or share-based payment transactions in the reporting period, or the earliest period presented in these financial statements.

5.6 Contingent liabilities and commitment

Contingent Liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. The Financial Institution applies NAS 37 – “Provisions, Contingent Liabilities and Contingent Assets” in accounting of contingent liabilities and commitments.

To meet the financial needs of customers, the Financial Institution enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees, letter of credit and other undrawn commitments to lend. Guarantees, Letters of Credit and Acceptances under Letters of Credit commits the Financial Institution to make payments on behalf of customers in the event of a specific act, generally related to trade transactions and performance under contracts. They carry a similar credit risk to loans.

In the normal course of business, the Financial Institution makes various irrevocable commitments and incurs certain contingent liabilities with legal recourse to its customers. Even though these obligations may not be recognized on reporting date, they do contain credit risk and are therefore a part of the overall risk profile of the Financial Institution. Accordingly, they are disclosed unless remote.

Explanatory information on the Financial Institution’s contingent liabilities and commitments are given in Note 4.28.

5.7 Related parties’ disclosures

In the ordinary course of its business operation the Financial Institution has conducted commercial transactions with parties who are defined as related parties in NAS 24 - ‘Related Party Disclosures’. All those transactions were conducted on an arm’s length basis except for loans to employees at below-market interest rate availed by Key Management Personnel (KMP) provided by the Financial Institution under schemes uniformly applicable to all employees.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

5.7.2 List of related parties

S. No.	Name of Related Party	Relationship
1.	Mrs. Phul Mishra	Chairman, Board of Directors
2.	Mrs. Arpana Kumari Mishra	Director
3.	Mr. Jay Prakash Thakur	Director
4.	Mr. Shivahari Prasad Bhattarai	Director
5.	Mr. Rajnish Kumar Singh	Chief Executive Officer (Appointed dated effectively 2078.05.25)
6.	Mr. Ajit Kumar Mishra	Deputy General Manager

		(Appointed dated effectively 2078.05.01)
7.	Mr. Pradeep Kumar Singh	Deputy General Manager (Appointed dated effectively 2078.06.17)

5.7.3 Key Management Personnel (KMP)

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The Board of Directors and Chief Executive Officer (CEO) of the Financial Institution are identified as KMP of the Financial Institution.

5.7.4 Transactions with Board of Directors

NPR

	2022	2021
Board meeting fees/allowances	100,300	62,400
Travel, accommodation and other board expenses	-	-
Total	100,300	62,400

All board of directors are non-executive directors. The directors are entitled to meeting fees on attending board and board committee meetings as well as monthly allowances to cover for expenses towards communication and periodicals.

5.7.5 Transactions with Chief Executive Officer (Mr. Rajnish Kumar Singh)

NPR

Particulars	2022	2021
Short Term Employee Benefits		
Gross Salary Payments	2,694,433.07	0
Other current benefits and payments	-	-
Post-employment benefits	-	-
Total	2,694,433.07	-

5.7.6 Transactions with Deputy General Manager (Mr. Pradeep Singh)

NPR

Particulars	2022	2021
Short Term Employee Benefits		
Gross Salary Payments	1,230,067.02	0
Other current benefits and payments	-	-
Post-employment benefits	-	-
Total	1,230,067.02	-

5.7.7 Transactions with Deputy General Manager (Mr. Ajit Kumar Mishra)

NPR

Particulars	2022	2021
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Short Term Employee Benefits		
Gross Salary Payments	2,014,987.18	773,535.6
Other current benefits and payments	2,541,773.00	-
Post-employment benefits	-	-
Total	4,556,760.18	773,535.6

5.7.8 Transactions and agreements involving KMP and their Close Family Members (CFM)

CFMs of a KMP are those family members who may be expected to influence, or be influenced by, that KMP in their dealings with the Financial Institution. They may include KMP's spouse and children, children of the KMP's spouse and dependents of the KMP or of the KMP's spouse. CFM are related parties to the Financial Institution and the Financial Institution.

For the reported period there have been no payments or transactions with CFM of KMP except in the normal course of banking business.

5.8 Merger and acquisition

The Financial Institution has not entered into any merger and acquisition activities in the reporting period.

5.9 Additional disclosures of non-consolidated entities

The Financial Institution does not have any non-consolidated entities to report for the reporting period and in the comparative previous period.

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

Principal Indicators

	Particulars	Indicators	Financial Year	Financial Year	Financial Year	Financial Year	Financial Year
			2074/75	2075/76	2076/77	2077/78	2078/79
1	Net Profit / Gross Income	%	18.90%	18.41%	23.31%	20.89%	2.53%
2	Earning per Share	NPR.	16.91	19.72	6.18	3.54	0.52
3	Market Value per Share	NPR.	157.00	173.00	112.00	451.00	240.00
4	Price Earning Ratio	Times	9.35	8.77	18.13	127.50	460.75
5	Dividend (including bonus) on share capital	%	-	0.00%	0.00%	13.68%	0.00%
6	Cash Dividend on share capital	%	0.00%	0.00%	0.00%	0.68%	0.00%
7	Interest Income / Loan & Advances	%	18.20%	17.66%	17.02%	14.41%	12.85%
8	Employee expenses / Total operating expenses	%	56.60%	58.78%	56.30%	51.25%	66.86%
9	Interest Expenses on total deposits and borrowings	%	10.05%	12.45%	11.73%	9.30%	6.89%
10	Exchange gain / Total Income	%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Staff bonus / Total employee expenses	%	24.00%	21.77%	35.70%	33.20%	2.32%
12	Net profit / Loan & Advances	%	3.61%	3.71%	4.30%	3.30%	0.33%
13	Net profit / Total Assets	%	2.59%	2.41%	2.44%	1.58%	0.18%
14	Total Credit / Deposit	%	101.81%	106.36%	137.27%	118.06%	85.42%
15	Total Operating Expenses / Total Assets	%	2.51%	2.31%	1.84%	1.38%	2.26%
16	Adequacy of Capital Fund on Risk Weighted Assets						
	a) Core Capital	%	23.51%	24.32%	60.54%	74.36%	40.41%
	b) Supplementary Capital	%	0.71%	0.68%	0.69%	4.58%	2.92%
	c) Total Capital Capital	%	24.22%	25.01%	61.23%	78.94%	43.32%
17	Liquidity Ratio	%	21.51%	23.05%	75.84%	100.79%	40.10%
18	Non performing loans / Total loans	%	4.63%	4.51%	1.15%	1.04%	1.30%
19	Base Rate	%	14.98%	14.98%	14.38%	11.61%	13.22%
20	Weighted Average Interest Rate Spread	%	8.15%	5.21%	5.30%	4.90%	4.19%
21	Book Net Worth	NPR. '000	56,999.61	101,804.73	299,463.77	508,779.63	499,001.79
22	Total Share Outstanding	Number	414,736	414,736	2,240,379	4,000,000	4,520,000
23	Total staffs	Number	10	10	11	11	32

- 1 Gross Income in S.N. 1 comprises of Gross Interest Income and Other Operating Income..
- 2 EPS computation policy is disclosed in "Significant Accounting Policies".
- 3 Market Value per Share in S.N. 3 is the closing price of ordinary shares quoted in Nepal Stock Exchange on Tuesday, 15th July 2022, the last trading day in the reporting period.
- 4 The Interest Income in S. N. 7 is the interest income from loans and advances (including staff loans). The loans and advances are the average loans and advances for the entire financial year.
- 5 Total Operating Expense in S.N. 8 comprises Gross Interest Expense, Staff Expense and Other Operating Expense.
- 9 Total Assets in S.N. 13 and S.N. 15 is the total assets of current financial year
- 10 Credit and Deposit in S.N. 14 is the outstanding balance as of balance sheet date.



नेपाल राष्ट्र बैंक
वित्तीय संस्था सुपरिवेक्षण विभाग

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

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/ मल्टीपर्स/०७९/८०
च.नं. ११९

मिति: २०७९/०९/०८

मल्टीपर्स फाइनेन्स लिमिटेड,
जनकपुरधाम, धनुषा ।



विषय: वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७८/७९ को लेखापरीक्षण भएको वित्तीय अवस्थाको विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०७८/७९ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा अनुरोध छ ।

- (क) बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ तथा कम्पनी ऐन, २०६३ मा भएको व्यवस्था बमोजिम सञ्चालक समितिलाई पूर्णता दिनु हुन ।
- (ख) कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
- (ग) यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०७८ बमोजिम व्याजदर सम्बन्धी व्यवस्थाको पूर्णरुपमा पालना गर्नुहुन ।
- (घ) यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७८ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरुपमा पालना गर्नुहुन ।
- (ङ) कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC), संस्थागत सुशासन, अनुपालना, सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

(हरिश्चन्द्र ढकाल)
उप-निर्देशक

बोधार्थ:

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

यस वित्तीय संस्थाको आ.ब. २०७८/७९ को लेखापरीक्षण भएको वित्तीय विवरण वासलात, नाफा नोक्सान हिसाब, सो सँग सम्बन्धित अनुसूचीहरु, लेखापरीक्षकको प्रतिवेदन, सो उपर व्यवस्थापनको प्रतिक्रिया र लङ्गफर्म अडिट रिपोर्ट को आधारमा त्रुटि गैर स्थलगत सुपरीवेक्षण गर्दा देखिएका कैफियतहरु र सो कैफियतहरुको सुधारको लागि दिइएका निर्देशनहरु बारे मिति २०७९।०९।०८ गतेको सञ्चालक समितिको बैठकमा छलफल गरि दफावार रुपमा निम्नानुसार जानकारी गराएका छौं ।

- १) बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ तथा कम्पनी ऐन, २०६३ मा भएको व्यवस्था बमोजिम निकट भविष्यमा नै सञ्चालक समितिलाई पूर्णता दिईने व्यहोरा अनुरोध छ ।
- २) कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिता निरीक्षण गर्ने आवश्यक व्यवस्था मिलाउन व्यवस्थापनलाई निर्देशन दिने निर्णय गरिएको व्यहोरा अनुरोध छ ।
- ३) नेपाल राष्ट्र बैंकबाट जारी भएको एकीकृत निर्देशन नं. १५/०७८ मा उल्लेखित व्याज दर सम्बन्धी व्यवस्था पूर्ण रुपमा पालना गरिएको व्यहोरा अनुरोध छ ।
- ४) नेपाल राष्ट्र बैंकबाट जारी भएको एकीकृत निर्देशन नं. १९/०७८ मा उल्लेखित सम्पत्ति शुद्धिकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्ण रुपमा पालना गर्न व्यवस्थापनलाई निर्देशन दिने निर्णय गरिएको व्यहोरा अनुरोध छ ।
- ५) त्रुटि गैर दिइएको निर्देशन र लेखापरीक्षण प्रतिवेदनमा औल्याएका कैफियतहरु यथाशक्य छिटो सुधार गर्न र त्यस्तो कैफियतहरु पुनः दोहरिन नदिने व्यवस्था मिलाउन व्यवस्थापनलाई निर्देशन दिने निर्णय गरिएको व्यहोरा अनुरोध छ ।

मल्टीपर्पस फाइनान्स लिमिटेड को

२५ औं वार्षिक साधारण सभा

प्रबन्धपत्रमा संशोधन :

यस वित्तीय संस्थाको प्रबन्धपत्रको निम्न लिखित दफाहरु संशोधन गर्नुपर्ने कारण सहित देहायमा उल्लेखित दफाहरु संशोधनको लागि यो प्रस्ताव पेश गरिएको छ ।

दफा/ उपदफा	हाल भैरहेको व्यवस्था	संशोधित व्यवस्था	संशोधन गर्नुपर्ने कारण
५(ख)	वित्तीय संस्थाको तत्काल जारी पूँजी रु. ४५,२०,००,०००/- (अक्षरेपी पैतालिस करोड बीस लाख मात्र) हुनेछ र उक्त पूँजीलाई प्रति शेयर रु. १००/- दरका ४५,२०,००० (पैतालिस लाख बीस हजार) थान साधारण शेयरमा विभाजन गरिएको छ ।	वित्तीय संस्थाको तत्काल जारी पूँजी रु. ६९,०२,००,०००/- (अक्षरेपी एकसठ्ठी करोड दुई लाख मात्र) हुनेछ र उक्त पूँजीलाई प्रति शेयर रु. १००/- दरका ६९,०२,००० (एकसठ्ठी लाख दुई हजार) थान साधारण शेयरमा विभाजन गरिएको छ ।	३५ प्रतिशत हकप्रद शेयर जारी गर्दा पूँजी बृद्धि हुन जाने कारणले ।
५(ग)	वित्तीय संस्थाको तत्काल चुक्ता पूँजी रु. ४५,२०,००,०००/- (अक्षरेपी पैतालिस करोड बीस लाख मात्र) हुनेछ ।	वित्तीय संस्थाको तत्काल चुक्ता पूँजी रु. ६९,०२,००,०००/- (अक्षरेपी एकसठ्ठी करोड दुई लाख मात्र) हुनेछ ।	३५ प्रतिशत हकप्रद शेयर जारी गर्दा पूँजी बृद्धि हुन जाने कारणले ।
५(ड.)	संस्थापक शेयरधनीहरुलाई समूह “क” मा वर्गिकरण गरिएको छ । यो समूहको शेयर स्वामित्व तत्काल जारी पूँजीको ६० प्रतिशत हुनेछ ।	संस्थापक शेयरधनीहरुलाई समूह “क” मा वर्गिकरण गरिएको छ । यो समूहको शेयर स्वामित्व तत्काल जारी पूँजीको ५९ प्रतिशत हुनेछ ।	९ प्रतिशत संस्थापक शेयर सर्वसाधारण शेयरमा परिणत हुने कारणले ।
५(च)	सर्वसाधारणमा बिक्री गरिएको शेयरका शेयरधनीलाई समूह “ख” मा वर्गिकरण गरिएको छ । यो समूहको शेयर स्वामित्व तत्काल जारी पूँजीको ४० प्रतिशत हुनेछ । यस समूहको शेयर मध्येबाट ५ प्रतिशत शेयर वित्तीय संस्थाका कर्मचारीलाई छुट्याई संचालक समितिको निर्णय बमोजिम बिक्री वितरण गर्न सकिने छ ।	सर्वसाधारणमा बिक्री गरिएको शेयरका शेयरधनीलाई समूह “ख” मा वर्गिकरण गरिएको छ । यो समूहको शेयर स्वामित्व तत्काल जारी पूँजीको ४९ प्रतिशत हुनेछ ।	९ प्रतिशत संस्थापक शेयर सर्वसाधारण शेयरमा परिणत हुने कारणले ।