



# मल्टीपर्स फाइनान्स लिमिटेड Multipurpose Finance Limited

भरपर्दो वित्तीय सेवा

नेपाल राष्ट्र बैकबाट 'ग' वर्गको इजाजतपत्रप्राप्त संस्था (९ जिल्ला कार्यक्षेत्र भएको)



## २६ औं वार्षिक साधारण सभा आ.व. २०७८/०८०

कर्पोरेट कार्यालय :

जनकपुरधाम उ.म.न.पा.-८, विद्यापति चौक

धनुषा, मधेश प्रदेश, नेपाल, फोन नं. ०८१-५८११७०/७१

इमेल : [info@multipurposefinance.com](mailto:info@multipurposefinance.com), Website : [www.multipurposefinance.com](http://www.multipurposefinance.com)

केन्द्रीय कार्यालय :

राजविराज न.पा.-८, नेता चौक

सप्तरी, मधेश प्रदेश, नेपाल

फोन नं. ०३१-५३११७०

# सञ्चालक समिति



श्री चन्दन अग्रवाल  
अध्यक्ष (संस्थापक समूह)



श्री जय प्रकाश ठाकुर  
सञ्चालक (संस्थापक समूह)



श्री गेहनाथ दुङ्गाना  
सञ्चालक (संस्थापक समूह)



श्री अशोक साह  
सञ्चालक (सर्वसाधारण समूह)



श्री महेश कुमार सिंह  
सञ्चालक (सर्वसाधारण समूह)



श्री रजनीश कुमार सिंह  
प्रमुख कार्यकारी अधिकृत एवं कम्पनी सचिव





# मल्टीपर्स फाइनान्स लिमिटेड

राजविराज न.पा.-४, नेता चौक, सप्तरी, मधेश प्रदेश, नेपाल

फोन नं. ०३१-५३९९७०

## २६ औं वार्षिक साधारण सभा सम्बन्धी सूचना

मिति २०८०/१०/२२ गते बसेको सञ्चालक समितिको बैठक नं. ४२५ को निर्णयानुसार निम्नलिखित मिति, समय र स्थानमा निम्न विषयहरू उपर छलफल गर्नको लागि यस वित्तीय संस्थाको २६ औं वार्षिक साधारण सभा बस्ने भएको हुँदा शेयरधनी महानुभावहरूको जानकारी तथा उपस्थितिको लागि यो सूचना प्रकाशित गरिएको छ।

### १. सभा बस्ने मिति, समय र स्थान :

मिति : २०८० साल फाल्गुण १८ गते शुक्रवार (तदनुसार मार्च ०९, २०२४)

समय : दिउँसो १:०० बजे

स्थान : वित्तीय संस्थाको केन्द्रीय कार्यालय, राजविराज, सप्तरी

### २. छलफलका विषयहरू :

#### (क) सामान्य प्रस्तावहरू :

१. आर्थिक वर्ष २०७९/८० को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने।
२. लेखापरीक्षकको प्रतिवेदनसहितको २०८० आषाढ मसान्तको वार्षिक वित्तीय विवरण (वासलात तथा आ.व. २०७९/८० को नाफा-नोक्सान हिसाब र सोही अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरू) छलफल गरी पारित गर्ने।
३. लेखापरीक्षण समितिको सिफारिसबमोजिम आर्थिक वर्ष २०८०/८१ को हरहिसाब लेखापरीक्षण गर्नको लागि लेखापरीक्षकको नियुक्ति गर्ने र निजको पारिश्रमिक तोक्ने।
४. सञ्चालक समितिमा बाँकी कार्यकालका लागि भएको सञ्चालकहरूको नियुक्ती अनुमोदन गर्ने।
५. संस्थापक समूहतर्फका ३ (तीन) जना तथा सर्वसाधारण समूहतर्फका २ (दुई) जना सञ्चालकहरूको निर्वाचन गर्ने सम्बन्धमा।

#### (ख) विशेष प्रस्तावहरू :

१. वित्तीय संस्थाको कार्यक्षेत्र विस्तार गर्ने।
२. वित्तीय संस्थाको प्रबन्धपत्र र नियमावली संशोधन गर्ने।
३. उपरोक्त प्रस्ताव नं. ख अन्तर्गत पारित विशेष प्रस्तावहरू समेतलाई समावेश गरी बैंक तथा वित्तीय संस्थासम्बन्धी ऐन, २०७३, कम्पनी ऐन, २०६३ तथा अन्य प्रचलित कानूनबमोजिम प्रबन्धपत्र तथा नियमावली कम्पनी रजिष्ट्रारको 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।

सञ्चालक समितिको आज्ञाले  
कम्पनी सचिव



## साधारण सभा सम्बन्धी सामान्य जानकारी

१. मिति २०८०।१।०६ गतेका दिन १ (एक) दिन शेयर दाखिल खारेज दर्ता बन्द (Book Close) रहने छ। नेपाल स्टक एक्सचेन्ज लि. मा मिति २०८०।१।०३ गतेसम्म कारोबार 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 परिचय पत्र नं./हितग्राही खाता खोलिएको प्रमाणसहित वित्तीय संस्थाद्वारा जारी गरिएको प्रवेश पत्र साथमा लिई आउनुहुन अनुरोध छ। प्रवेश पत्र प्राप्त नगर्नु भएका शेयरधनीले आफ्नो कुनै एक सक्कल शेयर प्रमाण पत्र/हितग्राही खाता खोलिएको प्रमाण पत्र परिचय खुल्ने कुनै प्रमाण (जस्तै नागरिकता प्रमाण पत्र वा अन्य कुनै फोटोसहितको परिचय पत्र) साथमा लिई आउनुहुन अनुरोध छ। सभामा भाग लिन प्रत्येक शेयरधनी महानुभावहरूले सभा हुने स्थानमा उपस्थित भई सभास्थलमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नुपर्ने छ। हाजिरी पुस्तिका बिहान ११:०० बजेदेखि खुल्ला रहने छ।
३. प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले सम्पूर्ण शेयरको प्रतिनिधि पत्र (प्रोक्सी फाराम) भरी वित्तीय संस्थाको सभा शुरु हुनुभन्दा कम्तिमा ४८ घण्टा अगाडि वित्तीय संस्थाको कर्पोरेट कार्यालय, विद्यापति चौक, जनकपुरधाम, धनुषामा दर्ता गरी सक्नुपर्ने छ। यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको व्यक्ति वित्तीय संस्थाको शेयरधनी हुनु अनिवार्य छ।
४. सभामा भाग लिन प्रतिनिधि (प्रोक्सी) नियुक्त गरिसकेपछि सम्बन्धित शेयरधनी स्वयं सभामा उपस्थित भई मतदान गर्न चाहेमा शेयरधनीले गरिदिएको प्रोक्सी स्वतः बदर हुने छ।
५. सर्वसम्मतबाट प्रतिनिधि चयन गरिएको अवस्थामा बाहेक एकभन्दा बढी व्यक्तिहरूको संयुक्त नाममा (साझा गरी) शेयर लिएको रहेछ भने शेयरधनीको दर्ता किताबमा दर्ता क्रमानुसार पहिलो नाममा उल्लेख भएको व्यक्ति एक जनाले मात्र सभामा भाग लिन सक्ने छ।
६. नाबालक वा विक्षिप्त शेयरधनीको तर्फबाट वित्तीय संस्थाको शेयरधनी दर्ता किताबमा संरक्षकको रूपमा नाम दर्ता भइरहेको व्यक्तिले मात्र सभामा भाग लिन सक्नुहुने छ। तर संरक्षक आफैं शेयरधनी नभएमा संरक्षकको रूपमा नाम दर्ता भइरहेको व्यक्तिले मात्र सभामा भाग लिन सक्नुहुने छ। तर संरक्षक आफैं शेयरधनी नभएमा संरक्षकले अरु शेयरधनीको प्रतिनिधि (प्रोक्सी) भई सभामा भाग लिन सक्नुहुने छैन।
७. कुनै संगठित संस्था वा कम्पनीले शेयर खरिद गरेको हकमा त्यस्ता संगठित संस्था वा कम्पनीले मनोनित गरेको प्रतिनिधिले शेयरवालाको हैसियतले सभामा भाग लिन सक्नुहुने छ।
८. प्रतिनिधि मुकरर गर्दा आफ्नो नाममा रहेको सम्पूर्ण शेयरको प्रतिनिधि एकै व्यक्तिलाई गर्नुपर्दछ। एकभन्दा बढी व्यक्तिलाई आधा-आधा वा अरु कुनै किसिमबाट छुट्टाएर दिएमा बदर हुने छ।
९. छलफलका विषयसूचीमध्ये विविध शीर्षकअन्तर्गत छलफल गर्न इच्छुक शेयरधनीले सभा हुनुभन्दा ७ (सात) दिन अगावै छलफलको विषय कम्पनी सचिवमार्फत सञ्चालक समितिको अध्यक्षलाई लिखित रूपमा दिनुपर्ने छ। तर त्यस्ता विषयलाई छलफल र पारित हुने प्रस्तावको रूपमा समावेश गरिने छैन।
१०. शेयरधनी महानुभावहरूको जानकारीको लागि वित्तीय संस्थाको संक्षिप्त आर्थिक विवरण वित्तीय संस्थाको वेबसाइट : [www.multipurposefinance.com](http://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 विषयहरूसहितको वार्षिक प्रतिवेदन वित्तीय संस्थाको वेबसाइटमा प्रकाशित गरिने छ। अन्य विस्तृत जानकारीको लागि वित्तीय संस्थाको कर्पोरेट कार्यालयको फोन नं. ०४१-५९११७१ मा सम्पर्क राख्नुहुन वा वेबसाइट : [www.multipurposefinance.com](http://www.multipurposefinance.com) मा हेर्नुहुन अनुरोध छ।





# मल्टीपर्पस फाइनान्स लिमिटेड

राजविराज न.पा.-४, नेता चौक, सप्तरी, मधेश प्रदेश, नेपाल

फोन नं. ०३१-५३११७०

## प्रोक्सी फाराम

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

श्री सञ्चालक समिति

मल्टीपर्पस फाइनान्स लिमिटेड

राजविराज, सप्तरी ।

**विषय : २६ औं वार्षिक साधारण सभामा प्रतिनिधि नियुक्त गरेको बारे ।**

महाशय,

..... जिल्ला ..... पालिका वडा नं. .... बस्ने  
म/हामी ..... ले त्यस कम्पनीको शेयरवालाको हैसियतले २०८० साल फाल्गुण  
१८ गते शुक्रवारका दिन हुने छव्वीसौं 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 ..... शेयर प्रमाण पत्र नं./हितग्राही खाता नं. लाई  
मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

### निवेदक

प्रतिनिधि नियुक्त भएको व्यक्तिको :

दस्तखत :

नाम :

नाम :

दस्तखत :

ठेगाना :

शेयरधनी परिचय/हितग्राही खाता नं. :

शेयरधनी परिचय/हितग्राही खाता नं.:

शेयर संख्या :

मिति :

**द्रष्टव्य :** यो निवेदन साधारण सभा हुनुभन्दा कम्तीमा ४८ घण्टाअगावै वित्तीय संस्थाको कर्पोरेट कार्यालय जनकपुरधाम,  
धनुषामा दर्ता गरिसक्नुपर्ने छ ।

## प्रवेश पत्र

मल्टीपर्पस फाइनान्स लिमिटेडको २६ औं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश पत्र ।

शेयरधनीको नाम :

शेयरधनी नं./हितग्राही खाता नं. :

शेयर प्रमाण पत्र नं. :

शेयर संख्या :

शेयरधनीको दस्तखत :

**द्रष्टव्य :**

- शेयरधनीहरूले माथि उल्लेखित सम्पूर्ण विवरण अनिवार्य रूपमा भर्नुहोला ।
- सभाकक्षमा प्रवेश गर्न यो प्रवेश पत्र प्रस्तुत गर्न अनिवार्य छ ।

.....  
कम्पनी सचिव







# मल्टीपर्स फाइनान्स लिमिटेड

राजविराज न.पा.-४, नेता चौक, सप्तरी, मधेश प्रदेश, नेपाल

फोन नं. ०३१-५३९९७०

## सञ्चालक समितिका अध्यक्षज्यूको मन्तव्य आर्थिक वर्ष २०७८/८०

आदरणीय शेयरधनी महानुभावहरू,

हाम्रो मल्टीपर्स फाइनान्स लिमिटेडको २६औं वार्षिक साधारण सभामा उपस्थित हुनुभएका आदरणीय शेयरधनी महानुभावहरू, विभिन्न निकायबाट पाल्नुभएका प्रतिनिधिहरू, लेखापरीक्षक तथा कर्मचारीहरू 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 शेयरधनीहरूको प्रतिनिधित्व गर्दै वित्तीय संस्थाको सर्वोपरि हितमा कार्य गर्ने निकाय हो। सञ्चालक समिति यहाँहरूको आशा एवं विश्वासलाई मूर्तरूप दिन सदा कटिबद्ध रहेको र भविष्यमा पनि रहिरहने तथ्य यहाँहरूसमक्ष राख्न चाहन्छु। हाम्रा अमूल्य ग्राहक, कर्मचारी तथा शुभेच्छुकहरूका साथै यहाँहरूको सहयोग र सुझावअनुसार वित्तीय संस्थाले निरन्तर प्रगति गर्दै आएको तथ्य उल्लेख गर्न पाउँदा खुशी लागेको छ।

विगत ५ वर्षदेखि वित्तीय संस्थाले वित्तीय विवरणहरू नेपाल वित्तीय प्रतिवेदनमान (Nepalese Financial Reporting Standard-NFRS) अनुसार तयार गरिएको छ। यस अवसरमा म २०८० आषाढ मसान्तको वित्तीय संस्थाको वासलात, आर्थिक वर्ष २०७९/८० को नाफा-नोक्सान हिसाब, नाफा-नोक्सान बाँडफाँड हिसाब, नगद प्रवाह विवरण तथा अन्य सम्पूर्ण वित्तीय विवरणहरू सभाको स्वीकृतिका लागि प्रस्तुत गर्दछु। यस सम्मानित सभामा म सञ्चालक समितिको तर्फबाट वित्तीय संस्थाको गत आर्थिक वर्षको कार्यको समीक्षा तथा भावी कार्यक्रमहरू प्रस्तुत गर्दछु। आ.व. ०७९/८० को अन्त्यमा वित्तीय संस्थाको कुल सम्पत्ति करिब रु. २ अर्ब ७ करोड ७५ लाख छ। जसमध्ये कर्जा सापटतर्फ रु. १ अर्ब १८ करोड २५ लाख छ। साथै वित्तीय संस्थाले निक्षेपतर्फ २०८० आषाढ मसान्तसम्ममा कुल निक्षेप रु. १ अर्ब ५३ करोड ८ लाख परिचालन गर्न सक्षम भएको छ। यसैगरी खुद मुनाफा रु. ८६ लाख १६ हजार आर्जन गर्न सफल भएको व्यहोरा जानकारी गराउन चाहन्छु।

वित्तीय संस्थाको भावी कार्यक्रममा वित्तीय संस्थाको शाखा विस्तार, कारोबारको आधुनिकीकरण, सुरक्षित कारोबार र वित्तीय संस्थाको स्तरोन्नतिको लक्ष्य राखेका छौं। कर्जा विविधीकरण समेत गरी कर्जामा निहित जोखिमहरूलाई न्यूनीकरण गर्ने अवधारणालाई निरन्तरता दिने, निक्षेपको लागत लगायत अन्य सञ्चालन लागत कम गरी मुनाफाको स्थितिलाई अभि सुदृढ गर्नु नै प्रमुख कार्यक्रम रहेको छ। २०८० आषाढ मसान्तमा वित्तीय संस्थाको पूँजीकोषको अनुपात २८.६०% रहेको, निष्क्रिय कर्जाको अनुपात ०.८९% रहेको, तरलताको अनुपात २९.२९% रहेको, वित्तीय संस्थाको कारोबारहरूमा निहित जोखिमहरूको व्यवस्थापन सन्तोषजनक ढंगबाट गरिएको। साथै, वित्तीय संस्थाको व्यवस्थापन पक्ष सबल र सक्षम रहेको कारण वित्तीय संस्थाको अवस्था एकदमै स्वस्थ छ। आगामी वर्षहरूमा पनि यस वित्तीय संस्थालाई मुलुकको एउटा उत्कृष्ट र असल वित्त कम्पनीको रूपमा स्थापित गराई देशको आर्थिक विकासमा महत्त्वपूर्ण योगदान दिने किसिमले आफ्नो वैकिङ्ग सेवा प्रदान गर्न प्रतिबद्ध छौं।

वित्तीय संस्थाको कार्यक्षेत्र १ जिल्लाबाट विस्तार गरी मधेश प्रदेशका ५ वटा (सप्तरी, सिरहा, धनुषा, महोत्तरी र सर्लाही) जिल्लामा पुर्‍याइसकेको र यसै साधारण सभामा कार्यक्षेत्र विस्तार गरी मधेश प्रदेशभरि नै वित्तीय कारोबार सञ्चालन गर्नको लागि प्रस्ताव पेश गरिएको र यहाँहरूको स्वीकृतिपश्चात् नेपाल राष्ट्र बैंकबाट स्वीकृति लिई प्रादेशिकस्तरको वित्तीय संस्था हुने व्यहोरा जानकारी गराउन चाहन्छु।



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

अन्त्यमा, यस वित्तीय संस्थाको उद्देश्य प्राप्तिका लागि सहयोग पुऱ्याउनुहुने समस्त शेयरधनी महानुभावहरू, ग्राहकवर्ग, नागरिक समाज, सञ्चार जगत् तथा नेपाल सरकारका सम्बद्ध निकाय लगायत नेपाल राष्ट्र बैंकप्रति सञ्चालक समितिको तर्फबाट हार्दिक आभार प्रकट गर्दछु । वित्तीय संस्थाको उत्तरोत्तर प्रगतिमा पुऱ्याउनुभएको योगदानका लागि वित्तीय संस्थाका कार्यकारी प्रमुख लगायत वित्तीय संस्थाका सम्पूर्ण अधिकृत तथा कर्मचारीहरू र अन्य सहयोगीहरूलाई धन्यवाद दिन चाहन्छु । साथै, वित्तीय संस्थाका गतिविधिहरूलाई सकारात्मक रूपमा जनसमक्ष पुऱ्याइदिने सञ्चार जगत् र प्रत्यक्ष अप्रत्यक्ष रूपमा वित्तीय संस्थालाई सहयोग पुऱ्याउने सम्पूर्ण शुभेच्छुकहरूप्रति पनि म हार्दिक आभार व्यक्त गर्दै वित्तीय संस्थाको सञ्चालक समितिको वार्षिक प्रतिवेदन लगायत आ.व. २०७९/८० का वित्तीय विवरणहरू छलफल गरी पारित गरिदिनुहुन यो प्रस्ताव पेश गर्दछु ।

धन्यवाद ।

चन्दन अग्रवाल  
अध्यक्ष





# मल्टीपर्स फाइनान्स लिमिटेड

राजविराज न.पा.-४, नेता चौक, सप्तरी, मधेश प्रदेश, नेपाल

फोन नं. ०३१-५३९९७०

## २६ औं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट प्रस्तुत २६ औं वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

यस वित्तीय संस्थाको २६ औं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट यहाँहरूलाई स्वागत गर्न पाउँदा मलाई खुशी लागेको छ। यस वर्ष हाम्रो वित्तीय संस्थाले सञ्चालनको २५ वर्ष सफलतासाथ पूरा गरी २६ औं वर्षमा प्रवेश गरेकोमा हामी सबैले गौरवान्वित महसुस गरेका छौं। सञ्चालक समितिको तर्फबाट म यहाँहरूसमक्ष सञ्चालक समितिको वार्षिक प्रतिवेदनको साथै २०८० आषाढ मसान्तको वित्तीय संस्थाको वासलात, आर्थिक वर्ष २०७९/८० को नाफा नोक्सान हिसाब, नगद प्रवाह विवरण तथा सोसँग सम्बन्धित अनुसूचीहरू र वित्तीय संस्थाका विभिन्न क्रियाकलापहरू यस वार्षिक प्रतिवेदनसँगै अनुमोदनको लागि प्रस्तुत गरेको छु।

नेपालमा आ.व. २०७२/७३ देखि नेपाल वित्तीय प्रतिवेदनमान (Nepalese Financial Reporting Standards-NFRS) लागु भई विगत ५ वर्षदेखि वित्तीय विवरणहरू नेपाल वित्तीय प्रतिवेदनमान (Nepalese Financial Reporting Standards-NFRS) अनुसार तयार गरी प्रकाशित गरिएका छन्। नेपाल वित्तीय प्रतिवेदनमानले समावेश नगरेका क्षेत्रहरूमा अन्तर्राष्ट्रिय वित्तीय प्रतिवेदनमान (International Financial Reporting Standards-IFRS) लाई आधारको रूपमा लिइएको छ। यो वार्षिक प्रतिवेदन नेपाल राष्ट्र बैंकको एकीकृत निर्देशिका २०८०, बैंक तथा वित्तीय संस्थासम्बन्धी ऐन, २०७३ तथा कम्पनी ऐन, २०६३ का प्रावधान अनुरूप तयार गरी प्रस्तुत गरिएको छ।

विगतमा हामीले धेरै कामहरू गरेका छौं र भविष्यमा गर्नुपर्ने यस्ता कार्यहरू अझ धेरै छन्। अहिले पनि हाम्रो अगाडि धेरै चुनौती तथा अवसरहरू छन्। विगतका अनुभवहरू तथा उपलब्धीले नेपालको बैंकिङ उद्योगमा नवीनता प्रदान गर्ने क्रमलाई निरन्तरता दिन सकिन्छ भन्ने कुरामा हामी दृढ छौं। देशको वर्तमान अवस्थालाई विश्लेषण गर्दै वित्तीय संस्थाले आउँदो दिनको लागि रणनीतिक योजना बनाई अगाडि बढ्ने लक्ष्य लिएको छ। हामीलाई विश्वास छ आउँदा दिनहरूमा हाम्रो वित्तीय संस्था क्रमशः विभिन्न वित्तीय सेवाहरू प्रदान गर्न सक्ने वित्तीय संस्थाको रूपमा विकसित हुने छ।

यस गरिमामय सभामा यस वित्तीय संस्थाको उत्थान र प्रगतिका लागि आदरणीय शेयरधनी महानुभावहरूले विगतमा व्यक्त गर्नुभएका अभिव्यक्ति तथा अमूल्य रायसुझाव समेतलाई दृष्टिगत गरी गरिएको कार्यान्वयनको फलस्वरूप आर्थिक वर्ष २०७९/८० मा यस वित्तीय संस्थाले प्रगति गर्न सकेको हो। यस वित्तीय संस्थाका उपलब्धिहरू र भविष्यका योजनाहरूका बारेमा आफ्ना शेयरधनी महानुभावहरूलाई जानकारी गराउनु हामीले आफ्नो परम कर्तव्य ठानेका छौं। त्यसैले, यहाँहरूको प्रतिनिधित्व गर्ने हामी सञ्चालकहरूका तर्फबाट वित्तीय संस्थाको आ.व. २०७९/८० को विस्तृत प्रतिवेदन पेश गर्ने अनुमति चाहन्छौं।

### १. आ.व. २०७९/८० को कारोबारको सिंहावलोकन

#### क. वित्तीय स्थिति

वित्तीय संस्थाको २०८० आषाढ मसान्तको संक्षिप्त वित्तीय स्थिति देहायबमोजिम रहेको छ।

रु. हजारमा

विवरण	आषाढ मसान्त		वृद्धि	
	२०८०	२०७९	रकम	प्रतिशत
चुक्ता पूँजी	४५२,०००	४५२,०००	०	०
जगेडा तथा कोष	५९,३५०	५४,९९६	४,४३४	८.०७
निक्षेप	१,५३०,८७५	८४०,७६१	६९०,११४	८२.०८
कुल कर्जा	१,९८२,५४६	७९५,७४६	४६६,८००	६५.२२
लगानी	१५२,६५२	७४,३७४	७८,२७८	१०५.२५

रु. हजारमा

शीर्षक/आ.व.	आ.व.		वृद्धि	
	२०७९/८०	२०७८/७९	रकम	प्रतिशत
खुद ब्याज आमदानी	४८,३०८	३३,६४२	१४,६६६	४३.५९
कमिशन तथा सञ्चालन आमदानी	११,१७८	८,६८९	२,४८९	२८.६५
कर्मचारी तथा सञ्चालन खर्च	३८,३५५	२८,५६३	९,७९२	३४.२८
सञ्चालन मुनाफा	८,९३४	४,७९६	४,२९८	८९.४४
खुद मुनाफा	८,६९६	२,३५४	६,३४२	२६६.०२

#### १. पूँजी कोषको पर्याप्तता :

आर्थिक वर्ष २०७९/८० को अन्त्यमा पूँजी कोषको अनुपात २८.६० प्रतिशत कायम रहेको छ, जुन नेपाल राष्ट्र बैंकको निर्देशनबमोजिम कायम गर्नुपर्ने न्यूनतम ११ प्रतिशत भन्दा बढी रहेको छ।

#### २. सम्पत्तिको गुणस्तर :

वित्तीय संस्थाले आफ्नो कर्जाको गुणस्तरमा सम्झौता नगर्ने नीति रहेकोमा यस वर्ष (समीक्षा अवधिमा) बजारमा तरलता अभावको बावजुद पनि कर्जाहरूको समयमा ब्याज असुल भएको कारण गत आ.व. १.३० प्रतिशत रहेको कुल निष्क्रिय कर्जामा यस वर्ष केही घट्ने गर्दा कुल कर्जामा निष्क्रिय कर्जा ०.८९ प्रतिशत हुन गएको छ।

#### ३. संस्थागत सुशासन :

वित्तीय संस्थामा संस्थागत सुशासन (Corporate Governance) को स्तरलाई उच्चतम राख्ने कुरामा वित्तीय संस्थाले महत्त्व 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 निकायहरूसँग समय समयमा जारी भएका नीति एवं निर्देशनलाई वित्तीय संस्थाले पूर्ण रूपमा लागु गर्दै आएको छ र आगामी दिनहरूमा पनि पूर्ण रूपमा लागु गरिने छ।

#### ४. सूचना प्रविधि :

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





IS Audit बाट प्राप्त सुझावहरूको कार्यान्वयन गर्दै भविष्यमा समेत सूचना प्रविधिमा समयानुकूल सुधार एवं विकास गर्दै लाने लक्ष्य लिइएको छ ।

#### ५. आन्तरिक नियन्त्रण प्रणाली :

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

#### ख. राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थिति र यसका प्रभावहरू (स्रोत : मौद्रिक नीति-२०७९/८०)

नेपाल सरकारले आ.व. २०७९/८० को बजेटमा ५.८ प्रतिशत आर्थिक वृद्धिको लक्ष्य तोकेको थियो । आर्थिक वर्ष २०७९/८० मा २.१६ प्रतिशत आर्थिक वृद्धि हासिल भएको अनुमान गरिएको छ । आर्थिक वर्ष २०८०/८१ मा ६ प्रतिशत आर्थिक वृद्धिको लक्ष्य रहेको छ ।

धान रोपाईंका लागि मनसुन अनुकूल रहेको, कृषि कर्जा विस्तारलाई प्राथमिकतामा राखिएको र श्रमशक्ति थपिएका कारण कृषि क्षेत्र विस्तार हुने देखिन्छ । यसै गरी कोभिड १९ को संक्रमण कम भइरहेको र तरलताको उपलब्धता सहज भएमा उद्योग र सेवा क्षेत्र समेत विस्तार हुने अनुमान छ ।

आर्थिक वर्ष २०७९/८० मा वार्षिक औसत मुद्रास्फीति दर ७ प्रतिशतको सीमाभित्र राख्ने लक्ष्य लिइएकोमा ११ महिनाको वार्षिक औसत मुद्रास्फीति दर ७.७७ प्रतिशत रहेको छ । आर्थिक वर्ष २०८०/८१ मा वार्षिक औसत उपभोक्ता मुद्रास्फीति ६.५० प्रतिशतको सीमाभित्र राख्ने लक्ष्य रहेको छ ।

बैंक तथा वित्तीय संस्थाहरूले कायम गर्नुपर्ने अनिवार्य नगद मौज्दात अनुपात आर्थिक वर्ष २०७९/८० मा ४ प्रतिशत यथावत कायम गरिएको छ ।

वैधानिक तरलता अनुपात वित्त कम्पनीहरूको लागि आर्थिक वर्ष २०७९/८० मा ८ प्रतिशत यथावत कायम गरिएको छ ।

अन्तिम ऋणदाता सुविधा दरको रूपमा रहेको बैंक दरलाई आर्थिक वर्ष २०७९/८० मा ८ प्रतिशत कायम गरिएको छ ।

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

चालु आर्थिक वर्ष २०८०/८१ को पौष मसान्तसम्मको यस वित्तीय संस्थाको कारोबारको स्थिति निम्नानुसार रहेको छ । यस वित्तीय संस्थाको २०८० पौष मसान्तसम्म कुल निक्षेप रु. १ अर्ब ६० करोड २५ लाख र कुल कर्जा तथा सापट रु. १ अर्ब ३४ करोड ४६ लाख पुगेको छ ।

#### सेवा विस्तार :

यस वित्तीय संस्थाले आफ्नो पूँजीकोषलाई बढाउँदै लगी वित्तीय क्षमता अभिवृद्धि गर्दै लैजाने नीतिअनुरूप चालु आ.व. मा शेयरधनीहरूको लागि ३५ प्रतिशत हकप्रद शेयर दिई चुक्ता पूँजी ६१ करोड २ लाख पुऱ्याएको छ । चुक्ता पूँजी बढ्दै जाँदा वित्तीय क्षमता पनि वृद्धि हुँदै जाने भएकोले कारोबारको दायरालाई अझ बढी फराकिलो पार्न सकिने छ । यसरी चुक्ता पूँजी वृद्धि गर्दै लगी वित्तीय संस्थाको सम्पूर्ण कारोबार र कार्यक्षेत्र बढाउँदै लैजाने सोचाइ रहेको छ ।

वित्तीय संस्थाले आ.व. २०८०/८१ मा उपलब्ध स्रोतहरूको प्रभावकारी परिचालन गरी वित्तीय क्षेत्रमा आफ्नो विस्तार कायमै राख्नेछ । यस क्रममा वित्तीय संस्थाले हालका सेवाहरूको गुणस्तरमा वृद्धिका अलावा नयाँ सेवाहरूको सुरुवात तथा



नयाँ बजारहरूमा प्रवेश गर्नेतर्फ कार्य अगाडि बढाइएको छ । लगानीका नयाँ क्षेत्रहरू पहिल्याउँदै जाने योजनाअनुसार वित्तीय संस्थाले समग्र कृषि क्षेत्रलाई प्राथमिकताको सूचीमा राखी कृषि क्षेत्रसँग सम्बन्धित उद्योगहरूमा लगानी थप विस्तार गर्ने जसअन्तर्गत कुखुरापालन, मत्स्यपालन, व्यावसायिक कृषि खेती तथा कृषि उपजको प्रशोधन, जडीबुटी उत्पादन तथा प्रशोधन र साना एवं मझौला उद्योगहरूको विकासमा विशेष जोड दिने लक्ष्य राखेको छ । हाम्रो वित्तीय संस्थाले कृषि क्षेत्र तथा साना तथा मझौला खालका कृषि तथा डेरी उद्योगहरूलाई लगानीमा प्रोत्साहन गर्ने उद्देश्यले नयाँ कार्ययोजना लागु गरेको छ । समीक्षा आ.व. मा महोत्तरी जिल्लाको मनरा शिसवा नगरपालिकामा शाखा कार्यालय सञ्चालनमा आएको र चालु आ.व. मा थप १ वटा शाखा कार्यालय खोल्ने योजना रहेको छ ।

हाल देशमा ५० प्रतिशतभन्दा बढी जनसंख्या वित्तीय सेवाको उपभोगबाट वञ्चित रहेको अवस्थामा चाँडो भन्दा चाँडो ग्राहकको संख्या बढाउनेतर्फ आगामी दिनहरूमा यस वित्तीय संस्थाको निरन्तर प्रयास रहने छ । एकातर्फ कोभिड १९ संक्रमणको कारण, रूस तथा युक्रेन युद्ध, इजरायल तथा हमास युद्धको कारण वित्तीय संस्थाहरूमा गत आ.व. मा तरलताको चरम अभाव रहेकोमा विगत २ महिनादेखि तरलताको अवस्था केही सहज भए पनि बजारमा अर्थतन्त्रमा संकुचनको कारण तथा मागमा आएको कमीको कारण तरलता केही सहज भए पनि व्यापार व्यवसाय विगतको तुलनामा केही असहज रूपमा सञ्चालन भइरहेकोले ऋणको माग वृद्धि हुन नसकेको, नेपाल राष्ट्र बैंकले ऋणीहरूलाई सहूलियत दिने उद्देश्यले बैंक तथा वित्तीय संस्थाहरूको स्प्रेड दर पनि संकुचन गर्न निर्देशन दिएकोले वित्तीय संस्थाको कारोबार तथा आम्दानी संकुचित हुने छ भने अर्कोतर्फ देशको ठूलो जनसंख्या वित्तीय सेवाबाट वञ्चित पनि रहिरहेका छन् । तसर्थ, आम जनमानसमा उपयोगी हुने सेवाहरूको विकास गर्नेतर्फ वित्तीय संस्थाको विशेष ध्यान रहने छ । विगतका वर्षहरूदेखि 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 लिइएको छ । सेवा वितरणका प्रणालीलाई सुहाउँदो निक्षेपका योजना नै भविष्यको सफलताको कारण हुने छ भन्ने धारणा यस वित्तीय संस्थाले लिएको छ । साथै, यस्तो लक्ष्यप्राप्तिको निमित्त प्रविधिको पनि प्रयोग बढाइने छ ।

वित्तीय संस्थाहरूको संख्यात्मक वृद्धिको अवस्थाबाट वित्तीय संस्थाको प्रतिस्पर्धी क्षमतालाई कायम राख्ने सम्बन्धमा थप आम्दानीका स्रोतहरू खोज्नुपर्ने रणनीति स्वाभाविक देखिन्छ । साथै, नेपाल राष्ट्र बैंकबाट जारी सेवा तथा सेवा शुल्कसम्बन्धी मार्गदर्शनलाई समेत ध्यानमा राखी हालका सेवाहरूमा थप शुल्क लगाउनुको साटो नयाँ सेवाहरू प्रदान गरी वा कारोबारमा वृद्धि गरी, नेपाल राष्ट्र बैंकको निर्देशनको अधिनमा रही शेयर खरीद बिक्री, ट्रेजरी बिल तथा विकास ऋणपत्रहरूमा लगानी गरी आम्दानी वृद्धि गर्ने जस्ता लक्ष्य हासिल गर्न उपयुक्त देखिन्छ । त्यस्तै, खर्चतर्फ आम्दानीलाई आधार मानी खर्च व्यवस्थापन गर्नुपर्नेमा जोड दिइने छ । यस सम्बन्धमा शाखाको आम्दानी गर्न सक्ने क्षमता हेरी आकार निर्धारण गर्ने, तिनीहरूलाई चाँडो भन्दा चाँडो नाफा दिने शाखामा परिणत गर्ने, प्रविधिको सहायताले कारोबार खर्च घटाउने, खर्चको निरन्तर अनुगमन गर्ने आदि गतिविधिहरू प्रमुख रहेका छन् ।

## वित्तीय साक्षरता :

विदेशी मुलुकबाट विप्रेषणको कारण आम समुदायको आम्दानीमा भइरहेको वृद्धि तथा भविष्यमा आर्थिक रूपमा सुरक्षित रहन बचत गर्ने बानीको विकास गर्नुपर्ने खाँचोको सम्बन्धमा वित्तीय संस्थाले विभिन्न कार्यक्रमहरू गरेको छ । जसअन्तर्गत वित्तीय संस्थाका कर्मचारीहरू आफ्नो शाखाअन्तर्गत पर्ने कार्यक्षेत्रमा बैंकिङ्ग बानी नभएका स्थानहरू चयन गरी समाजका मान्छेहरूलाई भेला गरी बचत गर्दाका फाइदा तथा बैंकिङ्गसम्बन्धी विभिन्न जानकारी तथा सूचनाहरू लिएर वित्तीय क्षेत्रमा जनसहभागिताको विकास गर्न वित्तीय साक्षरता अभियानमा सूचनामूलक कार्यक्रमका साथ जुटेका छौं । यस कार्यक्रमलाई आउँदा दिनमा पनि निरन्तरता दिई जनसहभागिता बढाई वित्तीय साक्षरता बढाउने कार्य जारी राखिने छ ।

## प्रविधि विकास :

संस्थाको सूचना प्रविधिलाई प्रभावकारी रूपमा अद्यावधिक गर्दै आधुनिक सेवा विस्तार गर्दा लाग्ने समय र खर्चलाई किफायती बनाउँदै लैजाने प्रयास गरिएको छ । गत आर्थिक वर्षमा सोहीअनुरूप वित्तीय संस्थाको मोबाइल बैंकिङ्ग सेवा शुरु गरिएको जसको माध्यमबाट ग्राहकहरूले आफ्नो खातामा हुने कुनै पनि कारोबारको एस.एम.एस. मार्फत अलर्ट जानकारी



पाउने, क्युआर कोड भुक्तानी, मोबाइल वालेट, मोबाइलको रिचार्ज, मोबाइल र टेलिफोनको बिल भुक्तानी, केवलको भुक्तानी, बिजुली तथा खानेपानीको भुक्तानी, प्लेनको टिकट खरिद र एक बैंक तथा वित्तीय संस्थाबाट अर्को बैंक तथा वित्तीय संस्थामा रकमान्तरको सुविधा र चेक बुक तथा स्टेटमेन्टको सुविधा उपलब्ध गराइने छ र भविष्यमा सो सुविधाहरू अझ थप हुँदै जाने छन् । साथै, सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारणसम्बन्धी नेपाल राष्ट्र बैंकबाट जारी निर्देशनको पालनाको लागि Go-AML Software जडान गरी कार्यान्वयनमा ल्याइसकिएको छ ।

#### घ. वित्तीय संस्थाको औद्योगिक र व्यावसायिक सम्बन्ध :

वित्तीय संस्था व्यवस्थापन वित्तीय क्षेत्रमा लामो अनुभव प्राप्त व्यक्तिहरूबाट सञ्चालित छ । ग्राहकवर्गको आवश्यकतालाई केन्द्र बिन्दु मानेर संस्थाले गुणस्तरीय सेवा प्रदान गर्दै आइरहेको छ । जसले गर्दा ग्राहक र यस संस्थाको बिचमा सुमधुर सम्बन्ध कायम रहेको छ । कर्मचारीहरूलाई उच्च मनोबलका साथ काम गर्ने वातावरणको सृजना गरिएको छ । संस्थाको कारोबारसँग सम्बन्ध राख्ने ग्राहकवर्ग, संगठित संघसंस्थाहरू, औद्योगिक तथा व्यावसायिक संघसंस्थाहरू र शेयरधनी महानुभावहरूसँग पारस्परिक लाभ तथा पारदर्शिताको आधारमा सम्बन्धलाई अझ बढाउँदै लगिएको छ ।

#### ङ सञ्चालक समितिमा भएको हेरफेर र सोको कारण :

यस वित्तीय संस्थाको सञ्चालक समितिमा संस्थापक समूहबाट ३ जना, सर्वसाधारण शेयरधनीको समूहबाट २ जना र विशेषज्ञ सञ्चालकको रूपमा १ जना गरी ६ जना सञ्चालक रहने व्यवस्था रहेको छ । समीक्षा आ.व. मा संस्थापक शेयरधनीका तर्फबाट सञ्चालक रहनुभएका श्रीमती फुल मिश्र र अर्पणा कुमारी मिश्रले आफ्नो व्यक्तिगत कारण देखाई मिति २०८०।०२।२४ गते राजीनामा दिनुभएकोमा सो स्थानमा संस्थापक शेयरधनी श्री चन्दन अग्रवाल र श्री गेहनाथ ढुंगानालाई मिति २०८०।०२।२५ गतेदेखि लागु हुने गरी सञ्चालक नियुक्त गरेको र सर्वसाधारण शेयरधनीतर्फका सञ्चालक श्री शिवहरी प्रसाद भट्टराईको मिति २०७९।०८।१७ गतेका दिन असामयिक निधन भएकोमा सो स्थानमा श्री अशोक साह र रिक्त रहेको सर्वसाधारण शेयरधनीतर्फको सञ्चालक पदमा श्री महेश कुमार सिंहलाई नियुक्त गरेकोमा सोको अनुमोदनको लागि समेत यहाँहरूसमक्ष पेश गरिएको छ । हाल संस्थापक शेयरधनीतर्फबाट ३ जना र सर्वसाधारण शेयरधनीको तर्फबाट २ जना गरी जम्मा ५ जना सञ्चालक रहनुभएको र निकट भविष्यमा नै रिक्त रहेको स्वतन्त्र सञ्चालक नियुक्त गरिने छ ।

#### च. वित्तीय संस्थाको कारोबारलाई असर पार्ने मुख्य कुराहरू :

- (१) वित्तीय संस्थाबाट प्रदान गरिने दीर्घकालीन, मध्यकालीन लगानी र जमानत पत्र जारी गर्ने जस्ता गैरकोषीय सेवाहरू उपलब्ध गराउँदा हुनसक्ने सम्भावित जोखिमहरू ।
- (२) नेपाल सरकार वा नेपाल राष्ट्र बैंकले बैंक तथा वित्तीय संस्थासम्बन्धी नीति-निर्देशनमा परिवर्तन गर्दा सिर्जना हुनसक्ने सम्भावित जोखिमहरू ।
- (३) नेपाल राष्ट्र बैंकको निर्देशनअनुसार व्याजदरमा हुने परिवर्तन तथा थपघटले उत्पन्न हुन सक्ने सम्भावित जोखिमहरू ।
- (४) राष्ट्रको आर्थिक, मौद्रिक तथा वित्तीय नीति परिवर्तनबाट सृजना हुनसक्ने सम्भावित जोखिमहरू ।
- (५) यथासमयमा कर्जा असुली नभई उत्पन्न हुने आर्थिक जोखिमहरू ।
- (६) कर्जा तथा लगानीको दायरा साँघुरिएर उत्पन्न हुनसक्ने जोखिमहरू ।
- (७) अन्तर्राष्ट्रिय बजारमा हुने मन्दीबाट नेपाली बजारमा पर्न सक्ने असरबाट हुनसक्ने आर्थिक जोखिमहरू ।
- (८) देशको आर्थिक अवस्थामा आउने उतारचढावबाट पर्न सक्ने जोखिमहरू ।
- (९) पूँजी बजारको अवस्थामा आउने उतारचढावबाट पर्न सक्ने जोखिमहरू ।
- (१०) देशको राजनैतिक अस्थिरताले पर्न सक्ने असरहरू ।
- (११) तिब्रतर वैकिङ्ग प्रतिस्पर्धाका कारण पर्न सक्ने असरहरू ।
- (१२) प्रविधिमा हुने परिवर्तनका कारण पर्न सक्ने असरहरू ।
- (१३) देशमा महामारीको कारण वित्तीय कारोबारमा पर्न सक्ने असरहरू ।





वित्तीय संस्थाको कर्जा तथा सापट र लगानी खराब भई हुनसक्ने जोखिमहरूको लागि नेपाल राष्ट्र बैंकको निर्देशानुसार वित्तीय संस्थाले कर्जा नोकसानी व्यवस्था र लगानीमा सम्भावित हानि-नोक्सानी बापतको व्यवस्था जस्ता कोषहरूको व्यवस्था गरेको छ। वित्तीय संस्थाले वित्त बजारमा हुने प्रतिस्पर्धाको लागि जनशक्ति विकासमा आवश्यक ध्यान पुऱ्याएको छ। यसबाहेक व्यावसायिक जोखिमहरूबाट सृजना हुनसक्ने हानि-नोक्सानीको लागि व्यवस्थापन चनाखो भई सम्भावित हानि-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 २०७९/८० को लेखापरीक्षण प्रतिवेदनमा प्रतिकूल कैफियत उल्लेख भएको छैन र प्रारम्भिक लेखापरीक्षण प्रतिवेदनमा उल्लेख भएका कैफियतहरूलाई लेखापरीक्षण समितिको सिफारिसमा सञ्चालक समितिको निर्णय तथा निर्देशानुसार सुधार गरिएको छ। लेखापरीक्षकले संस्थाको कारोबारबाट आफू सन्तुष्ट रहेको प्रतिवेदन दिनुभएको छ।

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

आर्थिक वर्ष २०७९/८० को मुनाफाबाट लाभांश प्रस्ताव नगरिएको।

**झ. शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो बापत वित्तीय संस्थाले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो बिक्री गरी 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 अन्त्यमा रहेको स्थितिको पुनरावलोकन :**

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

**ट. यस वित्तीय संस्था तथा यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेका प्रमुख कारोबारहरू र सो अवधिमा वित्तीय संस्थाको कारोबारमा आएको कुनै महत्त्वपूर्ण परिवर्तन :**

यस वित्तीय संस्थाको कुनै सहायक कम्पनीहरू छैनन्। वित्तीय संस्थाले आर्थिक वर्ष २०७९/८० मा गरेको प्रमुख कारोबार र कारोबारमा आएको परिवर्तन संलग्न वासलात, नाफा-नोक्सान हिसाब, नगद प्रवाह विवरण र लेखासम्बन्धी टिप्पणीहरूले स्पष्ट पार्दछ।

**ठ. विगत आर्थिक वर्षमा संस्थाका आधारभूत शेयरधनीहरूले संस्थालाई उपलब्ध गराएको जानकारी : छैन।**

**ड. विगत आर्थिक वर्षमा वित्तीय संस्थाका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र संस्थाको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट वित्तीय संस्थाले प्राप्त गरेको जानकारी :**

आर्थिक वर्ष २०७९/८० मा वित्तीय संस्थाका सञ्चालकहरू तथा पदाधिकारीहरूले यस संस्थाको शेयर नेपाल राष्ट्र बैंकको निर्देशन तथा विद्यमान कानूनको प्रतिकूल हुने गरी स्वामित्वमा लिएको रेकर्डबाट देखिँदैन र यस संस्थालाई यस बारेमा कहीं कतैबाट जानकारी समेत प्राप्त भएको छैन।



ढ. विगत आर्थिक वर्षमा संस्थासँग सम्बन्धित सम्झौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा :  
जानकारी उपलब्ध भएको छैन ।

ण. संस्थाले आफ्नो शेयर आफैँले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी खरिद गरे बापत संस्थाले भुक्तानी गरेको रकम :  
संस्थाले आफ्नो शेयर आफैँ खरिद गरेको छैन ।

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

वित्तीय संस्थाको आफ्नो व्यवसाय विस्तारसँगै त्यसमा अन्तरनिहित जोखिमहरू न्यूनीकरण गर्नको लागि आन्तरिक नियन्त्रण प्रणालीको महत्त्वपूर्ण भूमिका रहेको हुन्छ । सोहीअनुरूप बैकिङ व्यवसायमा निहित कर्जा, बजार तथा सञ्चालन लगायतका जोखिमहरूलाई मध्यनजर गर्दै वित्तीय संस्थाले आन्तरिक नियन्त्रण प्रणालीलाई दृढो बनाउने नीति लिएको छ । यसै गरी सञ्चालन प्रक्रियातर्फ आर्थिक प्रशासन विनियमावली, कर्मचारी प्रशासन विनियमावली, कर्जा अपलेखन विनियमावली, कर्जा तथा लगानी नीति, बैंक जमानत नीति तथा निर्देशिका, सम्पत्ति तथा दायित्व जोखिम व्यवस्थापन नीति, वित्तीय स्रोत संकलनसम्बन्धी नीति, सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारणसम्बन्धी नीति, सूचना प्रविधि नीति, धितो मूल्यांकन निर्देशिका, ग्राहक पहिचान कार्यविधि तथा आवश्यक कार्य निर्देशिकाहरू तयार गरी लागु गरिरहेको छ । यसको अलावा वित्तीय संस्थाले आवश्यकताअनुसार अन्य कार्यविधिहरू तयार गरी सोहीअनुरूप आफ्ना क्रियाकलापहरू सञ्चालन गरेको छ ।

**समितिहरू :**

सञ्चालक समितिलाई नीति निर्देशन तथा वित्तीय संस्थाको क्रियाकलापलाई नियन्त्रण र अनुगमन गर्न सहयोग पुर्याउन सञ्चालक स्तरमा लेखापरीक्षण समिति, जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति र सम्पत्ति शुद्धीकरण निवारणसम्बन्धी समितिहरू कार्यरत रही आएका छन् ।

**लेखापरीक्षण समिति :**

वित्तीय संस्थाको गैरकार्यकारी सञ्चालकको संयोजकत्वमा ३ सदस्य रहेको लेखापरीक्षण समितिले वित्तीय संस्थाको वित्तीय स्थिति, आन्तरिक नियन्त्रण र जोखिम व्यवस्थापन व्यवस्था र लेखापरीक्षण कार्यक्रम आदिवारे 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 दिँदै आएको छ ।

**जोखिम व्यवस्थापन समिति :**

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

**सम्पत्ति शुद्धीकरण निवारणसम्बन्धी समिति :**

सम्पत्ति शुद्धीकरण निवारणसम्बन्धी समिति एक सञ्चालक स्तरको समिति हो, जसको मुख्य उद्देश्य सम्पत्ति शुद्धीकरण निवारण सम्बन्धमा वित्तीय संस्थाले तर्जुमा गरेको नीति/नियम/मार्गदर्शनहरूको पुनरावलोकन गर्नु, सम्पत्ति शुद्धीकरण,



आतंकवादी क्रियाकलापमा वित्तीय लगानी तथा भ्रष्टाचारसम्बन्धी जोखिम पहिचान तथा नियन्त्रण गर्न वित्तीय संस्थाले तयार गरेको संयन्त्रको आवधिक पुनरावलोकन गर्नु रहेको छ। यस समितिले सम्पत्ति शुद्धीकरण तथा आतंकवादी क्रियाकलापमा वित्तीय लगानी तथा भ्रष्टाचारसम्बन्धी कानून, नियमनकारी निकायले तोकेको मापदण्ड र वित्तीय संस्थाको नीतिहरू कार्यान्वयन सम्बन्धमा व्यवस्थापनलाई आवश्यक सुझाव दिन सक्ने छ तथा आवधिक रूपमा यस समितिले गरेका निर्णयहरूको तथा निर्णयबमोजिम भएका कार्यहरूको जानकारी सञ्चालक समितिसमक्ष प्रस्तुत गर्ने गर्दछ।

त्यस्तै, व्यवस्थापकीय स्तरमा उच्च व्यवस्थापकहरू रहेको व्यवस्थापन समिति, सम्पत्ति तथा दायित्व व्यवस्थापन समिति, जनशक्ति व्यवस्थापन समिति, खरिद समिति आदि रहेका छन्। यी समितिहरूबाट वित्तीय संस्थाको विविध कारोबार तथा गतिविधिहरू सम्बन्धमा नियमित काम कारवाही हुँदै आएका छन्।

#### थ. विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :

आर्थिक वर्ष २०७९/८० मा कुल व्यवस्थापन खर्चमध्ये कर्मचारी खर्चमा बोनस समेत रु. २,४२,४९,५७८।०० र अन्य सञ्चालन खर्च रु. ९,४९,९३,६९८।०० रहेको छ। जसको विस्तृत विवरण अनुसूची ४.३६ र ४.३७ मा उल्लेख भएको छ।

#### द. लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले 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 संस्थासम्बन्धी ऐन तथा नेपाल राष्ट्र बैंकको निर्देशनको अधीनमा रही गैरकार्यकारी सञ्चालकको संयोजकत्वमा ३ सदस्यीय लेखापरीक्षण समिति गठन गरिएको छ।

श्री महेश कुमार सिंह	संयोजक
श्री राजेश कुमार मल्लिक	सदस्य
श्री राकेश कुमार यादव	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 प्रतिवेदनउपर छलफल गरी व्यवस्थापनलाई आवश्यक निर्देशन दिने र सञ्चालक समितिमा सिफारिस गर्ने गरेको छ। साथै समयसमयमा संस्थाको वित्तीय अवस्थाको बारेमा विस्तृत जानकारी लिई आवश्यक निर्देशन दिने गरेको छ।

#### ध. सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, वित्तीय संस्थाका आधारभूत शोयरधनी 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, शोयरधनी 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 पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :

सञ्चालक समितिका सदस्यहरूलाई बैठक भत्ता बापत रु. २,२०,५००।०० भुक्तानी दिइएको छ। कार्यकारी प्रमुखलाई आ.व. २०७९।८० मा तलब र भत्ता बापत रु. ३२,३८,९९३।६४ भुक्तानी दिइएको छ।

#### प. शोयरधनीहरूले बुझिलिन बाँकी रहेको लाभांश रकम :

शोयरधनीहरूले बुझिलिन बाँकी रहेको लाभांश नरहेको।



फ. कम्पनी ऐन २०६३ को दफा १४१ बमोजिम सम्पत्ति खरिद 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 कानूनबमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुरा : छैन ।

म. अन्य आवश्यक कुराहरू :

शेयरधनी महानुभावहरूको लागि सूचना व्यवस्था : वित्तीय संस्थाले कारोबारसम्बन्धी सूचना आदानप्रदान गर्ने प्रक्रियालाई उच्च प्राथमिकता दिएको छ । यस सन्दर्भमा वित्तीय संस्थाले वार्षिक प्रतिवेदन, त्रैमासिक प्रतिवेदन लगायत अन्य वित्तीय संस्थाको प्रगति विवरणहरू विभिन्न समाचार माध्यम एवं वित्तीय संस्थाको वेबसाइट [www.multipurposefinance.com](http://www.multipurposefinance.com) मार्फत जानकारी गराउने गरेको छ । वित्तीय संस्थामा समयसमयमा लगानीकर्ता तथा व्यक्तिगत रूपमा [info@multipurposefinance.com](mailto:info@multipurposefinance.com) र अन्य माध्यमबाट आएका विभिन्न जिज्ञासाहरूको उचित निष्कर्ष निकाल्ने उपयुक्त र महत्वपूर्ण थलो वार्षिक साधारण सभा भएकोले सबै शेयरधनी महानुभावहरूलाई सभामा सहभागी भई वित्तीय संस्थाको प्रगतिमा छलफल गर्न प्रोत्साहित गरेका छौं ।

अन्त्यमा,

सिङ्गो देशको आर्थिक अवस्था विविध कारणवश अस्थिर रहेको अवस्थामा पक्कै पनि बैकिङ्ग तथा वित्तीय क्षेत्रमा यसको नकारात्मक प्रभाव परेको तथ्य यहाँहरूलाई जानकारी नै छ । यस विषम परिस्थितिलाई मनन गरी बृहत् रूपमा कर्जा लगानी गरी ठूलो जोखिम उठाउनुको सट्टा यस वित्तीय संस्थाले भएको सम्पत्ति र लगानीहरूलाई व्यवस्थित गर्ने, नयाँ प्रविधि र उत्पादनहरूको खोजी गर्ने, राष्ट्रिय तथा क्षेत्रीय बैकिङ्ग सम्बन्धहरू विस्तार गर्ने, ग्राहकको सेवा स्तरमा वृद्धि गर्ने लगायत आफूलाई आन्तरिक तथा बाह्य रूपमा सुदृढ राख्ने कार्यहरूमा 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, अर्थतन्त्रमा सुधार र शान्ति सुरक्षाको स्थिति सुदृढ हुँदै गएमा आ.व. २०८०/८१ को उपलब्धि दर सन्तोषजनक रहने विश्वास दिलाउन चाहन्छु । साथै, म सञ्चालक समितिको तर्फबाट हाम्रा सबै शेयरधनी महानुभावहरू, ग्राहकवर्ग तथा शुभचिन्तकहरूलाई उहाँहरूको अटुट समर्थन तथा सहयोगका लागि हार्दिक कृतज्ञता व्यक्त गर्दछु । यो वित्तीय संस्था आज जुन अवस्थामा पुगेको छ त्यसको श्रेय यहाँहरूको निरन्तर र अमूल्य समर्थनलाई जान्छ । नेपाल राष्ट्र बैंक तथा नेपाल सरकारको निरन्तर सहयोग र मार्गनिर्देशनको लागि म कृतज्ञता व्यक्त गर्न चाहन्छु । यसै अवसरमा वित्तीय संस्थाको सफलतामा महत्वपूर्ण भूमिका खेल्ने समस्त कर्मचारीहरूलाई पनि हार्दिक धन्यवाद दिन चाहन्छु ।

द.....

महेश कुमार सिंह  
सञ्चालक

द.....

अशोक साह  
सञ्चालक

द.....

गेहनाथ दुङ्गना  
सञ्चालक

द.....

जय प्रकाश ठाकुर  
सञ्चालक

द.....

चन्दन अग्रवाल  
अध्यक्ष

मिति : २०८०।१।१८





## **सूचीकृत संगठित संस्थाहरूको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ को दफा २०(३) तथा २०(४) को प्रयोजनको लागि प्रकाशित**

सूचीकृत संगठित संस्थाहरूको 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 निर्देशिकाबमोजिम गर्नुपर्ने कुरा,  
 अनुपालना गरिएको छ ।
- (ख) नियमनकारी निकायले इजाजतपत्र जारी गर्दाको बखत तोकेका शर्तहरू,  
 अनुपालना गरिएको छ ।
- (ग) नियमनकारी निकायले संस्थाको नियमन, निरीक्षण वा सुपरीवेक्षण गर्दा सम्बन्धित संस्थालाई दिइएको निर्देशन ।  
 अनुपालना गरिएको छ ।
- (घ) पछिल्लो वार्षिक तथा विशेष साधारण सभा सम्पन्न भएको मिति :  
 यस वित्तीय संस्थाको मिति २०७९।०९।३० गते २५ औं वार्षिक साधारण सभा सम्पन्न भएको थियो ।
- (ङ.) कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम, तलब, भत्ता तथा अन्य सुविधा, हाजिर र बिदा, आचारसंहिता लगायतका कुराहरू समेटिएको कर्मचारी सेवा शर्त विनियमावली व्यवस्था भए/नभएको :  
 नेपाल राष्ट्र बैंकबाट स्वीकृत भई कर्मचारी सेवा, शर्त, वृत्ति विकास आदि समेटिएको कर्मचारी सेवा विनियमावली, २०८० लागु गरिएको छ ।
- (च) आर्थिक प्रशासन विनियमावली भए/नभएको :  
 आर्थिक प्रशासन विनियमावली, २०८० तर्जुमा गरी नेपाल राष्ट्र बैंकबाट स्वीकृत गराई लागु गरिएको छ ।
- (छ) आन्तरिक नियन्त्रण कार्यविधि भए/नभएको :  
 वित्तीय संस्थाको आन्तरिक नियन्त्रणका लागि विभिन्न नीति तथा कार्यविधिहरू 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 व्यवस्थापकीय तहका समितिहरू तथा सञ्चालक समितिका विभिन्न उपसमितिहरू गठन गरिएको छ ।



**SUBIJ & ASSOCIATES**  
Chartered Accountants

Morang, Nepal  
9851254165  
Subijpoudel.sp@gmail.com  
PAN:126350056  
Firm Regn no:1021

**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 31, 2080 (July 16, 2023), 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 Opinion' section, the aforesaid financial statements presents fairly, in all material respects, the financial position of Financial Institution as at Ashadh 31, 2080 (July 16, 2023) 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 Opinion**

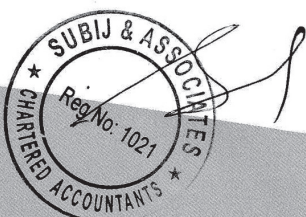
We conduct our audit of the financial statement accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit for the Audit of the Financial Statements Section of our report. We are independent on the 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 31, 2080 (July 16, 2023) 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. Nepal financial Reporting Standard (NFRS)-9 requires that a financial asset 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 NRFS-9 and NAS-40.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have

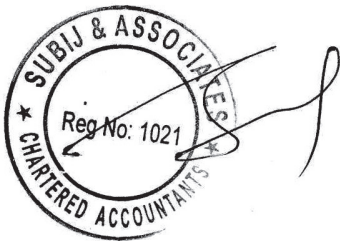






determined the matters described below to be the key audit matters to be communicated in our report.

S.N.	Key Audit Matters	Auditor's Response
1.	<p>Impairment of Loans and Advances As per NRB Directive 4, company shall measure impairment loss on loans and advances at the higher of:</p> <ul style="list-style-type: none"> <li>• Amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provisioning; and</li> <li>• Amount determined as per para 5-5. of NFRS 9, read with carve out issued by Institute of Chartered Accountants of Nepal dated 18 July 2022, adopting Incurred Loss Model.</li> </ul> <p>As per the norms prescribed by NRB, provision at prescribed rate should be created on loans and advances based on overdue status of loans and advances as well as utilization status of the facility, status of security &amp; borrower's whereabouts.</p> <p>As per NFRS 9 read with carve out issued by Institute of Chartered Accountants of Nepal dated 18 July 2022, impairment of loans and advances should be made on individual impairment basis for loans and advances that are individually significant and collective impairment basis for homogeneous groups of loans that are not considered individually significant.</p> <p>On individual impairment, amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows. Under collective impairment, loss is determined after taking into account the Historical Loss Experience in portfolios of similar credit risk and Management's experienced judgment as to whether current economic and credit conditions are such that the actual level of inherent losses at the reporting date is like to be greater or less than that suggested by historical experience.</p> <p>Given the fact that impairment of loans and advances under incurred loss model require assessment of future cash flows as well as historical loss experiences of portfolios. Further, impairment of loans and advances under NRB norms for loan loss provisioning will require assessment of overdue status of loans and advances and proper utilization of loan for intended purpose. Hence, assessment of availability and accuracy of required data for impairment of loans and advances under incurred loss model as well as NRB provisioning norms is regarded as key audit matters.</p>	<p>Our audit approach regarding verification of impairment of loans and advances included:</p> <p>a. Review of the overdue status of loans and advances by obtaining data from the system and matched the same with the NRB 2.2 report.</p> <p>b. Sample credit files were reviewed, among other things, from the perspective of utilization of loans and advances for intended purpose by way of scrutiny of financial statements, account movement, account turnover etc.</p> <p>c. Expected future cash flows from the individually significant loans and indication of advances with impairment are assessed on the basis of realizable value of collateral securities based on management estimate.</p> <p>d. Grouping of homogeneous group of loans was assessed on the basis of nature and purpose of loans and data of historical loss experience in portfolios are assessed on the basis of past due data from the system as well as data of loan loss provisions of the defined group in the past.</p>





2.	<p><b>Information Technology General Controls</b></p> <p>IT controls with respect to recording of transactions, generating various reports in compliance with NRB guidelines and other compliances to regulators is an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems.</p> <p>We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management, shareholders and regulators.</p>	<p>Our audit approach regarding Information technology of the company is based upon the Information Technology Guidelines 2012 issued by NRB and it included:</p> <p>a. Understanding the coding system adopted by the company for various categories of customers.</p> <p>b. Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the company.</p> <p>c. Checking of the user requirements for any changes in the regulations/ policy of the company.</p> <p>d. Reviewed the reports generated by the system on a sample basis. We verified the interest income and expense booking regarding loan and deposit on test basis with the CBS of the company.</p> <p>e. We relied on the IT audit conducted by the company.</p>
3.	<p><b>Investment Valuation, Identification, an Impairment</b></p> <p>Investment of the company comprises of investment in government bonds, T-bills, development bonds investment in quoted and unquoted equity instruments.</p> <p>The valuation of the aforesaid securities has been done in compliance with NFRS 9 and NRB Directive no. 8, The investment in the government and NRB bonds and T-bills should be recognized on reporting date on Amortized cost basis whereas other investments in equity instruments, other than those held for trading, should be valued at Fair Value through Other Comprehensive Income.</p> <p>Given the varieties of treatments recommended for valuation of investment based on nature of cash flow, the business model adopted, complexity of calculations and the significance of amount involved in such investments, same has been considered as Key Audit Matter in our audit.</p>	<p>Our audit approach regarding verification of process of investment valuation, identification and impairment included:</p> <p>a. Review Of the investment of the company and its valuation having reference to NFRS issued by the Accounting Standard Board of Nepal and NRB Directive 4 read with 8.</p> <p>b. We assessed the nature of expected cash flow of the investments as well as the business model adopted by the management on the basis of available evidence/circumstances and ensured that classification of investment is commensurate with nature of cash flow and management intention of holding the investment.</p> <p>c. For the investment valuation that are done at amortized cost, we checked the EIR and amortization schedule on test basis.</p> <p>d. For the investment valued through OCI for quoted investment, we ensured that fair valuation has been done at the closing transaction rate in NEPSE as on 16.07-2023 and for the unquoted investment the fair value has been taken as the NPR 100.</p>







4.	<p><b>Investment Properties (Non-Banking Assets)</b></p> <p>Investment Properties includes land, land and building acquired by the Company as non-banking assets but not sold as on the reporting date.</p> <p>The Company holds investment property that has been acquired through enforcement of security over the loans and advances.</p> <p>Investment property is to be measured at fair value model or cost model.</p>	<p>During the course of audit, we verified the Non-banking Assets as per Nepal Rastra Bank's Directive.</p> <p>This specific item has been found included under investment property without being mentioning the mode of subsequent measurement.</p>
----	--	--

#### **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 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**

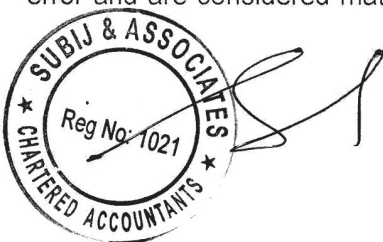
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement 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 is 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 and auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not guaranteed 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 based on 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 on 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.







**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.

Dated: Poush 18, 2080  
Biratnagar, Nepal  
UDIIN No: 240103CA01698ksbEy

For Subij & Associates  
Chartered Accountants  
Reg No: 1027  
A. Subij Poudel  
Proprietor




**Multipurpose Finance Limited**  
Rajbiraj, Nepal  
Statement of Financial Position  
As on 31 Asadh 2080 (July 16, 2023)

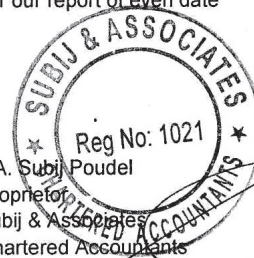
	Note	2080 Asar 31	2079 Asar 32
<b>Assets</b>			
Cash and cash equivalent	4.1	448,355,205	337,112,515
Due from Nepal Rastra Bank	4.2	66,773,185	23,801,120
Placement with Banks and Financial Institutions	4.3	-	-
Derivative financial instruments	4.4	-	-
Other trading assets	4.5	-	-
Loans and advances to B/Fis	4.6	-	5,826,105
Loans and advances to customers	4.7	1,182,546,329	709,919,844
Investment securities	4.8	152,651,789	74,374,310
Current tax assets	4.9	7,051,106	3,694,863
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	-	-
Investment property	4.12	11,961,501	3,372,467
Property and equipment	4.13	191,839,718	189,227,230
Goodwill and Intangible assets	4.14	1,878,095	2,358,126
Deferred tax assets	4.15	2,966,752	3,806,453
Other assets	4.16	11,498,593	14,027,466
<b>Total Assets</b>		<b>2,077,522,273</b>	<b>1,367,520,499</b>
<b>Liabilities</b>			
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	1,530,875,576	840,760,856
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	141,600	-
Deferred tax liabilities	4.15	-	-
Other Liabilities	4.23	36,472,262	27,861,603
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>Total Liabilities</b>		<b>1,567,489,438</b>	<b>868,622,459</b>
<b>Equity</b>			
Share capital	4.26	452,000,000	452,000,000
Share premium		-	-
Retained earnings		(1,317,455)	(8,017,994)
Reserves	4.27	59,350,290	54,916,034
<b>Total equity attributable to equity holders</b>		<b>510,032,835</b>	<b>498,898,040</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>510,032,835</b>	<b>498,898,040</b>
<b>Total liabilities and equity</b>		<b>2,077,522,273</b>	<b>1,367,520,499</b>
Contingent liabilities and commitment	4.28	-	-
Net assets value per share		112.84	110.38

As per our report of even date

  
Rajnish Kumar Singh  
Chief Executive Officer



  
Chandan Agrawal  
Chairperson

  
Reg No: 1021  
CA. Subij Poudel  
Proprietor  
Subij & Associates  
Chartered Accountants

  
Ashok Shah  
Director

  
Jay Prakash Thakur  
Director

  
Gehnath Dhungana  
Director

  
Mahesh Kumar Singh  
Director

Date: Poush 18, 2080  
Place: Janakpur, Nepal





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Statement of Profit or Loss For the year ended 31 Asar 2080 (July 16, 2023)

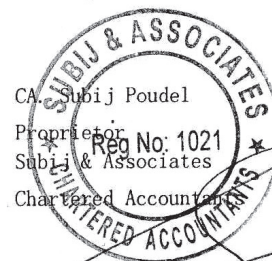
	Note	2080 Asar 31	2079 Asar 32
Interest income	4. 29	181,572,731	91,543,854
Interest expense	4. 30	133,264,345	57,901,786
<b>Net interest income</b>		<b>48,308,387</b>	<b>33,642,068</b>
Fee and commission income	4. 31	11,178,321	8,689,251
Fee and commission expense	4. 32	-	-
<b>Net fee and commission income</b>		<b>11,178,321</b>	<b>8,689,251</b>
<b>Net interest, fee and commission income</b>		<b>59,486,708</b>	<b>42,331,319</b>
Net trading income	4. 33	-	-
Other operating income	4. 34	1,414,385	824,470
<b>Total operating income</b>		<b>60,901,093</b>	<b>43,155,789</b>
Impairment charge/ (reversal) for loans and other losses	4. 35	7,671,938	7,995,995
<b>Net operating income</b>		<b>53,229,155</b>	<b>35,159,794</b>
<b>Operating expense</b>			
Personnel expenses	4. 36	24,241,578	20,354,053
Other operating expenses	4. 37	14,113,698	8,209,115
Depreciation & amortisation	4. 38	5,940,024	1,880,434
<b>Operating Profit</b>		<b>8,933,855</b>	<b>4,716,192</b>
Non operating income	4. 39	-	-
Non operating expense	4. 40	-	-
<b>Profit before income tax</b>		<b>8,933,855</b>	<b>4,716,192</b>
Income tax expense	4. 41		
Current Tax		746,409	1,188,264
Deferred Tax		(428,598)	1,173,498
<b>Profit for the year</b>		<b>8,616,044</b>	<b>2,354,430</b>
<b>Profit attributable to:</b>			
Equity holders of the Bank		8,616,044	2,354,430
Non-controlling interest		-	-
<b>Profit for the year</b>		<b>8,616,044</b>	<b>2,354,430</b>
<b>Earnings per share</b>			
Basic earnings per share		1. 91	0. 52
Diluted earnings per share		1. 91	0. 52

Rajnish Kumar Singh  
Chief Executive Officer



Chandan Agrawal  
Chairperson

As per our report of even date



Date: Poush 18, 2080  
Place: Janakpur, Nepal

Ashok Shah  
Director

Jay Prakash Thakur  
Director

Gehmath Dhungana  
Director

Mahesh Kumar Singh  
Director





**Multipurpose Finance Limited**  
Statement of Other Comprehensive Income  
As on 31 Asadh 2080 (July 16, 2023)

Note	2080 Asar 31	2079 Asar 32
<b>Profit for the year</b>	<b>8,616,044</b>	<b>2,354,430</b>
Other comprehensive income, net of income tax		
<b>a) Items that will not be reclassified to profit or loss</b>		
Gains/(losses) from investment in equity instruments measured at fair value	5,571,413	(13,151,352)
Gains/(losses) from investment in mutual fund units measured at fair value	(1,490,541)	(1,791,710)
Gains/(losses) on revaluation	-	-
Actuarial gains/(losses) on defined benefit plans	146,789	-
Income tax relating to above items	(1,268,298)	4,482,919
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>	<b>2,959,363</b>	<b>(10,460,143)</b>
<b>b) Items that are or may be reclassified to profit or loss</b>		
Gains/(losses) on cash flow hedge	-	-
Exchange gains/(losses) (arising from translating financial assets of foreign operation)	-	-
Income tax relating to above items	-	-
Reclassify to profit or loss	-	-
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>
<b>c) Share of other comprehensive income of associate accounted as per equity method</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year, net of income tax</b>	<b>2,959,363</b>	<b>(10,460,143)</b>
<b>Total Comprehensive Income for the year</b>	<b>11,575,407</b>	<b>(8,105,714)</b>
<b>Total Comprehensive Income attributable to:</b>		
Equity holders of the Bank	11,575,407	(8,105,714)
Non-controlling interest	-	-
<b>Total Comprehensive Income for the year</b>	<b>11,575,407</b>	<b>(8,105,714)</b>

Rajnish Kumar Singh  
Chief Executive Officer



Phul Mi Chandan Agrawal  
Chairperson

As per our report of even date

CA. Subij Poudel  
Proprietor  
Subij & Associates  
Chartered Accountants

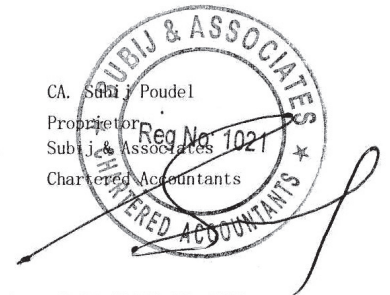
Date: Poush 18, 2080  
Place: Janakpur, Nepal

Ashok Shah  
Director

Jay Prakash Thakur  
Director

Gehnath Dhungana  
Director

Mahesh Kumar Singh  
Director





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Statement of Cash Flows For the year ended 31 Asar 2080 (July 16, 2023)

	2080 Asar 31	2079 Asar 32
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Interest received	181,572,731	91,543,854
Fees and other income received	11,178,321	8,689,251
Dividend received	112,224	-
Receipts from other operating activities	1,448,950	824,470
Interest paid	(133,264,345)	(57,901,786)
Commission and fees paid	-	-
Cash payment to employees	(23,248,927)	(19,882,434)
Other expense paid	(14,113,698)	(8,150,215)
<b>Operating cash flows before changes in operating assets and liabilities</b>	<b>23,685,257</b>	<b>15,123,141</b>
<b>(Increase)/Decrease in operating assets</b>		
Due from Nepal Rastra Bank	(42,972,065)	(23,801,120)
Placement with bank and financial institutions	-	-
Other trading assets	-	-
Loan and advances to bank and financial institutions	5,826,105	(5,826,105)
Loan and advances to customers	(480,298,423)	(291,268,740)
Other assets	12,331	(11,344,824)
<b>Increase/ (Decrease) in operating liabilities</b>		
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposit from customers	690,114,720	471,030,213
Borrowings	-	-
Other Liabilities	7,759,608	(11,381,635)
<b>Net cash flow from operating activities before tax paid</b>	<b>204,127,532</b>	<b>142,530,930</b>
Income taxes paid	(1,586,109)	-
<b>Net cash flow from operating activities</b>	<b>202,541,423</b>	<b>142,530,930</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investment securities	(74,391,359)	(38,493,699)
Receipts from sale of investment securities	194,752	-
Purchase of property and equipment	(8,072,481)	(137,899,388)
Receipt from sale of property and equipment	-	-
Purchase of intangible assets	-	(2,400,152)
Receipts from the sale of intangible assets	-	-
Investment properties	(8,589,034)	728,882
Receipts from the sale of investment properties	-	-
Interest received	-	-
Dividend received	-	-
<b>Net cash used in investing activities</b>	<b>(90,858,122)</b>	<b>(178,064,357)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of Subordinated Liabilities	-	-
Receipt from issue of shares	-	-
Dividends paid	-	-
Interest paid	-	-
Other receipt/payment	(440,611)	-
<b>Net cash from financing activities</b>	<b>(440,611)</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>111,242,690</b>	<b>(35,533,427)</b>
Cash and cash equivalents at Shrawan 01, 2079	337,112,515	372,645,942
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
<b>Cash and cash equivalents at Ashadh end 2080</b>	<b>448,355,205</b>	<b>337,112,515</b>

Rajnish Kumar Singh  
Chief Executive Officer

Anilok Shah  
Director

Jay Prakash Thakur  
Director

Gehnath Dhungana  
Director

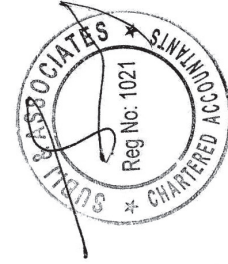
Chandan Agrawal  
Chairperson

Mahesh Kumar Singh  
Director

As per our report of even date

Subij & Associates  
Chartered Accountants  
Date: Poush 18, 2080  
Place: Janakpur, Nepal





Multipurpose Finance Limited  
Statement of Change in Equity  
As on 31. Asadh 2080 (July 16, 2023)

Attributable to equity holders of the Bank

	Share Capital	Share Premium	General Reserve	Exchange 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	299,483,767	-	299,483,767
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	299,483,767	-	299,483,767
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)
Gain/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(758,312)	-	-	-	(758,312)	-	(758,312)
Gain/(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	-	-	-	-	-	-	-	14,148,681	-	14,148,681	-	14,148,681
Transfer to Reserves during the year	-	-	2,829,736	-	1,382,736	-	-	(4,253,862)	141,487	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity :												
Share issued	175,962,100	19,963,385	-	-	-	-	-	-	-	195,925,485	-	195,925,485
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	175,962,100	19,963,385	2,829,736	-	1,382,736	-	-	(4,253,862)	141,487	195,925,485	-	195,925,485
Balance at Ashar 31, 2078 (16-Jul-2021)	400,000,000	21,341,443	15,699,224	-	9,128,797	(758,312)	23,872,950	38,416,608	1,078,911	508,779,632	-	508,779,632
Add: Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted / restated Balance at Shrawan 01, 2078 (16-Jul-2021)	400,000,000	21,341,443	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)
Gain/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(10,460,143)	-	-	-	(10,460,143)	-	(10,460,143)
Gain/(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	-	-	-	-	-	-	-	2,354,430	-	2,354,430	-	2,354,430
Transfer to Reserves during the year	-	-	470,886	-	14,756,464	-	-	(16,289,894)	23,544	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Less: WFS 16 adjustment	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	52,000,000	-	-	-	-	-	-	-	-	52,000,000	-	52,000,000
Balance at Ashar 31, 2079 (16-Jul-2022)	452,000,000	21,341,443	16,170,110	-	14,756,464	(11,218,455)	24,937,663	40,076,494	1,102,455	498,898,641	-	498,898,641
Comprehensive Income for the FY 2079-80 (2022-23) :												
Profit for the year	-	-	-	-	-	-	-	8,616,044	-	8,616,044	-	8,616,044
Other Comprehensive Income, net of tax	-	-	-	-	-	2,856,610	-	-	-	2,856,610	-	2,856,610
Gain/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	2,856,610	-	-	-	2,856,610	-	2,856,610
Gain/(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	-	-	-	-	-	-	-	8,616,044	-	8,616,044	-	8,616,044
Transfer to Reserves during the year	-	-	1,723,209	-	93,109	-	-	(2,259,372)	(633,253)	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Less: Prior period fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity :												
Share issued	-	-	41,170	-	-	-	-	184,679	-	125,849	-	125,849
Dividend to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-





## Attributable to equity holders of the Bank

	Attributable to equity holders of the Bank										
	Share Capital	Share Premium	General Reserve	Exchange Equalisation Reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earnings	Other Reserve	Total	Non-controlling interest
<b>Total Contributions by and Distributions</b>											
Balance at Asr 31, 2020 (18-Jul-2023)	452,000,000	-	-	1,764,379	63,109	(205,849)	-	(1,915,505)	(146,745)	-	(440,611)
Balance at Asr 31, 2020 (18-Jul-2023)				17,934,486	23,987,370	(6,587,893)	23,937,663	1,317,455	1,958,482	510,032,836	-

12

1/10/21

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

67

68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

84

85

86

87

88

89

90

91

92

93

94

95

96

97

98

99

100

101

102

103

104

105

106

107

108

109

110

111

112

113

114

115

116

117

118

119

120

121

122

123

124

125

126

127

128

129

130

131

132

133

134

135

136

137

138

139

140

141

142

143

144

145

146

147

148

149

150

151

152

153

154

155

156

157

158

159

160

161

162

163

164

165

166

167

168

169

170

171

172

173

174

175

176

177

178

179

180

181

182

183

184

185

186

187

188

189

190

191

192

193

194

195

196

197

198

199

200

201

202

203

204

205

206

207

208

209

210

211

212

213

214

215

216

217

218

219

220

221

222

223

224

225

226

227

228

229

230

231

232

233

234

235

236

237

238

239

240

241

242

243

244

245

246

247

248

249

250

251

252

253

254

255

256

257

258

259

260

261

262

263

264

265

266

267

268

269

270

271

272

273

274

275

276

277

278

279

280

281

282

283

284

285

286

287

288

289

290

291

292

293

294

295

296

297

298

299

300

301

302

303

304

305

306

307

308

309

310

311

312

313

314

315

316

317

318

319

320

321

322

323

324

325

326

327

328

329

330

331

332

333

334

335

336

337

338

339

340

341

342

343

344

345

346

347

348

349

350

351

352

353

354

355

356

357

358

359

360

361

362

363

364

365

366

367

368

369

370

371

372

373

374

375

376

377

378

379

380

381

382

383

384

385

386

387

388

389

390

391

392

393

394

395

396

397

398

399

400

401

402

403

404

405

406

407

408

409

410

411

412

413

414

415

416

417

418

419

420

421

422

423

424

425

426

427

428

429

430

431

432

433

434

435

436

437

438

439

440

441

442

443

444

445

446

447

448

449

450

451

452

453

454

455

456

457

458

459

460

461

462

463

464

465

466

467

468

469

470

471

472

473

474

475

476

477

478

479

480

481

482

483

484

485

486

487

488

489

490

491

492

493

494

495

496

497

498

499

500

501

502

503

504

505

506

507

508

509

510

511

512

513

514

515

516

517

518

519

520

521

522

523

524

525

526

527

528

529

530

531

532

53





**Multipurpose Finance Limited**  
**Statement of Distributable Profit or Loss**  
**As on 31 Asadh 2080 (July 16, 2023)**  
**(As per NRB Regulations)**

	2080 Asar 31	2079 Asar 32
<b>Net profit or (loss) as per statement of profit or loss</b>	<b>8,616,044</b>	<b>2,354,430</b>
<b>Less: appropriations (-) / contributions (+):</b>		
a. General reserve	(1,723,209)	(470,886)
b. Foreign exchange fluctuation fund	-	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(86,160)	(23,544)
e. Employees' training fund	(367,095)	-
f. Investment Adjustment Transfer	600,000	-
g. Share issue expenses	(440,611)	-
<b>Profit or (loss) before regulatory adjustment</b>	<b>6,598,969</b>	<b>1,860,000</b>
<b>Regulatory adjustment:</b>		
a. Interest receivable (-)/ previous accrued interest received (+)	609,708	(1,754,782)
b. Short loan loss provision in accounts (-)/ reversal (+)	-	-
c. Short provision for possible losses on investment (-)/ reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	(4,163,279)	728,882
e. Deferred tax assets recognised (-)/ reversal (+)	839,700	(3,309,420)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Fair value loss recognised (-)/ reversal (+)	2,650,762	(10,460,143)
i. Decrease in depreciation expenses (-) / increase (+)	-	-
j. Operating Adjustments (-) income / expenses (+)	-	-
<b>Net Profit for the year 2079/80 available for distribution</b>	<b>6,535,860</b>	<b>(12,935,464)</b>
Opening balance in retained earnings as on shrawan 1 2079	(8,017,994)	38,416,608
Less: Lease Adjustment as per NFRS 16	-	(103,749)
Add: Fair Value Adjustments due to disposal of equity investment	205,849	-
Less: Transfer to general reserve	(41,170)	-
<b>Distribution:</b>		
Bonus shares issued	-	(30,675,389)
Cash Dividend Paid	-	(2,720,000)
<b>Total Distributable profit or (loss) as on 31st Ashadh 2080</b>	<b>(1,317,455)</b>	<b>(8,017,994)</b>

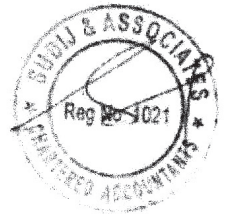


*Handwritten signature*

*Handwritten signature*

*Handwritten signature*

*Handwritten signature*







Multipurpose Finance Limited

**Notes to the Financial Statements**

**For the year ended 31 Ashadh 2080 (July 16, 2023)**

**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, 2021(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**

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

**2.1. Statement of compliance**

The financial statements 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, 2023 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 17, 2022 and July 16, 2023 (the reporting period) and the status is reported as at the year-end date of July 16, 2023 (the report date). These financial statements, inclusive of comparative figures of July 16, 2023 have been approved and authorized for issue by the board of directors as per its decision dated 2080/09/18 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.



*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*







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.

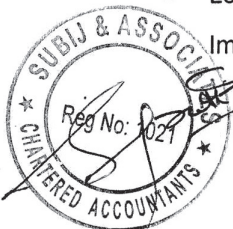
- Financial assets or financial liabilities subsequently measured at Amortized Cost; or
- Financial assets or financial liabilities designated as at Fair Value Through Profit or Loss (FVTPL); or
- Financial assets or financial liabilities subsequently measured at Fair Value Through Profit or Loss (FVTPL);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



*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*





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**



*M*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*







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”.





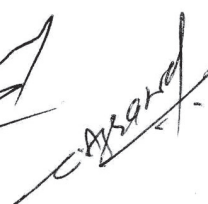


## 2.13. Comparative information

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.
<b>3</b>	<b>Significant Accounting Policies</b>		
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:

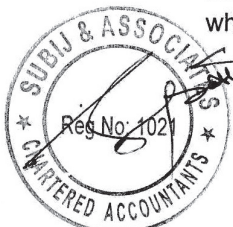
- for equity investments measured at FVTOCI; and
- where the fair value option has been exercised in any circumstance for a financial asset or a financial liability.

#### 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:

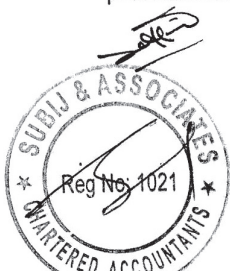
- in the principal market for the asset or liability; or
- in the absence of principal market, in the most advantageous market for the asset or liability.

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.



*[Handwritten signatures and initials]*







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.

Financial Institution has made the provision for impairment loss of Rs.141,600 of manakamana remit as it cease to exist and low probability of recovery as per management estimation.

### 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 2079-80	FY 2078-79
Gross loan and advances to customers excluding staff loans and accrued interest	1,198,270,723.61	723,074,348
Loan loss provision as per NRB Directive	22,358,030	14,827,6912
Loan loss provision as per NFRS	9,544,352	7,036,262
Loan loss revision recognized (whichever is higher)	22,358,030	14,827,6912



TH

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*







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

A derivative is a financial instrument whose value changes in response to the change in an underlying variable such as an interest rate, commodity or security price, or index; that requires no initial investment, or one that is smaller than would be required for a contract with similar response to changes in market factors; and that is settled at a future date.

Forward contracts are the contracts to purchase or sell a specific quantity of a financial instrument, a commodity, or a foreign currency at a specified price determined at the outset, with delivery or settlement at a specified future date. Settlement is at maturity by actual delivery of the item specified in the contract, or by a net cash settlement.

All freestanding contracts that are considered derivatives for accounting purposes are carried at fair value on the statement of financial position regardless of whether they are held for trading or non-trading purposes. Changes in fair value on derivatives held for trading are included in net gains/ (losses) from financial instruments in fair value through profit or loss on financial assets/ liabilities at fair value through profit or loss.

Finance Company doesn't deal with any derivative financial instruments

#### 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.



*[Handwritten signatures and initials]*







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 Finance Company has not applied the revaluation model to the any class of freehold land and buildings or other assets. Such properties are carried at a previously recognized GAAP Amount.

On revaluation of an asset, any increase in the carrying amount is recognized in 'Other comprehensive income' and accumulated in equity, under capital reserve or used to reverse a previous revaluation decrease relating to the same asset, which was charged to the Statement of Profit or Loss. In this circumstance, the increase is recognized as income to the extent of previous write down. Any decrease in the carrying amount is recognized as an expense in the Statement of Profit or Loss or debited to the Other Comprehensive income to the extent of any credit balance existing in the capital reserve in respect of that asset.

The decrease recognized in other comprehensive income reduces the amount accumulated in equity under capital reserves. Any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

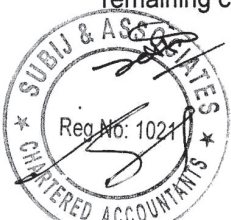
#### **Subsequent Cost**

The subsequent cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within that part will flow to the Finance Company and it can be reliably measured. The cost of day to day servicing of property, plant and equipment are charged to the Statement of Profit or Loss as incurred.

#### **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.



*Handwritten signature*

*Handwritten signature*

*Handwritten signature*

*Handwritten signature*





### 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
Right of Use Assets	Up to 20 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.

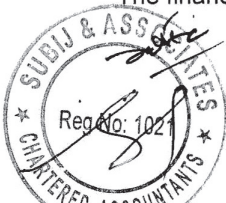
Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the financial institution's cash-generating units that are expected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



Investment property

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





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

#### **Measurement**

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

#### **De-recognition**

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

#### **Investment in Associates**

Associates are those entities in which the Finance Company has significant influence, but not control, over the financial and operating policies. Investments in associate entities are accounted for using the equity method (equity accounted investees) and are recognized initially at cost. The cost of the investment includes transaction costs.

The Finance Company doesn't have any associates. The Finance Company considers that mere representation of the Finance Company in Board of Directors doesn't indicate significant influence.

### **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.



*M*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*







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.

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.

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

S.N.	Particulars	FY 2079-80
1	Total AIR - Current Year	7,943,494.55
2	Interest Recognition Suspended	1,309,848.88
3	Accrued Income Recognized	6,633,645.67
4	Interest Received Till Shrawan 15	-
5	Accrued interest recognised	6,633,645.67

#### Details of interest income on loan and advances:

Particulars	2080 Ashadh 31	2079 Ashadh 32
Cash received during the year	166,335,672.12	81,069,522.75
Closing Accrued Income	6,633,645	7,499,292
Opening Accrued Income	7,499,292	4,334,460.00
Income recognized during the year	165,470,026	8,35,76,355

financial institution has not provided any rebate on interest charges during the year ended 31<sup>st</sup> Ashadh 2080.



*[Handwritten signatures and initials]*





**TABLE 1**

Particulars	As of Asadh end 2080	
	No. of Customers	Amount (NRs.)
Accrued Interest Received after Asadh end 2080 till 15 Bhadra	NA	NA
Additional 0.3% Loan Loss Provision created on Pass Loan Portfolio	808.00	3,516,843.30
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 upto 1 year with 5% provisioning	NA	NA
Expiry Date of Additional 10% Term Loan (COVID Loan) extended for upto 1 year with 5% provisioning	NA	NA
Time Extension provided for repayment of Principal and Interest for upto two years as per clause 41 of NRB Directives 2	NA	NA

**TABLE 2**

Particulars	As of Asadh end 2080	
	No. of Customers	Amount (NRs.)
Refinance Loan	NA	NA
Business Continuity Loan	NA	NA

**TABLE 3**

Particulars	As of Asadh end 2080	
	No. of Customers	Amount (NRs.)
Subsidized Loan	3	22,823,856.82

### 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.



*[Handwritten signatures and initials]*







### 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

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

### 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.

We have considered liability of employee benefits as per the actuarial report.

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

The Gratuity benefits for the permanent staffs are provided as per existing employees byelaws. The new Labour Act 2074 is applicable from Bhadra 19, 2074 which requires payment of minimum Gratuity of at least 8.33% of basic salary to all staff (equal to one-month basic salary per year).

The Finance Company has provided gratuity based on New Labour Act 2074

An actuarial valuation is to be carried out every year to ascertain the full liability under gratuity.

Finance Company's obligation in respect of defined benefit obligation is calculated by estimating the amount of future benefit that employees have earned for their service in the current and prior periods and discounting that benefit to determine its present value, then deducting the fair value of any plan assets to determine the net amount to be shown in the Statement of Financial Position. The value of a defined benefit asset is restricted to the present value of any economic benefits available in the form of refunds from the plan or reduction on the future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirement that apply to any plan in Finance Company. An economic benefit is available to Finance Company if it is realizable during the life of the plan, or on settlement of the plan liabilities.

Finance Company determines the interest expense on the defined benefit liability by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period to the defined benefit liability at the beginning of the annual period. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating to the terms of Finance Company's obligations.

The increase in gratuity liabilities attributable to the services provided by employees during the year (current service cost) has been recognized in the Statement of Profit or Loss under 'Personnel Expenses' together with the net interest expense. Finance Company recognizes the total actuarial gain and loss that arises in calculating Finance Company's obligation in respect of gratuity in other comprehensive income during the period in which it occurs.

The demographic assumptions underlying the valuation are retirement age (60 years), early withdrawal from service and retirement on medical grounds.

### 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

NFRS 16 – Leases has introduced a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. The Multipurpose Finance Company has applied NFRS 16 effective from FY 2079-80.

For any new contracts entered into, the Finance Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Finance Company assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly
- specified by being identified at the time the asset is made available to the Finance Company;
- The Finance Company has the right to obtain substantially all of the economic benefits from use of the identified
- asset throughout the period of use, considering its rights within the defined scope of the contract.
- The Finance Company has the right to direct the use of the identified asset throughout the period of use. The
- Finance Company assesses whether it has the right to direct 'how and for what purpose' the asset is used
- throughout the period of use.

#### 3.16.1 Measurement and Recognition of Lease as Lessee

At lease commencement date, The Finance Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Finance Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Finance Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Finance Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Finance Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Finance Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Finance Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in other liabilities.

#### **Expenses recognized as per NFRS 16:**

##### **Particulars**

##### **Amount (Rs.)**

##### **Interest Expense**

2,851,117.07







<b>Depreciation</b>	<b>1,194,089.38</b>
<b>Right of Use Assets (ROU)</b>	<b>22,446,282.17</b>
<b>Addition during the year</b>	<b>2,616,613.14</b>
<b>Gross Right of Use Assets (ROU)</b>	<b>25,062,895.31</b>
<b>Accumulated Depreciation - ROU</b>	<b>1,194,089.38</b>
<b>Net Right of Use Assets (ROU)</b>	<b>23,868,805.93</b>
<b>Lease Payment during the year</b>	<b>2,315,676.00</b>

As per NFRS 16 – Leases, if the lessee elects to apply this standard, the lessee shall recognize a lease liability at the date of initial application for leases previously classified as an operating lease applying NAS 17 and recognize a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying NAS 17. Accordingly, the Finance Company has measured the lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

### 3.17. Foreign Currency translation

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

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Nepalese Rupees using the spot foreign exchange rate ruling at that date and all differences arising on non-trading activities are taken to 'Other Operating Income' in the Statement of Profit or Loss. The foreign currency gains or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the rates of exchange prevailing at the end of the reporting period.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items in foreign currency measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange differences arising on the settlement or reporting of monetary items at rates different from those which were initially recorded are dealt with in the Statement of Profit or Loss. However, foreign currency differences arising on available-for-sale equity instruments are recognized in other comprehensive income.

Forward exchange contracts are valued at the forward market rates ruling on the reporting date. Both unrealized losses and gains are reflected in the Statement of Profit or Loss.

However, no such contracts have been entered by the Finance Company.

### 3.18. Financial guarantee and loan commitment

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







### 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.

#### Shareholding Ratio are as follow:

S.N.	Particulars	No of shares	Holding Ratio(%)	Amount(Rs)
1	Promoter	2,305,200.00	51%	230,520,000.00
2	Public	2,214,800.00	49%	221,480,000.00
	<b>Total</b>	<b>4,520,000.00</b>	<b>100%</b>	<b>452,000,000.00</b>

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.

#### Movement of General Reserve are as follow:

Particulars	2079/80	2078/79
Opening Reserve	16,170,109	15,699,224
Add: Addition during the year	1,723,209	470,886
Add: Fair value adjustment addition	41,170	-
<b>Closing Reserve</b>	<b>17,934,488</b>	<b>16,170,109</b>

#### 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. (8,567,693) as fair value loss recognized through other comprehensive income.



*[Handwritten signatures and initials]*





**Movement of Fair Value Reserve are as follow:**

Particulars	2079/80	2078/79
Opening Reserve	(11,218,454.90)	(758,311.55)
Add: Addition during the year	2,856,610	(10,460,143.35)
Less: Adjustment of fair value of last year	205,849	-
Less: Expensed during the year	-	-
<b>Closing Reserve</b>	<b>(8,567,692.90)</b>	<b>(11,218,454.90)</b>

**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.

**Movement of Assets Revaluation Reserve are as follow:**

Particulars	2079/80	2078/79
Opening Reserve	24,937,663.14	23,872,949.61
Add: Addition during the year	-	1,064,713.53
Less: Expensed during the year	-	-
<b>Closing Reserve</b>	<b>24,937,663.14</b>	<b>24,937,663.14</b>

**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.

There is no change in special reserve.

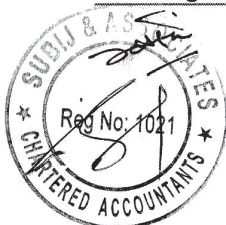
**3.19.6. Corporate social responsibility fund**

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	2079/80	2078/79
Opening Reserve	434,813.00	411,269.00
Add: Addition during the year	86,160	23,544.00
Less: Expensed during the year	-	-
<b>Closing Reserve</b>	<b>520,973.00</b>	<b>434,813.00</b>



*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*







### 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.

There is no change in the investment adjustment reserve.

### 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.

Particulars	2079/80
Opening Reserve	-
Add: Addition during the year	102,752
Less: Expensed during the year	-
<b>Closing Reserve</b>	<b>102,752</b>

### 3.19.9. Employee Training Reserve

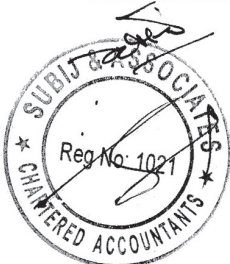
The staff training fund has been created as required by NRB Directives amounting to 3% of staff salary costs of the previous year and hence Rs. 367,095 has been appropriated accordingly.

Particulars	2079/80
Opening Reserve	-
Add: Addition during the year	367,095
Less: Expensed during the year	-
<b>Closing Reserve</b>	<b>367,095</b>

### 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 the Opening Statement of Financial Position and NFRS compliant financial statements of succeeding years to the Regulatory Reserve The amount shall be transferred from Retained Earning to the Regulatory Reserve in the Statement of Changes in Equity. Accordingly, the Finance has credited the following amounts:

Particulars	2079/80	Fig. NPR
		2078/79
<b>Opening Reserve</b>	<b>23,924,262</b>	<b>9,128,798</b>
Add: Accrued Interest receivable increase	(609,708)	1,754,782
Add: Interest income after ashadh end net of tax	-	-
Add: Deferred tax assets decrease	(839,700)	3,309,420
Less: Decrease in non-banking assets	4,163,279	(728,882)
Add: Fair value loss	(2,650,762)	10,460,143
<b>Closing Reserve</b>	<b>23,987,371</b>	<b>23,924,262</b>



*Handwritten signature*

*Handwritten signature*

*Handwritten signature*

*Handwritten signature*





**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/Liabilities	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
2079/80	(609,708)	-	-	4,163,279	(839,700)	(2,650,762)	-	63,109
<b>Total</b>	<b>4,179,197</b>	<b>-</b>	<b>-</b>	<b>7,535,746</b>	<b>2,966,752</b>	<b>8,567,693</b>	<b>737,982</b>	<b>23,987,370</b>

Other includes depreciation savings of Rs.2,78,782 created in 2075/76 and Interest after ashadh end net of tax of Rs.4,59,200 created on 2077/78.

### 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 its paid-up capital of Rs. 45.2 Crores as on 31<sup>st</sup> Ashadh 2080.

### 3.21. Segment reporting

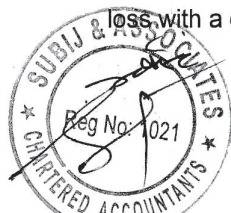
The Financial Institution discloses information on operating segments to enable users of financial statements to evaluate the nature and financial effects of the Financial Institution's business activities and that of the economic environment in which the Financial Institution operates. Detail information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



*[Handwritten signatures and initials]*







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.

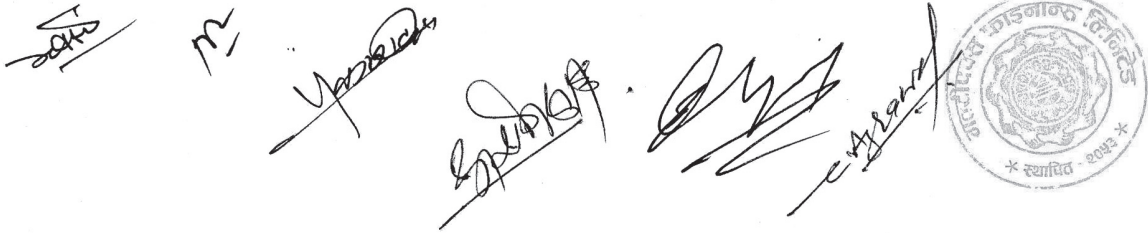
### 3.23. Statement of cash flows

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.

A series of handwritten signatures and a circular stamp. The stamp is from the Ministry of Finance, Government of India, and contains the text "मल्टीपर्स फाइनेन्स लिमिटेड" and "स्थापित - २०१२".





# मल्टीपर्स फाइनान्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Notes to Financial Statements For the year ended 31 Asar 2080 (July 16, 2023)

### Cash and Cash Equivalent

4.1

	2080 Asar 31	2079 Asar 32
Cash in Hand	8,921,141	7,311,024
Balances with BFIs	439,434,064	329,801,491
Money at call and short notice	-	-
Other	-	-
<b>Total</b>	<b>448,355,205</b>	<b>337,112,515</b>

### Due from Nepal Rastra Bank

4.2

	2080 Asar 31	2079 Asar 32
Statutory balances with NRB	66,773,185	23,801,120
Securities purchased under resale agreement	-	-
Other deposit and receivable from NRB	-	-
<b>Total</b>	<b>66,773,185</b>	<b>23,801,120</b>

### Placements with Banks and Financial Institutions

4.3

	2080 Asar 31	2079 Asar 32
Placement with domestic B/FIs	-	-
Placement with foreign B/FIs	-	-
Less: Allowances for impairment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Derivative financial instruments

4.4

	2080 Asar 31	2079 Asar 32
<b>Held for trading</b>		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Others	-	-
<b>Held for risk management</b>		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Handwritten signatures and stamps are present below the financial statements. The stamps include the company seal of Multipurpose Finance Limited and the professional seal of Subij & Associates Chartered Accountants, Reg No: 1027.





Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

Other trading assets

4.5

	2080 Asar 31	2079 Asar 32
Treasury bills	-	-
Government bonds	-	-
NRB bonds	-	-
Domestic corporate bonds	-	-
Equities	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Pledged	-	-
Not pledged	-	-

Loans and advances to BFIs

4.6

	2080 Asar 31	2079 Asar 32
Loans to microfinance institutions	-	5,902,842
Other	-	-
Less: Allowances for impairment	-	(76,737)
<b>Total</b>	<b>-</b>	<b>5,826,105</b>

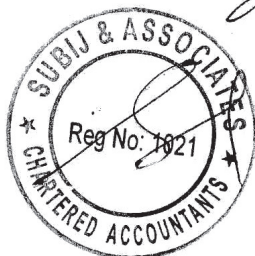
4.6.1 Allowances for Impairment

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

Loans and advances to customers

4.7

	2080 Asar 31	2079 Asar 32
Loans and Advances measured at Amortized Cost	1,204,904,359	724,670,798
Less: Impairment Allowances	(22,358,030)	(14,750,955)
Collective Impairment	(17,896,030)	(14,478,145.19)
Individual Impairment	(4,462,000)	(272,810)
<b>Net Amount</b>	<b>1,182,546,329</b>	<b>709,919,844</b>
Loans and Advances measured at FVTPL	-	-
<b>Total</b>	<b>1,182,546,329</b>	<b>709,919,844</b>





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Notes to Financial Statements For the year ended 31 Asar 2080 (July 16, 2023)

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

	2080 Asar 31	2079 Asar 32
<b>Product</b>		
Term loans	222,185,232	95,222,633
Overdraft	499,467,197	336,350,377
Trust receipt/Import loans	-	-
Demand and other working capital Loans	-	-
Personal residential loans	41,690,104	41,072,036
Real estate loans	31,377,470	1,200,000
Margin lending loans	-	-
Hire purchase loans	5,580,010	1,737,084
Subsidized Loan loans	22,823,857	27,757,030
Deprived sector loans	79,091,179	65,542,532
Agricultural & Irrigation loans	278,812,699	129,996,271
Bills purchased	-	-
Other (Loan against FD)	17,242,966	18,293,544
<b>Sub-Total</b>	<b>1,198,270,714</b>	<b>717,171,506</b>
Interest receivable	6,633,646	7,499,292
<b>Grand Total</b>	<b>1,204,904,359</b>	<b>724,670,798</b>

### 4.7.2: Analysis of loans and advances - By Currency

	2080 Asar 31	2079 Asar 32
Nepalese Rupee	1,204,904,359	724,670,798
Indian Rupee	-	-
United State Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>Total</b>	<b>1,204,904,359</b>	<b>724,670,798</b>

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

	2080 Asar 31	2079 Asar 32
<b>Secured</b>		
Movable/Immovable Assets	1,187,661,393	706,377,254
Gold and silver	-	-
Guarantee of domestic B/Fis	-	-
Government guarantee	-	-
Guarantee of international rated bank	-	-
Collateral of export document	-	-
Collateral of fixed deposit receipt	17,242,966	18,293,544
Collateral of Government securities	-	-
Counter guarantee	-	-
Personal guarantee	-	-
Other collateral	-	-
<b>Subtotal</b>	<b>1,204,904,359</b>	<b>724,670,798</b>
<b>Unsecured</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>1,204,904,359</b>	<b>724,670,798</b>







Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

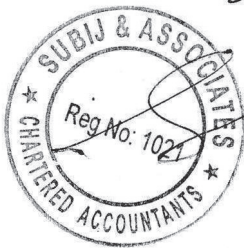
4.7.4: Allowances for Impairment

	2080 Asar 31	2079 Asar 32
<b>Specific allowances for impairment</b>		
Balance at Sawan 1	272,810	160,490
Impairment loss for the year:	4,189,190	112,320
Charge for the year	-	-
Recoveries/reversal during the year	4,189,190	112,320
Write-offs		
Exchange rate variance on foreign currency impairment		
Other movement		
Balance at Asar end	4,462,000	272,810
<b>Collective allowances for impairment</b>		
Balance at Sawan 1	14,478,145	7,290,565
Impairment loss for the year:	3,417,885	7,187,580
Charge/(reversal) for the year	3,417,885	7,187,580
Exchange rate variance on foreign currency impairment		
Other movement		
Balance at Asar end	17,896,030	14,478,145
<b>Total Allowances for Impairment</b>	<b>22,358,030</b>	<b>14,750,955</b>

Investment Securities

4.8

	2080 Asar 31	2079 Asar 32
Investment securities measured at amortized cost		
Investments in Bonds & Bills	24,918,978	19,544,780
Investment in equity measured at FVTOCI	67,249,963	32,856,141
Quoted Equity	52,055,463	22,661,641
Unquoted Equity	15,194,500	10,194,500
Mutual Fund Units	60,482,849	21,973,390
<b>Total</b>	<b>152,651,789</b>	<b>74,374,310</b>





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

## 4.8.1: Investment Securities measured at Amortized Cost

	2080 Asar 31	2079 Asar 32
Debt Securities		-
Government bonds	20,000,000	15,000,000
Government treasury bills	4,918,978	4,544,780
Nepal Rastra Bank bonds		-
Nepal Rastra Bank deposits instruments		-
Other	-	-
Less: Specific Allowances for Impairment	-	-
Total	24,918,978	19,544,780

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

	2080 Asar 31	2079 Asar 32
Equity Instruments		
Quoted Equity Shares	52,055,463	22,661,641
Unquoted Equity Shares	15,194,500	10,194,500
Mutual Fund Units	60,482,849	21,973,390
Total	127,732,811	54,829,530

## 4.8.3: Information relating to investment in equities

	2080 Asar 31		2079 Asar 32	
	Cost	Fair value	Cost	Fair value
Investment in quoted equity	61,152,771	52,055,463	37,330,364	22,661,641
1. Api Power Company Ltd (972 shares @ 100 paidup)	196,282	191,484	196,282	221,273
2. Asian Life Insurance Co. Limited (5910 shares @ 100 paidup)	4,634,735	4,403,541	292,427	143,500
3. Chhimek Laghubitta Bikas Bank Limited (1084 shares @ 100 paidup)	1,285,120	1,084,000	1,285,120	977,900
4. Chilime Hydropower Company Limited (12583 shares @ 100 paidup)	6,116,701	6,898,205	1,041,525	657,696
5. Depros Development Bank Limited (660 shares @ 100 paidup)	918,273	545,160	918,273	470,000
6. Everest Insurance Co. Ltd.		-	1,651,107	1,166,000
7. Global IME Laghubitta Bittya Sanstha Ltd (1803 shares @ 100 paidup)	3,599,273	1,912,983	3,599,273	1,634,142
8. Himalyan Everest Insurance Co. Ltd (5474 shares @ 100 paidup)	3,844,931	3,284,400	2,193,825	1,739,920
9. Infinity Laghubitta Bittya Sanstha Ltd (1532 shares @ 100 paidup)	1,929,309	1,095,380	1,929,309	1,263,240
10. Mithila Laghubitta Bikas Bank Ltd (2012 shares @ 100 paidup)	3,262,478	2,100,528	3,262,478	2,392,250
11. National Life Insurance Co. Ltd	385,202	264,450	385,202	205,989

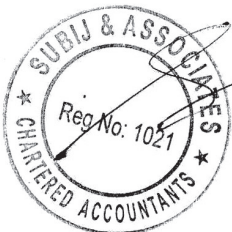






**Multipurpose Finance Limited**  
**Notes to Financial Statements**  
**For the year ended 31 Asar 2080 (July 16, 2023)**

(410 shares @ 100 paidup)				
12. Neco Insurance Co. Ltd.	2,224,132	1,768,834	2,224,132	1,197,844
(1985 shares @ 100 paidup)				
13. Nirdhan Uthan Bank Ltd	2,822,730	1,885,725	2,822,730	2,277,128
(2465 shares @ 100 paidup)				
14. NMB Microfinance Bittiya sanstha Ltd	23,390,667	1,166,080	2,339,067	1,125,150
(1822 shares @ 100 paidup)				
15. Prabhu Insurance Ltd	1,527,192	1,503,711	1,527,193	807,636
(2013 shares @ 100 paidup)				
16. Siddhartha Premier Insurance Limited ( SPIL )	2,577,346	2,031,885	2,577,346	1,316,160
(2610 shares @ 100 paidup)				
17. Himalayan Life Insurance Limited ( HLI )	458,420	329,043	458,420	327,175
(649 shares @ 100 paidup)				
18. Sagarmatha Insurance Co. Ltd	834,977	559,540	834,977	482,850
(748 shares @ 100 paidup)				
19. Sanima Mai Hydropower Ltd.	279,351.2	351,450		-
(990 shares @ 100 paidup)				
20. Shikhar Insurance Co. Ltd.	1,328,886	764,725	1,328,886	629,460
(905 shares @ 100 paidup)				
21. Surya Life Insurance Company Limited	3,171,801	2,405,840	3,171,801	1,526,328
(3944 shares @ 100 paidup)				
22. Swabalamban Bikas Bank Ltd	362,426	245,864	362,427	233,800
(273 shares @ 100 paidup)				
23. Swaroggar Laghu Bitta Bikas Bank Ltd	1,215,588	860,100	1,215,589	851,000
(1220 shares @ 100 paidup)				
24. Vijaya laghubitta Bittiya Sanstha Ltd.	1,712,974	924,048	1,712,974	1,015,200
(1296 shares @ 100 paidup)				
25. Nepal Life Insurance Com Ltd	1,445,534	1,655,400		-
(2225 shares @ 100 paidup)				
26. CEDB Hydropower Development Compant Ltd	10,180,039	11,124,624		-
(12306 shares @ 100 paidup)				
27. HIDCLP	2,500,000	2,698,500		-
(26250 shares @ 100 paidup)				
<b>Investment in unquoted equity</b>	<b>15,194,500</b>	<b>15,194,500</b>	<b>10,194,500</b>	<b>10,194,500</b>
Vision Lumbini Urja Company				
(Seti Nadi Jalbidhut 25W)	10,000,000	10,000,000	10,000,000	10,000,000
(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)				
APPOLO HYDROPOWER PVT LTD	5,000,000	5,000,000		-
<b>Investment in Mutual Fund Units</b>	<b>63,765,100</b>	<b>60,482,849</b>	<b>23,625,100</b>	<b>219,73,390</b>
Prabhu Select Fund	10,000,000	8,850,000	100,00,000	96,10,000
(10,00,000 units of Rs 10 each)				
MMF1	4,363,400	34,86,357	43,63,400	34,86,356.6
(436,340 units of Rs 10 each)				
NBF3	166,700	126,192	1,66,700	1,57,198.1
(16,670 units of Rs 10 each)				
NMBSBFE	95,000	89,300	95,000	84,835
(9,500 units of Rs 10 each)				
RMF1	5,000,000	4,040,000	50,00,000	46,35,000
(5,00,000 units of Rs 10 each)				
Kumari Yojana Ltd	40,00,000	4,016,000	40,00,000	40,00,000
(400,000 Shares of Rs 10 each)				
NMB Saral Bachat Mutual Fund	20,000,000	19,980,000		-
(2000000 Shares of Rs 10 each)				
Sanima Growth Fund (SGF)	5,000,000	4,995,000		-
(500000 Shares of Rs 10 each)				
Nabil Flexi Cap Fund(NFCF)	5,000,000	5,000,000		-
(500000 Shares of Rs 10 each)				
Prabhu Smart Fund	10,000,000	9,900,000		-
(1000000 Shares of Rs 10 each)				
<b>Total</b>	<b>139,972,371</b>	<b>127,732,811</b>	<b>71,149,964</b>	<b>54,829,531</b>



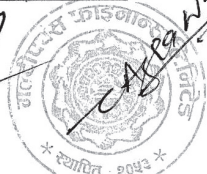
*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





# मल्टीपर्स फाइनान्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited

### Notes to Financial Statements

For the year ended 31 Asar 2080 (July 16, 2023)

Current tax assets		4.9
	2080 Asar 31	2079 Asar 32
Current tax assets	-	-
Current year income tax assets	7,797,515	4,318,319
Tax assets of prior periods	-	-
Current tax liabilities	-	-
Current year income tax liabilities	746,409	623,456
Tax liabilities of prior periods	-	-
<b>Total</b>	<b>7,051,106</b>	<b>3,694,863</b>

Investment in Subsidiaries 4.10

	2080 Asar 31	2079 Asar 32
Investment in quoted subsidiaries	-	-
Investment in unquoted subsidiaries	-	-
<b>Total Investment</b>	<b>-</b>	<b>-</b>
Less: Impairment allowances	-	-
<b>Net carrying amount</b>	<b>-</b>	<b>-</b>

#### 4.10.1: Investment in quoted subsidiaries

	2080 Asar 31	2079 Asar 32
	Cost Fair Value	Cost Fair Value
....., Ltd.	-	-
.....Shares of Rs..... each	-	-
....., Ltd.	-	-
.....Shares of Rs..... each	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### 4.10.2: Investment in unquoted subsidiaries

	2080 Asar 31	2079 Asar 32
	Cost Fair Value	Cost Fair Value
....., Ltd.	-	-
.....Shares of Rs..... each	-	-
....., Ltd.	-	-
.....Shares of Rs..... each	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*



*[Signature]*





Multipurpose Finance Limited

## Notes to Financial Statements

For the year ended 31 Asar 2080 (July 16, 2023)

4.10.3: Information relating to subsidiaries of the finance

[illegible]

	2080 Asar 31	2079 Asar 32
Investment in quoted associates	-	-
Investment in unquoted associates	-	-
<b>Total Investment</b>	-	-
Less: Impairment Allowances	-	-
<b>Net Carrying Amount</b>	-	-

#### 4.11.1: Investment in quoted associates

	2080 Asar 31		2079 Asar 32	
	Cost	Fair Value	Cost	Fair Value
....., Ltd.		-		-
.....Shares of Rs..... each		-		-
....., Ltd.		-		-
.....Shares of Rs..... each		-		-
Total				





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited

### Notes to Financial Statements

For the year ended 31 Asar 2080 (July 16, 2023)

#### 4.11.2: Investment in unquoted associates

	2080 Asar 31		2079 Asar 32	
	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	
	2080 Asar 31	2079 Asar 32
....., Ltd.	-	-
....., Ltd.	-	-
....., Ltd.	-	-
....., Ltd.	-	-

#### 4.11.4: Equity value of associates

	2080 Asar 31	2079 Asar 32
....., Ltd.	-	-
....., Ltd.	-	-
Total	-	-

#### Investment properties

4.12

	2080 Asar 31	2079 Asar 32
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

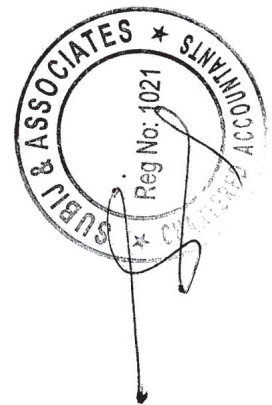
	2080 Asar 31	2079 Asar 32
Balance as on Shrawan 01,	3,372,467	4,101,349
Addition/disposal during the year	8,589,034	(728,882)
Adjustment/transfer	-	-
Accumulated depreciation	-	-
Accumulated impairment loss	-	-
Net amount	11,961,501	3,372,467
Total	11,961,501	3,372,467





Particulars	Land	Building	ROU	Leasehold Properties	Computers & others	Vehicles	Furniture & Fixtures	Office Equipments	Total (2079-80)	Total (2078-79)
<b>Cost</b>										
Balance as on Asar end 2078	24,472,950	6,169,479	-	-	1,237,539	478,230	913,551	292,212	33,563,960	33,563,960
Addition during the Year	-	-	-	-	-	-	-	-	-	-
Acquisition	100,800,000	290,332	-	16,780,109	4,858,394	8,882,789	1,824,892	4,462,873	137,899,388	137,899,388
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/ Revaluation on Fair Value	1,064,714	-	-	-	-	-	-	-	1,064,714	1,064,714
Balance as on Asar end 2079	126,337,663	6,459,810	22,954,301	16,780,109	6,095,932	9,361,019	2,738,443	4,755,085	172,528,061	172,528,062
Addition during the Year	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	2,616,613	1,926,588	1,708,848	243,000	104,011	1,473,422	8,072,481	8,072,481
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-	-	-
Adjustment/ Revaluation on Fair Value	-	-	-	-	-	-	-	-	-	-
Balance as on Asar end 2080	126,337,663	6,459,810	25,570,914	18,706,697	7,804,780	9,604,019	2,842,454	6,228,506	180,600,543	172,528,062
<b>Depreciation and Impairment</b>										
As on Asar end 2078	-	1,512,050	-	-	802,685	218,353	542,514	213,746	3,289,347	3,289,347
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	127,714	-	279,464	313,274	730,190	204,236	183,530	1,838,408	1,838,408
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment for the year	-	619,359	-	-	-	-	-	-	619,359	619,359
As on Asar end 2079	-	2,259,123	508,019	279,464	1,115,959	948,543	746,750	397,275	5,747,113	5,747,114
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	127,714	1,194,089	1,760,652	679,253	932,481	262,935	502,869	5,459,993	5,459,993
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-
As on Asar end 2080	-	2,386,836	1,702,108	2,040,117	1,795,212	1,881,024	1,009,685	900,144	11,207,107	5,747,114
<b>Capital Work in Progress Net book value</b>										
As on Asar end 2078	24,472,950	4,657,429	-	-	434,854	259,877	371,037	78,466	30,274,613	-
As on Asar end 2079	126,337,663	4,200,688	22,446,282	16,500,645	4,979,973	8,412,476	1,991,693	4,357,810	189,227,230	-
As on Asar end 2080	126,337,663	4,072,974	23,868,806	16,666,580	6,009,568	7,722,995	1,832,769	5,328,363	191,839,718	166,780,948



# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

## 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
Addition during the Year		-			-
Acquisition		-			-
Capitalization					-
Disposal during the year		-			-
Adjustment/ Revaluation					
Balance as on Asar end 2080		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
Amortisation charge for the year		480, 030			480, 030
Impairment for the year		-			-
Disposals		-			-
Adjustment					
As on Asar end 2080		522, 057	-	-	522, 057
Capital Work in Progress		-			-
Net Book Value					
As on Asar end 2078		-			-
As on Asar end 2079		2, 358, 126	-	-	2, 358, 126
As on Asar end 2080		1, 878, 095	-	-	1, 878, 095







Multipurpose Finance Limited

Notes to Financial Statements

For the year ended 31 Asar 2080 (July 16, 2023)

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			4,099,843
Deferred tax expense/ (income) recognized in other comprehensive income			(4,482,919)
Deferred tax expense/ (income) recognized directly in equity			





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

Multipurpose Finance Limited

Notes to Financial Statements

For the year ended 31 Asar 2080 (July 16, 2023)

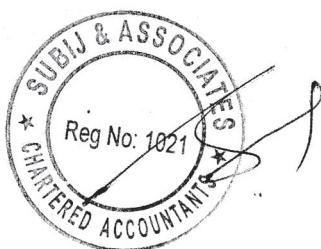
Deferred Tax

4.15

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Current FY 2078-79
			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			

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Current FY 2079-80
			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	-	(1,839,877)	(1,839,877)
Employees' Defined Benefit Plan	1,178,798	-	1,178,798
Lease liabilities			
Provisions			
Acturial Gain		(44,036.62)	(44,037)
Fair Value Reserve	3,671,868	-	3,671,868
Deferred tax on temporary differences	4,850,666	(1,883,914)	2,966,752
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 2080			2,966,752
Deferred tax (asset)/ liabilities as on Shrawan 01, 2079			3,806,453
Origination/(Reversal) during the year			839,700
Deferred tax expense/ (income) recognized in profit or loss			(428,598)
Deferred tax expense/ (income) recognized in other comprehensive income			1,268,298
Deferred tax expense/ (income) recognized directly in equity			

*[Handwritten signatures]*







Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

Other Assets

4.16

	2080 Asar 31	2079 Asar 32
Assets held for sale	-	-
Bills receivable	-	-
Accounts Receivable	452,010	7,600,075
Accrued Income	-	-
Prepayments and Deposits	569,494	519,869
Income tax deposit	-	-
Deferred employee expenditure	-	-
Other Assets	10,477,089	5,907,522
<b>Total</b>	<b>11,498,593</b>	<b>14,027,466</b>

Due to Banks and Financial Institutions

4.17

	2080 Asar 31	2079 Asar 32
Money Market Deposits	-	-
Interbank borrowing	-	-
Other deposits from BFIs	-	-
Settlement and clearing accounts	-	-
Other deposits from BFIs	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Due to Nepal Rastra Bank

4.18

	2080 Asar 31	2079 Asar 32
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of last resort facility from NRB	-	-
Securities sold under repurchase agreement	-	-
Other payable to NRB	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Derivative Financial Instruments

4.19

	2080 Asar 31	2079 Asar 32
<b>Held for Trading</b>		
Interest Rate Swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Other	-	-
<b>Held for Trading</b>		
Interest Rate Swap	-	-
Forward exchange contract	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*[Handwritten signatures and stamps]*

**SUBIJ & ASSOCIATES**  
Reg No: 1021  
CHARTERED ACCOUNTANTS

**मल्टीपर्स फाइनेन्स लिमिटेड**  
\* स्थापित २०७३ \*



# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Notes to Financial Statements For the year ended 31 Asar 2080 (July 16, 2023)

### Deposits from customers

4.20

	2080 Asar 31	2079 Asar 32
<b>Institutional customers:</b>		
Term deposits	436,701,000	130,601,000
Call deposits	161,867,245	141,752,029
Current deposits	138,003,932	19,928,465
<b>Individual customers:</b>		
Term Deposits	491,436,692	356,576,499
Saving Deposits	296,597,606	180,366,991
Current deposits	6,269,102	11,535,873.08
<b>Total</b>	<b>1,530,875,576</b>	<b>840,760,856</b>

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

	2080 Asar 31	2079 Asar 32
Nepalese rupee	1,530,875,576	840,760,856
Indian rupee		
United State dollar		
Great Britian pound		
Euro		
Japanese yen		
Chinese yen		
Other		
<b>Total</b>	<b>1,530,875,576</b>	<b>840,760,856</b>
Accrued interest payable	-	-
<b>Total Customer deposit including accrued interst payable</b>	<b>1,530,875,576</b>	<b>840,760,856</b>

### Borrowing

4.21

	2080 Asar 31	2079 Asar 32
<b>Domestic Borrowing</b>		
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
Sub Total	-	-
<b>Foreign Borrowing</b>		
Foreign Bank and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
<b>Total</b>	<b>-</b>	<b>-</b>







Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

Provisions

4.22

	2080 Asar 31	2079 Asar 32
Provisions for redundancy	-	-
Provisions for restructuring	-	-
Pending legal issues and tax litigation	-	-
Onerous Contracts	-	-
Other	141,600	-
	141,600	-

4.22.1: Movement in Provision

	2080 Asar 31	2079 Asar 32
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

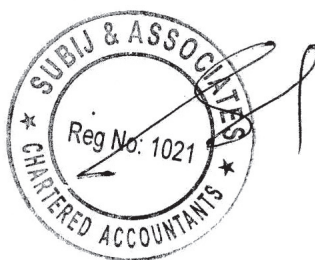
	2080 Asar 31	2079 Asar 32
Liabilities for employees defined benefit obligations	1,498,819	1,050,692.74
Liabilities for long service leave	2,430,508	1,224,175.73
Short-term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	-	-
Interest payable on deposits	22,976	15,425.63
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	25,702,085	22,550,031.06
Employee bonus payable	992,651	471,619.21
Other Liabilities	5,825,224	2,549,658
<b>Total</b>	<b>36,472,262</b>	<b>27,861,603</b>

Debt securities issued

4.24

	2080 Asar 31	2079 Asar 32
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*[Handwritten signatures and stamps]*





**Multipurpose Finance Limited**  
**Notes to Financial Statements**  
**For the year ended 31Asar 2080 (July 16, 2023)**

**4.23.1: Defined Benefit Obligations**

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

	2080 Asar 31
Present value of unfunded obligations	3,261,147
Present value of funded obligations	-
Total present value of obligations	3,261,147
Fair value of plan assets	-
Present value of net obligations	3,261,147
Recognised liability for defined benefit obligations	3,261,147

**4.23.2: Plan Assets**

Plan assets comprise of the following:

	2080 Asar 31
Equity securities	-
Government bonds	-
Bank deposit	-
Other	-
<b>Total</b>	-
Actual return on plan assets	-

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

	2080 Asar 31
Defined benefit obligations at Shrawan 1	1,606,689
Actuarial losses	-
Benefits paid by the plan	-
Current service costs and interest	1,654,458
Defined benefit obligations at Asar end	3,261,147

*[Handwritten signatures]*

*[Handwritten signatures]*







**Multipurpose Finance Limited**  
**Notes to Financial Statements**  
**For the year ended 31Asar 2080 (July 16, 2023)**

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

	2080 Asar 31
Fair value of plan assets at Sawan 1	-
Contributions paid into the plan	-
Benefits paid during the year	-
Actuarial (losses) gains	146,789
Expected return on plan assets	-
<b>Fair value of plan assets at Asar end</b>	<b>146,789</b>

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

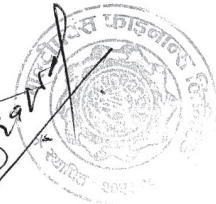
	2080 Asar 31
Current service costs	1,665,959
Interest on obligation	135,288
Expected return on plan assets	-
<b>Total</b>	<b>1,801,247</b>

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

	2080 Asar 31
Actuarial (gain)/loss	146,789
<b>Total</b>	<b>146,789</b>

**4.23.7: Actuarial assumptions**

	2080 Asar 31
Discount rate	9%
Expected return on plan asset	0%
Future salary increase	8%
Withdrawal rate	8%





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Notes to Financial Statements For the year ended 31 Asar 2080 (July 16, 2023)

### Subordinated Liabilities

4.25

	2080 Asar 31	2079 Asar 32
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Share capital

4.26

	2080 Asar 31	2079 Asar 32
Ordinary shares	452,000,000	452,000,000
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
<b>Total</b>	<b>452,000,000</b>	<b>452,000,000</b>

### 4.26.1: Ordinary Shares

	2080 Asar 31	2079 Asar 32
<b>Authorized Capital</b>	<b>800,000,000</b>	<b>400,000,000</b>
- 8,000,000 Ordinary Shares @ NPR 100 each		
<b>Issued Capital</b>	<b>452,000,000</b>	<b>452,000,000</b>
- 45,20,000 Ordinary Shares @ NPR 100 each		
<b>Subscribed and paid up capital</b>	<b>452,000,000</b>	<b>452,000,000</b>
- 45,20,000 Ordinary Shares @ NPR 100 each		
<b>Total</b>	<b>452,000,000</b>	<b>452,000,000</b>

### 4.26.2: Ordinary share ownership

	2080 Asar 31		2079 Asar 32	
	Percent	Amount	Percent	Amount
<b>Domestic ownership</b>	100	452,000,000	100	452,000,000
Nepal Government				
"A" class licensed institutions				
Other licensed institutions				
Other Institutions				
Public	49	230,520,000	40	180,800,000
Promoter	51	221,480,000	60	271,200,000
<b>Foreign ownership</b>				
<b>Total</b>	<b>100</b>	<b>452,000,000</b>	<b>100</b>	<b>452,000,000</b>

Company issued the bonus shares of Rs. 5.2 Crores out of its Security Premium and Retained Earning balances in Chaitra 24, 2078.

*(Signatures and stamps of directors and authorized signatories)*





## Multipurpose Finance Limited

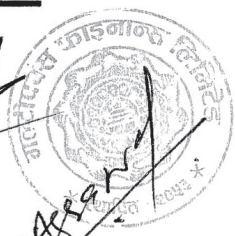
Notes to Financial Statements

For the year ended 31Asar 2080 (July 16, 2023)

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

Name	Shares	Amount	%
Reliable Nepal Life Insurance Limited	678113	67811300	15.00%
BISHAL PANDIT	400059	40005900	8.85%
AJOD INSURANCE LIMITED	218710	21871000	4.84%
RANJEET BABU PRASAD	186450	18645000	4.13%
MENKA SINGH	174059	17405900	3.85%
DIP NARAYAN SHAH	103773	10377300	2.30%
CHANDAN AGRAWAL	90513	9051300	2.00%
KUMAR SITAULA	74528	7452800	1.65%
NAVNEET MISHRA	72359	7235900	1.60%
MANJU KUMARI SUDI MAHASETH	56613	5661300	1.25%
PREETY RAJ SHRESTHA	56613	5661300	1.25%
ATUL KUCHERIA	47979	4797900	1.06%
NAVA RAJ AMGAIN	47738	4773800	1.06%
AMAR KANT JHA	47192	4719200	1.04%
NIJA SITAULA	46927	4692700	1.04%
AJIT KUMAR MISHRA	42189	4218900	0.93%
ARBIND KUMAR BATSHA	42189	4218900	0.93%
PUSKAR PANDIT	34013	3401300	0.75%
BINA MISHRA	29533	2953300	0.65%
PARO KUMARI	29097	2909700	0.64%
DEEPAK KUMAR	28646	2864600	0.63%
NIRMAL SHAH	28363	2836300	0.63%
ARVIND KUMAR VATS	26243	2624300	0.58%
JAGADAMBA DEVI JHA	24065	2406500	0.53%
TARUN KUCHERIA	23989	2398900	0.53%
PUSHPA DEVI SHAH	22713	2271300	0.50%
<b>Total</b>	<b>2,632,666</b>	<b>263,266,600</b>	<b>58.24%</b>

*[Handwritten signatures and stamps]*







**मल्टीपर्स फाइनेन्स लिमिटेड**  
**Multipurpose Finance Limited**

**Multipurpose Finance Limited**  
**Notes to Financial Statements**  
**For the year ended 31 Asar 2080 (July 16, 2023)**

**Reserves**

**4.27**

	2080 Asar 31	2079 Asar 32
Statutory general reserve	17,934,488	16,170,109
Exchange equalization reserve	-	-
Corporate social responsibility reserve	520,973	434,813
Capital redemption reserve	-	-
Regulatory reserve	23,987,370	23,924,261
Investment adjustment reserve	-	600,000
Capital Reserve	-	-
Assets Revaluation reserve	24,937,663	24,937,663
Fair value reserve	(8,567,693)	(11,218,455)
Divident equalization reserve	-	-
Special reserve	67,642	67,642
Employee Training Reserve	367,095	-
Acturial Gain Reserve	102,752	-
<b>Total</b>	<b>59,350,290</b>	<b>54,916,034</b>

**Contingent liabilities and commitments**

**4.28**

	2080 Asar 31	2079 Asar 32
Contingent liabilities	-	-
Undrawn and undisbursed facilities	-	-
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*



*[Handwritten signature]*





Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

Interest Income

4.29

	2080 Asar 31	2079 Asar 32
Cash and cash equivalent	12,218,730	6,610,790.67
Due from Nepal Rastra Bank	-	-
Placement with bank and financial insitutions	-	-
Loans and advances to banks and financial institutions	-	947,881.85
Loans and advances to customers	165,470,026	82,628,473.00
Investment securities	3,375,120	-
Other Interest Income	508,855	1,356,708.00
<b>Total interest income</b>	<b>181,572,731</b>	<b>91,543,853.52</b>

Interest Expenses

4.30

	2080 Asar 31	2079 Asar 32
Due to bank and financial institutions	-	1,092,737.42
Due to Nepal Rastra Bank	-	-
Deposits from customers	133,201,127	56,695,272.37
Borrowing Charges	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Interest Rebate	63,218	113,776.02
<b>Total Interest expense</b>	<b>133,264,345</b>	<b>57,901,785.81</b>

Fees and Commission Income

4.31

	2080 Asar 31	2079 Asar 32
Loan administration fees	9,949,101	5,629,051.25
Service fees	-	-
Consortium fees	-	-
Remittances	378,558	60,645.96
Commitment fees	-	-
Prepayment and swap fees	-	-
Prepayment and swap fees	-	-
Other fees and commission Income	850,663	2,999,554.27
<b>Total Fees and Commission Income</b>	<b>11,178,321</b>	<b>8,689,251.48</b>





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Notes to Financial Statements For the year ended 31 Asar 2080 (July 16, 2023)

Fees and Commission Expense

4. 32

Particulars	2080 Asar 31	2079 Asar 32
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
<b>Total Fees and Commission Expense</b>	<b>-</b>	<b>-</b>

Net Trading income

4. 33

	2080 Asar 31	2079 Asar 32
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
<b>Net trading income</b>	<b>-</b>	<b>-</b>

Other Operating Income

4. 34

	2080 Asar 31	2079 Asar 32
Foreign exchange revaluation gain	-	-
Gain/Loss on sale of investment securities	75,429	824,470.26
Fair value gain/loss on investment properties	-	-
Dividend on equity instrument	112,224	-
Gain/loss on sale of property and equipment	-	-
Gain/loss on sale of investment property	1,226,733	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other	-	-
<b>Total</b>	<b>1,414,385</b>	<b>824,470.26</b>

Impairment charge/(reversal) for loan and other losses

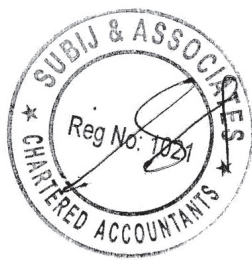
4. 35

	2080 Asar 31	2079 Asar 32
Impairment charge/(reversal) on loan and advances to B/Fis	(76,737)	76,736.94
Impairment charge/(reversal) on loan and advances to customers	7,607,075	7,299,899.46
Impairment charge/(reversal) on financial Investment	141,600	-
Impairment charge/(reversal) on placement with bank and financial institution	-	-
Impairment charge/(reversal) on property and equipment	-	619,359.00
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
<b>Total</b>	<b>7,671,938</b>	<b>7,995,995.40</b>

*[Handwritten signatures]*

*[Handwritten signatures]*

*[Handwritten signature]*







Multipurpose Finance Limited  
Notes to Financial Statements  
For the year ended 31 Asar 2080 (July 16, 2023)

Personnel Expenses

4. 36

Particulars	2080 Asar 31	2079 Asar 32
Salary	13,390,691	8,938,439.50
Allowances	5,048,697	3,298,055.03
Gratuity Expense	915,028	2,508,637.37
Provident Fund	1,100,203	751,245.71
Uniform	-	35,618.73
Training and development expenses	470,854	314,565.00
Leave encashment	886,219	1,758,669.26
Medical	904,329	1,983,664.88
Insurance	27,082	-
Employees incentives	-	-
Cash-settled share-based payments	-	-
Pension expenses	-	-
Finance expense under NFRSs	-	-
Other expenses related to staff	505,824	293,538.39
Subtotal	23,248,927	19,882,433.87
Employees Bonus	992,651	471,619.21
Grand total	24,241,578	20,354,053.08

Other Operating Expense

4. 37

	2080 Asar 31	2079 Asar 32
Directors' fee	340,413	100,300.00
Directors' expense	-	-
Auditors' remuneration	339,000	254,250.00
Other audit related expenses	260,045	90,919.00
Professional and legal expense	528,800	58,900.00
Office administration expense	9,593,407	6,272,308.70
Operating lease expense	-	1,258,338.00
Finance Expense under Lease	2,851,117	-
Operating expense of investment properties	-	-
Corporate social responsibility expense	-	-
Onerous lease provisions	-	-
Other Expenses	200,916	174,099.00
Total	14,113,698	8,209,114.70

Office administration expense

4. 37. 1

	2080 Asar 31	2079 Asar 32
Electricity & Water	1,006,477	656,164.95
Repair & Maintenance	650,938	191,793.00
Insurance	783,530	534,724.94
Postage, Telex, Telephone, Internet & Fax	1,271,581	855,017.86
Travelling Allowances & Expenses	697,759	674,989.00
Miscellaneous Expenses	510,565	40,046.50
Share issue expenses	-	-
Registration and Renewal Expense	46,269	6,870.00
Fixed Assets Write off	-	-
Fuel Expenses	469,026	358,604.70
Printing & Stationery	690,405	855,620.40
AGM Expenses	254,250	52,000.00
AMC Charges	368,979	9,040.00
Office Cleaning Expenses	37,858	261,399.50
NFIA Membership Expenses	50,000	125,000.00
NEPSE Membership Expenses	50,000	-
Other Membership Expenses	25,000	124,000.00
Internal Security Expenses	1,554,362	692,511.21
SEBON Expenses	45,000	-
Donation Expenses	10,800	-
Csr Expenses	26,550	-
Inaguration Expenses	69,046	-
Hospitality Expenses	337,981	390,245.46
Kitchen Expenses	272,904	127,788.00
Pooja Expenses	28,970	51,320.00
Bank Commission And Charge Expenses	9,575	6,136.42
Fine-Penalties	-	281.00
Books & Periodicals	24,970	12,910.00
Advertisements and Business Promotions	300,614	245,845.56
Total	19,592,407	6,272,308.50





# मल्टीपर्स फाइनेन्स लिमिटेड Multipurpose Finance Limited

## Multipurpose Finance Limited Notes to Financial Statements For the year ended 31 Asar 2080 (July 16, 2023)

### Depreciation and Amortisation

4. 38

	2080 Asar 31	2079 Asar 32
Depreciation on property and equipment	5,459,993	1,838,407.68
Depreciation on investment property	-	-
Amortization of intangible assets	480,030	42,026.30
<b>Total</b>	<b>5,940,024</b>	<b>1,880,433.98</b>

### Non Operating Income

4. 39

	2080 Asar 31	2079 Asar 32
Recovery of loan written off	-	-
Other income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Non Operating Expenses

4. 40

	2080 Asar 31	2079 Asar 32
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Income Tax Expenses

4. 41

	2080 Asar 31	2079 Asar 32
<b>Current tax expense</b>		
Current year	746,409	623,456.04
Adjustments for prior years	-	564,808.00
Deferred tax expense	-	-
Origination and reversal of temporary differences	(428,598)	1,173,498.40
Changes in tax rate	-	-
Recognition of previously unrecognized tax losses	-	-
<b>Total income tax expense</b>	<b>317,811</b>	<b>2,361,762.44</b>

Handwritten signatures and stamps are present below the table, including a circular stamp of SUBJ & ASSOCIATES CHARTERED ACCOUNTANTS, Reg No: 1021, and a circular stamp of the Ministry of Finance, Government of India, dated 2022.



Multipurpose Finance Limited

Notes to Financial Statements

For the year ended 31 Asar 2080 (July 16, 2023)

4.41.1: Reconciliation of tax expense and accounting profit

	2080 Asar 31	2079 Asar 32
Profit before tax stated in Statement of Profit or Loss	8,933,855	4,716,192.29
Adjustments for NFRS remeasurements excluded in current tax	-	-
- incremental interest income on loans and advances (accrual accounting)	871,011	(2,506,832.10)
- reversal of loss provision on investment securities	-	-
Profit before tax prior to remeasurements required under NFRS	9,804,866	2,209,360.19
Add: Tax effect of expenses that are not deductible for tax purpose		
Donation	10,800	-
Gratuity Provision	755,141	743,678.00
Leave Encashment Provision	1,206,332	555,996.00
Other	-	-
Loan loss provision	7,530,338	7,376,636.40
Fine and Penalty	35,809	-
Depreciation charged as Company Act	5,940,024	1,880,433.98
Impairment of Assets	-	619,359.00
Last year bonus unpaid balance	-	114,959.11
Miscellaneous Expenses	477,340	-
Excess of finance cost and actual payment of rent	535,441	-
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	(16,906,124)	(5,861,002.80)
Depreciation charged as per Income Tax	(6,349,103)	(5,356,083.08)
Share issue expenses	(440,611)	(205,150.00)
Gain on Sale of Investment securities	-	-
Dividend Income	(112,224)	-
Taxable Income	2,488,029	2,078,186.80
Current Tax Expense @ 30% of taxable income	746,409	623,456.04
Previous year tax expenses	-	564,808.00
Deferred Tax Expense/ (Income)	(428,598)	1,173,498.40
Total income tax expense	317,811	2,361,762.44
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.

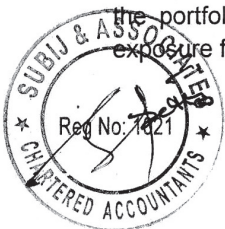
The Financial Institution makes credit extension decision by assessing each business proposal thoroughly. It also ensures that the inherent credit risks that are associated with the business are addressed appropriately through coverage of better safety margin, additional collateral back up and lower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

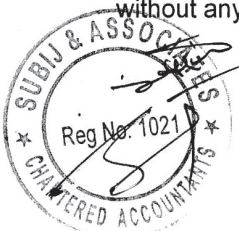
All legal agreements, deeds and documents including claims and charges are thoroughly studied prior to making any decision involving such documents. In case where the Financial Institution needs expert's opinion on particular issue, experts from the industry are consulted.

### 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.



*M*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*







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.



*M*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*







Valuation techniques include, among others, applying Net Present Value and Discounted Cash Flow Models over similar instruments for which observable market prices exists 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	17,934,488
e Retained Earnings	-1,317,455
k Other Free Reserve	-
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)	-
<b>Common Equity Tier 1 (CET 1)</b>	<b>468,617,033</b>
a Perpetual Non-Cumulative Preference Share Capital	-
b Perpetual Debt Instruments	-



M

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





c	Stock Premium	-
	Additional Tier 1 (AT1)	-
	<b>Tier 1 Capital (Core Capital) (CET1 +AT1)</b>	<b>468,617,033</b>

Particulars	Amount (Rs.)
Tier 2 Capital (Supplementary Capital)	
a General loan loss provision	16,048,702
b Investment Adjustment Reserve	-
c Assets Revaluation Reserve	24,937,663
d Other Reserve	67,642
<b>Tier 2 Capital (Supplementary Capital)</b>	<b>41,054,007</b>

- 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:

<b>Core Capital (Tier 1 Capital)</b>	<b>468,617,033</b>
<b>Supplementary Capital (Tier II)</b>	<b>41,054,007</b>
<b>Total Capital Fund (Tier I and Tier II)</b>	<b>509,671,040</b>

- Capital Adequacy Ratio

<b>Capital Adequacy Ratios</b>	<b>%</b>
Common Equity Tier 1 Ratio	26.30%
Supplementary Capital Ratio – Tier I	2.30%
<b>Total Capital Ratio – Tier I + Tier II</b>	<b>28.61%</b>

#### 5.2.2.2 Risk Exposure

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

<b>RISK WEIGHTED EXPOSURES</b>	<b>Amount in Rs.</b>
Risk Weighted Exposure for Credit Risk	1,645,921,046
Risk Weighted Exposure for Operational Risk	65,963,177
Risk Weighted Exposure for Market Risk	0
<b>Total Risk Weighted Exposures</b>	<b>1,711,884,223</b>

<b>Total</b>	<b>1,711,884,223</b>
1% of the total RWE add by Supervisory Review	483,084
3% of RWE of overall risk management policies and procedures are not satisfactory	51,356,527
3% Capital Charge for Operational Risk	17,846,012
<b>Total</b>	<b>1,781,569,846</b>



*M*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





- 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	439,434,064.1
4	Claims on Domestic Corporates and Securities Firms	-
5	Claims on Regulatory Retail Portfolio	-
6	Claims secured by residential properties	1,187,661,393.28
7	Claims secured by Commercial real estate	-
8	Past due claims	-
9	High Risk claims	-
10	Other Assets	460,888,893.26
11	Off Balance Sheet Items	-
<b>Total Credit Risk Weighted Exposure</b>		<b>2,087,984,350.64</b>

- Total Risk Weighted Exposure calculation table

Risk Weighted Exposures	Amount in Rs.
Credit Risk Exposure	1,645,921,046
Operational Risk Exposure	65,963,177
Market Risk Exposure	-
<b>Total Risk Weighted Exposures</b>	<b>1,711,884,223</b>
Total Core Capital Fund	468,617,033
Total Capital Fund	509,671,040
Total Tier 1 Capital to Total Risk Weighted Exposures	26.30%
Total Capital Fund to Total Risk Weighted Exposure	28.61%

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

			NPR In full figure	
Non-Performing Loans		Gross Amount	Loss Provision	Net Amount
A	Good Loan	1,171,181,679.07	15,225,361.83	1,155,956,317.24
B	Watch-list	16,466,803.95	823,340.20	15,643,463.75
C	Loan	4,931,168.89	1,232,792.22	3,698,376.67
D	Sub-Standard	1,229,071.71	614,535.86	614,535.86
E	Doubtful	4,462,000.00	4,462,000.00	0.00
E	Loss			
<b>Total</b>		<b>1,198,270,723.62</b>	<b>22,358,030.10</b>	<b>1,175,912,693.52</b>







### 5.2.3 Compliance with external requirements

The Financial Institution is subject to compliance requirement under NRB Directive which stipulated a minimum Total Capital Adequacy Ratio (CAR) of 11.00%. 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%	26.30%
Minimum Total Capital	11.00%	28.61%

### 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 16-Jul-2023

NPR full figure

	Measured at Fair Value		Measured at	Total
	FVTPL	FVTOCI	Amortized Cost	
Financial Assets:				
Cash and Cash Equivalents	-	-	515,128,390	515,128,390
Loans and Advances to Customers	-	-	1,182,546,329	1,182,546,329
Total Financial Assets	-	-	1,697,674,719	1,697,674,719
Financial Liabilities:				
Deposits from Customers	-	-	1,530,875,576	1,530,875,576
Total Financial Liabilities	-	-	1,530,875,576	1,530,875,576

Financial Institution –  
at 16-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	-	-	709,919,844	709,919,844
Total Financial Assets	-	-	1,070,833,479	1,070,833,479
Financial Liabilities:				
Deposits from Customers	-	-	840,760,856	840,760,856
Total Financial Liabilities	-	-	840,760,856	840,760,856



12

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





#### 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.

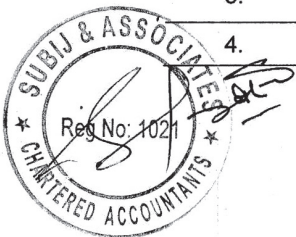
#### 5.7 Related parties' disclosures

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. Chandan Agrawal	Chairman, Board of Directors
2.	Mrs. Ashok Shah	Director
3.	Mr. Gehnath Dhungana (Representative from reliable life insurance)	Director
4.	Mr. Mahesh Kumar Singh	Director







5.	Mr. Jay Prakash Thakur	Director
6.	Mrs. Phul Mishra	Ex- Chairman, Ex- Board of Directors
7.	Mrs. Arpana Kumari Mishra	Ex-Director
8.	Mr. Shivahari Prasad Bhattarai	Ex-Director
9.	Mr. Rajnish Kumar Singh	Chief Executive Officer (Appointed dated effectively 2078.05.25)
10.	Mr. Ajit Kumar Mishra	Deputy General Manager (Appointed dated effectively 2078.05.01, resign effective from 2080.04.01)
11.	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

	2023	2022
Board meeting fees/allowances	220,500	100,300
Travel, accommodation and other board expenses	-	-
Total	2,20,500	100,300

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)

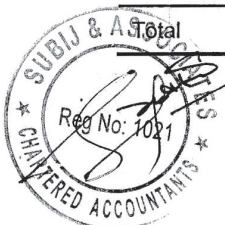
NPR

Particulars	2023	2022
Short Term Employee Benefits		
Gross Salary Payments	3,238,113.64	2,694,433.07
Other current benefits and payments	-	-
Post-employment benefits	-	-
Total	3,238,113.64	2,694,433.07

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

NPR

Particulars	2023	2022
Short Term Employee Benefits		
Gross Salary Payments	1,723,236.65	1,230,067.02
Other current benefits and payments	-	-
Post-employment benefits	-	-
Total	1,723,236.65	1,230,067.02



*(Signatures of Directors and Officers)*







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

NPR

Particulars	2023	2022
Short Term Employee Benefits		
Gross Salary Payments	1,816,921.74	2,014,987.18
Other current benefits and payments		2,541,773.00
Post-employment benefits	-	-
<b>Total</b>	<b>1,816,921.74</b>	<b>4,556,760.18</b>

**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.

**5.10 Others**

Party confirmation from the remittance company has not been received and is stated in financial statement as per the data provided by the management.

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*





**Multipurpose Finance Limited**

For the year ended 31 Asar 2080 (July 16, 2023)

**Principal Indicators**

Particulars	Indicators	Financial Year 2075/76	Financial Year 2076/77	Financial Year 2077/78	Financial Year 2078/79	Financial Year 2079/80
1 Net Profit / Gross Income	%	18.41%	23.31%	20.89%	2.53%	4.62%
2 Earning per Share	NPR.	19.72	6.18	3.54	0.52	1.91
3 Market Value per Share	NPR.	173.00	112.00	451.00	240.00	381.10
4 Price Earning Ratio	Times	8.77	18.13	127.50	460.75	199.93
5 Dividend (including bonus) on share capital	%	0.00%	0.00%	13.68%	0.00%	0.00%
6 Cash Dividend on share capital	%	0.00%	0.00%	0.68%	0.00%	0.00%
7 Interest Income / Loan & Advances	%	17.66%	17.02%	14.41%	12.85%	15.35%
8 Employee expenses / Total operating expenses	%	58.78%	56.30%	51.25%	66.86%	54.73%
9 Interest Expenses on total deposits and borrowings	%	12.45%	11.73%	9.30%	6.89%	8.71%
10 Exchange gain / Total Income	%	0.00%	0.00%	0.00%	0.00%	0.00%
11 Staff bonus / Total employee expenses	%	21.77%	35.70%	33.20%	2.32%	4.09%
12 Net profit / Loan & Advances	%	3.71%	4.30%	3.30%	0.33%	0.73%
13 Net profit / Total Assets	%	2.41%	2.44%	1.58%	0.18%	0.41%
14 Total Credit / Deposit	%	106.36%	137.27%	118.06%	85.42%	77.25%
15 Total Operating Expenses / Total Assets	%	2.31%	1.84%	1.38%	2.26%	2.13%
16 Adequacy of Capital Fund on Risk Weighted Assets						
a) Core Capital	%	24.32%	60.54%	74.36%	40.41%	26.30%
b) Supplementary Capital	%	0.68%	0.69%	4.58%	2.92%	2.30%
c) Total Capital Capital	%	25.01%	61.23%	78.94%	43.32%	28.61%
17 Liquidity Ratio	%	23.05%	75.84%	100.79%	40.10%	29.29%
18 Non performing loans / Total loans	%	4.51%	1.15%	1.04%	1.30%	0.89%
19 Base Rate	%	14.98%	14.38%	11.61%	13.22%	13.94%
20 Weighted Average Interest Rate Spread	%	5.21%	5.30%	4.90%	4.19%	4.56%
21 Book Net Worth	NPR. '000	101,804.73	299,463.77	508,779.63	499,001.79	510,032.83
22 Total Share Outstanding	Number	414,736	2,240,379	4,000,000	4,520,000	4,520,000
23 Total staffs	Number	10	11	11	32	47
24 Return on Equity	%	-	4.62%	2.78%	0.47%	1.73%

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, 16th July 2023, 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.

*(Signatures and Stamps)*







नेपाल राष्ट्र बैंक  
वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/मल्टीपर्स/०५०/५१  
च.नं.: १४४



केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
फोन नं.: ०१-४४१२३०७

Site: www.nrb.org.np  
Email: nrbfsd@nrb.org.np  
पोष्ट बक्स: ७३

मिति : २०८०/१०/१६

श्री मल्टीपर्स फाइनेन्स लिमिटेड,  
राजविराज, सप्तरी ।

विषय: वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण, नाफा वा नोक्सानको विवरण, विस्तृत आयको विवरण (Statement of Comprehensive Income), नगद प्रवाह विवरण, इक्विटीमा भएको परिवर्तनको विवरण, सोसँग सम्बन्धित अनुसूचीहरू, लेखापरीक्षकको प्रतिवेदन लगायतका वार्षिक वित्तीय विवरणहरू साधारणसभा प्रयोजनको लागि प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध गर्दछु ।

१. बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ तथा कम्पनी ऐन, २०६३ मा भएको व्यवस्था बमोजिम सञ्चालक समितिलाई पूर्णता दिनु हुन ।
२. कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
३. कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC), संस्थागत सुशासन, अनुपालना, सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।
४. Supervisory Information System (SIS) मा नियमित रुपमा रिपोर्टिङ्ग गर्नुहुन ।

भवदीय,



(बिनय सिग्देल)

उप-निर्देशक

बोधार्थ:

श्री नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग ।

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

श्री IBS (Individual Bank Supervisor) Officer





यस वित्तीय संस्थाको आ.व. २०७९/८० को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण वासलात, नाफा वा नोक्सान विवरण, विस्तृत आयको विवरण, नगद प्रवाह विवरण, इक्विटीमा भएको परिवर्तनको विवरण सोसँग सम्बन्धित अनुसूचीहरू, लेखापरीक्षकको प्रतिवेदन, सो उपर व्यवस्थापनको प्रतिक्रिया र लङ्गफर्म अडिट रिपोर्टको आधारमा त्रुटिबाट गैर स्थलगत सुपरीवेक्षण गर्दा देखिएका कैफियतहरू र सो कैफियतहरूको सुधारको लागि दिइएका निर्देशनहरू बारे मिति २०८०।१०।२२ गतेको सञ्चालक समितिको बैठकमा छलफल गरी दफावार रूपमा निम्नानुसार जानकारी गराएका छन् ।

- १) बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ तथा कम्पनी ऐन, २०६३ मा भएको व्यवस्था बमोजिम निकट भविष्यमा नै सञ्चालक समितिलाई पूर्णता दिइने व्यहोरा अनुरोध छ ।
- २) कर्जा प्रवाहपश्चात् अनिवार्य रूपमा कर्जा सदुपयोगिता निरीक्षण गर्ने आवश्यक व्यवस्था मिलाउन व्यवस्थापनलाई निर्देशन दिने निर्णय गरिएको व्यहोरा अनुरोध छ ।
- ३) त्रुटिबाट दिइएको निर्देशन र लेखापरीक्षण प्रतिवेदनमा औल्याएका कैफियतहरू यथाशक्य छिटो सुधार गर्न र त्यस्तो कैफियतहरू पुनः दोहरिन नदिने व्यवस्था मिलाउन व्यवस्थापनलाई निर्देशन दिने निर्णय गरिएको व्यहोरा अनुरोध छ ।
- ४) Supervisory Information System (SIS) मा नियमित रूपमा रिपोर्टिङ्ग गरिरहेको व्यहोरा अनुरोध छ ।

## मल्टीपर्पस फाइनेन्स लिमिटेडको २६ औं वार्षिक साधारण सभा

### प्रबन्धपत्रमा संशोधन :

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

दफा/उपदफा	हाल भैरहेको व्यवस्था	संशोधित व्यवस्था	संशोधन गर्नुपर्ने कारण
२(२)	यस वित्तीय संस्थाको कार्यक्षेत्र प्रदेश नं. २ को ५ जिल्ला (सप्तरी, सिरहा, धनुषा, महोत्तरी र सर्लाही) हुनेछ ।	यस वित्तीय संस्थाको कार्यक्षेत्र प्रादेशिकस्तरको (मधेश प्रदेश) हुनेछ ।	नेपाल राष्ट्र बैंकबाट बैंक तथा वित्तीय संस्थाहरूको लागि जारी एकीकृत निर्देशिकाको निर्देशन नं. २१ को दफा ४ को उपदफा ५(क) मा व्यवस्था भए बमोजिम कार्यक्षेत्र विस्तार गर्नको लागि ।



This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, leaving small gaps between them. There are no margins, text, or other markings on the page.



[illegible]



This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, leaving small margins at the top and bottom. There is no handwriting or other markings on the paper.

# हाम्रो सेवाहरू



विदेशबाट आएको पैसा तुरुन्त पाइन्छ ।

कर्पोरेट कार्यालय :

विद्यापति चौक, जनकपुरधाम ४

धनुषा, मधेश प्रदेश, नेपाल

फोन नं. ०८१-५२११७० / ५२११७१

इमेल : [info@multipurposefinance.com](mailto:info@multipurposefinance.com)

 [www.multipurposefinance.com](http://www.multipurposefinance.com)

आकर्षक व्याजदर

बचत

८% सम्म

मुद्रती

१०% सम्म





## मल्टीपर्स फाइनान्स लिमिटेड

### Multipurpose Finance Limited

भरपर्दो वित्तीय सेवा

नेपाल राष्ट्र बैंकबाट 'ग' वर्गको इजाजतपत्रप्राप्त संस्था (५ जिल्ला कार्यक्षेत्र भएको)

#### केन्द्रीय कार्यालय

नेता चौक, राजविराज, सप्तरी  
फोन नं. ०३१-५३११७०

#### कर्पोरेट कार्यालय

विद्यापति चौक, जनकपुरधाम  
फोन नं. ०४१-५८११७०/७१

#### गौशाला शाखा

गौशाला, महोत्तरी  
फोन नं. ०४४-५५६२२१/२२

#### कल्याणपुर शाखा

खडक, सप्तरी  
फोन नं. ०३१-५४०१७०/७१

#### रामगोपालपुर शाखा

रामगोपालपुर, महोत्तरी  
फोन नं. ०४४-४१००८८/८०

#### मनरा शाखा

मनराशिसवा, महोत्तरी  
फोन नं. ८८५४०६०५०८