

१८ औं वार्षिक प्रतिवेदन (२०७९/०८०) 18th Annual Report (2079-080)



MITERI
Development Bank Limited
मितेरी डेवलपमेन्ट बैंक लिमिटेड

केन्द्रिय कार्यालय : धरान-१२, महेन्द्र पथ, सुनसरी
फोन: ०२५-५३६३१७, ५३८३१७

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संचालक समिति



किसन मास्के
अध्यक्ष



गम्भिरमान तण्डुकार
संचालक



मेघराज श्रेष्ठ
संचालक



शम्भु प्रसाद श्रेष्ठ
संचालक
(सर्वसाधारण)



बन्धना वैद्य
संचालक
(सर्वसाधारण)



नेत्र प्रसाद दाहाल
संचालक
(स्वतन्त्र)



तुलसी प्रसाद वस्ती
प्रमुख कार्यकारी अधिकृत
एवम् कम्पनी सचिव

सिए. किन्जल पोखेल
किन्जल एण्ड एसोसिएट्स
लेखा परिक्षक

मितेरी डेभलपमेण्ट बैंक लिमिटेड

Miteri Development Bank Limited

(नेपाल राष्ट्र बैंकबाट "छ" वर्गको इजाजत-पत्र प्राप्त संस्था)

महेन्द्रपथ, धरान-१२, सुनसरी, नेपाल

फोन नं.: ०२५-५३१३१७, फ्याक्स नं.: ०२५-५३१३५४

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को

१८ औं वार्षिक साधारण सभा सम्बन्धी सूचना

श्री शेयरधनी महानुभावहरू,

यस बैंकको मिति २०८०/०८/१९ गते बसेको सञ्चालक समितिको २३५ औं बैठकको निर्णयानुसार निम्न लिखित विषय उपर छलफल गरी निर्णय गर्न यस बैंकको १८ औं वार्षिक साधारण सभा निम्न मिति, स्थान र समयमा निम्न विषयहरू उपर छलफल र निर्णय गर्न बस्ने भएको हुदा सम्पूर्ण शेयर धनी महानुभावहरूलाई उपस्थितिको लागि हार्दिक अनुरोध गर्दछु।

सभा हुने मिति, समय र स्थान:

मिति : २०८०/०९/१४

समय : बिहान ११:०० बजे।

स्थान : सुनसरी उद्योग बाणिज्य संघ, धरान १, सुनसरी

छलफल तथा निर्णयको लागि निर्धारित विषय सूचि :

क) सामान्य प्रस्ताव

१. संचालक समितिको तर्फबाट प्रस्तुत हुने अध्यक्षको आ.व. २०७९/०८० को वार्षिक प्रतिवेदन उपर छलफल गरी प्रतिवेदन पारित गर्ने।
२. लेखा परिक्षकको प्रतिवेदन सहितको २०८० आषाढ मसान्तको वासलात, २०७९ श्रावण १ गते देखि २०८० आषाढ मसान्तसम्मको नाफा नोक्सान हिसाव र सोही अवधिको नगद प्रवाह विवरण पारित गर्ने।
३. कम्पनी ऐन, २०६३ को दफा १११ बमोजिम आ.व. २०८०/०८१ को हरहिसाव लेखापरिक्षण गर्न लेखापरिक्षकको नियुक्ति गर्ने र निजको पारिश्रमिक तोक्ने। (वर्तमान लेखापरिक्षक श्री किन्जल पोख्रेल, किन्जल एण्ड एसोसिएट्स, विराटनगर पत्र लेखापरिक्षणको लागि योग्य हुनुहुन्छ।)
४. संचालक समितिले शिफारीस गरे बमोजिम शेयरधनीलाई बोनस शेयर कर प्रयोजनको लागि चुक्ता पूँजिको ०।५० प्रतिशत नगद लाभांश रकम रु ५०,७५,००७।९९(अक्षरेपी रु पचास लाख पचहत्तर हजार सात र पैसा उन्नाईस) मात्र दिने प्रस्ताव स्विकृत गर्ने।

ख) विशेष प्रस्तावहरू :

१. संचालक समितिले प्रस्ताव गरे बमोजिम आ.व. २०७९/०८० को नाफाबाट शेयरधनीलाई चुक्ता पूँजिको १।५० प्रतिशतका दरले हुने बोनस शेयर रकम रु ९,६४,२५,१३६।५० (अक्षरेपी रु नौ करोड चौसठ्ठी लाख पच्चिस हजार एक सय छत्तिस र पैसा पचास) मात्र प्रदान गर्ने प्रस्ताव स्विकृत गर्ने।
२. बैंकले गत आर्थिक वर्षमा संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत गरेको रु १ लाख भन्दा बढिको खर्च अनुमोदन गर्ने सम्बन्धमा।
३. कम्पनीको प्रवन्धपत्रमा आवश्यक परिमार्जन / संशोधन तथा थप गर्ने :
४. मितेरी डेभलपमेण्ट बैंक लिमिटेड र अन्य कुनै उपयुक्त बैंक तथा वित्तिय संस्था एक आपसमा गाभ्ने र गाभ्ने सम्बन्धमा :
 - अ) यस बैंक र अन्य कुनै एक वा सो भन्दा बढि उपयुक्त बैंक तथा वित्तिय संस्था एक आपसमा गाभ्ने र गाभ्ने सम्बन्धि सम्पूर्ण प्रक्रिया अवलम्बन गरि कार्य अधि बढाउन संचालक समितिलाई अख्तियारी प्रदान गर्ने।
 - आ) एक आपसमा गाभ्ने र गाभ्ने प्रक्रियामा चल अचल सम्पत्ति र दायित्व तथा कारोवारको मुल्यांकन गर्न मान्यता प्राप्त मुल्यांकनकर्ता नियुक्त गर्ने, निजको पारिश्रमिक तय गर्ने लगायतको सम्पूर्ण कार्य गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने।
५. नियमनकारी निकायले दिएको निर्देशन बमोजिम बैंकको प्रवन्धपत्र र नियमावलीमा कुनै संशोधन गर्नु परेमा त्यस्तो संशोधन गर्ने लगायतका अन्य सम्पूर्ण प्रकृया पुरा गर्न संचालक समितिलाई पूर्ण अख्तियारी प्रदान गर्ने।

ग) विविध :

संचालक समितिको आज्ञाले
कम्पनी सचिव

साधारण सभा सम्बन्धी सामान्य जानकारी :

१. सम्पूर्ण शेयरधनी महानुभावहरूलाई बैंकको शेयर लगतमा कायम रहेको सम्बन्धित ठेगानामा बित्तिय विवरण सहितको वार्षिक प्रतिवेदन पुस्तिका पठाईएको छ । कुनै कारणबस उक्त बित्तिय विवरण नपुगेमा बैंकमा सम्पर्क राखि बित्तिय विवरण प्राप्त गर्न सक्नु हुनेछ । सभामा भाग लिन इच्छुक शेयरधनी महानुभावले व्यक्तिगत रुपमा पठाएको सुचना तथा संलग्न प्रवेश पत्रका साथै शेयर प्रमाण-पत्रको प्रतिलिपि र आफ्नो परिचय खुल्ने प्रमाण (जस्तै नागरिकताको प्रतिलिपि वा सवारी चालक अनुमति-पत्र वा परिचय-पत्र) अनिवार्य रुपमा साथमा लिई आउनु हुन अनुरोध छ ।
२. साधारण सभामा भाग लिनका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहनेले बैंकको प्रधान कार्यालय महेन्द्रपथ, धरान १२, सुनसरीमा ४८ घण्टा अगावै प्रोक्सी दर्ता गराईसक्नु पर्नेछ । यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको व्यक्ति समेत बैंकको शेयरधनी हुन आवश्यक छ ।
३. प्रतिनिधि (प्रोक्सी) नियुक्त गरिसक्नु भएको शेयरधनी आफैँ सभामा उपस्थित भई हाजिरी कितावमा दस्तखत गर्नु भएमा प्रोक्सी दिइएको भए तापनि स्वतः बदर हुनेछ ।
४. एकै शेयरधनीले एकभन्दा बढी प्रतिनिधि (प्रोक्सी) नियुक्त गरि प्रोक्सी दिएमा सम्पूर्ण प्रोक्सीहरू स्वतः बदर हुनेछ ।
५. नावालक वा विछिप्त शेयरधनीको तर्फबाट बैंकको शेयर लगत कितावमा संरक्षकको रुपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन वा प्रतिनिधि तोक्न सक्नु हुनेछ ।
६. शेयरधनीले व्यक्त गरेका मन्तव्य वा प्रश्नहरूको सम्बन्धमा संचालक समितिको तर्फबाट अध्यक्षज्यू वा अध्यक्षको अनुमति पाएका व्यक्तिले उत्तर दिनेछ ।
७. सभामा भाग लिन प्रत्येक शेयरवाला महानुभावले सभा हुने स्थानमा उपस्थित भई त्यहाँ रहेको हाजिर पुस्तिकामा दस्तखत गर्नु पर्नेछ । हाजिरी पुस्तिका दिनको १२ बजेदेखि सभा समय सम्म खुल्ला रहनेछ ।
८. शेयरधनी महानुभावहरूलाई सु-सुचित गराउन सकियोस भन्ने दृष्टिकोणले केहि शेयरधनी महानुभावलाई बैंक सम्बन्धि जिज्ञासा भए बिबिध बिषय अन्तर्गत त्यसको लिखित रुपमा सभा हुनु भन्दा ७ (सात) दिन अगावै बैंकको प्रधान कार्यालय महेन्द्रपथ धरान १२ सुनसरीमा पठाउनु अनुरोध छ तर यसलाई छलफल र पारित हुन प्रस्तावको रुपमा समावेश गरिने छैन ।
९. यस वार्षिक साधारण सभा तथा लाभांश प्रयोजनको लागि शेयर दाखिल खारेज गर्ने कार्य २०८०।०८।२८ गतेदेखि २०८०।०९।१४ गतेसम्म बन्द रहनेछ ।
१०. साधारण सभा सम्बन्धि जानकारी तथा अन्य आवश्यक जानकारीको लागि यस डेभलपमेन्ट बैंकको रजिष्टर्ड कार्यालय महेन्द्रपथ, धरान १२, सुनसरी फोन नं. ०२५-५३६३१७/५३८३१७ मा सम्पर्क राख्न हुन अनुरोध गरिन्छ ।

श्री सञ्चालक समिति
मितेरी डेभलपमेन्ट बैंक लिमिटेड,
प्रधान कार्यालय, धरान ।

विषय : प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,

..... जिल्ला न.पा./गा.वि.स. वडा नं. बस्ने

..... ले त्यस बैंकको शेयरवालाको हैसियतले २०८० साल पौष १४ गते शनिबारका दिन हुने अठारौं वार्षिक साधारण सभामा स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा भाग लिन तथा मतदान गर्नका लागि जिल्ला न.पा./गा.वि.स. वडा नं. बस्ने त्यस बैंकका शेयरधनी श्री शेयरधनी नं. लाई मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

निवेदक

दस्तखत :

नाम :

ठेगाना :

शेयरधनी नं. :

कि.नं. देखि सम्म

मिति :

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

मितेरी डेभलपमेन्ट बैंक लिमिटेड
Miteri Development Bank Limited

महेन्द्रपथ, धरान-१२, सुनसरी, नेपाल
को

अठारौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको

प्रवेश पत्र

शेयरधनीको नाम : प्र.प.नं. शेयर संख्या

.....
शेयरधनीको दस्तखत

.....
कम्पनी सचिव

(सभामा भाग लिन आउँदा यो प्रवेश पत्रमा शेयरधनीको नाम, प्र.प.नं., दस्तखत,
शेयर संख्या अनिवार्य रूपमा उल्लेख गरी साथै लिई आउनु पर्नेछ ।)

मितेरी डेभलपमेन्ट बैंक लिमिटेड

अठारौं वार्षिक साधारणसभामा
संचालक समितिको तर्फबाट
अध्यक्ष श्री किसन मास्केज्यूद्वारा प्रस्तुत

वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरु,

यस मितेरी डेभलपमेन्ट बैंकको अठारौं वार्षिक साधारण सभामा भाग लिन उपस्थित हुनुभएका सम्पूर्ण शेयरधनी महानुभावहरुलाई संचालक समिति तथा मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागत तथा अभिवादन गर्दछु।

आज सम्पन्न हुन लागेको यस अठारौं वार्षिक साधारण सभामा संचालक समितिका तर्फबाट प्रतिवेदन प्रस्तुत गर्न पाउँदा मलाई हर्षको अनुभूति भईरहेको छ। यस बैंकको स्थापना आज भन्दा करिब १७ वर्ष अगाडि रु १ करोड ५८ लाख चुक्ता पूँजिमा भएको विषय यहाँहरुलाई अवगत छ। यस १७ वर्षको अवधीमा हामीले हकप्रद शेयर, प्राथमिक शेयर निष्काशन तथा बोनस शेयरको माध्यमबाट चुक्ता पूँजी रु १ अर्ब भन्दा बढि भैसकेको व्यहोरा जानकारी गराउन पाउँदा गर्वको महशुस भएको छ। साथै आज प्रस्तावित बोनस शेयर वितरण पश्चात पूँजिको आकार अझ बढ्न जाने निश्चित छ। विगतका वर्षहरुमा यहाँहरुको उल्लेखनीय सहयोगको लागि हार्दिक आभार व्यक्त गर्दै आगामी दिनमा समेत यहाँको सहयोगको निरन्तरताको अपेक्षा गर्दछु।

आर्थिक वर्ष २०७९/८० को कारोवार समिक्षा

आदरणीय शेयरधनी महानुभावहरु,

बैंकको प्रमुख वित्तिय विवरणहरु सभामा पेश गर्नुअघि म आर्थिक वर्ष २०७९/८० को समीक्षा अवधिको समष्टिगत अवस्थाको बारेमा संक्षिप्त विश्लेषण गर्ने अनुमति चाहन्छु। मुलुकमा गत वर्ष चरम तरलता अभावको अवस्था रह्यो, जसको कारणले बैंकहरुले कर्जा लगानीको कार्यलाई करिब करिब बन्द नै गर्नुपर्ने अवस्था आयो। त्यती मात्र नभएर नेपाल राष्ट्र बैंकले प्रदान गरेका सहूलियतहरुमा समेत कडाई गर्दै गएको, विविध कारणले आर्थिक क्षेत्र स्थिथिल हुनु, व्यक्ति तथा संस्थाको ठूलो रकम शेयर तथा रिजल स्टेट क्षेत्रमा देखा परेको मन्दीले जाम हुँदा कर्जाको गुणस्तर कायम गर्न कठिनाई देखा परिरहेको समयमा केहि सहकारी संस्थाले निक्षेपकर्ताको निक्षेप फिर्ता गर्न नसकेको कारणले थप संकट श्रृजना हुन पुग्यो। यि र यस्ता अनगिन्ती अर्थतन्त्रमा देखा परेको नकारात्मक प्रभावहरुका कारणले गर्दा बैंकिङ क्षेत्रले प्रतिकूलताको सामना गर्नुपर्थ्यो। देशबाट वर्षेनी लाखौंको संख्यामा विदेशिएका युवा जनशक्तिको कारण रेमिटेन्सको आप्रवाहमा सकारात्मक परिणाम ल्याए पनि देशमा कृषि लगायत विविध क्षेत्रमा उत्पादनमा हास आउनु, त्यती मात्र नभएर हरेक क्षेत्रको उपभोगमा समेत हास हुँदै गएको तथ्याङ्क देखा पर्दैछ, जुन अर्थतन्त्रको लागि डरलाग्दो अवस्थाको चित्रण हो भन्न सकिन्छ। रुस युकेन युद्ध लगायतका कारणले युरोप अमेरिकामा मूल्य बृद्धिले यस अधिका कैयौं रेकर्डहरु तोडन सफल भए भने नेपाल जस्तो आयातमा पूर्ण निर्भर रहेको अर्थतन्त्रमा यसको असरले दुरगामी नकारात्मक प्रभाव पार्ने विषयमा कसैको विमती छैन। परिवर्त्य विदेशी मूद्राको मूल्यसंगको हाम्रो मूद्राको अवमूल्यन साथै वर्षेनी वैदेशिक रोजगारमा जाने बढ्दो युवाको कारणले गर्दा केहि बढेको रेमिटेन्सले विदेशी मूद्राको संचितलाई मजबुत तुल्याए पनि देशको अर्थतन्त्रमा कुनै सकारात्मक परिणाम देखा परेन। विगतका वर्षहरुमा नेपाल राष्ट्र बैंकले केहि वस्तुको आयातमा परिमाणत्मक बन्देज लगाएकोमा सो बन्देजलाई खुकुलो पारे पनि अर्थतन्त्रमा देखा परेको मन्दीको कारणले उपभोगमा हास आउदा कतिपय वस्तुको आयातमा समेत हास आउन गयो। हाम्रो जस्तो आयातमा भर परेको अर्थतन्त्रलाई त्यसले अझ बढि नकारात्मक असर गर्‍यो। यि समग्र कारणले अर्थतन्त्रलाई नकारात्मक प्रभाव पारेको र त्यसको प्रत्यक्ष असर जुनसुकै क्षेत्रमा परेपनि अन्ततोगत्वा सम्पूर्ण असरहरु संग्रहित भएर बैंकिङ क्षेत्रमा नै पर्ने विषय कसैबाट लुकेको छैन।

त्यती मात्र नभएर पेट्रोलियम पदार्थको उच्च मूल्य वृद्धि, सो कारणले श्रृजित सम्पूर्ण क्षेत्रमा परेको नकारात्मक प्रभावले विकास निर्माण लगायत अधिकांश क्षेत्रमा प्रभाव पार्यो । खाद्यान्न तथा तेलहन जन्य लगायत दैनिकि जीवन यापनको लागि आवश्यक पर्ने सामाग्रीको उच्च मूल्य वृद्धिले आम मानिसको दैनिकि जीवन यापननै कष्टकर भैरहेको कारणले कर्जाको व्याज तथा किस्ता समयमा प्राप्त गर्न कठिनाई भई बैकिङ्ग क्षेत्रबाट प्रवाहित कर्जाको गुणस्तरमा समेत हास आएको कुरा कहि कतै लुकेको छैन र त्यसबाट हामी समेत जोगिने अवस्था रहेन । नेपाल राष्ट्र बैकले समय समयमा ग्राहकको हित संरक्षणको लागि दिएको निर्देशनहरूको कारणले बैकको मूनाफामा संकूचन आएको विषय समेत कहि कसैबाट लुकेको छैन । त्यती मात्र नभएर व्यापार व्यवसायमा आएको गिरावट, औद्योगिक उत्पादनमा आएको हास, आवधिक रुपमा देखा पर्ने तरलता अभाव, केहि सहकारी संस्थाहरूले निक्षेपकर्ताको निक्षेप समयमा फिर्ता गर्न नसकेबाट बैकहरूलाई कर्जाको गुणस्तर कायम गर्न कठिनाई भै कर्जाको गुणस्तरमा हास आई बैकको मूनाफामा नकारात्मक असर पर्ने अवस्था हुदाहुदै पनि हामीले सरकारी ऋणपत्र ट्रेजरी बिल्समा गरेको लगानीमा प्राप्त व्याज लगायतका आम्दानीका अन्य श्रोतका कारणबाट मात्र हामीले मूनाफालाई केहि हदसम्म बढाउन सफल भएको विषय समेत यहाँहरू समक्ष राख्न चाहन्छु । विगतका केहि वर्षहरूको तुलनात्मक वित्तिय स्थिति तलको तालिकाबाट स्पष्ट गर्न चाहन्छौ ।

आर्थिक वर्ष २०७७/०७८, २०७८/०७९ र २०७९/०८० मा भएका बैकको कारोवारको सक्षिप्त विश्लेषण निम्नानुसार रहेको छ ।

(रु हजारमा)

विवरण	आ.व. २०७७/०७८	आ.व. २०७८/०७९	आ.व. २०७९/०८०
कूल निक्षेप	५,४९२,०४९/२२	६,९२४,४०९/८९	६,५६०,६५३/३०
कूल कर्जा सापट	४,९४९,४९९/७७	५,०४४,८३४/८८	४,६०६,३९४/२५
व्याज आम्दानी	६९२,६३६/८७	७५९,०२७/३४	९७८,३९८/५२
व्याज खर्च	३४३,५८६/३९	४४९,६५५/७९	६२८,०९९/४६
खुद व्याज आम्दानी	२६९,०५०/५६	३०९,३७१/६२	३५०,३०७/०६
अन्य आम्दानी	३४,८२३/०६	२५,५८३/३९	९४,५६९/०९
कूल संचालन आम्दानी	३२९,९३०/०७	३४४,९५२/४७	३६८,७०४/४६
कर्मचारी खर्च	८९,९२२/९९	७९,८८९/२५	९२,२७५/९३
अन्य संचालन खर्च	४०,३४७/०९	४९,७३६/८४	४२,६३०/७८
संचालन नाफा/(नोक्सान)	२०८,४६०/८७	२९२,७९०/६०	२३३,३२७/९०
खुद नाफा/(नोक्सान)	९४५,६४७/८४	९४७,८५३/३०	९६०,८८३/७३

बैकिङ्ग व्यवसायको लागि अनुकूल अवस्था नभएकोले बैकले विगत आर्थिक वर्षको तुलनामा अघिल्लो आर्थिक वर्ष (आ.व. २०७९/०८०) मा निक्षेप र मूनाफामा सामान्य वृद्धि गर्न सकेको भएपनि कर्जामा उल्लेख्य हास आएको विषय माथिको तथ्यबाट पुष्टि हुन्छ ।

राष्ट्रिय तथा अन्तराष्ट्रिय परिस्थितिबाट बैक व्यवसायमा परेको प्रभाव :

आदरणीय शेयरधनी महानुभावहरू,

देशमा विभिन्न राजनितिक दलको मिलिजुली सरकार गठन भएकोले गर्दा नीति निर्माण तथा अन्य आर्थिक क्रियाकलापहरू संचालन गर्नुपर्दा विभिन्न राजनितिक दलहरूको भिन्न भिन्न राजनैतिक सिद्धान्तले गर्दा विकासले गति लिने सम्भावना कम नै रहेको थियो । त्यसरी गठित मिलीजुली सरकार, विपक्षी दलको यथोचित सहयोगको अभाव लगायतका

कारणले देशमा अन्यौलता कायमै रहेको अवस्थामा, यस प्रदेशको नामाकरणमा धेरै लामो समयसम्म अलमल भै भर्खरै नामाकरण भएको सन्दर्भमा समेत केहि राजनैतिक दलहरूले त्यसमा विमति राखि गर्ने विरोधका कार्यक्रमहरूले समेत यस प्रदेशलाई आर्थिक गतिविधमा पछाडि धकेल्यो । जसको कारणले अपेक्षा अनुसार आर्थिक विकासले गति लिन सकेन । कोभिडको मारबाट तंग्रन लागेको अर्थतन्त्रलाई रसिया युक्रन युद्धले पुन शिथिल अवस्थामा पुर्‍याउदै गर्दा त्यसबाट उम्किन प्रयत्न भएपनि माथि उल्लेखित विविध कारणले भन प्रतिकूल प्रभाव पारेको देख्न सकिन्छ । विस्तारै देशको अर्थतन्त्रमा हरेक क्षेत्र नै पिडित भई सो को निकास आउने सम्भावना नै ज्यादै चुनौतिपूर्ण देखिएको छ । यति मात्र नभई नेपाल राष्ट्र बैंकको अत्याधिक ग्राहक मैत्री निर्देशनका कारण बैंकको अन्य आम्दानीमा क्रमशः हास आउदै गएको मात्र नभई गत वर्षको तुलनामा बैंकको अन्य आम्दानीमा ४३ प्रतिशतको गिरावट आयो । साथै कर्जा र निक्षेप विचको व्याजदर अन्तरलाई ४।६० प्रतिशत कायम गर्नुपर्ने व्यवस्थाले मुनाफामा भनै संकूचन आउने सम्भावना देखिन्छ । तथापि वैदेशिक रोजगारीमा हालै केहि सम्भावना देखिरहेको, नेपाली मुद्राको अबमूल्यन धेरै हुँदै गएकोले रेमिटेन्स रकममा बढोत्तरी हुँदै गएको र सो कारणले निक्षेपमा वृद्धि हुँदै जाने देखिन्छ । तथापी देशमा युवाहरूले अवसर नदेख्नुले कर्जाको माग कता जान्छ त्यसले मात्र बैंकिङ क्षेत्रको भविष्य निर्धारण हुने आइलन गर्न सकिन्छ ।

एकातर्फ मुलुकको आर्थिक सुचङ्काहरू आशातित रूपमा सकारात्मक छैन भने अर्को तर्फ हामी जस्ता सानो स्तरमा संचालित बैंक/वित्तिय संस्थाको लागि अझ बढि चुनौति थपिएको छ । देशमा ठूलाठूला परियोजनाहरू आउलान अनि बाणिज्य बैंकहरूको लगानी त्यस तर्फ केन्द्रीत भै हामी जस्ता क्षेत्रिय स्तरका बैंकहरूले साना तथा मझौला उधम, व्यवसायमा कर्जा विस्तार गरौला भन्ने सोच राखेको भएतापनि बाणिज्य बैंकहरूलाई साना तथा मध्यमस्तरका ग्राहकलाई तोकिएको प्रतिशत लगानी गर्न नेपाल राष्ट्र बैंकबाट निर्देशन दिएबाट बाणिज्य बैंकहरूले हाम्रा ग्राहकहरू नै तान्ने जस्ता प्रवृत्ती देखाउन थालेकोले यथोचित कर्जा दिनानु दिन घट्दै गएको छ । तथापि तपाईं शेरधनी महानुभावहरूको अमूल्य सुझाव, सहयोग, नियामक निकायहरूको मार्गदर्शन, संचालक समितिको सकृयता तथा प्रमुख कार्यकारी अधिकृतको सूक्ष्मपूर्ण नेतृत्व लगायत कर्मचारीहरूको उल्लेख्य मेहनतले हामीले आफ्नो एउटा छुट्टै पहिचान बनाउदै एक हदसम्म लाभार्स प्रस्ताव गर्न सफल भएका छौं , तथा त्यसलाई निरन्तरता दिने प्रयत्न गर्नेछौं ।

संस्थागत सुशासन :

आदरणिय शेरधनी महानुभावहरू.

हामीले कारोवारको शुरुवात देखिनै आफ्नो बैंकिङ कारोवारको गुणस्तर उच्च राख्न नेपाल राष्ट्र बैंकको निर्देशन वमोजिम बैंकका संचालकको नेतृत्वमा महत्वपूर्ण विषयका समितिहरू तथा कर्मचारीको तहमा समेत विभिन्न समितिहरू गठन गरेका छौं । त्यस्तै बैंकको सुशासनलाई सुनिश्चित गर्न नीतिगत रूपमै संस्थागत विकासलाई अबलम्बन गर्दै आवश्यक नीति नियमहरू तर्जुमा, परिमार्जन गर्दै आएका छौं । यस्तै नीति तथा प्रकृयाबाट बैंकको स्रोत र साधनहरूको उचित परिचालन गरि बैंकलाई निर्धारित लक्ष्यमा पुर्‍याउन प्रयास गरि आइएकोछ । बैंकले आफ्नो कारोवारको पारदर्शिता अभिवृद्धि गर्न, व्यवस्थापन नियन्त्रण पद्धती प्रभावकारी गर्न एवं संस्थागत सुशासनलाई कायम गर्न बैंकले नियमित रूपमा आन्तरीक लेखापरिक्षण तथा अन्तिम लेखापरिक्षण गर्ने गरेको व्यहोरा समेत अनुरोध गर्दछु । त्यसै गरि बैंकमा संचालक तथा व्यवस्थापक विच सुमधुर सम्बन्ध रही आएको र एकअर्काको अधिकार, कर्तव्य तथा दायित्वलाई सधै आत्मसाथ गरि आएकोछ । बैंकको सवैभन्दा बहुमूल्य सम्पत्ति नै मानव संसाधन भएकोले कर्मचारीको क्षमता वृद्धि तथा हौसला बढाउन बैंकले उचित प्रशिक्षण कार्यक्रम संचालन गर्दै आएको छ तथा यसतर्फ अरु बढि ध्यान दिईने छ । दक्ष तथा अभिप्रेरित कर्मचारीहरूको सेवा बाट ग्राहकको सुविधा, संस्थागत सुशासनको सुनिश्चितता, बैंकको विश्वसनियतामा पनि वृद्धि हुने छ । त्यसै गरि बैंकले कर्मचारीको उच्च मनोबल कायम गर्न तथा नैतिकवान बनाउन विभिन्न उत्प्रेरणात्मक कार्यहरूका साथै गुणस्तरिय तथा विशेष तालिमको पनि आयोजना गर्दै आएकोछ ।

बैंकको भावी कार्यक्रम तथा योजना :

आदरणीय शेयरधनी महानुभावहरु,

देशमा हाल देखा परेका विविध समस्याका बावजूद अर्थतन्त्रलाई सकारात्मक दिशामा नलगी धेरै छैन भन्ने मूल मर्मलाई मनन गर्दै सरकार, नेपाल राष्ट्र बैंक, बैंक तथा वित्तिय संस्थाहरु, उद्योगी व्यवसायीहरु एक ठाँउमा बसेर कुनै न कुनै समाधानको बाटो अबस्य पहिल्याउदै उपयुक्त नीतिहरु तर्जुमा हुने आशा लिन सकिन्छ । उपयुक्त नीति तर्जुमाको परिकल्पना गरिएको भएतापनि जे जस्ता नीतिहरु रहेपनि बैंकले सुरक्षित रुपमा कर्जा विस्तार लगायतका कार्य गर्दै शेयरधनीले प्राप्त गर्ने मुनाफालाई बैकिङ क्षेत्रको औषत भन्दा तल गर्न नदिने विभिन्न रणनीतिहरु अंगिकार गर्नेछ । त्यती मात्र नभएर हाम्रा अधिकांश संस्थापकहरु विभिन्न क्षेत्रका लब्ध प्रतिष्ठित व्यक्तित्वहरु भएको कारणले बैंकलाई कसरी संचालन गर्दा उपयुक्त हुन्छ सो सम्बन्धमा यहाँहरुको सुझावलाई महत्वपूर्ण कडिको रुपमा आत्मसात गर्दै आफ्नो रणनीति तय गरिनेछ । हाम्रा संस्थापक शेयरधनीहरु केहि मात्रामा स्थानिय स्तरमै उपलब्ध हुनु भएकोले यहाँहरुको मार्ग दर्शन समेत बैंकको भावी कार्यक्रम तथा योजना तर्जुमाको मुख्य श्रोत हुने विश्वास लिएको छु । त्यसैगरी बैकिङ कार्यप्रणालीलाई अझ सुव्यवस्थित बनाउदै व्यवसाय विस्तारका लागि अल्पकालिन तथा दीर्घकालिन योजना तर्जुमा गरिनेछ । अल्पकालिन रणनीति अन्तर्गत सरकारको ट्रेजरी बिल्स खरिद विक्री, अन्तर बैंक सापटी, कर्जा/लगानी बाट प्राप्त हुने व्याज आम्दानी वृद्धि आदिमा ध्यान केन्द्रीत गरिने छ । कर्जाका नयाँ नयाँ क्षेत्र पहिचान गर्ने नीति लिइनेछ । जस अन्तरगत नयाँ उद्यम, व्यवसाय प्रवर्धनको निम्ती बैंकले कर्जा लगानी गर्ने छ, सो कारणले नाफा वृद्धि हुनुको साथै सामाजिक उत्तरदायित्व निर्वाहमा समेत योगदान हुने विश्वास लिएका छौ । ग्रामिणमुखी अर्थतन्त्रलाई टेवा दिन हामीले ग्रामिण क्षेत्रका जनतालाई मध्यनजर गर्दै त्यस तर्फ समेत कर्जा प्रवाह गर्ने कार्यलाई अझ प्रोत्साहित गर्ने नीति लिइनेछ । सो को अलावा विपन्न वर्गका जिवनस्तर उकास्ने कार्यमा केहि मद्दत होस भन्ने हिसावले विपन्न वर्ग तर्फ थोक तथा खुद्रा कर्जालाई संगसंगै लाने नीति अंगिकार गरेकाछौ ।

बैंकको दीर्घकालिन रणनीति अन्तर्गत नेपाल सरकारले जारी गर्ने दिर्घकालिन ऋणपत्रहरु खरिद गर्ने, उपयुक्त म्यूच्युयल फण्डमा लगानी गर्ने, बैंकको कर्जा प्रशासनलाई सुव्यवस्थित गर्दै जोखिम नियन्त्रणका प्रभावकारी उपायहरु अवलम्बन गर्ने तथा आवश्यक मानव संसाधनहरुको विकास गरिने छ । बैंकका आम्दानीका श्रोतहरु विस्तार गर्दै मुनाफा वृद्धि गर्न तथा आन्तरिक नियन्त्रण प्रणालीलाई समेत सोही अनुरूप सुदृढ गर्दै लैजान आवश्यक नीतिहरु तर्जुमा गरि यस बैंकलाई यस क्षेत्रका वित्तीय कारोबार गर्ने संस्थाहरुमाभन्दा एक भरपर्दो, प्रतिष्ठित तथा सुव्यवस्थित विकास बैंकको रुपमा स्थापित गर्दै लैजाने लक्ष्य रहेको छ । त्यसै गरि पूँजि वृद्धि गर्दै बैंकको विश्वासनियतामा बढोत्तरी गरेर विभिन्न बैंक तथा वित्तिय संस्थामा रहेका राम्रा अभ्यासहरुलाई अवलम्बन गर्दै शेयरधनी, ऋणि तथा निक्षेपकर्ताको हितमा विपेश जोड दिइने छ । शेयरधनीको हितको ख्याल गरि उपयुक्त बैंक तथा वित्तिय संस्थाको खोजि गरि मर्जरको कार्यलाई पनि अगाडि बढाउने नीति लिएका छौ ।

अर्को तर्फ अब देशले द्रुत गतिमा आर्थिक विकाशमा फड्को मार्ने, भारतलाई विधुत विक्रीको कार्य शुरु गरि सकिएको, बंगलादेशसंग विधुत खरिद विक्री सम्झौता भैसकेको जस्ता कारणले ठूलाठूला जलविधुत परियोजनाहरु संचालन हुने तथा वाणिज्य बैंकहरुको लगानी त्यस तर्फ केन्द्रित भई हामी जस्ता क्षेत्रियस्तरमा संचालित विकास बैंकहरुका लागि लगानीका अन्य क्षेत्रहरु प्रसस्त उपलब्ध हुने अनुमान गर्न सकिन्छ । तथापि देशको विकास बजेट यथा समयमा खर्च हुन नसक्नु, राजश्व लक्ष्य बमोजिम संकलन नहुनु, चालू खर्च पुरा गर्न सरकारलाई कठिन भै विकास खर्च शून्य प्राय हुनु जस्ता कारणले आर्थिक गतिविधि सुस्त हुनसक्ने समेत देखिन्छ । त्यतिमात्र होइन यी यावत कारणले बैंकले समेत आफ्नो लक्ष्य हासिल गर्न असमर्थ हुन सक्ने सम्भावना देखिदा देखिदै पनि यहाँहरु जस्तो सहयोगी शेयरधनीहरुको सदभाव, सहयोग आदिको माध्यमबाट बैंकले लक्ष्य हासिल गर्नेमा आशावादी हुन सकिन्छ ।

सामाजिक उत्तरदायित्व अन्तर्गत हामीले नेपाल राष्ट्र बैंकको निर्देशन बमोजिम विभिन्न क्षेत्रमा प्रत्यक्ष तथा परोक्ष रुपमा सहयोग गरि आएका छौ । विगतमा हामीले स्कूल तथा कलेजमा विद्यार्थीहरुलाई वित्तिय साक्षरता प्रदान गरि आएकोमा

आगामि दिनमा समेत सो कार्यलाई निरन्तरता दिनेछौं । त्यसै गरि हालै देशको पश्चिम भेग खास गरि जाजरकोट र रुकुम पश्चिममा गएको विनाशकारी भूकम्पबाट भएको धनजनको क्षतीमा केहि मात्रामा राहात होस भनि प्रधानमन्त्री दैबिक उद्धार कोषमा रु ७ लाख जम्मा गरेको विषयमा समेत यहाँहरु जानकार नै हुनुहुन्छ । आगामि दिनमा ग्रामीण क्षेत्रका वासिन्दालाई समेत वित्तिय साक्षर बनाउन वित्तिय साक्षरताको कार्यक्रम अगाडि बढाइनेछ । साथै शैक्षिक क्षेत्रको विकास विना देशको उन्नती र प्रगति सम्भव छैन भन्ने विषयलाई मूल मर्म ठानेर गरिव तथा जेहेन्दार विधार्थीहरुलाई उनीहरुको शैक्षिक अध्ययनलाई निरन्तरता दिन सहज होस भन्ने अभिप्रायले छात्रवृती वितरणको कार्यलाई साथै ग्रामिण क्षेत्रमा स्वस्थ शिविर लगायतका कार्यलाई समेत निरन्तरता दिने विषय सगर्ब जानकारी गराउन चाहन्छु ।

पूँजी वृद्धि :

आदरणिय शेयरधनी महानुभावहरु,

बैंकको चुक्ता पूँजी वृद्धि गर्ने क्रममा गत वर्ष १२।३५ प्रतिशत बोनस शेयर जारी गरेको विषय यहाँहरुमा अवगत नै छ । उक्त बोनस शेयर जारी भएपछि कायम भएको पूँजि करिब रु १०१।५० करोड मा आ.व. २०७९।०८० को मुनाफाबाट शेयरधनीलाई ९।५० प्रतिशतका दरले हुने बोनस शेयर रकम रु ९।५० करोड भन्दा बढि प्रदान गर्ने प्रस्ताव गरेका छौं, यो बोनस शेयर वितरण पश्चात बैंकको पूँजी रु १ अर्ब ११ करोड भन्दा बढि हुने व्यहोरा समेत जानकारी गराउछौं । यसरी हुँदै जाने पूँजी वृद्धिबाट बैंकको विश्वासनियता अझ बृद्धिभई नाफामा समेत टेवा पुग्ने विश्वास लिएका छौं । साथै नेपाल राष्ट्र बैंकबाट जारी निर्देशानुसार हामी जस्ता विकास बैंकहरुले रु १ अर्ब २० करोड पूँजि पुन्याई प्रादेशिक क्षेत्र भित्र कार्य गर्ने प्रादेशिक बैंक हुने तर्फ आगामी दिनमा अझ सहज हुने अपेक्षा राखेको छौं ।

शाखा कार्यालय बिस्तार :

आदरणिय शेयरधनी महानुभावहरु,

यस बैंकको पहिलो शाखा कार्यालय सुनसरी जिल्लाको ईटहरी उपमहानगरपालिका २० को तरहरा बजारमा, दोस्रो शाखा सुनसरी जिल्लाको रामधुनि नगरपालिका १ को भुम्का बजारमा, तेश्रो शाखा मोरङ जिल्लाको उर्लावारी नगरपालिका ७ को ईटहरा रोडमा, चौथो शाखा मोरङ जिल्लाको सुन्दर हरैचा नगरपालिका १२ को विराटचौक बजारमा, पाँचौ शाखा सुनसरी जिल्लाको ईटहरी उपमहानगरपालिका १२ को खनारमा, छैठौँ शाखा मोरङ जिल्लाको रतुवामाई नगरपालिका ८ को दाम्राभिद्रामा, सातौँ शाखा भापा जिल्लाको कन्काई नगरपालिका ३ को सुरुङ्गामा , आठौँ शाखा मोरङ जिल्लाको कानेपोखरी गाँउपालिका ६ को रमाइलोमा, नवौँ शाखा सुनसरी जिल्लाको बराह नगरपालिका २ को चतरामा, दशौँ शाखा भापा जिल्लाको अर्जुनधारा नगरपालिका ८ को शनिश्चरे भापामा, एघारौँ शाखा मोरङ जिल्लाको को विराटनगर महानगरपालिका ९ को विराटनगरमा, बाह्रौँ शाखा सुनसरी जिल्लाको धरान उपमहानगरपालिका ६ को पानवारीमा, तेह्रौँ शाखा मोरङ जिल्लाको सुनवर्षी नगरपालिका २ को अमरदहमा, चौधौँ शाखा सुनसरी जिल्लाको बराह नगरपालिका ५ को कालाबन्जार बजारमा, पन्ध्रौँ शाखा मोरङ जिल्लाको सुन्दर हरैचा नगरपालिका ७ को गोठगाँउमा, सोह्रौँ शाखा सुनसरी जिल्लाको बराह नगरपालिका १० को प्रकाशपुरमा र सत्रौँ शाखा मोरङ जिल्लाको सुन्दर हरैचा नगरपालिका ४ को दुलारीमा स्थापना भइसकेको जानकारी गराउन चाहान्छौं । हाल संचालनमा रहेका केहि शाखाहरुको कारोबार संतोषजनक नरहेको हुँदा शाखा विस्तारको कार्यलाई एकदमै विचार गरेर मात्र अगाडी बढाइने छ । हालको नीतिहरुले ग्रामिण क्षेत्रमा खोल्ने नयाँ शाखाहरु मुनाफामा जान ज्यादै नै सकस हुने विषय समेत यहाँहरुलाई अवगत गराउन चाहन्छु ।

लेखा परिक्षकको नियुक्ति :

आदरणीय शेयरधनी महानुभावहरू,

गत वर्ष नियुक्त बाह्य लेखापरिक्षक किन्जल एण्ड एसोशिएट्स विराटनगरका चार्टर एकाउन्टेण्ट किन्जल पोखेलले बाह्य लेखापरिक्षण गर्नुभएको व्यहोरा यहाँहरूलाई अवगत नै छ । साथै आगामि आ.व.को लागि लेखा परिक्षण गर्न उक्त फर्म योग्य रहेको र यही स्थानिय स्तरमै कार्यरत रहेकोले लेखा परिक्षण समितिको शिफारिस बमोजिम सोहि लेखा परिक्षक किन्जल एण्ड एसोशिएट्स विराटनगरका चार्टर एकाउन्टेण्ट किन्जल पोखेललाई आर्थिक वर्ष २०८०/०८१ को बाह्य लेखापरिक्षण, ट्याक्स अडिट, लङ्गफम अडिट रिपोर्ट, धितोपत्र बोर्डको विवरण तयार गर्ने गरि गत वर्ष प्रदान गरेकै रकम अर्थात रु २ लाख शुल्क र यातायात लगायतका खर्चमा रु १ लाख सम्म सोधभर्ना वापतको खर्च प्रदान गर्ने गरि आ.व. २०८०/०८१ को बाह्य लेखापरिक्षक नियुक्त गर्ने प्रस्ताव यहाँहरु समक्ष राखेका छौ ।

अन्त्यमा,

म संचालक समितिको तथा अध्यक्षको तर्फ बाट हाम्रा सम्पुर्ण शेयरधनी महानुभावहरूमा सदभाव, सहयोग र धैर्यताका लागि हार्दिक कृतज्ञता तथा आभार प्रकट गर्दछु । साथै अगामी वर्षहरूमा पनि हाम्रा लगानीकर्ताहरूलाई यथोचित प्रतिफल प्राप्त गर्न सक्ने गरी बैंक संचालन गरिने कुराको प्रतिबद्धता व्यक्त गर्न चाहन्छु ।

यस अवसरमा हामीलाई बराबर मार्ग दर्शन प्रदान गर्ने नेपाल राष्ट्र बैंक,कम्पनी रजिष्ट्रार कार्यालय, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज, सिडिएस एण्ड क्लियरिङ लिमिटेड प्रति धन्यवाद व्यक्त गर्न चाहन्छु । यसै गरी हामीलाई सहयोग पुऱ्याउने समस्त ग्राहक वर्ग, बैंक, विमा कम्पनी, रेमीटेन्स कम्पनी, शेयर रजिष्ट्रार, उद्योगी, व्यापारी, व्यवसायी, विभिन्न संघ संस्था तथा शुभ चिन्तकहरूलाई हार्दिक धन्यवाद दिन चाहन्छु ।

यस बैंकको उत्तरोत्तर प्रगति दिलाउन कटिबद्ध यस बैंकका संचालक समिति, लगनशिल तथा इमान्दार प्रमुख कार्यकारी अधिकृत तथा कर्मचारी, आन्तरिक तथा बाह्य लेखा परिक्षकहरूलाई कदर गर्दै धन्यवाद दिन चाहन्छु ।

साथै भर्खरै प्रस्तुत, आर्थिक वर्ष २०७९/०८० को लेखापरिक्षकको प्रतिवेदन सहितको वासलात, नाफा-नोक्सान हिसाब र नगद प्रवाह विवरण सहितको वार्षिक प्रतिवेदन यहाँहरु समक्ष स्विकृतीको लागि प्रस्तुत गर्ने अनुमति चाहन्छु ।

धन्यवाद,

मिति: २०८०/०९/१४

संचालक समितिको तर्फबाट

किसन मास्के

संचालक समिति, अध्यक्ष

प्रचलित कम्पनी कानून बमोजिम थप जानकारी

- (क) विगत वर्षको कारोवारको सिंहवलोकन :
यस सम्बन्धमा संचालक समितिको प्रतिवेदनमा विस्तृत उल्लेख गरिएको छ ।
- (ख) राष्ट्रिय तथा अन्तराष्ट्रिय परिस्थितिबाट कम्पनीको कारोवारलाई कुनै असर परेको भए सो असर :
सारभूत रूपमा प्रत्यक्ष असर नभएको ।
- (ग) प्रतिवेदन तयार भएको मितिसम्म चालू वर्षको उपलब्धी र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा संचालक समितिको धारणा :
यस सम्बन्धमा संचालक समितिको प्रतिवेदनमा विस्तृत उल्लेख गरिएको छ ।
- (घ) कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध:
यस बैंकको नियमनकारी निकाय नेपाल राष्ट्र बैंक, नेपाल सरकार कम्पनी रजिष्ट्रार कार्यालय, नेपाल धितोपत्र बोर्ड तथा नेपाल सरकारका स्थानिय निकाय लगायत अन्य सम्बन्धित सम्पूर्ण संघ संस्थाहरूसँग व्यवसायिक तथा सौहार्दपूर्ण सम्बन्ध कायम रहिआएको छ र अगामी दिनमा पनि आपसी समझदारी एवं पारदर्शीताका साथ व्यवसायिक सम्बन्ध कायम गर्दै लैजाने नीति बैंकले लिएको छ । यसको अतिरिक्त बैंक भित्र संचालक, व्यवस्थापन तथा कर्मचारीको सम्बन्ध सुमधुर रहेको जानकारी गराउदछु ।
- (ङ) संचालक समितिमा भएको हेरफेर र सो को कारण :
यस आर्थिक वर्षमा संचालक समितिमा भएको हेरफेर निम्नानुसार रहेको जानकारी गराउदछु :
 - यस आर्थिक वर्षमा थप संचालक
 - (क) मेघराज श्रेष्ठ (संचालक- संस्थापक) २०७९ पौष २७ देखी
 - (ख) नेत्रप्रसाद दाहाल (संचालक - स्वतन्त्र) २०७९ पौष २७ देखी
 - यस आर्थिक वर्षमा हटेको संचालक
 - (क) सुनिल श्रेष्ठ (संचालक- संस्थापक) २०७९ पौष २७ सम्म
 - (ख) ललित कुमार अग्रवाल (संचालक - सर्वसाधारण) २०७९ पौष ३० सम्म
- (च) कारोवारलाई असर पार्ने मुख्य कुराहरु :
यस सम्बन्धमा संचालक समितिको प्रतिवेदनमा विस्तृत उल्लेख गरिएको छ ।
- (छ) लेखापरिक्षण प्रतिवेदनमा उल्लेखित कैफियत उपर संचालक समितिको प्रतिक्रिया :
बैंकको नियमित कारोवारसंग सम्बन्धित सामान्य कैफियतहरु बाहेक प्रतिवेदनमा अन्य कैफियतहरु रहेका छैनन् । उक्त कैफियतहरुमा लेखा परिक्षकले दिएको सुझावहरुप्रति संचालक समिति सदा सजग रहेको छ ।
- (ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :
संचालक समितिले प्रस्ताव गरे बमोजिम चुक्ता पूजिको ९।५० प्रतिशतका दरले हुने दोनशा शेयर रकम रु ९,६४,२५,९३६।५० (अक्षरेपी रु नौ करोड चौसठ्ठी लाख पचिस हजार एक सय छत्तिस र पैसा पचास) मात्र

प्रदान गर्ने र सो मा लाग्ने कर प्रयोजनको लागि नगद लाभांश रकम ५०,७५,००७।९ (अक्षरेपी रु पचास लाख पचहत्तर हजार सात र पैसा उन्नाईस) मात्र नगद लाभांश नेपाल राष्ट्र बैंक वाट समेत स्विकृत भईसकेको हुदाँ सोहि बमोजिमको लाभांश रकम बाँडफाँडको लागि यहाँहरु समक्ष सिफारिश गरिएको व्यहोरा अनुरोध गर्दछु ।

(फ) जफत गरिएको शेयर संख्या :

छैन ।

(ज) बैंक र यसको सहायक कम्पनीले गरेको प्रगति विवरण :

बैंकको कुनै सहायक कम्पनी रहेको छैन । बैंकको हाल सम्मको प्रगति सम्बन्धमा माथि उल्लेख गरिएको ।

(ट) बैंक र यसको सहायक कम्पनीले गरेको कारोबार :

बैंकको कुनै सहायक कम्पनी रहेको छैन । बैंकको कारोबारको बारेमा वित्तिय विवरणमा नै उल्लेख गरिएको ।

(ठ) बैंकको आधारभूत शेयरधनीले गराएको जानकारी :

कुनै पनि जानकारी उपलब्ध गराइएको छैन ।

(ड) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्व विवरण र कम्पनीको शेयर कारोवारमा नीजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुवाट कम्पनीले प्राप्त गरेको जानकारी :

यस विकास बैंकका संचालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्व निम्न बमोजिम रहेको छ । विकास बैंकको शेयर कारोवारमा समीक्ष अवधिमा नीजहरुको संलग्नताको विषयमा कुनै पनि जानकारी प्राप्त नभएको ।

क्र.सं.	संचालक तथा पदाधिकारीको नाम	शेयर संख्या	
		संस्थापक	सर्वसाधारण
१	श्री किसन मास्के	६५५२४	२४४०६
२	श्री मेघराज श्रेष्ठ	४०९५१	८०४८
३	श्री गम्भिरमान तण्डुकार	१३१०४५	४०६२२
४	श्री शम्भु प्रसाद श्रेष्ठ		८०९२
५	श्रीमती बन्दना वैद्य		५०९
६	श्री नेत्र प्रसाद दाहाल		-
७	श्री तुलसी प्रसाद बस्ती		२४७२९

(ड) बैंकसंग सम्बन्धित संभौताहरुमा कुनै संचालक तथा निजका आफन्तको व्यक्तिगत स्वार्थ सम्बन्धित जानकारी :
त्यस्तो कुनै जानकारी बैंकलाई प्राप्त भएको छैन ।

(ण) आफ्नो शेयर आफैले खरिद गरेको भए सो को विवरण :

छैन ।

(त) आन्तरिक नियन्त्रण प्रणाली :

बैंकमा प्रभावकारी आन्तरिक नियन्त्रण प्रणालीको लागि विभिन्न नीति नियमहरु तर्जुमा गरि लागू गरिएको छ । जस अन्तर्गत कर्मचारीले गर्ने कार्यका लागि माथिल्लो अधिकारीले स्विकृत गर्ने व्यवस्था गरि Check & Balance प्रणाली अपनाइएको छ । सो को अनुगमनका लागि आन्तरिक लेखापरिक्षक तथा लेखापरिक्षण समितिबाट हुने व्यवस्था गरिएको छ । साथै अन्य कार्यहरुमा समेत नियन्त्रण प्रणाली लाई प्रभावकारी बनाउने व्यवस्था मिलाइने छ ।

(घ) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :

कूल कर्मचारी खर्च (कर्मचारी बोनस सहित) :	रु. ९,२२,७५,९२५।७७
कूल कार्यालय संचालन खर्च :	रु. ४,२६,३०,७७८।९९
जम्मा खर्च :	रु. १३,४९,०६,७०४।७६

(द) लेखापरिक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहिको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरण :

लेखा परिक्षण समितिका सदस्यहरुको नामावली निम्न बमोजिम रहेको छ ।

- श्री मेघराज श्रेष्ठ - संयोजक
- श्री गम्भिरमान तण्डुकार - सदस्य
- श्री संजोग श्रेष्ठ - सदस्य सचिव

लेखा परिक्षण समितिले आन्तरिक तथा बाह्य लेखापरिक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरु उपर छलफल गरि सुधारका लागि व्यवस्थापनलाई आवश्यक निर्देशन दिने गरेकोछ । समितिका संयोजक र सदस्यलाई बैठक भत्ता बापत प्रति बैठक रु ३,००० मात्र उपलब्ध गराउने व्यवस्था गरिएको छ । सदस्य सचिव बैंककै कर्मचारी भएकोले कुनै भत्ता उपलब्ध गराइएको छैन । यस आ.व. मा बैठक भत्ता बापत जम्मा रकम रु २१,००० मात्र उपलब्ध गराइएको छ ।

(ध) संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख, बैंकका आधारभुत शेरघनी वा निजका नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले बैंकलाई कुनै रकम बुझाउन बाँकी भए सो कुरा: रकम बुझाउन बाँकी छैन ।

(न) संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुखलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको विवरण : यस बैंकका संचालकहरु लाई बैंकको नियमावलीमा व्यवस्था भए अनुरूप बैठक भत्ता, दैनिक भत्ता र भ्रमण भत्ता , टेलीफोन पत्रपत्रिका खर्च बाहेक अन्य सुविधा प्रदान गरिएको छैन ।

संचालक समिति बैठक भत्ता :	रु ५,२६,५००।००
अन्य खर्च (पत्र पत्रिका, टेलीफोन, दैनिक भ्रमण भत्ता) :	रु.६,४९,९८२।३६

बैंकको प्रमुख कार्यकारी अधिकृत तथा व्यवस्थापकिय कर्मचारीलाई यस आर्थिक वर्षमा मासिक पारिश्रमिक तथा अन्य सुविधा देहाय बमोजिम प्रदान गरिएको छ ।

विवरण	प्रमुख कार्यकारी अधिकृत	ब्यवस्थापकिय कर्मचारी
	रकम रु.	रकम रु.
तलव	३६,००,०००।००	१९,३३,११८।२७
भत्ता	१८,३६,०००।००	१२,६०,९००।००

उपरोक्त तलव बाहेक करारमा भएको व्यवस्था तथा कर्मचारी सेवा नियमावली बमोजिम प्रमुख कार्यकारी अधिकृतलाई

क) बोनस

ख) विदा सुविधा

ग) चालक, इन्धन, मर्मतसम्भार सहितको सवारी साधन सुविधा

घ) टेलिफोन, इन्टरनेट, विजुलीवृत्ति, पानीको सुविधा सहितको आवास सुविधा

ङ) मोबाइल सुविधा

च) बैंकको नियमानुसार दुर्घटना तथा औषधी उपचार खर्च बैंकले उपलब्ध गराएको छ।

त्यसै गरि अन्य व्यवस्थापकिय पदमा कार्यरत कर्मचारीहरूलाई चालक र आवास सुविधा बाहेकका अन्य सम्पूर्ण सुविधा बैंकले उपलब्ध गराएको छ।

(प) शेरवालाहरूले बुझिलिन बाँकी रहेको लाभांशको रकम -
छैन।

(फ) दफा १४१ बमोजिम सम्पति खरिद वा विक्रि गरेको -
छैन।

(ब) दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच भएको कारोबार विवरण -
छैन।

(भ) कम्पनी ऐन २०६३ र प्रचलित कानून बमोजिम संचालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा -
यस वार्षिक प्रतिवेदनमा सान्दर्भिक ठाँउमा खुलाइएको।

(म) अन्य आवश्यक कुराहरु :

नेपाल राष्ट्र बैंक बाट साधारण सभा सम्बन्धि वार्षिक वित्तीय विवरण प्रकाशन गर्न स्वीकृति प्रदान गर्दा उल्लेखित कैफियतहरु र सो मा संचालक समितिको प्रतिक्रिया छुट्टै पानामा संलग्न छ।

संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन

(सूचीकृत संगठित संस्थाहरुको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ बमोजिम)

सूचीकृत सङ्गठित संस्थाको नाम	मितेरी डेभलपमेन्ट बैंक लि.
ठेगाना इमेल र वेबसाइट सहित	महेन्द्रपथ, धरान १२, सुनसरी info@miteribank.com.np www.miteribank.com.np
फोन नं.	०२५ ५३६३१७/०२५ ५३८३१७
प्रतिवेदन पेश गरिएको आ.ब.	२०७९/१०/८०

१. सञ्चालक समिति सम्बन्धी विवरण

(क) सञ्चालक समितिको अध्यक्षको नाम तथा नियुक्ति मिति :

श्री किसन मास्के, २०७९/०९/२७

(ख) संस्थाको शेयर संरचनासम्बन्धी विवरण (संस्थापक, सर्वसाधारण तथा अन्य) :

क्र.सं.	शेयर संरचना	शेयर संख्या
१	संस्थापक ५१ प्रतिशत	५,१७६,५०८।३३
२	सर्वसाधारण ४९ प्रतिशत	४,९७३,५०६।०४
३	अन्य	
		१०,१५०,०१४।३७

ग) सञ्चालक समिति सम्बन्धी विवरण :

क्र. सं.	सञ्चालकहरुको नाम तथा ठेगाना	प्रतिनिधित्व भएको समुह	शेयर संख्या	नियुक्ति भएको मिति	पद तथा गोपनियताको शपथ लिएको मिति	सञ्चालक नियुक्तिको तरीका (विधि)
१	श्री किसन मास्के धरान-७, सुनसरी	संस्थापक	संस्थापक : ६५,५२४ सर्वसाधारण : २४४०६	२०७९/०९/२७	२०७९/०९/२८	निर्वाचित
२	गम्भिर मान तण्डुकार सिनामंगल, काठमाण्डौ	संस्थापक	संस्थापक : १,३१,०४५ सर्वसाधारण : ४०,६२२	२०७९/०९/२७	२०७९/०९/२७	
३	मेधराज श्रेष्ठ, विराटनगर	संस्थापक	संस्थापक : ४०,९५१ सर्वसाधारण : ८०४८	२०७९/०९/२७	२०७९/०९/२७	
४	शम्भु प्रसाद श्रेष्ठ धरान-१२, सुनसरी	सर्वसाधारण	सर्वसाधारण : ८०९२	२०७८/०९/२८	२०७८/०९/२८	

५	वन्दना वैद्य धरान-७, सुनसरी	सर्वसाधारण	सर्वसाधारण : ५०९	२०७८/०९/२८	२०७८/०९/२८	
६	नेत्र प्रसाद दाहाल विराटनगर-७, सुनसरी	स्वतन्त्र	छैन	२०७९/०९/२७	२०७९/०९/२७	संचालक समितिको वैठक मिति २०७९/०९/२७ बाट नियुक्त। मिति २०७९/०९/२७ मा बसेको साधारण सभालाई उक्त नियुक्तिबारे जानकारी गराईएको

नोट: पछिल्लो साधारण सभा पछि संचालकहरु नियुक्ति भए सो सम्बन्धि जानकारी र सो सम्बन्धमा बोर्डलाई जानकारी गराएको मिति समेत छुट्टै उल्लेख गर्नुपर्ने।

पछिल्लो साधारण सभा पछि कुनै पनि संचालक नियुक्ति नभएको

(घ) सञ्चालक समितिको बैठक

- सञ्चालक समितिको बैठक सञ्चालन सम्बन्धी विवरण :

क्र. सं.	यस आ.व.मा बसेको सञ्चालक समितिको बैठकको मिति	उपस्थित संचालकको संख्या	वैठकको निर्णयमा भिन्न मत राखी हस्ताक्षर गर्ने संचालकको संख्या	गत आ.व. मा बसेको बैठकको मिति
१	२०७९/०४/२४	६	छैन	२०७८/०५/२८
२	२०७९/०६/११	६	छैन	२०७८/०६/२४
३	२०७९/०८/०९	५	छैन	२०७८/०७/२८
४	२०७९/०८/१९	५	छैन	२०७८/०८/१२
५	२०७९/०९/०५	५	छैन	२०७८/०९/०६
६	२०७९/०९/२७	६	छैन	२०७८/०९/२८
७	२०७९/०९/२७	७	छैन	२०७८/११/२३
८	२०७९/११/१२	६	छैन	२०७९/०१/२१
९	२०७९/१२/१३	६	छैन	२०७९/०२/३०
१०	२०८०/०१/२१	६	छैन	२०७९/०३/०६
११	२०८०/०२/३२	५	छैन	२०७९/०३/२८
१२	२०८०/०३/२९	६	छैन	२०७९/०३/२९

- कुनै सञ्चालक समितिको बैठक आवश्यक गणपुरक संख्या नपुगी स्थगित भएको भए सोको विवरण :
नभएको

■ सञ्चालक समितिको बैठक सम्बन्धी अन्य विवरण :

सञ्चालक समितिको बैठकमा सञ्चालक वा वैकल्पिक सञ्चालक उपस्थित भए-नभएको (नभएको अवस्थामा बैठकको मिति सहित कारण खुलाउने):	वैकल्पिक संचालक नभएको
सञ्चालक समितिको बैठकमा उपस्थित सञ्चालकहरू, छलफल भएको विषय र तत्सम्बन्धमा भएको निर्णयको विवरण (माईन्यूट) को छुट्टै अभिलेख राखे नराखेको:	निर्णयको छुट्टै अभिलेख राखेको
सञ्चालक समितिको दुई लगातार बसेको बैठकको अधिकतम अन्तर (दिनमा) :	२०७९।०६।११ देखि २०७९।०८।०९, ५९ दिन
सञ्चालक समितिको बैठक भत्ता निर्धारण सम्बन्धमा बसेको वार्षिक साधारण सभाको मिति :	२०७९।०९।२७
सञ्चालक समितिको प्रति बैठक भत्ता रु.	अध्यक्ष रु ८,५००।०० संचालक रु ७,५००।००
आ. व. २०७९/०८० को संचालक समितिको कुल बैठक खर्च रु.	रु ५,२६,५००।००

२. सञ्चालकको आचरण सम्बन्धी तथा अन्य विवरण

सञ्चालकको आचरण सम्बन्धमा सम्बन्धित संस्थाको आचार संहिता भए/नभएको :	नभएको (नेपाल राष्ट्र बैंकले जारी गरेको निति निर्देशन साथै प्रचलित कानूनमा उक्त सम्बन्धमा भएका व्यवस्था पालना गरिएको ।			
एकाघर परिवारको एक भन्दा बढी सञ्चालक भए सो सम्बन्धी विवरण :	नभएको			
सञ्चालकहरूको वार्षिक रुपमा सिकाई तथा पुनर्ताजगी कार्यक्रम				
क्र.स.	विषय	मिति	सहभागी को संख्या	तालिम संचालन भएको स्थान
१	२% र सो भन्दा बढी शेयर संख्या धारण गरेका शेयर सदस्य र संचालकलाई संस्थागत शुसासन तथा पुनर्ताजगी तथा सम्पत्ति श्रद्धिकरण सम्बन्धी विषयमा तालिम संचालन गरीएको ।	२०७९/११/०३ र ४ गते ।	९ जना	भेडेटार ,घनकुटा

प्रत्येक सञ्चालकले आफू सञ्चालकको पदमा नियुक्त वा मनोनयन भएको पन्ध्र दिनभित्र देहायका कुराको लिखित जानकारी गराएको/नगराएको र नगराएको भए सोको विवरण :

संस्थासँग निज वा निजको एकाघरको परिवारको कुनै सदस्यले कुनै किसिमको करार गरेको वा गर्न लागेको भए सो को विवरण,	नरहेको					
निज वा निजको एकाघरको परिवारको कुनै सदस्यले संस्था वा सो संस्थाको मुख्य वा सहायक कम्पनीमा लिएको शेयर वा डिभेन्चरको विवरण,	क्र.सं.	नाम	पद	एकाघर परिवार	नाता	शेयर संख्या
	१	किसन मास्के	अध्यक्ष	एनिका मास्के	छोरी	६७३
	२	शम्भु प्रसाद श्रेष्ठ	संचालक	अर्पन श्रेष्ठ	छोरा	११२३
निज अन्य कुनै सङ्गठित संस्थाको आधारभूत शेयरधनी वा सञ्चालक रहेको भए त्यसको विवरण,	क्र.सं.	नाम	पद	संचालक तथा शेयरधनी		
	१	गम्भिरमान तण्डुकार	संचालक	द हिमाल एजुकेशन फाउण्डेशन एण्ड रिसर्च सेन्टर प्रा. लि.		
निजको एकाघरको परिवारको कुनै सदस्य संस्थामा पदाधिकारी वा कर्मचारीको हैसियतमा काम गरिरहेको भए सोको विवरण	नभएको					
सञ्चालकले उस्तै प्रकृतिको उद्देश्य भएको सूचिकृत संस्थाको सञ्चालक, तलवी पदाधिकारी, कार्यकारी प्रमुख वा कर्मचारी भई कार्य गरेको भए सोको विवरण:	नभएको					
संचालकहरुलाई नियमन निकाय तथा अन्य निकायहरुबाट कुनै कारवाही गरिएको भए सोको विवरण:	नगरीएको					

३. संस्थाको जोखिम व्यवस्थापन तथा आन्तरिक नियन्त्रण प्रणाली सम्बन्धी विवरण

(क) जोखिम व्यवस्थापनको लागि कुनै समिति गठन भए/नभएको गठन नभएको भए सोको कारण : भएको

(ख) जोखिम व्यवस्थापन समिति सम्बन्धी जानकारी:

(अ) समितिको संरचना (संयोजक तथा सदस्यहरुको नाम तथा पद)

क्र. सं.	नाम	पद
१	शम्भु प्रसाद श्रेष्ठ	संयोजक
२	मेधराज श्रेष्ठ	पदेन सदस्य
३	रमेश गौतम	सदस्य
४	विशाल श्रेष्ठ	सदस्य सचिव

(आ) समितिको बैठक संख्या :

समितिको बैठक संख्या ४

(इ) समितिको कार्य सम्बन्धी छोटो विवरण

यो समितिले त्रैमासिक रुपमा बैंकको पूँजी पर्याप्तता सम्बन्धी आन्तरिक विश्लेषण, क्षेत्रगत सीमा निर्धारण तथा अनुपालना, दबाव परीक्षण आदिको अनुगमन गर्ने गरेको र त्रैमासिक रुपमा संचालक समितिमा प्रतिवेदन पेश गर्ने गरेको छ। यसका साथै, बैंकको जोखिम सम्बन्धमा अन्य जानकारी लिने तथा त्यस सम्बन्धमा संचालक समितिमा राय सुझाव तथा सिफारिस पेश गर्ने आदि जस्ता क्रियाकलापहरु यस समितिले गर्ने गरेको छ।

(ग) आन्तरिक नियन्त्रण कार्यविधि भए/नभएको :

आन्तरिक नियन्त्रण पद्धतिलाई व्यवस्थित बनाउन सस्थाले विभिन्न कार्यविधिहरु बनाई लागू गरेको छ।

(घ) आन्तरिक नियन्त्रण प्रणालीको लागि कुनै समिति गठन भए/नभएको गठन नभएको भए सोको कारण :

आन्तरिक नियन्त्रण प्रणाली पद्धतिलाई सुदृढ गर्न संस्थामा संचालक तथा व्यवस्थापन स्तरीय विभिन्न समितिको गठन गरीएको छ।

(ङ) आन्तरिक नियन्त्रण प्रणाली समिति सम्बन्धी विवरण:

(अ) समितिको संरचना (संयोजक तथा सदस्यहरुको नाम तथा पद)

➤ लेखा परीक्षण समिति (संचालक स्तरीय)

क्र. सं.	नाम	पद
१	मेघराज श्रेष्ठ	संयोजक
२	गम्भिरमान तण्डुकार	सदस्य
३	संजोग श्रेष्ठ	सदस्य सचिव

समितिको बैठक संख्या ४

समितिका कार्य सम्बन्धी छोटो विवरण :

यस समितिले आन्तरिक लेखापरीक्षणको कार्य योजना स्वीकृत, आन्तरिक लेखा परीक्षक लेखा परीक्षण विभागबाट प्राप्त हुन आएको त्रैमासिक लेखा परीक्षण प्रतिवेदन, बाह्य लेखा परीक्षकबाट प्राप्त हुन आएको लेखा परीक्षण प्रतिवेदन र सो उपर व्यवस्थापनबाट प्राप्त हुन आएको प्रतिउत्तर सम्बन्धमा विस्तृत छलफल गरी व्यवस्थापनलाई आवश्यक निर्देशन तथा सुझाव दिनुका साथै यस सम्बन्धमा संचालक समितिमा राय सुझाव तथा सिफारिस पेश गर्ने जस्ता कामहरु पनि गर्ने गरेको छ।

➤ कर्मचारी सेवा सुविधा समिति (संचालक स्तरीय)

क्र. सं.	नाम	पद
१	नेत्र प्रसाद दाहाल	संयोजक
२	तुलसी प्रसाद बस्ती	सदस्य
३	उमेश कार्की	सदस्य
४	रमेश गौतम	सदस्य सचिव

समितिको बैठक संख्या : ३

समितिको कार्य सम्बन्धी छोटो विवरण :

यस समितिले कर्मचारीहरूको पारिश्रमिक र सेवा सुविधा संरचनाको अध्ययन तथा विश्लेषण गरी पारिश्रमिक निर्धारण गर्ने, कर्मचारीहरूको कार्य क्षेत्र निर्धारण तथा कार्य सम्पादन मूल्यांकन प्रणालीको पुनरावलोकन गर्ने, कर्मचारी व्यवस्थापन सम्बन्धि अन्य कार्यविधिहरू आदि तयार गरी सो सम्बन्धमा संचालक समितिमा राय सुझाव तथा सिफारिस पेश गर्ने गरेको छ । साथै यस समितिले वार्षिक रूपमा बैंकको मानव संसाधन योजना पनि तयार गरी संचालक समितिमा पेश गर्ने गरेको छ ।

➤ पदपूर्ति समिति (व्यवस्थापन स्तरीय)

क्र. सं.	नाम	पद
१	विशाल श्रेष्ठ	सदस्य
२	रमेश गौतम	सदस्य सचिव

समितिको बैठक संख्या : १०

समितिको कार्य सम्बन्धी छोटो विवरण :

रिक्त पद पहिचान, भर्ना योजना, उम्मेदवारको समिक्षा, अन्तरवार्ता/लिखत परीक्षा संचालन, योग्य कर्मचारीको छनौट, कर्मचारी भर्ना तथा कर्मचारीहरूको कार्यसम्पादन मूल्याङ्कन सम्बन्धि व्यवस्थापन लगायतको कार्य यस समितिले गर्दै आएको छ ।

➤ सम्पत्ति शुद्धिकरण निवारण सम्बन्धि समिति (संचालक स्तरीय)

क्र. सं.	नाम	पद
१	बन्दना वैद्य	संयोजक
२	विशाल श्रेष्ठ	सदस्य
३	रमेश गौतम	सदस्य सचिव

समितिको बैठक संख्या : ५

समितिको कार्य सम्बन्धी छोटो विवरण :

यो समितिले भौगोलिक क्षेत्र, व्यवसाय वा पेशा, कार्यक्षेत्र, ग्राहक सेवा वा उत्पादन, कारोबार तथा वितरण माध्यम समेतका आधारमा सम्पत्ति शुद्धिकरण तथा आतङ्कवाद कृयाकलापमा वित्तिय लगानी सम्बन्धी जोखिमको पहिचान तथा मूल्याङ्कन गर्ने, ग्राहक/वास्तवीक धनी/कारोबारका सम्बन्धमा निरन्तर अनुगमनको पुनरावलोकन गर्ने सम्पत्ति शुद्धिकरण तथा आतङ्कवाद कृयाकलापको निवारण व्यवस्थापन सम्बन्धी अन्य कार्यविधिहरू आदि तयार गरी सो सम्बन्धमा संचालक समितिमा राय सुझाव तथा सिफारिस पेश गर्ने गरेको छ ।

व्यवस्थापन स्तरीय समितिहरू

➤ सम्पत्ति दायित्व व्यवस्थापन समिति

क्र. सं.	नाम	पद
१	तुलसी प्रसाद बस्ती	संयोजक
२	विशाल श्रेष्ठ	सदस्य
३	रमेश गौतम	सदस्य सचिव

समितिको बैठक संख्या : ४

समितिको कार्य सम्बन्धी छोटो विवरण :

सम्पत्ति तथा दायित्वको उचित व्यवस्थापन, तरलता व्यवस्थापन, व्याजदर मूल्याङ्कन र कर्जा तथा निक्षेप परिवर्तनका अध्ययन तथा आवश्यक रणनीति तय गर्ने गरेको छ । त्यस्तै लगानीको समिक्षा, लगानी संग सम्बन्धित उचित निर्णय, अन्तराल विश्लेषण तथा तरलता योजनाको समिक्षा समेत यस समितिले गर्दै आएको छ ।

(च) आर्थिक प्रशासन विनियमावली भए/नभएको : भएको

४. सूचना तथा जानकारी प्रवाह सम्बन्धी विवरण

(क) संस्थाले सार्वजनिक गरेको सूचना तथा जानकारी प्रवाहको विवरण:

विषय	माध्यम	सार्वजनिक गरेको मिति
वार्षिक साधारण सभाको सूचना	राष्ट्रिय दैनिक पत्रिका	२०७९/०९/०६ र २०७९/०९/११ कारोबार दैनिक र अर्थिक अभियान दैनिक
विशेष साधारण सभाको सूचना		आ.व. २०७९/०८० मा विशेष साधारण सभा नभएको
वार्षिक प्रतिवेदन	वार्षिक प्रतिवेदन किताव प्रकाशन गरीएको	२०७९/०९/०५ (आर्थिक वर्ष २०७८/०८९ संग सम्बन्धित)
प्रथम त्रैमासिक प्रतिवेदन	कारोबार राष्ट्रिय दैनिक	२०७९/०७/०७
दोस्रो त्रैमासिक प्रतिवेदन	कारोबार राष्ट्रिय दैनिक	२०७९/१०/०७
तेस्रो त्रैमासिक प्रतिवेदन	कारोबार राष्ट्रिय दैनिक	२०८०/०१/०७
चौथो त्रैमासिक प्रतिवेदन	कारोबार राष्ट्रिय दैनिक	२०८०/०४/२०
धितोपत्रको मूल्यमा प्रभाव पार्ने मूल्य संवेदनशील सूचना		नभएको
अन्य		नभएको

(ख) सूचना सार्वजनिक नगरेको वा अन्य कारणले धितोपत्र बोर्ड तथा अन्य निकायबाट कारवाहिमा परेको
भए सो सम्बन्धी जानकारी :

नपरेको

(ग) पछिल्लो वार्षिक तथा विशेष साधारण सभा सम्पन्न भएको मिति :

२०७९/०९/२७ (वार्षिक साधारण सभा)

५. संस्थागत संरचना र कर्मचारी सम्बन्धी विवरण

(क) कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम, तलब, भत्ता तथा अन्य सुविधा, हाजिर र विदा, आचारसंहिता लगायतका कुराहरू समेटिएको कर्मचारी सेवा शर्त विनियमावली/व्यवस्था भए नभएको:

भएको

(ख) सांगठनिक संरचना संलग्न गर्ने : संलग्न

(ग) उच्च व्यवस्थापन तहका कर्मचारीहरूको नाम, शैक्षिक योग्यता तथा अनुभव सम्बन्धी विवरण :

क्र. सं	नाम,	पद	शैक्षिक योग्यता	अनुभव
१	तुलसी प्रसाद वस्ती	प्रमुख कार्यकारी अधिकृत	एम. वि. ए./एल.एल.वि	२१ वर्ष माथी
२	विशाल श्रेष्ठ	वरिष्ठ प्रबन्धक	एम. वि. ए.	१६ वर्ष माथी

(घ) कर्मचारी सम्बन्धी अन्य विवरण

संरचना अनुसार कर्मचारी पदपूर्ति गर्ने गरे/नगरेको :	गरेको
नयाँ कर्मचारीहरूको पदपूर्ति गर्दा अपनाएको प्रकृया :	लिखित/अन्तर्बार्ता
व्यवस्थापन स्तरका कर्मचारीको संख्या:	३ जना
कुल कर्मचारीको संख्या:	९५ जना (२०८० अघाड मसान्त)
कर्मचारीहरूको सबसेसन प्लान भए/नभएको :	सबसेसन प्लान निर्माणार्थ अध्यनरत रहेको ।
यस आ. व. मा कर्मचारीहरूलाई दिइएको तालिम संख्या तथा सम्मेलित कर्मचारीको संख्या:	५ वटा आन्तरीक तथा १२ वटा बाह्य तालिम संचालन भएकोमा अधिकांश कर्मचारी सम्मिलित भएको ।
आ. व. को कर्मचारी तालिम खर्च रु :	१८,३४,८१२।००
कुल खर्चमा कर्मचारी खर्चको प्रतिशत :	१२।०७
कुल कर्मचारी खर्चमा कर्मचारी तालिम खर्चको प्रतिशत :	१।९९

६. संस्थाको लेखा तथा लेखापरीक्षण सम्बन्धी विवरण

(क) लेखा सम्बन्धी विवरण

संस्थाको पछिल्लो आ. व. को वित्तीय विवरण NFRS अनुसार तयार गरे/ नगरेको, नगरेको भए सोको कारण :	गरेको
संचालक समितिबाट पछिल्लो वित्तीय विवरण स्वीकृत भएको मिति :	२०८०।०७।२२
त्रैमासिक वित्तीय विवरण प्रकाशन गरेको मिति :	प्रथम : २०७९।०७।०७ दोस्रो २०७९।१०।०७ तोस्रो २०८०।०१।०७ चौथो २०८०।०४।२०
अन्तिम लेखापरीक्षण सम्पन्न भएको मिति :	२०८०।०७।२२
साधारण सभाबाट वित्तीय विवरण स्वीकृत भएको मिति :	२०७९।०९।२७
संस्थाको आन्तरिक लेखा परीक्षण सम्बन्धी विवरण :	
(अ) आन्तरिक रुपमा लेखा परीक्षण गर्ने गरिएको वा बाह्य विज्ञ नियुक्त गर्ने गरिएको	वाह्य विज्ञ नियुक्त गरेको
(आ) बाह्य विज्ञ नियुक्त गरिएको भए सोको विवरण	ए बंशल एण्ड एसोसिएट्स
(इ) आन्तरिक लेखापरीक्षण कति अवधिको गर्ने गरिएको (त्रैमासिक, चौमासिक वा अर्धवार्षिक)	प्रत्येक त्रैमासिक अवधिको

(ख) लेखापरीक्षण समितिसम्बन्धी विवरण

संयोजक तथा सदस्यहरूको नाम, पद तथा योग्यता :	<ul style="list-style-type: none"> ● मेधराज श्रेष्ठ एम.ए. ● गम्भिर मान तण्डुकार एम. फिल. ● संजोग श्रेष्ठ एम.वि.एस
वैठक बसेको मिति तथा उपस्थित सदस्य संख्या :	२०७९।०७।२४, उपस्थित ३ २०७९।१०।२२, उपस्थित २ २०८०।०१।२९, उपस्थित ३ २०८०।०२।३२, उपस्थित ३
प्रति बैठक भत्ता रु. : कर्मचारी बाहेक	३,०००।००
लेखापरीक्षण समितिले आफ्नो काम कारवाहीको प्रतिवेदन संचालक समितिमा पेश गरेको मिति :	हरेक पटकको बैठक पश्चात बस्ने संचालक समितिको बैठकमा विवरण पेश गर्ने गरेको । गत आ. व. को लेखापरीक्षणको प्रतिवेदन उपर छलफल पश्चात विवरण पेश गरेको पछिल्लो मिति, २०८०।०२।३२

७. अन्य विवरण

संस्थाले सञ्चालक तथा निजको एकाघरका परिवारको वित्तीय स्वार्थ भएको व्यक्ति, बैङ्क तथा वित्तीय संस्थाबाट ऋण वा सापटी वा अन्य कुनै रूपमा रकम लिए/ नलिएको	नलिएको
प्रचलित कानून बमोजिम कम्पनीको सञ्चालक, शेयरधनी, कर्मचारी, सल्लाहकार, परामर्शदाताको हैसियतमा पाउने सुविधा वा लाभ बाहेकसूचिकृत सङ्गठित संस्थाको वित्तीय स्वार्थ भएको कुनै व्यक्ति, फर्म, कम्पनी, कर्मचारी, सल्लाहकार वा परामर्शदाताले संस्थाको कुनै सम्पत्ति कुनै किसिमले भोगचलन गरे/नगरेको	नगरेको
नियमकारी निकायले इजाजतपत्र जारी गर्दा तोकेको शर्तहरूको पालना भए/नभएको	भएको
नियमकारी निकायले संस्थाको नियमन निरीक्षण वा सुपरीवेक्षण गर्दा संस्थालाई दिइएको निर्देशन पालना भए/नभएको	भएको
संस्था वा संचालक विरुद्ध अदालतमा कुनै मुद्दा चलिरहेको भए सोको विवरण : यस आ.व. २०७९/८० मा बैंकको सामान्य व्यवसायसंग सम्बन्धित बाहेक अन्य कुनै उल्लेखनिय प्रकृतिका मुद्दा बैंक वा बैंकको विरुद्ध दायर भएको छैन । यस आ.व. २०७९/८० मा बैंकका संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध सम्बन्धमा कुनै मुद्दा दायर भएको जानकारी प्राप्त भएको छैन ।	

परिपालना अधिकृत : विशाल श्रेष्ठ
पद : वरिष्ठ प्रबन्धक
मिति : २०८०।०८।१९

दस्तखत :
संस्थाको छाप :

प्रतिवेदन संचालक समितिबाट स्वीकृत मिति : २०८०।०८।१९ को २३५ औं बैठकबाट

प्रमाणित गर्ने
कम्पनी सचिवको नाम : श्री तुलसी प्रसाद बस्ती

दस्तखत :
छाप :

लेखा परिक्षकबाट प्रमाणित मिति :
लेखा परिक्षकको नाम : Kinjal Pokhrel (Proprietor, Kinjal & Associates)

दस्तखत :
छाप :

Kinjal & Associates

Chartered Accountants

COP No. 715
Mem. No. 951
Vat Reg. No. 104927096

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MITERI DEVELOPMENT BANK LIMITED

Opinion

We have audited the financial statements of **Miteri Development Bank Limited** Which comprise the statement of financial position as at **31st Ashad 2080 (16 July 2023)**, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash flows for the year ended and Notes to the Financial Statements, including a summary of significant accounting policies and explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements present fairly in all material respects, the financial position of the company as at **31st Ashad 2080 (16 July 2023)** and its financial performance, changes in equity, and its cash flows for the year then ended and summary of significant accounting policies and explanatory notes in accordance with Nepal Financial Reporting Standards(NFRS).

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of standalone financial statements for the financial year ended Ashad end 2080. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matters is provided in that context.

We have determined the matters described below to the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

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Key Audit Matters	How the matters were addressed in our audit.
<p>Interest Recognition</p> <p>Interest income of the bank has to be recognized on accrual basis and following the 'Guideline on Recognition of Interest Income, 2019' issued by Nepal Rastra Bank. The guideline requires where loan and advances are overdue for more than 3 months upto 12 months, collateral testing shall be done. If the outstanding amount is within the net realizable value of collateral, then the interest income is recognized, if not then accrual of interest income is suspended irrespective of the value of collateral.</p>	<p>We applied following procedures in respect of interest income recognition verification:</p> <ul style="list-style-type: none"> ➤ Obtain clear understanding of process of accrual of interest income on loans and advances in the Core Banking System of the Bank. ➤ Regarding the fair value of collateral, we relied on the latest available valuation of the collateral. ➤ Test checking of booking of interest income with the manual computation. <p>Our Result: We considered the recognition of interest income as adequate and acceptable.</p>
<p>Impairment of Loans and Advances</p> <p>Loans and advances constitute 56.88% of total assets of the bank. The provisions for impairment of loans and advances is a Key Audit Matter as the bank has significant credit exposure to a large number of borrowers and there is high degree of complexity and judgement involved in recoverability of loans, estimating the provisions thereon and identification of accounts to be written off. The same resulted in significant audit effort to address the risk around loan recoverability and the determination of related provisions and write off.</p> <p>As per NRB Directive 4, Bank shall measure the impairment loss on the loans and advances at higher of the following:</p> <ul style="list-style-type: none"> ➤ Amount derived as per norms prescribed by NRB for loan loss provision. ➤ Amount determined as per NFRS adopting incurred loss Model. 	<p>We applied following procedures in respect of impairment of loans & advances or loan loss provision verification:</p> <ul style="list-style-type: none"> ➤ Review of borrower files which includes evaluation of borrower's repayment behaviour, assessment of financial strength based on the available financial statements, adequacy of security/collateral, and obtainment of required legal documents, CIC reports, and compliance with prudential regulation. ➤ Review of IT system to review the process of providing loan loss provision based on overdue payments. ➤ Business sites visit of the borrowers on sampling basis. ➤ On sampling basis, verification of accuracy of provision against non performing loan calculated by the IT system and manual calculation on sampling basis. ➤ Evaluation of appropriateness of subjective judgement made by the management for loans & borrowers. ➤ Review of Board's evaluation and decision on loans. <p>Our Result: We considered the determination and recognition of the loan loss provision as adequate and acceptable.</p>




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Information Technology System and control Impacting Financial Reporting

The information technology of the company is Complex and involves a large number of independent and inter-dependent IT system used in the operation of the company for processing and recording a large volume of transactions. As a result, there is a high degree of reliance and dependency on such IT system for the financial reporting process of the company.

Appropriate IT General controls and application controls are required to ensure that such IT systems are able to process the data, as required completely, accurately and consistently for financial reporting.

We considered this as a key audit matters as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to management, stakeholders and regulators.

Our audit approach regarding Information Technology of the company is based upon the Information Technology Guidelines 2012 issued by NRB and it also included:

- Verification of the interest income and expenses booking regarding loans and deposits on test check basis with the CBS of the company.
- Reliance on the IT audit conducted by the company.
- Verifications of the provisions of the loans and advances based on ageing on test checks basis.
- Verifications of access to the users (User ID) for data input, alteration/modification and report extraction of report by using the user ID already created by the Bank.

Our result:

we considered the information technology system and their relevant controls to be adequate.

Other Information:

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

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

Our responsibilities are to read the other information and, in doing so, consider whether the information is materially inconsistent with the financial statements of our knowledge obtained in the course of 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 Charged with Governance for the Financial Statements

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

A. J. K. J.



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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- Conclude on the appropriateness of the management's use of the going concern basis of accounting.
- Evaluate the overall presentations, structure and context of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

We have determined to communicate the followings matters in accordance with the requirements of NRB directives, Companies Act 2063, BAFIA 2073 and other regulatory requirements.

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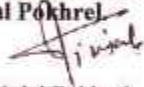
Kinjal & Associates

Chartered Accountants

COP No.- 715
Mem. No.-951
Vat Reg. No.- 104927096

- We have obtained all the information and explanations which to the best of our knowledge and belief, where necessary for the purpose of our audit.
- Based on our audit, proper books of account as required by the law have been kept by the company.
- Returns received from the branch offices of the company were adequate for the purposes of our audit though the statements are independently not audited.
- The capital fund, risk bearing fund and the provisions for possible impairment of assets of the company are adequate considering the Directives issued by Nepal Rastriya Bank.
- In our opinion and to the best of our information and accordingly to the explanations and from our examination of the books of accounts of the company we have not come across any cases where the Board of Directors or any office bearer of the company have acted contrary to the provisions of law, or committed any misappropriation or caused any loss or damage to the company and violated Directives issued by NRB or acted in a manner, as would Jeopardize the interest and security of the company's, shareholders and its depositors.
- The business of the company has been conducted satisfactorily and operated within its jurisdictions and has been functioning as per NRB directives.

The engagement proprietor on the audit resulting in this independent auditor's report is CA **Kinjal Pokhrel**


CA Kinjal Pokhrel
Proprietor
Kinjal and Associates
Chartered Accountants
Biratnagar, Morang, Nepal
Date: 2080.07.22
UDIN: 231109CA00951Xa5le



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kinjal.pokharek@gmail.com

Miteri Development Bank Limited
Statement of Financial Position
As on 31 Ashad 2080 (July 16, 2023)

Particulars	Note	Bank	
		Ashad end 2080	Ashad end 2079
Assets			
Cash and Cash Equivalents	4.1	412,854,404	324,563,776
Due from Nepal Rastra Bank	4.2	240,894,353	96,958,435
Placement with Bank and Financial Institutions	4.3	-	-
Derivative Financial Instruments	4.4	-	-
Other Trading Assets	4.5	-	-
Loans and Advances to BFIs	4.6	390,332,052	220,597,745
Loans and Advances to Customers	4.7	4,215,984,202	4,824,237,133
Investment Securities	4.8	2,682,154,805	1,835,097,100
Current Tax Assets	4.9	-	375,186
Investment in Subsidiaries	4.10	-	-
Investment in Associates	4.11	-	-
Investment Property	4.12	21,609,661	9,060,114
Property and Equipment	4.13	52,399,796	58,024,023
Goodwill and Intangible Assets	4.14	267,222	447,763
Deferred Tax Assets	4.15	13,869,133	10,559,774
Other Assets	4.16	67,831,954	140,074,352
Total Assets		8,098,197,583	7,519,995,403

Particulars	Note	Bank	
		Ashad end 2080	Ashad end 2079
Liabilities			
Due to Bank and Financial Institutions	4.17	53,766,970	59,816,575
Due to Nepal Rastra Bank	4.18	-	-
Derivative Financial Instruments	4.19	-	-
Deposits from Customers	4.20	6,506,886,332	6,064,593,312
Borrowings	4.21	-	-
Current Tax Liabilities	4.9	12,807,423	-
Provisions	4.22	-	-
Deferred Tax Liabilities	4.15	-	-
Other Liabilities	4.23	73,270,894	97,735,241
Debt Securities Issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
Total Liabilities		6,646,731,619	6,222,145,128
Equity			
Share Capital	4.26	1,015,001,437	903,428,070
Share Premium		-	-
Retained Earnings		137,377,951	140,348,650
Reserves	4.27	299,086,576	254,073,555
Total Equity Attributable to Equity Holders		1,451,465,964	1,297,850,276
Non Controlling Interest			
Total Equity		1,451,465,964	1,297,850,276
Total Liabilities and Equity		8,098,197,583	7,519,995,403
Contingent Liabilities and Commitments	4.28	110,771,754	86,478,978
Net Assets Value per share		143.00	143.66

Kisan Maskey Gambhir Man Tandukar Megh Raj Shrestha Shambhu Prasad Shrestha Kinjal Pokhrel
Chairman Director Director Director Proprietor
Kinjal & Associates
Chartered Accountants

Netra Prasad Dahal Bandana Baidhya Tulasi Prasad Wosti Umesh Karki
Director Director CEO Head Of Account

Miteri Development Bank Limited
Statement of Profit or Loss
For the year ended 31 Ashad 2080 (July 16, 2023)

Particulars	Note	Bank	
		Ashad end 2080	Ashad end 2079
Interest Income	4.29	978,398,520	759,027,337
Interest Expense	4.30	628,011,463	449,655,713
Net Interest Income		350,387,057	309,371,624
Fee and Commission Income	4.31	15,894,617	26,495,898
Fee and Commission Expense	4.32	1,325,610	912,512
Net Fee and Commission Income		14,569,007	25,583,386
Net Interest, Fee and Commission Income		364,956,063	334,955,010
Net Trading Income	4.33	-	-
Other Operating Income	4.34	3,748,401	9,197,458
Total Operating Income		368,704,464	344,152,467
Impairment Charge/ (Reversal) for Loans and Other Losses	4.35	469,860	9,743,778
Net Operating Income		368,234,604	334,408,689
Operating Expense			
Personnel Expenses	4.36	92,275,926	79,881,249
Other Operating Expenses	4.37	30,855,269	29,223,811
Depreciation & Amortisation	4.38	11,775,510	12,513,033
Operating Profit		233,327,899	212,790,595
Non Operating Income	4.39	-	-
Non Operating Expense	4.40	-	-
Profit Before Income Tax		233,327,899	212,790,595
Income Tax Expense	4.41		
Current Tax		74,964,720	66,175,008
Deferred Tax		(2,520,552)	(1,237,711)
Profit for the Period		160,883,731	147,853,298
Profit Attributable to:			
Equity-holders of the Bank		160,883,731	147,853,298
Non-Controlling Interest			
Profit for the Period		160,883,731	147,853,298
Earnings per Share			
Basic Earnings per Share		15.85	16.37
Diluted Earnings per Share		15.85	16.37

Kisan Maskey Gambhir Man Tandukar Megh Raj Shrestha Shambhu Prasad Shrestha Kinjal Pokhrel
Chairman Director Director Director Proprietor
Kinjal & Associates
Chartered Accountants

Netra Prasad Dahal Bandana Baidhya Tulasi Prasad Wosti Umesh Karki
Director Director CEO Head Of Account

Miteri Development Bank Limited
Statement of Other Comprehensive Income
For the year ended 31 Ashad 2080 (July 16, 2023)

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Profit for the year	160,883,731	147,853,298
Other Comprehensive Income, Net of Income Tax		
a) Items that will not be reclassified to profit or loss		
Gains/(losses) from investment in equity instruments measured at fair value	(1,408,300.00)	(7,962,600)
Gains/(losses) on revaluation	-	-
Actuarial gains/(losses) on defined benefit plans	(1,221,057)	(118,026)
Income tax relating to above items	788,807	2,424,188
Net other comprehensive income that will not be reclassified to profit or loss	(1,840,550)	(5,656,438)
b) Items that are or may be reclassified to profit or loss		
Gains/(losses) on cash flow hedge		
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-
Income tax relating to above items		
Reclassify to profit or loss		
Net other comprehensive income that are or may be reclassified to profit or loss	-	-
c) Share of other comprehensive income of associate accounted as per equity method	-	-
Other Comprehensive Income for the year, Net of Income Tax	(1,840,550)	(5,656,438)
Total Comprehensive Income for the Period	159,043,181	142,196,860
Total Comprehensive Income attributable to:		
Equity-Holders of the Bank	159,043,181	142,196,860
Non-Controlling Interest		
Total Comprehensive Income for the Period	159,043,181	142,196,860

Kisan Maskey
Chairman

Gambhir Man Tandukar
Director

Megh Raj Shrestha
Director

Shambhu Prasad Shrestha
Director

Kinjal Pokhrel
Proprietor
Kinjal & Associates
Chartered Accountants

Netra Prasad Dahal
Director

Bandana Baidhya
Director

Tulasi Prasad Wasti
CEO

Umesh Karki
Head Of Account

Miteri Development Bank Limited
Statement of Cash Flows
For the year ended 31 Ashad 2080 (July 16, 2023)

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest Received	698,553,094	646,512,182
Fee and Other Income Received	15,894,617	26,495,898
Dividend Received		
Receipts from Other Operating Activities	1,437,304	1,182,059
Interest Paid	(628,011,463)	(449,655,713)
Commissions and Fees Paid	(1,325,610)	(912,512)
Cash Payment to Employees	(87,154,312)	(76,359,376)
Other Expenses Paid	(30,855,269)	(29,223,811)
Operating Cash Flows before Changes in Operating Assets and Liabilities	(31,461,639)	118,038,727
(Increase) Decrease in Operating Assets		
Due from Nepal Rastra Bank	(143,935,918)	37,509,709
Placement with Banks and Financial Institutions	-	-
Other Trading Assets		
Loans and Advances to BFIs	(171,969,916)	242,431,331
Loans and Advances to Customers	609,460,295	(349,420,887)
Other Assets	86,249,471	83,748,348
Increase (Decrease) in Operating Liabilities		
Due to Banks and Financial Institutions	(6,049,605)	14,627,941
Due to Nepal Rastra Bank	-	-
Deposit from Customers	442,293,021	617,732,823
Borrowings	-	-
Other Liabilities	(16,220,153)	44,280,502
Net Cash Flow from Operating Activities before Tax Paid	768,365,556	808,948,494
Income Tax Paid	(74,964,720)	(66,175,008)
Net Cash Flow from Operating Activities	693,400,836	742,773,486
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investment Securities	(847,057,705)	(1,010,167,470)
Receipts from Sale of Investment Securities	-	-
Purchase of Property and Equipment	(5,928,932)	(33,299,528)
Receipts from Sale of Property and Equipment	(49,103)	1,274,298
Purchase of Intangible Assets	(41,810)	(338,774)
Purchase of Investment Properties	(12,549,547)	(9,060,114)
Receipts from Sale of Investment Properties	-	-
Interest Received	265,424,732	104,979,172
Dividend Received	2,360,200	6,741,100
Net Cash Used in Investing Activities	(597,842,165)	(939,871,316)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from Issue of Debt Securities		
Repayments of Debt Securities		
Receipts from Issue of Subordinated Liabilities		
Repayments of Subordinated Liabilities		
Receipt from Issue of Shares	-	-
Dividends Paid	(5,872,282)	(5,581,639)
Interest Paid		
Other Receipts/Payments	(1,395,761)	(5,656,438)
Net Cash from Financing Activities	(7,268,043)	(11,238,077)
Net Increase (Decrease) in Cash and Cash Equivalents	88,290,627	(208,335,906)
Cash and Cash Equivalents at Beginning of the year	324,563,776	532,899,682
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held		
Cash and Cash Equivalents at End of the year	412,854,404	324,563,776

Kisan Maskey Gambhir Man Tandukar Megh Raj Shrestha Shambhu Prasad Shrestha Kinjal Pokhrel
Chairman Director Director Director Proprietor
Kinjal & Associates
Chartered Accountants

Netra Prasad Dahal Bandana Baidhya Tulasi Prasad Wasti Umesh Karki
Director Director CEO Head Of Account

Miteri Development Bank Limited
Statement of Changes in Equity
For the year ended 31 Ashad 2080 (July 16, 2023)

Particulars	Bank										Total Equity	
	Share Capital	Share Premium	General Reserve	Exchange Equitisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Other Reserve ²	Total		Non-Controlling Interest
Balance at Shrawan 01, 2078	797,176,938	-	197,995,550	-	13,697,079	6,544,077	-	148,100,249	(1,796,829)	1,161,275,054	-	1,161,275,054
Adjustment/Restatement	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment/Restated Balance as at Shrawan 01, 2077	797,176,938	-	197,995,550	-	13,697,079	6,544,077	-	148,100,249	(1,796,829)	1,014,983,851	-	1,014,983,851
Comprehensive Income for the year	-	-	-	-	-	-	-	147,853,208	-	147,853,208	-	147,853,208
Profit for the year	-	-	-	-	-	-	-	147,853,208	-	147,853,208	-	147,853,208
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) from investment in equity instruments measured at fair value	-	-	-	-	-	(5,573,820)	-	-	-	(5,573,820)	-	(5,573,820)
Gain/(loss) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actual gain/(loss) on defined benefit plan	-	-	-	-	-	-	-	-	(82,610)	(82,610)	-	(82,610)
Gain/(loss) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gain/(loss) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	20,570,660	-	12,646,097	(5,573,820)	-	147,853,208	(82,610)	142,196,840	-	142,196,840
Transfer to Reserves during the year	-	-	-	-	-	-	-	(44,793,659)	2,576,294	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	813,453	(813,453)	-	-	-
Transactions with Owners, directly recognized in equity	-	-	-	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-	-	-	-
Share Issue Premiums	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	106,051,133	-	-	-	-	-	-	(106,051,133)	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	(5,581,629)	-	(5,581,629)	-	(5,581,629)
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	106,051,133	-	20,570,660	-	12,646,097	(5,573,820)	-	(7,759,590)	1,600,142	136,615,222	-	136,615,222
Balance at Ashad 31, 2079	903,428,679	-	227,476,209	-	25,743,776	970,257	-	340,793,439	(116,687)	1,298,295,065	-	1,298,295,065

Balance at Start of 01, 2019	901,428,076	-	27,476,209	-	25,743,776	970,253	140,799,439	(1,16,687)	1,296,295,065	-	1,296,295,065
Comprehensive Income for the year											
Profit for the year							160,885,731		160,885,731		160,885,731
Other Comprehensive Income, Net of Tax											
Gain (Losses) from investments at equity instruments measured at fair value											
Gain (Losses) on revaluation											
Actuarial gain (losses) on defined benefit plans											
Gain (Losses) on cash flow hedge											
Exchange gain (losses) arising from translating financial assets of foreign operation											
Total Comprehensive Income for the year							160,885,731	66,47,401	159,143,181		159,143,181
Transfer to Reserves during the year							(61,309,357)	1,69,837			
Transfer from Reserves during the year							1,455,786	(1,455,786)			
Transactions with Owners, Directly recognized in Equity											
Share Issued											
Share Based Payments											
Dividend to Equity-Holders											
Share Shares Issued											
Cash Dividend Paid											
Other											
Total Contributions by and Distributions											
Balance at End of 31, 2019	1,015,401,437	-	289,682,955	-	44,523,773	(985,810)	137,377,951	(818,376)	1,451,465,964	-	1,451,465,964

*other reserve (read explicitly in reference to above SOCE only) includes Actuarial reserve, Corporate social responsibility reserve and Staff training fund.

Kisan Maskey	Gambhir Man Tandukar	Megh Raj Shrestha	Shambhu Prasad Shrestha	Kinjhal Pokhrel
Chairman	Director	Director	Director	Proprietor
				Kinjhal & Associates
				Chartered Accountants
Netra Prasad Dahal	Bandana Baidhya	Tulasi Prasad Wasti	Umesh Karki	
Director	Director	CEO	Head Of Account	

MITERI DEVELOPMENT BANK LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE
FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

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

1. REPORTING ENTITY

Miteri Development Bank Limited is registered at "Company Register Office" under Companies Act, 2063 and is licensed by Nepal Rastra Bank under Banking and Financial Institution Act, 2073 as 'B' class Development Bank. The bank started its operation since 2063/06/27 and currently providing the financial services in eastern region of Nepal i.e., in Morang, Sunsari and Jhapa Districts. Bank is licensed by NRB for working in 5 Districts namely Morang, Sunsari, Jhapa, Udhaypur and Dhankuta.

The bank is promoted by a group of experienced and highly motivated individuals from all groups. The promoters include Professional Bankers, Doctors, Entrepreneurs, Educationalists and Technocrats. Besides, more number of promoters includes from Dharan municipality.

The Bank is listed on Nepal Stock Exchange and its stock symbol is "MDB".

2. BASIS OF PREPARATION

The financial statements of the Bank have been prepared on accrual basis of accounting except the Cash Flow Statement, 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 Bank. The accounting policies are consistently applied to all the years presented, except for the changes in accounting policies disclosed specifically.

2.1. Statement of Compliance

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

2.2. Reporting Period

Reporting Period is a period from the first day of Shrawan (Mid July) of any year to the last day of Ashad (Mid July) of the next year as per Nepali calendar.

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

2.3. Functional and Presentation Currency

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

2.4. Use of Estimates, Assumptions and Judgment

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

2.5. Changes in Accounting Policies

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

2.6. New Reporting standards issued but not effective

For the reporting of financial instruments, NAS 32 Financial Instruments Presentation, NAS 39 Financial Instruments Recognition and Measurements and NFRS 7 Financial Instruments – Disclosures have been applied. NFRS 9 has been complied for the classification of Financial Instruments. Few carve-outs on applicable Accounting Standards as provided by the Institute of Chartered Accountants of Nepal have been used by the Bank, the quantitative and qualitative impact of the same have been disclosed in detail in Notes to the Accounts. Further, a number of new standards and amendments to the existing standards and interpretations have been issued by International Accounting Standard Board after the pronouncements of NFRS with varying effective dates. Those become applicable when Accounting Standard Board Nepal incorporates them within NFRS.

2.7. Discounting

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

2.8. Materiality and Aggregation

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

2.9. Prior Period Errors

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1. Basis of Measurement

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

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

3.2. Cash and cash equivalents

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

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

3.3. Financial assets and Financial Liabilities

Initial Recognition

a. Date of Recognition

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

b. Recognition and Initial Measurement of Financial Instruments

The classification of financial instruments at the initial recognition depends on their purpose and characteristics and the management's intention in acquiring them. All financial instruments are measured initially at their fair value plus transaction costs that are directly attributable to acquisition or issue of such financial instruments except in the case of such financial assets and liabilities at fair value through profit or loss, as per the Nepal Accounting Standard - NAS 39 (Financial Instruments: Recognition and Measurement). Transaction costs in relation to financial assets and financial liabilities at fair value through profit or loss are dealt with the Statement of Profit or Loss.

Classification and Subsequent Measurement of Financial Instruments

Classification and Subsequent Measurement of Financial Assets

At the inception, a financial asset is classified into one of the following:

- (a) Financial assets at fair value through profit or loss
 - i. Financial assets held for trading
 - ii. Financial assets designated at fair value through profit or loss
- (b) Held to Maturity Financial Assets
- (c) Loans and Receivables
- (d) Financial assets available for sale

The subsequent measurement of financial assets depends on their classification.

a. Financial Assets at Fair Value through Profit or Loss

A financial asset is classified as fair value through profit or loss if it is held for trading or is designated at fair value through profit or loss.

(i) Financial Assets Held for Trading

Financial assets are classified as held for trading if they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking. This category also includes derivative financial instruments entered by Bank that are not designated as hedging instruments in hedge relationships as defined by Nepal Accounting Standards (NAS) 39 "Financial Instruments: Recognition and Measurement".

Financial assets held for trading are recorded in the Statement of Financial Position at fair value. Changes in fair value are recognized in 'Net trading income'. Dividend income is recorded in 'Net trading income' when the right to receive the payment has been established

Bank evaluates its held for trading asset portfolio, other than derivatives, to determine whether the intention to sell them in the near future is still appropriate. When Bank is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Bank may elect to reclassify these financial assets. Financial assets held for trading include instruments such as government securities and equity instruments that have been acquired principally for the purpose of selling or repurchasing in the near term.

(ii) Financial Assets Designated at Fair Value through Profit or Loss

Bank designates financial assets at fair value through profit or loss in the following circumstances:

- Such designation eliminates or significantly reduces measurement or recognition inconsistency that would otherwise arise from measuring the assets.

- The assets are part of a group of Financial assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.
- The assets contain one or more embedded derivatives that significantly modify the cash flows that would otherwise have been required under the contract.

Financial assets designated at fair value through profit or loss is recorded in the Statement of Financial Position at fair value. Changes in fair value are recorded in 'Net gain or loss on financial instruments designated at fair value through profit or losses' in the Statement of Profit or Loss. Interest earned is accrued under 'Interest income', using the effective interest rate method, while dividend income is recorded under 'Other operating income' when the right to receive the payment has been established.

The Bank has not designated any financial assets upon initial recognition as designated at fair value through profit or loss.

b. Held to Maturity Financial Assets

Held to Maturity Financial Assets are non-derivative financial assets with fixed or determinable payments and fixed maturities which the Bank has the intention and ability to hold to maturity. After the initial measurement, held to maturity financial investments are subsequently measured at amortized cost using the effective interest rate, less impairment. The amortization is included in 'Interest income' in the Statement of Profit or Loss. The losses arising from impairment of such investments are recognized in the Statement of Profit or Loss.

c. Loans and Receivables from Customers

Loans and receivables include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- Those that the Bank intends to sell immediately or in the near term and those that the Bank, upon initial recognition, designates as fair value through profit or loss.
- Those that the Bank, upon initial recognition, designates as available for sale
- Those for which the Bank may not recover substantially all of its initial investment through contractual cash flows, other than because of credit deterioration.

After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate, less allowance for impairment. Within this category, loans and advances to the customers have been recognized at amortized cost using the method that very closely approximates effective interest rate method. The amortization is included in 'Interest Income' in the Statement of Profit or Loss. The losses arising from impairment are recognized in 'Impairment charge / reversal for loans and other losses' in the Statement of Profit or Loss.

d. Financial Assets Available for Sale

Available for sale financial assets include equity and debt securities. Equity Investments classified as 'Available for Sale' are those which are neither classified as 'Held for Trading' nor 'Designated at fair value through profit or loss'. Debt securities in this category are intended to be held for an indefinite period of time and may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available for sale financial investments are subsequently measured at fair value. Unrealized gains and losses are recognized directly in equity through 'Other comprehensive

income / expense' in the 'Available for sale reserve'. When the investment is disposed of the cumulative gain or loss previously recognized in equity is recognized in the Statement of Profit or Loss under 'Other operating income'. Where Bank holds more than one investment in the same security, they are deemed to be disposed of on a first-in-first-out basis. Interest earned whilst holding 'Available for sale financial investments' is reported as 'Interest income' using the effective interest rate. Dividend earned whilst holding 'Available for sale financial investments' are recognized in the Statement of Profit or Loss as 'other operating income' when the right to receive the payment has been established. The losses arising from impairment of such investments are recognized in the Statement of Profit or Loss under 'Impairment charge for loans and other losses' and removed from the 'Available for sale reserve'.

Financial assets under AFS that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortized cost of the security are recognized in income statement and other changes in the carrying amount are recognized in other comprehensive income.

In the normal course of business, the fair value of a financial instrument on initial recognition is the transaction price (that is, the fair value of the consideration given or received). In certain circumstances, however, the fair value will be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only data from observable markets, such as interest rate yield, option volatilities and currency rates. When such evidence exists, the Bank recognizes a trading gain or loss on inception of the financial instrument, being the difference between the transaction price and fair value.

When unobservable market data have a significant impact on the valuation of financial instruments, the entire initial difference in fair value from the transaction price as indicated by the valuation model is not recognized immediately in the income statement. Instead, it is recognized over the life of the transaction on an appropriate basis, when the inputs become observable, the transaction matures or is closed out, or when the Bank enters into an offsetting transaction.

Classification and Subsequent Measurement of Financial Liabilities

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

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

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

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

(i) Financial Liabilities Held for Trading

Financial liabilities are classified as held for trading if they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking. This category includes derivative financial instrument entered into by Bank that are not designated as hedging instruments in hedge relationships as defined by Nepal Accounting Standard - NAS 39 (Financial Instruments: Recognition and Measurement).

(ii) Financial Liabilities Designated at Fair Value through Profit or Loss

Bank designates financial liabilities at fair value through profit or loss at following circumstances:

- Such designation eliminates or significantly reduces measurement or recognition inconsistency that would otherwise arise from measuring the liabilities.
- The liabilities are part of a group of Financial assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy
- The liability contains one or more embedded derivatives that significantly modify the cash flows that would otherwise have been required under the contract.

(b) Financial Liabilities At Amortized Cost

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

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

Reclassification of Financial Instruments

(a) Reclassification of Financial Instruments 'At fair value through profit or loss',

Bank does not reclassify derivative financial instruments out of the fair value through profit or loss category when it is held or issued.

Non-derivative financial instruments designated at fair value through profit or loss upon initial recognition is not reclassified subsequently out of fair value through profit or loss category.

Bank may, in rare circumstances reclassify financial instruments out of fair value through profit or loss category if such instruments are no longer held for the purpose of selling or repurchasing in the near term notwithstanding that such financial instruments may have been acquired principally for the purpose of selling or repurchasing in the near term. Financial assets classified as fair value through profit or loss at the initial recognition which would have also met the definition of 'Loans and Receivables' as at that date is reclassified out of the fair value through profit or loss category only if Bank has the intention and ability to hold such asset for the foreseeable future or until maturity.

The fair value of financial instruments at the date of reclassification is treated as the new cost or amortized cost of the financial instrument after reclassification. Any gain or loss already recognized in respect of the reclassified financial instrument until the date of reclassification is not reversed to the Statement of Profit or Loss.

If a financial asset is reclassified, and if Bank subsequently increases its estimates of the future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is

recognized as an adjustment to the effective interest rate from the date of the change in estimate rather than an adjustment to the carrying amount of the asset at the date of change in estimate.

(b) Reclassification of 'Available for sale' Financial Instruments

Bank may reclassify financial assets out of available for sale category as a result of change in intention or ability or in rare circumstances that a reliable measure of fair value is no longer available.

A financial asset classified as available for sale that would have met the definition of loans and receivables at the initial recognition may be reclassified out of available for sale category to the loans and receivables category if Bank has the intention and ability to hold such asset for the foreseeable future or until maturity.

The fair value of financial instruments at the date of reclassification is treated as the new cost or amortized cost of the financial instrument after reclassification. Difference between the new amortized cost and the maturity value is amortized over the remaining life of the asset using the effective interest rate. Any gain or loss already recognized in Other Comprehensive Income in respect of the reclassified financial instrument is accounted as follows:

i) Financial assets with fixed maturity:

Gain or loss recognized up to the date of reclassification is amortized to profit or loss over the remaining life of the investment using the effective interest rate. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in other comprehensive income is reclassified from equity to profit or loss.

ii) Financial assets without fixed maturity :

Gain or loss recognized up to the date of reclassification is recognized in profit or loss only when the financial asset is sold or otherwise disposed of. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in other comprehensive income is reclassified from equity to profit or loss.

If a financial asset is reclassified, and if Bank subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognized as an adjustment to the effective interest rate from the date of the change in estimate rather than an adjustment to the carrying amount of the asset at the date of change in estimate.

(c) Reclassification of 'Held to Maturity' Financial Instruments

As a result of a change in intention or ability, if it is no longer appropriate to classify an investment as held to maturity, Bank may reclassify such financial assets as available for sale and re-measured at fair value. Any difference between the carrying value of the financial asset before reclassification and fair value is recognized in equity through other comprehensive income.

However, if Bank were to sell or reclassify more than an insignificant amount of held to maturity investments before maturity [other than in certain specific circumstances permitted in Nepal Accounting Standard - NAS 39(Financial Instruments: Recognition and Measurement)], the entire category would be tainted and would have to be reclassified as 'Available for sale'. Furthermore, Bank would be prohibited from classifying any financial assets as 'Held to Maturity' during the following two years. These reclassifications are at the election of management and determined on an instrument by instrument basis.

De-recognition of Financial Assets and Liabilities

(a) De-recognition of Financial Assets

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

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

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 profit or loss.

When Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Bank's continuing involvement in the asset. In that case, Bank also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Bank has retained.

When Bank'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 Bank that Bank could be required to repay.

When securities classified as available for sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are reclassified to income statement as gains and losses from investment securities.

(b) De-recognition of Financial Liabilities

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

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

(c) Repurchase and Reverse Repurchase Agreements

Securities sold under agreement to repurchase at a specified future date are not de-recognized from the Statement of Financial Position as the Bank retains substantially all of the risks and rewards of ownership. The corresponding cash received is recognized in the Statement of Financial Position as a liability with a corresponding obligation to return it, including accrued interest under 'Securities sold under repurchase agreements', reflecting the transaction's economic substance to the Bank. The difference between the sale and repurchase prices is treated as interest expense and is accrued over the life of the agreement using the effective interest rate. When the bank has the right to sell or re-pledge

the securities, the Bank reclassifies those securities in its Statement of Financial Position as 'Financial assets held for trading pledged as collateral or 'Financial assets available for sale pledged as collateral, as appropriate.

Conversely, securities purchased under agreements to resell at future date are not recognized in the Statement of Financial Position. The consideration paid, including accrued interest, is recorded in the Statement of Financial Position, under "Reverse repurchase agreements" reflecting the transaction's economic substance to the Bank. The difference between the purchase and resale prices is recorded as 'Interest income' and is accrued over the life of the agreement using the effective interest rate. If securities purchased under agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale within 'Financial liabilities held for trading' and measured at fair value with any gains or losses included in 'Net trading income'.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when and only when Bank has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under NFRSs or for gains and losses arising from a group of similar transaction such as in trading activity.

Amortized Cost Measurement

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

Fair Value Measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of liability reflects its non-performance risk. When available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument (Level 01 valuation). A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis on an arm's length basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. 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 analyses and option pricing models. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Bank 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. Assets and long positions are measured at a bid price; liabilities and short positions are measured at an ask price. Where the Bank has positions with offsetting risks, mid-market prices are used to measure the offsetting risk positions and a bid or asking price adjustment is applied only to net open position as appropriate.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability (Level 01 valuation) nor based on a valuation technique that uses only data from observable markets (Level 02 valuation), then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank entity and the counterparty 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 Bank believes a third-party market participant would take them into account in pricing a transaction.

The fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

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

The Bank recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Impairment of Financial Assets

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

Evidence of impairment may include: indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganization; default or delinquency in interest or principal payments; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(a) Impairment of Financial Assets carried at Amortized Cost

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

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

If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current closely approximates effective interest rate. If the Bank has reclassified trading assets to loans and advances, the discount rate for measuring any impairment loss is the new closely approximates effective interest rate determined at the reclassification date. The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

(i) Individually Assessed Financial Assets

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

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

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

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

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

- Bank's aggregate exposure to the customer.
- The viability of the customer's business model and their capacity to trade successfully out of financial difficulties and generate sufficient cash flows to service debt obligations;
- The amount and timing of expected receipts and recoveries;

- The extent of other creditors' commitments ranking ahead of, or pari-pasu with the Bank and the likelihood of other creditors continuing to support the company;
- The realizable value of security and likelihood of successful repossession;

(ii) Collectively Assessed Financial Assets

Impairment is assessed on a collective basis in two circumstances:

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

➤ **Incurred but not yet identified impairment**

Individually assessed financial assets for which no evidence of loss has been specifically identified on an individual basis are grouped together according to their credit risk characteristics for the purpose of calculating an estimated collective loss. This reflects impairment losses that the bank has incurred as a result of events occurring before the reporting date, which the Bank is not able to identify on an individual loan basis and that can be reliably estimated.

These losses will only be individually identified in the future. As soon as information becomes available which identifies losses on individual financial assets within the group, those financial assets are removed from the group and assessed on an individual basis for impairment.

The collective impairment allowance is determined after taking into account:

- 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.

➤ **Homogeneous groups of Financials Assets**

Statistical methods are used to determine impairment losses on a collective basis for homogenous groups of financial assets. Losses in these groups of financial assets are recorded on an individual basis when individual financial assets are written off, at which point they are removed from the group.

Bank uses the following method to calculate historical loss experience on collective basis:

After grouping of loans on the basis of homogeneous risks, the Bank uses net flow rate method. Under this methodology the movement in the outstanding balance of customers into default categories over the periods is used to estimate the amount of financial assets that will eventually be irrecoverable, as a result of the events occurring before the reporting date which the Bank is not able to identify on an individual loan basis.

Under this methodology, 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 prove irrecoverable.

Current economic conditions and portfolio risk factors are also evaluated when calculating the appropriate level of allowance required to cover inherent loss. These additional macro and portfolio risk factors may include:

- Recent loan portfolio growth and product mix
- Unemployment rates
- Gross Domestic Production (GDP) Growth

- Inflation
- Interest rates
- Changes in government laws and regulations
- Property prices
- Payment status

(iii) Reversal of Impairment

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

(iv) Write-off of Financial Assets Carried at Amortized Cost

Financial assets (and the related impairment allowance accounts) are normally written off either partially or in full, when there is no realistic prospect of recovery. Where there is no realistic prospect of recovery. Where financial assets are secured, this is generally after receipt of any proceeds from the realization of security.

(v) Impairment of Rescheduled Loans and Advances

Where possible, the Bank seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms and the loan is no longer considered past due. Management continually reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to a criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loan's original effective interest rate (EIR).

(vi) Collateral Valuation

The Bank seeks to use collateral, where possible, to mitigate its risks on financial assets. The collateral comes in various forms such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. The fair value of collateral is generally assessed, at a minimum, at inception and based on the guidelines issued by the Nepal Rastra Bank. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as independent valuator and audited financial statements.

(vii) Collateral Legally Repossessed or Where Properties have devolved to the Bank

Legally Repossessed Collateral represents Non-Financial Assets acquired by the Bank in settlement of the overdue loans. The assets are initially recognized at fair value when acquired. The Bank's policy is to determine whether a repossessed asset is best used for its internal operations or should be sold. The proceeds are used to reduce or repay the outstanding claim. The immovable property acquired by foreclosure of collateral from defaulting customers, or which has devolved on the Bank as part settlement of debt, has not been occupied for business use.

These assets are shown as Legally Repossessed Collateral under "Other Assets."

(b) Impairment of Financial Assets – Available for Sale

For available for sale financial investments, Bank assesses at each reporting date whether there is objective evidence that an investment is impaired.

In the case of debt instruments, Bank assesses individually whether there is objective evidence of impairment based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the Income Statement. Future interest income is based on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to a credit event occurring after the impairment loss was recognized, the impairment loss is reversed through the Income Statement.

In the case of equity investments classified as available for sale, objective evidence would also include a 'significant' or 'prolonged' decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in profit or loss is removed from equity and recognized in the Statement of profit or loss. However, any subsequent increase in the fair value of an impaired available for sale equity security is recognized in other comprehensive income.

Bank writes-off certain available for sale financial investments when they are determined to be uncollectible.

3.4. Trading Assets

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

3.5. Derivatives 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.

3.6. Property, Plant and Equipment

Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of services, for rental to others or for administrative purposes and are expected to be used during more than one period. The Bank applies the requirements of the Nepal Accounting Standard - NAS 16 (Property, Plant and Equipment) in accounting for these assets. Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably measured.

Measurement

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

Cost Model

Property and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the equipment when that cost is incurred, if the recognition criteria are met.

Revaluation Model

The Bank 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 Bank 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.

Depreciation

Depreciation is calculated by using the written down value method on cost or valuation of the Property

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

Rate of Depreciation per annum (%)

Asset Category	For the year ended 16 July 2023	For the year ended 16 July 2022
Freehold Buildings	-	-
Motor Vehicles	20%	20%
Computer Equipment	25%	25%
Furniture, Office Equipment	25%	25%
Leasehold Properties	15%	15%

Changes in Estimates

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

Capital Work in Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development, awaiting capitalization. Capital work-in-progress would be 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. Capital work-in-progress is stated at cost less any accumulated impairment losses.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of an asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Bank incurs in connection with the borrowing of funds.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in the Statement of Profit or Loss when the item is derecognized. When replacement costs are recognized in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost of inspections is derecognized.

3.7. Goodwill and Intangible Assets

Recognition

An intangible asset is an identifiable non-monetary asset without physical substance, held for use in the production or supply of goods or services, for rental to others or for administrative purposes. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost. Expenditure incurred on an intangible item that was initially recognized as an expense by the Bank

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.

Computer Software & Licenses

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

Subsequent Expenditure

Expenditure incurred on software is capitalized only when it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. All other expenditure is expensed as incurred.

Goodwill is measured at cost less accumulated impairment losses.

Amortization of Intangible Assets

Intangible Assets, except for goodwill, are amortized on a straight-line basis in the Statement of Profit or Loss from the date when the asset is available for use, over the best of its useful economic life based on a pattern in which the asset's economic benefits are consumed by the bank. Amortization methods, useful lives, residual values are reviewed at each financial year end and adjusted if appropriate. The Bank assumes that there is no residual value for its intangible assets.

Asset Category	For the year ended 16 July 2023	For the year ended 16 July 2022
Computer Software	Over 5 years	Over 5 years
Licenses	Over 5 years	Over 5 years

De-recognition of Intangible Assets

The carrying amount of an item of intangible asset is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising on de recognition of an item of intangible assets is included in the Statement of Profit or Loss when the item is derecognized.

3.8. Investment Property

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

Measurement

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

De-recognition

Investment properties are derecognized when they are disposed of or permanently withdrawn from use

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

3.9. Income Tax

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

Current Tax

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

Deferred Tax

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

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination, and at the time of transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary differences arising from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in Subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference will be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is probable that sufficient profit will be available to allow the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

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

3.10. Deposits, debt securities issued and subordinated liabilities

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

3.11. Provisions

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

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

3.12. Revenue Recognition

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

Interest Income

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

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

Fee and Commission Income

Fees earned for the provision of services over a period of time are accrued over that period. These fees include Service fees, commission income. Loan syndication fees are recognized as revenue when the syndication has been completed and the Bank retained no part of the loan package for itself, or retained

a part at the same effective interest rate as for the other participants. Portfolio and other management advisory fees and service distribution fees are recognized based on the applicable contracts, usually on a time apportionment basis.

Dividend Income

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

Net Trading Income

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

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 instruments are designated at fair value through profit or loss. The bank has no income under the heading net income from other financial instrument at fair value through profit or loss.

3.13. Interest Expense

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

3.14. Employee Benefits

Employee benefits include:

- Short-term employee benefits such as the following, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services:
 - i. Wages, salaries and social security contributions;
 - ii. Paid annual leave and paid sick leave;
 - iii. Profit sharing and bonuses, and
 - iv. Non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees;

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

- Post-employment benefits, such as the following:
 - i. Retirement benefits (e.g., pensions, lump sum payments on retirement); and
 - ii. Other post-employment benefits such as post-employment life insurance and post-employment medical care;
- Other long term employee benefits and
- Termination benefits

Post employments benefits are as follows:

Defined Contribution Plans

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

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

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

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Accordingly, staff gratuity has been considered as defined benefit plans as per Nepal Accounting Standards – NAS 19 (Employee Benefits).

Gratuity

An actuarial valuation is carried out every year to ascertain the full liability under gratuity. Bank'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 Bank. An economic benefit is available to Bank if it is realizable during the life of the plan, or on settlement of the plan liabilities.

Bank 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 Bank'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. Bank recognizes the total actuarial gain and loss that arises in calculating Bank'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 (58 years), early withdrawal from service and retirement on medical grounds.

Unutilized Accumulated Leave

Bank's liability towards the accumulated leave which is expected to be utilized beyond one year from the end of the reporting period is treated as other long term employee benefits. Bank's net obligation towards unutilized accumulated leave is calculated by discounting the amount of future benefit that employees have earned in return for their service in the current and prior periods to determine the present value of such benefits. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating to the terms of Bank's obligation. The calculation is performed using the Projected Unit

Credit method. Net change in liability for unutilized accumulated leave including any actuarial gain and loss are recognized in the Statement of Profit or Loss under 'Personnel Expenses' in the period in which they arise.

3.15. Leases

Bank has applied NFRS 16 from FY 78-79. NFRS 16 Leases brings significant changes in accounting requirements for lease accounting, primarily for lessees. NFRS 16 replaces the existing suite of standards and interpretations on leases.

Almost all leases are recognized in the statement of financial position as a 'right-of-use' asset and a lease liability. There are narrow exceptions to this recognition principle for leases where the underlying asset is of low value and for short term leases (i.e. those with a contractual term of 12 months or less). The asset is subsequently accounted for in accordance with the cost or revaluation model in NAS 16 Property, Plant and Equipment or as Investment Property under NAS 40 Investment Property. The liability is unwound over the term of the lease giving rise to an interest expense.

Lease is a contract in which one party provides an asset to the other party for some consideration usually a periodic payment. The bank assesses whether a contract is or contains a lease, at inception of the contract. In accordance with NFRS-16 "Leases"; the bank recognizes a right-of-use asset and a corresponding lease liability, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets as the group is lessee in all lease arrangements. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the bank uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented within other Liabilities in the Statement of Financial Position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the bank incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under NAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the bank expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The bank depreciates Right-of-use assets from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The right-of-use assets are presented Within Property, plant and Equipment in the Statement of Financial Position.

The bank applies NAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs.

3.16. 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 bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, etc. whether cancellable or not and the bank had not made payments at the reporting date, those instruments are included in these financial statements as commitments.

3.17. Share capital and reserves

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

3.18. Earnings per share

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

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

Segment reporting

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

Not every part of an entity is necessarily an operating segment or part of an operating segment. For

example, a corporate headquarters or some functional departments may not earn revenues or may earn revenues that are only incidental to the activities of the entity and would not be operating segments. The bank has identified the key segments of business on the basis districts i.e Morang, Jhapa, Sunsari

3.19. Impairment of Non-Financial Assets

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or the fair value of the Cash Generating Units (CGU) fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows 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 costs to sell, an appropriate valuation model is used.

3.20. Dividend on Ordinary Shares

Dividend on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Bank's shareholders. Interim Dividend is deducted from equity when they are declared and no longer at the discretion of the Bank. Dividend for the year that is approved after the reporting date is disclosed as an event after the reporting date.

3.21. Cash Flow Statement

The cash flow statement has been prepared using 'The Direct Method', whereby gross cash receipts and gross cash payments of operating activities, finance activities and investing activities have been recognized.

3.22. Comparative Figures

The comparative figures and phrases have been rearranged wherever necessary to conform to the current year's presentation.

4. SIGNIFICANT ACCOUNTING POLICIES (Disclosures)

i. Staff Loans measured at fair value

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

The difference between the fair value and GAAP carrying amount has been netted off from staff loans & recognized as pre-paid staff cost in other assets.

ii. Adjustment on loan impairment

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

The movement between the impairment balances of two years was recognized in the Income Statement as an impairment charge.

Note :

Loans and advances are assessed individually and collectively as per incurred loss model which is compared with the loss provision prescribed by NRB directive no. 2. As per recent Carve Outs, Higher of the loss as per incurred loss model and NRB directive is considered for impairment.

iii. Interest Income

Interest Income has been accounted on accrual basis subject to interest income recognition guidelines, 2019 issued by NRB.

iv. Personnel Cost

Expenses relating to defined benefit plan and long service leave has been recognized as per actuarial valuation.

Bonus to staffs – As per the labour act, 10% bonus has been levied on Profit after bonus before tax.

v. Tax

Tax has been computed on the basis of profit computed from NFRS.

5. DISCLOSURES AND ADDITIONAL INFORMATION

5.1 Segment Analysis

The segment reporting has been done on the basis of districts. Miteri Banks is currently operating in Sunsari, Morang and Jhapa Districts and hence, the segment reporting has been done on the same basis. Comprehensive disclosure of segment analysis has been made on Note no 5.4.

5.2 Share options and share based payment

A share-based payment is a transaction in which the bank receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the entity's shares or other equity instruments of the entity. The bank does not have any share option and share based payment.

5.3 Contingent liabilities and commitment

Contingent Liabilities:

Where the Bank undertakes to make a payment on behalf of its customers for guarantees issued, such as for performance bonds or as irrevocable letters of credit as part of the Bank's transaction banking business for which an obligation to make a payment has not arisen at the reporting date, those are included in these financial statements as contingent liabilities.

Other contingent liabilities primarily include revocable letters of credit and bonds issued on behalf of customers to customs, for bids or offers.

Commitments:

Where the Bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, future guarantees, whether cancellable or not, or letters of credit and the Bank has not made payments at the reporting date, those instruments are included in these financial statement as commitments.

Please refer Note No. 4.28.1 to 4.28.4 for the detail of contingent liabilities and commitments.

Litigations:

Litigations are anticipated in the context of business operations due to the nature of the transactions involved. The Bank are involved in various such legal actions and the controls have been established to deal with such

legal claims. There are pending litigations existing as at the end of the reporting period against the Bank, resulting through normal business operations.

The details of litigations are presented in 4.28.5.(Details of such litigations if any)

5.4 Related parties disclosures

a) Transaction with related party

No such transaction exist with related parties.

b) Key Managerial Personnel

Key Management Personnel (KMP) of the Bank includes members of the Board, Chief Executive Officer and all top level executives. List of Board of Directors and CEO bearing office at balance sheet date are presented in Note no 5.7.

All members of the Board are non-executive directors, and no executive compensation is paid to the directors. Specific non-executive allowances paid to directors and Chief Executive officers are mentioned in Note no 5.7.

5.5 Merger and acquisition

No any merger has happened during the reporting period.

5.6 Additional disclosures of non-consolidated entities

Not applicable.

5.7 Events after reporting period

There are no material events that have occurred subsequent to balance sheet date till date of signing of this financial statement.

Miteri Development Bank Limited
Notes to Financial Statements
For the year ended 31 Asar 2080 (July 16, 2023)

Cash and Cash Equivalent 4.1

Cash and cash equivalent comprise the total amount of cash-in-hand, balances with other bank and financial institutions, money at call and short notice is presented as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Cash in Hand	49,211,289	52,099,447
Balances with BFIs	58,816,986	209,950,880
Money at Call and Short Notice	304,826,128	62,513,450
Other	-	-
Total	412,854,404	324,563,776

Due from Nepal Rastra Bank 4.2

Balances held with Nepal Rastra Bank is presented as follows :

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Statutory Balances with NRB	240,894,353	96,958,435
Securities purchased under Resale Agreement	-	-
Other Deposit and Receivable from NRB	-	-
Total	240,894,353	96,958,435

Placements with Banks and Financial Institutions 4.3

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Placement with Domestic BFIs	-	-
Placement with Foreign BFIs	-	-
Less: Allowances for Impairment	-	-
Total	-	-

Derivative Financial Instruments 4.4

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
<i>Held for Trading</i>		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Total	-	-

Other Trading Assets

4.5

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Treasury Bills	-	-
Government Bonds	-	-
NRB Bonds	-	-
Domestic Corporate Bonds	-	-
Equities	-	-
Other Trading Assets	-	-
Total	-	-

Loans and Advances to BFIs

4.6

Loan and advances given to microfinance financial institutions as deprived sector lending is presented under this head after providing required impairment allowances.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Loans to Micro-Finance Institutions	395,473,204	223,503,288
Other	-	-
Less: Allowances for Impairment	5,141,152	2,905,543
Total	390,332,052	220,597,745

4.6.1 Allowances for Impairment

4.6.1 Allowances for Impairment

Balance at Shrawan 01	2,905,543	6,057,150
Impairment Loss for the year:	-	-
Charge for the year	2,235,609	
Recoveries/Reversal	-	(3,151,607)
Amount Written Off	-	-
Balance at Asar End	5,141,152	2,905,543

Loans and Advances to Customers

4.7

Sum of the outstanding amount of all loans and advances extended to the customers other than BFIs, bills purchased and discounted and amortized cost of staff loans; less the amount of impairment allowances is presented under this head.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Loans and Advances measured at Amortized Cost	4,306,785,141	4,916,803,821
Less: Impairment Allowances		
Collective Impairment	58,939,509	63,575,520
Individual Impairment	31,861,430	28,991,168
Net Amount	4,215,984,202	4,824,237,133
Loans and Advances measured at FVTPL	-	-
Total	4,215,984,202	4,824,237,133

4.7.1 : Analysis of Loans and Advances- By Product

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Product		
Long Term Loans	782,202,396	846,519,107
Personal	590,290,428	662,498,207
Business	191,911,968	184,020,900
Working Capital	-	-
Overdraft(Personal Loan)	-	-
Trust Receipt/Import Loans	-	-
Cash Credit Loan	-	-
Short Term WC/Demand Loan	-	-
Personal Residential Loans	923,476,969	913,350,974
Real Estate Loans	55,350,000	65,438,277
Margin Lending Loans	53,000,000	20,000,000
Hire Purchase Loans	315,214,651	382,238,578
Auto Loan	-	-
Deprived Sector Loans	465,094,128	440,917,654
Bills Purchased	-	-
Staffs Loans	49,402,712	46,089,303
Other	1,645,657,841	2,192,289,778
Business OD	423,725,846	501,319,622
Education Loan	20,567,849	22,915,563
Business Interest Payable Loan	159,761,916	215,526,045
Loan Against FD	96,507,889	122,857,691
Personal Interest Payable Loan	758,962,353	1,077,709,526
Agriculture Loan	74,061,123	90,927,319
Subsidy Loan	94,205,191	143,065,428
Professional Loan	17,865,673	17,968,584
Sub-Total	4,289,398,697	4,906,843,670
Interest Receivable	17,386,444	9,960,151
Grand Total	4,306,785,141	4,916,803,821

4.7.2 : Analysis of Loans and Advances - By Currency

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Nepalese Rupee	4,306,785,141	4,916,803,821
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
Grand Total	4,306,785,141	4,916,803,821

4.7.3 : Analysis of Loans and Advances-By Collateral

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Secured		
Moveable/Immoveable Assets	4,121,545,905	4,738,008,962
Gold and Silver		
Guarantee of Domestic BFI's		
Government Guarantee		
Guarantee of International Rated Bank		

Collateral of Export Document		
Collateral of Fixed Deposit Receipt	96,507,889	122,857,691
Collateral of Government Securities		
Counter Guarantee		
Personal Guarantee	17,865,673	17,968,584
Other Collateral	70,865,673	37,968,584
Subtotal	4,306,785,141	4,916,803,821
<i>Unsecured</i>		
Grand Total	4,306,785,141	4,916,803,821

4.7.4 : Allowance for Impairment

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
<u>Specific Allowance for Impairment</u>		
Balance at Shrawan 01	28,991,168	19,575,709
Impairment Loss for the year	-	-
Charge for the year		
Recoveries/Reversals during the year	2,870,262	9,415,459
Write-Offs	-	-
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Asar End	31,861,430	28,991,168
<u>Collective Allowances for Impairment</u>		
Balance at Sharawan 01	63,575,520	60,095,594
Impairment Loss for the year	-	-
Charge/(Reversal) for the year	(4,636,011)	3,479,926
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Asar End	58,939,509	63,575,520
Total Allowances for Impairment	90,800,939	92,566,688

4.6.2 & 4.7.5
Amount in Full Figure
Classification of Loans, Advances & Bills Purchase and Provisioning(As per NRB Directive 2)

Particulars	Loans & Advances						Total	Previous Year
	Domestic			Foreign	Other	Total		
	Deprived Sector		Insured					
	1	2						
1 Performing Loan and Advances	-	856,945,732	3,720,370,493	-	4	5=1+2+3+4	5,031,123,040	
1.1 Pass Loan	-	851,703,651	3,601,949,061	-	-	-	5,002,002,503	
1.1.1 Pass Loan (other than Restructured/Rescheduled Covid Related)	-	851,703,651	3,601,949,061	-	-	4,453,652,713	5,002,002,503	
1.1.2 Pass Loan (Restructured/Rescheduled Covid Related)	-	-	-	-	-	-	-	
1.2 Watch List	-	5,242,080	118,421,431	-	-	123,663,512	29,120,537	
2 Non-Performing Loan and Advances	-	3,621,601	54,531,364	-	-	58,152,965	53,134,616	
2.1 Restructured / Rescheduled	-	-	-	-	-	-	-	
2.2 Sub-standard	-	1,567,637	17,614,876	-	-	19,182,513	21,886,340	
2.3 Doubtful	-	1,962,946	21,846,354	-	-	23,809,300	14,076,370	
2.4 Loss	-	91,018	15,070,134	-	-	15,161,152	17,171,907	
3 Total Loan and Advances (1+2)	-	860,567,332	3,774,901,857	-	-	4,635,469,189	5,084,257,656	
4 Total Loan Loss Provision	-	12,798,651	83,143,439	-	-	95,942,091	95,472,231	
4.1 Pass	-	11,072,147	46,825,338	-	-	57,897,485	65,026,033	
4.2 Watch List	-	262,104	5,921,072	-	-	6,183,176	1,455,030	
4.3 Restructured / Rescheduled	-	-	-	-	-	-	-	
4.3.1 Restructured / Rescheduled Covid Related	-	-	-	-	-	-	-	
4.3.2 Restructured / Rescheduled Others	-	-	-	-	-	-	-	
4.4 Sub-standard	-	391,909	4,403,719	-	-	4,795,628	5,471,585	
4.5 Doubtful	-	981,473	10,923,177	-	-	11,904,650	7,038,185	
4.6 Loss	-	91,018	15,070,134	-	-	15,161,152	16,481,398	
4.7 Additional	-	-	-	-	-	-	-	
4.8 SOL exceed	-	-	-	-	-	-	-	
4.9 PG & Third party collateral	-	-	-	-	-	-	-	
5 Net loan	-	-	-	-	-	4,539,527,099	4,988,785,425	

Investment Securities

4.8

Investments made by Bank in financial instruments has been presented under this account head in three categories i.e. investment securities designated at fair value through profit or loss, investment securities measured at amortized cost and investment in equity measured at fair value through other comprehensive income which is as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Investment Securities measured at Amortized Cost	2,652,370,675	1,803,904,670
Investment in Equity measured at FVTOCI	29,784,130	31,192,430
Total	2,682,154,805	1,835,097,100

4.8.1 : Investment Securities measured at Amortized Cost

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Debt Securities	-	-
Government Bonds	1,435,350,000	935,350,000
Government Treasury Bills	1,217,020,675	868,554,670
Nepal Rastra Bank Bonds	-	-
Nepal Rastra Bank Deposit Instruments	-	-
Other	-	-
Less: Specific Allowances for Impairment	-	-
Total	2,652,370,675	1,803,904,670

4.8.2 : Investment in Equity measured at FVTOCI

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Equity Instruments		
Quoted Equity Securities	29,312,830	30,721,130
Unquoted Equity Securities	471,300	471,300
Total	29,784,130	31,192,430

4.8.2: Information relating to Investment in Equities

Particulars	Bank			
	Ashad end 2080		Ashad end 2079	
	Cost	Fair Value	Cost	Fair Value
Investment in Quoted Equity				
Sanima Equity Fund				
10,72,000 Units of Rs. 10.02 Each	10,739,854	12,649,600	10,739,854	13,668,000
Citizen Mutual Fund 1(CMF-1)				
500000 units at rate of Rs 10.56 Each	5,280,828	4,690,000	5,280,828	4,400,000
Citizen Mutual Fund 1(CMF-2)				
299000 units at rate of Rs 11.03 Each	3,299,385	3,106,610	3,299,385	3,025,880
Prabhu Select Fund (PSF)				
1000000 units at rate Rs.10 Each	10,000,000	8,850,000	10,000,000	9,610,000
Sunrise First Mutual Fund(SFMF)				
1500 units at rate of Rs 9.99 Each	14,982	16,620	14,982	17,250
Investment in Unquoted Equity				
Nepal Clearing House Ltd.				
24,614 Shares of Rs. 100 Each	471,300	471,300	471,300	471,300
Total	29,806,348	29,784,130	29,806,348	31,192,430

Current Tax Assets

4.9

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Current Tax Assets		
Current year Income Tax Assets	60,020,916	66,550,194
Tax Assets of Prior Periods	-	-

Current Tax Liabilities		
Current year Income Tax Liabilities	72,828,338	66,175,008
Tax Liabilities of Prior Periods	-	-
Total	(12,807,423)	375,186

Investment in Subsidiaries

4.10

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
Total Investment		
Less: Impairment Allowances	-	-
Net Carrying Amount	-	-

4.10.1 : Investment in Quoted Subsidiaries

	Bank	
	Ashad end 2080	
	Cost	Fair Value
.....Ltd.		
.....Shares of Rs. Each		
.....Ltd.		
.....Shares of Rs. Each		
Total		

4.10.2 : Investment in Quoted Subsidiaries

	Bank	
	Ashad end 2080	
	Cost	Fair Value
.....Ltd.		
.....Shares of Rs. Each		
.....Ltd.		
.....Shares of Rs. Each		
Total	-	-

4.10.3 : Information relating to Subsidiaries of the Bank	Bank	
	Percentage of Ownership held by Bank	
	Ashad end 2080	Ashad end 2079
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
Total	-	-

4.10.4 : Non Controlling Interest of the Subsidiaries

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

Investment in Associates

4.11

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Investment in Quoted Associates	-	-
Investment in Unquoted Associates	-	-
Total Investment	-	-
Less: Impairment Allowances	-	-
Net Carrying Amount	-	-

4.11.1: Investment in Quoted Associates

	Bank	
	Previous Year	
	Cost	Fair Value
.....Ltd.		
.....Shares of Rs. Each		
.....Ltd.		
.....Shares of Rs. Each		
Total		

4.11.2: Investment in Unquoted Associates

	Bank	
	Previous Year	
	Cost	Fair Value
.....Ltd.		
.....Shares of Rs. Each		
.....Ltd.		
.....Shares of Rs. Each		

4.11.3: Information relating to Associates of the Bank

	Bank	
	Percentage of Ownership held by Bank	
	Ashad end 2080	Ashad end 2079
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		
.....Ltd.		

4.11.4: Equity Value of Associates

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

Investment Properties
4.12

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Investment Properties measured at Fair Value		
Balance as on Shrawan 01.	-	-
Addition/(Disposal) during the year.	-	-
Net Changes in fair value during the year.	-	-
Adjustment/Transfer.	-	-
Net Amount	-	-
Investment Properties measured at Cost		
Balance as on Shrawan 01	9,060,114	-
Addition/(Disposal) during the year	12,549,547	9,060,114
Net Changes in fair value during the year	-	-
Adjustment/Transfer	-	-
Net Amount	21,609,661	9,060,114
Total	21,609,661	9,060,114

4.13

Property and Equipment
Details of property, plant & equipment are presented as follows:

Particulars	Bank										Total Ashad end 2079		
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	ROU Asset	Total Ashad end 2080				
Cost													
As on Shrawan 01 2078	-	-	22,925,893	23,803,530	16,032,194	11,678,580	-	31,911,796	-	-	-	-	106,351,992
Additions during the year	-	-	-	953,853	1,378,700	31,500	-	-	-	-	-	-	2,364,053
Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-
Capitalization	-	-	-	82,795	893,507	-	-	-	-	-	-	-	976,302
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Ashad end 2079	-	-	22,925,893	24,674,567.91	16,517,887	11,710,080	-	31,911,796	-	-	-	-	107,739,724
Addition during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	3,017,829	1,627,930	-	448,124	-	1,086,070	-	-	-	-	6,179,953
Capitalization	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	66,698	2,911,142	-	534,375	-	-	-	-	-	-	3,502,165
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Ashad end 2080	-	-	25,877,075	23,391,356	16,517,887	11,633,829	-	33,097,866	-	-	-	-	107,739,724
Depreciation and Impairment													
As on Shrawan 01 2078	-	-	10,176,440	13,469,761	6,510,438	7,368,318	-	-	-	-	-	-	37,525,136
Depreciation charge for the year	-	-	1,912,418	2,771,957	2,081,520	1,085,590	-	4,339,279	-	-	-	-	12,190,564
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As on Ashad end 2079	-	-	12,088,858	16,241,718	8,591,958	8,453,908	-	4,339,279	-	-	-	-	49,715,701
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	2,077,436	2,450,950	1,594,278	919,482	-	4,511,013	-	-	-	-	11,553,159
Disposals	-	-	(40,174)	(2,726,982)	-	(483,988)	-	-	-	-	-	-	(3,251,144)
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As on Ashad end 2080	-	-	14,126,119	15,965,687	10,186,236	8,889,403	-	8,850,292	-	-	-	-	49,715,701
Capital Work in Progress													
Net Book Value	-	-	-	-	-	-	-	-	-	-	-	-	-
As on Ashad end 2078	-	-	12,749,454	10,333,768	9,521,776	4,310,062	-	31,911,796	-	-	-	-	68,836,856
As on Ashad end 2079	-	-	10,837,036	8,432,850	7,925,449	3,256,172	-	27,572,517	-	-	-	-	58,024,023
As on Ashad end 2080	-	-	11,750,955	7,425,669	6,331,171	2,744,426	-	24,187,574	-	-	-	-	52,399,796

4.14

Goodwill and Intangible Assets

The bank doesn't have any goodwill, Details of other intangible asset are as follows:

Particulars	Goodwill	Software		Other	Total Ashad end 2080
		Purchased	Developed		
Cost					
As on Shrawan 01 2078		2,805,570			2,805,570
Addition during the year.		338,775			
Acquisition.					
Capitalization.					
Disposal during the year.					
Adjustment/Revaluation.					
Balance as on Ashad end 2079		3,144,345			3,144,345
Addition during the Year		41,810			41,810
Acquisition					
Capitalization					
Disposal during the year					
Adjustment/Revaluation					
Balance as on Ashad end 2080		3,186,155	-		3,186,155
Amortisation and Impairment					
As on Shrawan 01 2078		2,374,113			2,040,297
Amortisation charge for the year		322,469			
Impairment for the year					
Disposals					
Adjustment					
As on Ashad end 2079		2,696,582			2,696,582
Impairment for the year					
Amortisation charge for the year		222,351			222,351
Disposals					
Adjustment					
As on Ashad end 2080		2,918,933			2,918,933
Capital Work in Progress					
Net Book Value					
As on Asar end 2078		431,457			267,222
As on Asar end 2079		447,763			765,272
As on Asar end 2080		267,222			447,763
					267,222

Deferred Tax

4.15

Deferred tax is calculated on temporary differences between the book values of financial assets/liabilities and tax bases of assets/liabilities using the statutory tax of 30%. Details as follows

Particulars	Bank		
	Deferred Tax Assets	Deferred Tax Liabilities	Current Year
			Net Deferred Tax Assets /(Liabilities)
Deferred tax on temporary differences on following items			
Loans and Advances to BFls			-
Loans and Advances to Customers			-
Investment Properties			-
Investment Securities	6,665		6,665
Property and Equipment	811,165		811,165
Employees' Defined Benefit Plan	13,290,137		13,290,137
Lease Liabilities			-
Provisions			-
Other Temporary Differences		238,835	(238,835)
Deferred tax on temporary differences			13,869,133
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			13,869,133
Deferred Tax (Asset)/ Liabilities as on Shrawan 01, 2079			(10,559,774)
Origination/(Reversal) during the year			(3,309,359)
Deferred Tax expense (income) recognized in profit or loss			(2,520,552)
Deferred Tax expense (income) recognized in OCI			(788,807)
Deferred Tax expense (income) recognized directly in Equity			

Particulars	Bank		
	Deferred Tax Assets	Deferred Tax Liabilities	Previous Year
			Net Deferred Tax Assets /(Liabilities)
Deferred tax on temporary differences on following items			
Loans and Advances to BFls			-
Loans and Advances to Customers			-
Investment Properties			-
Investment Securities		415,825	(415,825)
Property and Equipment	445,146		445,146
Employees' Defined Benefit Plan	10,530,452		10,530,452
Lease Liabilities			-
Provisions			-
Other Temporary Differences			-
Deferred tax on temporary differences			10,559,774
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			10,559,774
Deferred Tax (Asset)/ Liabilities as on Shrawan 01, 2078			(6,897,875)
Origination/(Reversal) during the year			(3,661,899)
Deferred Tax expense (income) recognized in profit or loss			(1,237,711)
Deferred Tax expense (income) recognized in OCI			(2,424,188)
Deferred Tax expense (income) recognized directly in Equity			

Other Assets
4.16

Other Asset include accounts receivable, interest receivable, accrued income, prepayments, deposit, deferred employee benefits and stationery stock etc details presented as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Assets held for Sale	-	-
Other Non-Banking Assets	-	-
Bills Receivable	-	-
Accounts Receivable	6,924,386	4,660,675
Accrued Income*	56,935,755	28,718,328
Prepayments and Deposits	1,247,543	1,240,566
Income Tax Deposit	-	-
Deferred Employee Expenditure	1,852,532	2,145,572
Other Assets	871,737	103,309,212
Total	67,831,954	140,074,352

*Accrued Income represents interest income accrued on Government securities as on balance sheet date.

Other Asset
4.16.1

Details of other asset under head other asset (4.16) includes general stationery Escrow Investment services, Operator/settlement account are as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
General Stationery	1,672,815	1,578,856
Operator Account(M Bank)	(91,473)	8,527
Escrow Investment Service(EIS)**	-	100,000,000
Other	(709,604)	1,721,829
Total	871,737	103,309,212

Due to Banks and Financial Institutions
4.17

Due to Bank and Financial Institution includes deposits from banking and financial Institution.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Money Market Deposits	-	-
Interbank Borrowing	-	-
Other Deposits from BFls	53,766,970.02	59,816,575
Settlement and Clearing Accounts	-	-
Total	53,766,970	59,816,575

Due to Nepal Rastra Bank
4.18

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of Last Resort facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other Payable to NRB	-	-
Total	-	-

Derivative Financial Instruments

4.19

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
<i>Held for Trading</i>		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Total	-	-

Deposits from Customers

4.20

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
<i>Institutional Customers:</i>		
Term Deposits	460,656,042	354,006,523
Call Deposits	281,462,524	290,221,098
Current Deposits	61,824,986	82,335,305
Others	1,293,125	938,125
<i>Individual Customers:</i>		
Term Deposits	3,912,723,894	3,509,894,137
Saving Deposits	1,734,168,978	1,736,128,131
Current Deposits	54,735,634	91,029,087
Others	21,151	40,907
Total	6,506,886,332	6,064,593,312

4.20.1 : Currency wise analysis of deposit from customers

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Nepalese Rupee	6,506,886,332	6,064,593,312
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
Total	6,506,886,332	6,064,593,312

Borrowings

4.21

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
<i>Domestic Borrowings</i>		
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
Sub Total	-	-
<i>Foreign Borrowings</i>		
Foreign Banks and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
Total	-	-

Provisions
4.22

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Provisions for Redundancy	-	-
Provisions for Restructuring	-	-
Pending Legal Issues and Tax Litigation	-	-
Onerous Contracts	-	-
Other Provisions	-	-
Total	-	-

4.22.1 : Movement in Provision

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Balance at Shrawan 01		
Provisions made during the year		
Provisions used during the year		
Provisions reversed during the year		
Unwind of Discount		
Balance at Asar end		

Other Liabilities
4.23

The details of other liabilities are as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Liabilities for employees defined benefit obligations	5,109,648	787,228
Liabilities for long service leave	223,875	-
Short term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	-	-
Interest payable on deposits	57,789	898,925
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	-	-
Employee bonus payable	23,332,790	21,279,060
Other Liabilities	44,546,792	74,770,028
Total	73,270,894	97,735,241

4.23.1 : Defined Benefit Obligation

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
The amounts recognised in the statements of financials positions are as follows :		
Present value of unfunded obligations	5,109,648	787,228
Present value of funded obligations	28,333,720	25,850,842
Total present value of obligations	33,443,368	26,638,070
Fair value of plan assets	28,333,720	25,850,842
Present value of net obligations	5,109,648	787,228
Recognised liability for defined benefit obligations	5,109,648	787,228

4.23.2 : Plan Assets

Plan assets comprise	Bank	
	Ashad end 2080	Ashad end 2079
Particulars:		
Equity securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	28,333,720	25,850,842
Total	28,333,720	25,850,842

4.23.3: Movement in the Present Value of defined benefit Obligations

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Defined benefit obligations at Shrawan 1	26,638,070	22,762,204
Actuarial losses/(gain)	1,446,938	(85,711)
Benefits paid by the plan	(196,627)	(1,252,828)
Current service costs and interest	5,554,987	5,214,405
Defined benefit obligations at Asar end	33,443,368	26,638,070

4.22.4 : Movement in the fair value of Plan assets

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Fair value of plan assets at Sharawan 1	25,850,842	22,665,756
Contributions paid into the plan	-	2,601,733
Benefits paid during the year	-	(1,252,828)
Actuarial (losses) gains	225,881	(203,737)
Expected return on plan assets	2,256,997	2,039,918
Fair value of plan assets at Asar end	28,333,720	25,850,842

4.23.5 : Amount recognised in Profit or loss

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Current service costs	3,262,565	3,254,495
Interest on obligation	2,292,422	1,959,910
Expected return on plan assets	-	-
Total	5,554,987	5,214,405

4.23.6 : Amount recognised in other comprehensive income

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Actuarial (gain)/loss	1,446,938	(85,711)
Total	1,446,938	(85,711)

4.23.7: Actuarial assumptions

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Discount rate	9.00%	9.00%
Expected return on plan asset	9.00%	9.00%
Future salary increase	10.00%	10.00%
Withdrawal rate	10.00%	10.00%

4.23.8 : Other liabilities

Bank

Particulars	Ashad end 2080	Ashad end 2079
Social Security Fund	5,520,839	28,922,702
TDS payable	8,856,689	9,596,080
Lease Liabilities as per NFRS 16	25,858,235	28,489,567
Other*	4,311,029	7,761,678
Total	44,546,792	74,770,028

*other includes retention amount of contractor and miscellaneous payable.

Debt securities issued

4.24

	Bank	
	Ashad end 2080	Ashad end 2079
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
Total	-	-

Subordinated Liabilities

4.25

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
Total	-	-

Share capital

4.26

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Ordinary shares	1,015,001,437	903,428,070
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
Total	1,015,001,437	903,428,070

Share capital increased from last year due to issuance of bonus share for F.Y 78-79 at rate of 12.35%.

4.26.1 : Ordinary Shares

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Authorized Capital		
12500000 Ordinary share of Rs. 100 each	1,250,000,000	1,000,000,000
Issued capital		
10150014.36 Ordinary share of Rs. 100 each	1,015,001,437	903,428,070
Subscribed and paid up capital		
10150014.36 Ordinary share of Rs. 100 each	1,015,001,437	903,428,070
Total	1,015,001,437	903,428,070

4.26.2 : Ordinary Share ownership

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
	Amount	Amount
Domestic ownership		
Nepal Government	-	-
"A" class licensed institutions	-	-
Other licensed institutions	-	-
Other Institutions	-	-
Public	1015001437	903,428,070
Other	-	-
Foreign ownership	-	-
Total	1015001437	903,428,070

4.26.2.1 : Ratio of Promoter and Public share holder ownership details

Promoter shareholding	51.00%	51.00%
Public shareholding	49.00%	49.00%

Reserves**4.27**

Following reserves are maintained by the bank.

Statutory General reserve : There is regulatory requirement by the central bank to set aside 20% of the net profit after tax as general reserve to build up the capital . This is the restricted reserve and cannot be freely used. During the year bank has appropriated 20% of the net profit after tax toward reserve.

Corporate Social Responsibility Fund : As per NRB Circular ,CSR fund shall be created for CSR activities of the Bank in the next fiscal year. During the year, 1% of net profit has been appropriated CSR Fund.

Actuarial Gain/Loss Reserve:Actuarial gain or loss that represents change in actuarial assumptions used to value employee obligations is presented under this account head.

Regulatory Reserve :The amount that is allocated from profit or retained earnings of the Bank as per the Directive of NRB for the purpose of implementation of NFRS is presented under this account head. The amount in this reserve is not free for distribution of dividend (cash as well as bonus shares).

The amount allocated to this reserve include interest income recognized but not received in cash, , amount equals to deferred tax assets, Actuarial loss recognised and fair value loss.Amount that has been transferred/(Reversed) to Regulatory reserve during the reporting period are as follows.

Other reserve: Other reserve represents reserve created in relation to staff training.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Statutory general reserve	259,652,955	227,476,209
Exchange equalisation reserve	-	-
Corporate social responsibility reserve	4,089,310	3,540,148
Capital redemption reserve	-	-
Regulatory reserve	40,267,549	25,743,776
Investment adjustment reserve	-	-
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	(15,553)	970,257
Dividend equalisation reserve	-	-
Debenture redemption reserve	-	-
Actuarial gain	(5,609,336)	(4,754,596)
Special reserve	-	-
Other reserve	701,650	1,097,761
Total	299,086,576	254,073,555

Mitreri Development Bank Limited
Statement of Changes in Regulatory Reserve (As per Format prescribed in AGM Clearance Guidelines, 2077)
For the year ended 31 Ashad 2080 (July 16, 2023)

	Regulatory Reserve											Total					
	Interest receivable	Short loan loss provision	Short provision for possible losses on investment	Short Provision on NBA	Deferred Tax Assets	Goodwill	Gain on Bargain Purchase	Actuarial Loss Recognized	Fair Value Loss Recognized in OCI	Other							
77-78																	
Opening Balance 01.04.2077	2,407,868	-	-	-	8,516,157	-	-	-	106,763	-	-	-	106,763	-	-	-	15,139,277
Amount Transferred during the year	(880,642)	-	-	-	(1,618,281)	-	-	-	(106,763)	-	-	-	(106,763)	-	-	-	(2,605,687)
Closing Balance Ashad End 2078	1,527,226	-	-	-	6,897,875	-	-	-	-	-	-	-	-	-	-	-	13,997,078.77
78-79																	
Opening Balance 01.04.2078	1,527,226	-	-	-	6,897,875	-	-	-	-	-	-	-	-	-	-	-	13,997,079
Amount Transferred during the year	3,194,308	-	-	5,707,872	3,661,899	-	-	-	82,638	-	-	-	-	-	-	-	5,790,490
Closing Balance Ashad End 2079	4,721,534	-	-	5,707,872	10,559,774	-	-	-	-	-	-	-	-	-	-	-	6,856,297
79-80																	
Opening Balance 01.04.2079	4,721,534	-	-	-	10,559,774	-	-	-	-	-	-	-	-	-	-	-	25,743,276
Amount Transferred during the year	2,437,907	-	-	7,906,215	3,309,359	-	-	-	854,740	-	-	-	15,553	-	-	-	14,523,773
Closing Balance Ashad End 2080	7,159,441	-	-	13,614,007	13,869,133	-	-	-	-	-	-	-	15,553	-	-	-	40,267,549

Movement in reserve during the year

	Statutory general reserve	Corporate social responsibility	Regulatory reserve	Fair value reserve	Actuarial gain	Other reserve
Opening Balance	227,476,209	3,540,148	25,743,776	970,257	(4,754,596)	1,097,761
Amount Transferred during the year	32,176,746	1,608,837	14,523,773	(985,810)	(854,740)	-
Amount reversed during the year	-	(1,059,676)	-	-	-	(396,110)
Closing Balance	259,652,955	4,089,310	40,267,549	(15,553)	(5,609,336)	701,650

4.27.2

Contingent liabilities and commitments

4.28

The table below shows the contract or underlying principal amounts of unmatured off-balance sheet transactions as on reporting date.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Contingent liabilities	42,507,600	41,203,600
Undrawn and undisbursed facilities	68,264,154	45,275,378
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
Total	110,771,754	86,478,978

4.28.1 : Contingent Liabilities

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Acceptance and documentary credit	-	-
Bills for collection		
Forward exchange contracts		
Guarantees	42,507,600	41,203,600
Underwriting commitment		
Other commitments		
Total	42,507,600	41,203,600

4.28.2 : Undrawn and undisbursed facilities

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Undisbursed amount of loans	-	-
Undrawn limits of overdrafts	68,264,154	45,275,378
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee		
Total	68,264,154	45,275,378

4.28.3 : Capital commitments

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

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Capital commitments in relation to Property and Equipment	-	-
Approved and contracted for	-	-
Approved but not contracted for	-	-
Sub total	-	-
Capital commitments in relation to Intangible assets	-	-
Approved and contracted for	-	-
Approved but not contracted for	-	-
Sub total	-	-
Total	-	-

4.28.4 : Lease commitments

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Operating lease commitments		
Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Sub total	-	-

Finance lease commitments

Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Sub total	-	-
Grand total	-	-

4.28.5 : Litigation

Explanatory paragraphs are required for litigation contingent liabilities as per their own case of each bank

Miteri Development Bank Limited
Notes to Financial Statements
For the year ended 31 Asar 2080 (July 16, 2023)

Interest Income

4.29

Interest income include interest income on loan and advance, investment securities except on those investment securities measure at fair value through profit or loss, cash and cash equivalent, due from BFIs, loan and advances to staff.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Cash and cash equivalent	1,757,083	1,803,897
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	67,280,905	26,943,125
Loans and advances to customers	705,333,057	634,422,108
Investment securities	198,143,827	78,036,047
Loan and advances to staff	5,883,648	5,779,831
Other Interest Income	-	12,042,329
Total interest income	978,398,520	759,027,337

Interest Expenses

4.30

Interest expenses include interest accrued on deposits collected, interbank borrowing and borrowing from NRB. Details presented as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	3,899,427	-
Deposits from customers	623,447,463	449,473,272
Borrowing	664,572	182,441
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Charges	-	-
Total Interest expense	628,011,463	449,655,713

Fees and Commission Income

4.31

Fees and commission income include service charges, commitment fees etc

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Loan administration fees	-	-
Service fees	10,024,630	19,394,779
Consortium fees	-	-
Commitment fees	27,396	8,286
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	-	-
Prepayment and swap fees	153,448	679,595
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	925,188	1,327,734
Commission on letter of credit	-	-
Commission on guarantee contracts issued	704,188	545,327
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	4,059,767	4,540,179
Total Fees and Commission Income	15,894,617	26,495,898

4.31.1 Other fees and commission income

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Insurance Commission	580,820	923,221
Hire Purchase Commission	215,000	577,997
MBANK Subscription Fee	3,083,300	3,022,200
Other	180,647	16,760
Total	4,059,767	4,540,179

Fees and Commission Expense
4.32

Fees and commission expense include membership and registration fee.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees	-	-
Remittance fees and commission	-	-
Other fees and commission expense	1,325,610	912,512
Total Fees and Commission Expense	1,325,610	912,512

Net Trading income
4.33

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
Net trading income	-	-

Other Operating Income
4.34

Other operating income includes dividend on equity instruments, gain/loss on sale of property and equipment/Investment Property etc. Other operating income under this subheading includes miscellaneous income.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	-	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	2,360,200	6,741,100
Gain/loss on sale of property and equipment	(49,103)	1,274,298
Gain/loss on sale of investment property	796,117	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other Operating Income	641,187	1,182,059
Total	3,748,401	9,197,458

Impairment charge/(reversal) for loan and other losses

4.35

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Impairment charge/(reversal) on loan and advances to BFIs	2,235,609	(3,151,607)
Impairment charge/(reversal) on loan and advances to customers	(1,765,749)	12,895,386
Impairment charge/(reversal) on financial investment	-	-
Impairment charge/(reversal) on placement with BFIs	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
Total	469,860	9,743,778

Personnel Expenses

4.36

All expenses related to employees of a bank are included under this head :

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Salary	33,316,303	26,972,200
Allowances	22,036,417	20,984,506
Gratuity Expense	3,101,363	1,921,659
Provident Fund	2,912,929	2,256,596
Uniform	997,500	863,701
Training & development expense	1,834,812	313,360
Leave encashment	1,461,866	(302,455)
Medical	-	-
Insurance	401,713	361,771
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	558,385	1,902,669
Other expenses related to staff	2,321,849	3,328,184
Subtotal	68,943,136	58,602,189
Employees Bonus	23,332,790	21,279,060
Grand Total	92,275,926	79,881,249

4.36.1 other expenses related to staff

4.36

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Leave and Gratuity Payment	2,222,154	3,322,184
Other	99,695	6,000
Grand total	2,321,849	3,328,184

Other Operating Expense

4.37

Operating expense other than those relating to personnel expense are recognized and presented in this head.

Details presented as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Directors' fee	526,500	519,000
Directors' expense	649,182	500,707
Auditors' remuneration	800,000	926,000
Other audit related expense	72,455	54,465
Professional and legal expense	50,000	50,000
Office administration expense	20,480,171	19,673,434
Operating lease expense	-	-
Operating expense of investment properties	-	-
Corporate social responsibility expense	1,059,676	813,533
Onerous lease provisions	-	-
Other Expenses	7,217,285	6,686,672
Total	30,855,269	29,223,811

4.37.1 Office administration expense

	Bank	
	Ashad end 2080	Ashad end 2079
Water and electricity	1,583,857	1,527,929
Repair and maintenance		
(a) Building	-	-
(b) Vehicle	345,559	265,050
(c) Computer and accessories	-	-
(d) Office equipment and furniture	367,931	336,575
(e) Other	69,850	45,733
Insurance	543,917	590,743
Postage, telex, telephone, fax	530,570	559,054
Printing and stationery	1,583,006	1,472,736
News paper, books and journals	28,051	33,290
Advertisement	234,146	230,626
Donation	-	-
Security expense	9,915,750	10,266,615
Deposit and loan guarantee premium	3,494,453	2,575,335
Travel allowance and expense	283,140	234,425
Entertainment	22,100	13,542
Annual/special general meeting expense	181,505	143,136
Internet Expenses	1,296,336	1,378,645
Total	20,480,171	19,673,434

4.37.2 Other Expenses

	Bank	
	Ashad end 2080	Ashad end 2079
Lease Expenses(Interest)(As per NFRS 16)*	1,957,907	2,112,561
RTS Expenses	703,414	617,410
Technical/Consultancy Services Fee	22,600	33,235
Fuel Expenses	1,211,439	943,378
AMC Software	2,116,444	1,155,747
Miscellaneous Expenses	344,303	302,431
Other	861,178	1,521,910
Total	7,217,285	6,686,672

*Depreciation of ROU Asset has been presented under head depreciation on property and equipment and interest has been presented under other expenses as per NFRS 16.

Depreciation and Amortisation

4.38

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. Amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life. Depreciation and amortization include depreciation on plant and equipment & amortization of intangible assets.

Details presented as follows:

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Depreciation on property and equipment	11,553,159	12,190,564
Depreciation on investment property	-	-
Amortisation of intangible assets	222,351	322,469
Total	11,775,510	12,513,033

Non Operating Income

4.39

	Bank	
	Ashad end 2080	Ashad end 2079
Recovery of loan written off	-	-
Other income	-	-
Total	-	-

Non Operating Expenses

4.40

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense.	-	-
Total	-	-

Income Tax Expenses

4.41

The bank has calculated current tax on the basis of taxable income as per Income Tax Act.

The bank has calculated deferred tax expenses based on the financial statements prepared as per NFRS.

Particulars	Bank	
	Ashad end 2080	Ashad end 2079
Current tax expense		
Current year	72,828,338	66,175,008
Adjustments for prior years	2,136,381	-
Deferred tax expense		
Origination and reversal of temporary differences	(2,520,552)	(1,237,711)
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
Total income tax expense	72,444,168	64,937,297

4.41.1: Reconciliation of tax expense and accounting profit

	Bank	
	Ashad end 2080	Ashad end 2079
Profit before tax	233,327,899	212,790,595
Tax amount at tax rate of 30%	69,998,370	63,837,179
Add: Tax effect of expenses that are not deductible for tax purpose	1,961,384	1,960,222
Less: Tax effect on exempt income	-	-
Add/less: Tax effect on other items	868,585	377,608
Total income tax expense	72,828,338	66,175,008
Effective tax rate	31.21%	30.43%

Miteri Development Bank Limited
Statement of Distributable Profit or Loss
For the year ended 31 Ashad 2080 (July 16, 2023)
(As per NRB Regulation)

Particulars	Bank	
	Current Year	Previous Year
Net profit or (loss) as per statement of profit or loss	160,883,731	147,853,298
Appropriations:		
a. General reserve	(32,176,746)	(29,570,660)
b. Foreign exchange fluctuation fund		
c. Capital redemption reserve		
d. Corporate social responsibility fund	(549,161)	(665,000)
e. Employees' training fund	396,110	(1,097,761)
f. Other		
<i>Deferred tax reserve</i>	-	-
<i>Investment adjustment fund</i>	-	-
<i>Capital Reserves</i>		
<i>From Merger</i>		
Profit or (loss) before regulatory adjustment	128,553,934	116,519,878
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(2,437,907)	(3,194,308)
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 (+)	(7,906,215)	(5,707,872)
e. Deferred tax assets recognised (-)/ reversal (+)	(3,309,359)	(3,661,899)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	(854,740)	(82,618)
i. Other (+/-)		
Fair Value Reserve	(15,553)	-
Net Profit for the year end available for distribution	114,030,161	103,873,181
Opening Retained Earning as on Shrawan 1st	140,793,440	148,108,240
Adjustment (+/-)		
Distribution:		
Bonus shares issued	(111,573,367)	(106,051,133)
Cash Dividend Paid	(5,872,282)	(5,581,639)
Total Distributable profit or (loss) as on year end date	137,377,952	140,348,650
Annualised Distributable Profit/Loss per share	13.53	15.54

5.1 Risk Management

Note 5

The robust risk management capabilities is imperative in order to achieve an effective risk management framework and contain the risks associated with the business, a fully functional Risk Management Committee is responsible for identifying reporting, controlling and managing credit risk, operational risk, market risk & liquidity risk. The Risk Management Committee oversees global, macro, micro and departmental level risk that arise out of daily business operation as well as on periodic basis and are put to the oversight of Senior Management, Risk Management Committee and the Board committee to discuss the reports thereon and issue instructions as appropriate.

Risk Management Committee:

The Risk Management Committee is an independent committee of the Board of Directors that has, as its sole and exclusive function, responsibility for the risk management policies of the Bank and oversight of implementation of risk management framework of Bank. The committee assists the Board of Directors in fulfilling its oversight responsibilities with regard to risk appetite that the Bank is able and willing to assume in its exposures and business activities, risk management, compliance framework, and governance structure that supports it. It periodically reviews the risk management process to ensure its integrity, accuracy, and reasonableness. It also reviews whether the internal control and risk management system is adequate or not to ensure well-ordered and prudent conduct of business. The committee is to reviews the overall risk management structure and monitor the effectiveness of the risk management system.

Risk Governance

Bank has implemented policies and procedures to mitigate the risk at enterprises level arising to the bank and has trained risk culture among the employees by establishing ownership mentality, capacity building programs, well defined job responsibilities and inhabiting good ethical culture. The Risk Management Committee is responsible for the establishment of, and compliance with, policies relating to Operation risk & Credit risk.

The bank's risk governance structure is such that the responsibility for maintaining risk within the banks risk blanket is dropped down from the Board to the appropriate functional, client business, senior management and committees. The Board has set policies and procedures of risk identification, risk evaluation, risk mitigation, and control/ monitoring in line with NRB directives, and has effectively implemented the same at the Bank. The effectiveness of the Bank's internal control system is reviewed regularly by the Board, its committees, senior management, and internal audit committee.

Credit Risk

Credit risk management strategies include effectively managing the risk of financial losses arising out of booking an exposure on counterparty and also ensuring independence of the credit risk function from the origination, trading and sales function. Credit risk is managed through a defined framework which sets out policies, procedures and standards covering the measurement and management of credit risk. Clear segregation of duties has been established between transaction originator in the business and the approvers in the risk function.

Credit Risk Mitigation (CRM)

The banks follows the following well defined procedures to manage and mitigate the credit related risk at the various level:

- "The lending business is the primary business and source of asset creation for the bank and also is the bank's significant material risk. Credit risk is managed following the bank's internal policy and the applicable provisions of the NRB Directive. Our revised Credit policy and/as well as new product paper guidelines of the bank set out the standards, principles, product features, eligibility criteria and financing terms whereby minimizing any risk associate with the same.

Credit Policy / Product Paper Guidelines are in place that provides the firm foundation for a healthy credit risk.

management environment in the bank by defining clear roles and responsibilities of various functions and risk-takers in the Credit system.

A thorough analysis of the borrower and the industry in which the borrower operates is ensured before advancing any credit facilities. The Bank primarily focuses on ensuring prudent financing requirements of the client and the client's capacity to repay the debt obligation on time.

The credit underwriting process at MDBL includes the involvement of multiple functions, thus promoting the independent assessment of credit risk. The business sourcing activities and relationship management are carried out by Respective Relationship Manager, who is considered as the first line of defense in credit risk management.

For sanctioning of loan, a different limit has been set for different authority to minimize credit risk:"

Operational Risk

"Operational risk is the risk of adverse effects on the financial result and capital of the bank caused by omissions in the work of employees, inadequate internal procedures and processes, improper management of information and other systems, and unforeseeable external events. The risk stems from the risk of loss resulting from inadequate or failed internal processes, people and systems or external events. Suitable internal control has been planted in the bank to ensure that operational risk is within a tolerable limit. The Bank has pioneered in adopting technology to create efficient processes and systems to eliminate the risk at source, designing key risk indicators, implementing control points, and establishing procedures for incident management. Internal audit is considered as the third line of defense in risk management, and the Bank has formed an internal audit committee in the coordination ship of non-executive director. Bank has appointed qualified and capable chartered accountancy firms as an internal auditor, which, among other things, responsible for verifying the adequacy of measures adopted for risk management in different branches, departments of the bank. Internal auditor, among other things, is responsible for verifying the adequacy of internal control in the Accounting function, Operation function, Human Resource (HR) function and other functions within the bank and suggest suitable methods/procedures to strengthen the internal control. Likewise, the Internal auditor is also responsible for ensuring compliance with a legal and regulatory framework such as NRB directives. Such function, in turn, helps the bank to minimize the different types of risk posed to the bank at a minimum level. In addition to compliance with the legal and regulatory framework for Information Technology (IT) practices, the bank has framed "IT Communication and Security Policy, 2076," which is a governing document for IT practice in the bank. The bank conducts Information System (IS) audit following Information Technology guidelines of NRB/based on necessity deemed by management.

Bank has a disaster recovery site in Kathmandu, as per Disaster Recovery Policy (Part of "IT Communication and Security Policy, 2076"), whereas Business Continuity Procedure shall be implemented soon. A drill is conducted to ensure that operation of the business in case of disaster/disruption.

To avoid risk arising from overdependence on a single employee, risk arising from collusion among employee and risk occurring from an employee performing a single task for a more extended period, arrangement for transfer of employee based on necessity and provision of force leave is in place.

In addition to the above measure bank has the following measures which are precisely followed for operational risk management;

- People
 - Timely recruitment of the right people in the right place.
 - Continuous training to staff based on necessity.
 - All staff is well versed in the Bank's policies/processes.
- External events
 - A compliance review of each process is regularly reviewed.
 - Ensure deployment of trained security guards.
- Internal Process
 - Banks staff before assigning any task are well trained regarding the internal process."

Market Risk

The Bank recognizes market risk as the possibility for loss of earnings or economic value to the Bank due to adverse changes in the market level of interest rates or prices of securities (equity), foreign exchange rates and volatilities of those prices. Bank has an Asset Liability Management Committee (ALCO) which meets periodically to discuss product pricing for deposits and advances and maturity profiles of assets and liabilities, articulating interest rate, view of bank, funding policy, transfer pricing policy and balance sheet management. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk), and market prices (price risk).

Liquidity Risk

Liquidity risk is the risk that a company or bank may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due, as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for liquid asset positions is not available to the Bank on acceptable terms.

The Bank works continuously towards risk diversification of its assets base so as to achieve better portfolio mix and to protect/enhance the overall risk on its loan book. The strategic focus of mapping business is gradually reducing high-risk assets and increasing low risk exposures.

5.2 Capital Management

The Bank manages its capital to meet regulatory norms and current and future business needs considering the risks in its business. The board of directors on the frequent interval monitor the capital adequacy position and the risk weighted assets and take a necessary steps as appropriate.

The bank capital comprise of the fully paid equity shares, statutory reserves and other reserves. Upto the reporting period the bank has not raised the capital through the hybrid capital instrument.

**Capital Adequacy Table
At the month end of Ashadh, 2080**

		(Rs. in '000)	
		Current Period	Previous Period
1.1 RISK WEIGHTED EXPOSURES			
	Risk Weighted Exposure for Credit Risk	4,145,534	4,625,074
	Risk Weighted Exposure for Operational Risk	480,088	477,474
	Risk Weighted Exposure for Market Risk	-	-
	Total Risk Weighted Exposures (Before adjustments of Pillar II)	4,675,622	5,102,548
<i>Adjustments under Pillar II</i>			
SRP 6.4a (5)	ALM policies & practices are not satisfactory, add 1% of net interest income to RWE	-	2,691
SRP 6.4a (6)	Add% of the total deposit due to insufficient Liquid Assets	-	-
SRP 6.4a (7)	Add RWE equivalent to reciprocal of capital charge of 2-5% of gross income	-	91,923
SRP 6.4a (9)	Overall risk management policies and procedures are not satisfactory. Add 3% of RWE	140,269	153,076
SRP 6.4a (10)	If desired level of disclosure requirement has not been achieved, Add% of RWE	-	-
	Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	4,815,891	5,350,238
1.2 CAPITAL			
(A) Core Capital (Tier 1)		1,412,033	1,271,914
	Paid up Equity Share Capital	1,015,001	903,428
	Irredeemable Non-cumulative preference shares		-
	Share Premium		-
	Proposed Bonus Equity Shares		-
	Statutory General Reserves	259,653	227,610
	Retained Earnings	137,378	140,876
	Un-audited current year cumulative profit/(loss)		
	Capital Redemption Reserve		
	Capital Adjustment Reserve		
	Debenture Redemption Reserve		
	Dividend Equalization Reserves		
	Other Free Reserve		
	Less: Goodwill		
	Less: Fictitious Assets		
	Less: Investment in equity in licensed Financial Institutions		
	Less: Investment in equity of institutions with financial interests		
	Less: Investment in equity of institutions in excess of limits		
	Less: Investments arising out of underwriting commitments		
	Less: Reciprocal crossholdings		
	Less: Purchase of land & building in excess of limit and unutilized		
	Less: Other Deductions		
<i>Adjustments under Pillar II</i>			
SRP 6.4a(1)	Less: Shortfall in Provision	-	
SRP 6.4a(2)	Less: Loans & Facilities extended to related parties and restricted lending	-	
(B) Supplementary Capital (Tier 2)		64,081	66,481
	Cumulative and/or Redeemable Preference Share		
	Subordinated Term Debt		
	Hybrid Capital Instruments		
	General loan loss provision	64,081	66,481
	Exchange Equalization Reserve		
	Investment Adjustment Reserve		
	Asset Revaluation Reserve		
	Other Reserves		
	Total Capital Fund (Tier I and Tier II)	1,476,113	1,338,395
1.3 CAPITAL ADEQUACY RATIOS			
	Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	29.32%	23.77%
	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	30.65%	25.02%

Miteri Development Bank Limited
Risk Weighted Exposure for Credit Risk
 At the month end of Ashad, 2080

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Amount in NPR
	a	b	c	d=a-b+c	e	f=d*e
Cash Balance	49,211			49,211	0%	-
Balance With Nepal Rastra Bank	240,894			240,894	0%	-
Gold					0%	-
Investment in Nepalese Government Securities	2,652,371			2,652,371	0%	-
All Claims on Government of Nepal	1,500			1,500	0%	-
Investment in Nepal Rastra Bank securities					0%	-
All claims on Nepal Rastra Bank					0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)					0%	-
Claims on Foreign Government and Central Bank (ECA -2)					20%	-
Claims on Foreign Government and Central Bank (ECA -3)					50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)					100%	-
Claims on Foreign Government and Central Bank (ECA -7)					150%	-
Claims On BIS, IMF, EC, IC and MDB's recognized by the framework					0%	-
Claims on Other Multilateral Development Banks					100%	-
Claims on Domestic Public Sector Entities					100%	-
Claims on Public Sector Entity (ECA 0-1)					20%	-
Claims on Public Sector Entity (ECA 2)					50%	-
Claims on Public Sector Entity (ECA 3-6)					100%	-
Claims on Public Sector Entity (ECA 7)					150%	-
Claims on domestic banks that meet capital adequacy requirements	758,965			758,965	20%	151,793
Claims on domestic banks that do not meet capital adequacy requirements					100%	-
Claims on foreign bank (ECA Rating 0-1)					20%	-
Claims on foreign bank (ECA Rating 2)					50%	-
Claims on foreign bank (ECA Rating 3-6)					100%	-
Claims on foreign bank (ECA Rating 7)					150%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1%					20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)					80%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)					90%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)					100%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)					100%	225,467
Claims on Domestic Corporates (Unrated)	225,467			225,467	100%	225,467
Claims on Foreign Corporates (ECA 0-1)					20%	-
Claims on Foreign Corporates (ECA 2)					50%	-
Claims on Foreign Corporates (ECA 3-6)					100%	-
Claims on Foreign Corporates (ECA 7)					150%	-
Regulatory Retail Portfolio (Not Overdue)	2,084,589		92,408	1,991,981	75%	1,491,986
Claims fulfilling all criterion of regularity retail except granularity					100%	-
Claims secured by residential properties	775,307			775,307	60%	465,184
Claims not fully secured by residential properties					150%	-
Claims secured by residential properties (Overdue)	153,940			153,940	100%	153,940
Claims secured by Commercial real estate					100%	-
Post due claims (except for claims secured by residential properties)	157,927			157,927	150%	236,890
High Risk claims	841,267		3,900	837,367	150%	1,256,051
Lending Against Securities (Bonds)					100%	-
Lending Against Share/stock (Rs. 2.5 Million)					100%	-
Investments in equity and other capital instruments of institutions listed in stock exchange	29,313			29,313	100%	29,313
Investments in equity and other capital instruments of institutions not listed in the stock exchange	471			471	150%	707
Staff loan secured by residential property					50%	-

Interest Receivable/claim on government securities	56,936			56,936	0%		
Cash in transit and other cash items in the process of collection					20%		
Other Assets (as per attachment)	151,548			151,548	100%		151,548
TOTAL (A)	8,179,706			8,083,198			4,164,878
B. Off Balance Sheet Exposures							
Revolvable Commitments					0%		
Bills Under Collection					0%		
Forward Exchange Contract Liabilities					10%		
LC Commitments With Original Maturity Up to 6 months domestic counterparty					20%		
Foreign counterparty (ECA Rating 0-1)					20%		
Foreign counterparty (ECA Rating 2)					50%		
Foreign counterparty (ECA Rating 3-6)					100%		
Foreign counterparty (ECA Rating 7)					150%		
LC Commitments With Original Maturity Over 6 months domestic counterparty					50%		
Foreign counterparty (ECA Rating 0-1)					20%		
Foreign counterparty (ECA Rating 2)					50%		
Foreign counterparty (ECA Rating 3-6)					100%		
Foreign counterparty (ECA Rating 7)					150%		
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	42,508			42,508	80%		17,003
Foreign counterparty (ECA Rating 0-1)					20%		
Foreign counterparty (ECA Rating 2)					50%		
Foreign counterparty (ECA Rating 3-6)					100%		
Foreign counterparty (ECA Rating 7)					150%		
Underwriting commitments					50%		
Lending of Bank's Securities or Posing of Securities as collateral					100%		
Repurchase Agreements, Assets sale with recourse					100%		
Advance Payment Guarantee					100%		
Financial Guarantee					100%		
Acceptances and Endorsements					100%		
Unpaid portion of Partly paid shares and Securities					100%		
Irrevocable Credit commitments (short term)					20%		
Irrevocable Credit commitments (long term)	68,264			68,264	20%		13,653
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above					50%		
Other Contingent Liabilities					20%		
Liquid Guarantee Claims					100%		
TOTAL (B)	110,772			110,772			30,656
Total RWE for credit Risk Before Adjustment (A) + (B)	8,290,477			8,193,969			4,195,534
Adjustments under Pillar II							
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE							
SRP 6.4a(4) - Add 1% of the contract (table) value in case of the sale of credit with recourse to RWE							
Total RWE for Credit Risk after Bank's adjustments under Pillar II	8,290,477			8,193,969			4,195,534

Disclosure Pursuant to Capital Adequacy Framework, 2007(updated 2008)

		Amount in NPR
1	Capital and Capital Adequacy ratios- as per (5.2)	
2	Information about subordinate debt	
	The bank doesnot have subordinate debt.	
3	Deduction from capital	
	Particulars	Amount
	Deffered Tax Asset	0
4	Total Qualifying capital	Current Period
	Total core capital (Tier I)	1,412,032,743
	Total Supplementary Capital(Tier II)	64,080,661
	Total Capital Fund(Tier I + Tier II)	1,476,113,403
5	CAPITAL ADEQUACY RATIO	
	Particulars	Percentage
	Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	29.32%
	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	30.65%
6	Summary of the bank's internal approach to assess the adequacy of capital to support current and future activities	
	The bank considers the capital adequacy requirement pursuant to the provision set by NRB. The Tier 1 Capital ratio of the bank as at Ashad 2080 is 29.32% and the total capital ratio is 30.65%.	

7 Risk exposure - As per form 2 capital adequacy table.

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

Particulars	Gross Amount	Provision	Net Amount
Substandard	19,182,513	4,795,628	14,386,885
Restructured	-	-	-
Doubtful	23,809,300	11,904,650	11,904,650
Loss	15,161,152	15,161,152	-
Total	58,152,965	31,861,430	26,291,535

9. Non performing Asset ratio

Particular	Percentages
Gross NPA to Gross Advances	1.25%
Net NPA to Net Advances	0.58%

10. Movement of Nonperforming Asset

Particulars	Balance		Movement
	Ashad 79	Ashad 80	
Substandard	21,886,340	19,182,513	(2,703,826)
Restructured	-	-	-
Doubtful	14,076,370	23,809,300	9,732,931
Loss	17,171,907	15,161,152	(2,010,755)
Total	53,134,616	58,152,965	5,018,349

11 Written off loan

During the reporting period bank has written off interest amounting to Rs 24,73,084.14 which has been approved by Board.

12. Movement in Loan loss provision

Particular	Balance		Movement
	Ashad 79	Ashad 80	
Pass	65,026,033	57,897,485	(7,128,547)
Watchlist	1,455,030	6,183,176	4,728,146
Substandard	5,471,585	4,795,628	(675,957)
Restructured	-	-	-
Doubtful	7,038,185	11,904,650	4,866,465
Loss	16,481,398	15,161,152	(1,320,247)
Total	95,472,231	95,942,091	469,860

13 Movement in Interest Suspense

Particular	Balance	Balance	Movement
	Ashad 79	Ashad 80	
Interest Suspense	7,494,498	11,364,192	3,869,694

14. Details of Additional Loan Loss Provision(Difference of provision between this Year and immediate previous Year)

Particulars	Amount
Pass	(7,128,547)
Watchlist	4,728,146
Substandard	(675,957)
Restructured	-
Doubtful	4,866,465
Loss	(1,320,247)
Total	469,860

15. Segregation of Bank investment portfolio

Particulars	Amount
Investment securities measured at amortized cost	2,652,370,675
Investment in equity measured at FVTOCI	29,784,130
Investment in unquoted associates	-
Other Trading Assets	-

5.3 Classification of financial assets and financial liabilities

The financial assets and liabilities are classified in Amortised Cost, fair value through profit and loss and fair value through other comprehensive income. The following table exhibit the the classification of financial assets and liabilities:

Financial Assets	As on 31st Ashar 2080			
	Amortised Cost	FVTPL	FVTOCI	Total
Cash and Cash Equivalents	412,854,404	-	-	412,854,404
Due from Nepal Rastra Bank	240,894,353	-	-	240,894,353
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	390,332,052	-	-	390,332,052
Loans and Advances to Customers	4,215,984,202	-	-	4,215,984,202
Investment Securities	2,652,370,675	-	29,784,130	2,682,154,805
Investment in Subsidiaries	-	-	-	-
Investment in Associates	-	-	-	-
Investment Property	-	-	-	-
Other Assets	64,731,879	-	-	64,731,879
Total Financial Assets	7,977,167,565	-	29,784,130	8,006,951,695
Financial Liabilities				
Due to Bank and Financial Institutions	53,766,970	-	-	53,766,970.02
Due to Nepal Rastra Bank	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	6,506,886,332	-	-	6,506,886,332.43
Borrowings	-	-	-	-
Other Liabilities	73,270,894	-	-	73,270,893.88
Debt Securities Issued	-	-	-	-
Total Financial Liabilities	6,633,924,196	-	-	6,633,924,196
As on 32nd Ashar 2079				
Financial Assets	Amortised Cost	FVTPL	FVTOCI	Total
Cash and Cash Equivalents	324,563,776	-	-	324,563,776
Due from Nepal Rastra Bank	96,958,435	-	-	96,958,435
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	220,597,745	-	-	220,597,745
Loans and Advances to Customers	4,824,237,133	-	-	4,824,237,133
Investment Securities	1,803,904,670	-	31,192,430	1,835,097,100
Investment in Subsidiaries	-	-	-	-
Investment in Associates	-	-	-	-
Investment Property	-	-	-	-
Other Assets	136,688,215	-	-	136,688,215
Total Financial Assets	7,406,949,975	-	31,192,430	7,438,142,405
Financial Liabilities				
Due to Bank and Financial Institutions	59,816,575	-	-	59,816,575.06
Due to Nepal Rastra Bank	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Deposits from Customers	6,064,593,312	-	-	6,064,593,311.69
Borrowings	-	-	-	-
Other Liabilities	97,735,241	-	-	97,735,240.82
Debt Securities Issued	-	-	-	-
Total Financial Liabilities	6,222,145,128	-	-	6,222,145,128

5.4 Operating Segment Information

1. General information

Factors that management used to identify the entity's reportable segments

An operating segment is a component of the Bank that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Bank's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

Based on the nature of the business, transactions, products and services, the management have identified three reporting segment for the purpose of financial reporting:

2. Information about profit or loss, assets and liabilities

Particulars	Sunsari	Morang	Jhapa	Total
Revenues from external customers	708,697,141	225,229,884	64,114,512	998,041,537
Inter Segment Expenses/revenues	74,159,315	(30,804,752)	(43,354,564)	-
Net Revenue	782,856,456	194,425,132	20,759,949	998,041,537
Interest revenue	692,622,666	222,090,050	63,685,804	978,398,520
Interest expense	(468,039,603)	(145,055,114)	(14,916,746)	(628,011,463)
Net interest expenses/revenue	224,583,063	77,034,936	48,769,058	350,387,057
Depreciation and amortisation	7,031,639	4,251,102	492,770	11,775,510
Segment profit/(loss)	249,124,765	14,237,036	(6,701,112)	256,660,689
Impairment of assets	1,314,492	(4,724,776)	3,880,144	469,860
Segment assets	6,294,107,668	1,396,329,729	407,760,186	8,098,197,583
Segment liabilities	6,283,344,836	1,629,734,092	185,118,654	8,098,197,583

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

The transaction between the branches are recorded using the interbranch account. These accounts are reconciled and inter balances accounts are cancelled out at each reporting date. The interbranches revenue and expenses are the transfer pricing of the funds which is calculated using the bank's policy.

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

a. Revenue

Total revenues for reportable segments	998,041,537
Other revenues	
Elimination of intersegment revenues	
Entity's revenues	998,041,537

b. Profit or loss

Total profit or loss for reportable segments	256,660,689
Other profit or loss	
Elimination of intersegment profits	
Unallocated amounts:	
Other Adjustment	
Bonus	(23,332,790)
Incentive	-
Profit before income tax	233,327,899
Tax Expenses	(72,444,168)
Net profit for the period	160,883,731

c. Assets

Total assets for reportable segments	8,098,197,583
Other assets	
Unallocated amounts	
Entity's assets	8,098,197,583

d. Liabilities

Total liabilities for reportable segments	8,098,197,583
Other liabilities	
Unallocated liabilities	
Entity's liabilities	8,098,197,583

5. Information about products and services

Revenue from each type of product and services:

Loans & Advances	788,522,240
Money at Call	1,757,083
Investment Securities	200,504,027
Remittance	925,188
Service Fees	-
Digital Banking Services	3,083,300
Foreign Exchange	-
Non Funded Credit Services	704,188
Other Allied Products and Services	2,545,511
Total Revenue before Interest Cost	998,041,537

6. Information about geographical areas

Revenue from following geographical areas

Areas	
Domestic	
Province 1	998041537
Province 2	
Province 3	
Province 4	
Province 5	
Province 6	
Province 7	
Foreign	
Total	998041537

7. Information about major customers

The bank does not have any customer, which generate more than 10% of the entity's revenue.

5.5 Share options and share based payment

The bank does not extend the share options and share based payment to any of its employees. Thus, during the reporting period the bank does not have any the transactions that are to be accounted as per NFRS 2 "Share based payments".

5.6 Contingent liabilities and commitment

Comprehensive disclosure of the contingent liabilities and commitments are made on Note 4.28.

5.7 Related Party Disclosures
i. List of related party

The following parties have been identified as the related party transaction as per NAS 24:

S.N.	Name of the Related Party	Relationship
1	Kishan Maskey	Chairman
2	Gambhirman Tandukar	Director
3	Megh Raj Shrestha	Director
4	Shambhu Prasad Shrestha	Director
5	Bandana Baidhya(Shrestha)	Director
6	Netra Prasad Dahal	Independent Director
7	Tulasi Prasad Wasti	Chief Executive Officer/Company Secretary

ii. Related Party Transactions
Board of Directors Allowances and Facilities

S.N.	Particulars	No of Meetings	Sitting Fees
1	Board Meeting	12	451,500
2	Audit Committee Meeting	4	21,000
3	HR Committee	4	9,000
3	Risk Management Committee	4	24,000
4	Anti Money Laundering Prevention Committee	4	21,000
Total			526,500

In addition to above meeting allowance, the Chairman of the board and other member are entitled to for newspaper,telephone facility.

Key Managerial Personnels Emoluments and Facilities

S.N.	Particulars	Amount
1	Salary	3,600,000
2	Allowance	1,836,000
Total		5,436,000

In addition to above, CEO of the bank is entitled to Bonus,Dushain Allowance and other facilities such as telephone,vehicle as per the contract with board.

5.8 Merger and Acquisition

The bank has neither entered into merger nor acquired any bank and financials institutions.

5.9 Additional disclosure of non consolidated entities

NA

5.10 Events after reporting date

No events requiring the adjustment as per NAS 10 "Events occurring after Reporting Period" are observed after the reporting period.

6 Other Disclosures

6.1 Dividend

Bank has proposed 9.50% stock dividend and 0.50% cash dividend for equity shareholders by the decision of board of directors meeting dated 8th November, 2023. It will be distributed to shareholders after approval from Nepal Rastra Bank and annual general meeting of the bank.

6.2 Corporate Social Responsibility Expenses

"Miteri Bank's approach to corporate social responsibility (CSR) focuses on the three dimensions of sustainability to create economic, environmental and social value. CSR policy aims to set the Direction for a future-orientated business strategy that balances economic success with environmental and social responsibility. Our priorities under CSR are: supporting to the less fortunate and underprivileged people of the society specially for education to make sustainable social change in their lives, promote sports and culture, preserve and develop heritage sites, help to upgrade health facilities, natural environment protection program, help the people to overcome effect of natural calamities and disaster etc.

CSR Activities undertaken during the reporting period are as follows:

Particulars	Amount
Financial assistance provided to "Shree Krishna Gausewa Sadan" which has been taking care of Stray cattle	54,000
T shirt, Trouser Distributed to student of "Bhagwati Adharbhut School", Dharan	93,564
Financial Assistance provided to "Gitabhaswan" for organising Krishan Jammaastami celebration program	50,000
Financial literacy Program conducted in "Shiksha Niketan Secondary School" Dharan	5,730
Amount expended to purchase Harvester Brush grass cutter machine which is provided to "Saradha Balika Namuna Madyamik Vidhyalaya", Dharan	38,000
Financial literacy Program conducted in "Mahendra Multiple Campus" Dharan, "Public High School" Dharan	50,292
Amount provided to "Dharan Expo 2079" for promoting local trade & business and facilitate trade between manufacturer and consumer	300,000
Financial literacy program conducted in "Sharda Balika Namuna Secondary School" Dharan, "Rastriya Janashyog College" Itari, "Shree Secondary School" Mirgouliya Morang, "Aamajugi Secondary School Kerabari" Morang, "U.N College" Dharan	74,680
Financial Literacy Program conducted in "Mahendra Multiple Campus", Dharan	10,000
Financial assistance provided "Shree Ram Secondary School" Pakribas Dhankuta for the management of education material to student	100,000
Financial assistance provided to "Nepal Udyamshil Mahila Sangh", which organizes skilled based program to enhance entrepreneurship in society	10,000
Amount expended to purchase CCTV which is installed on "Maya Ghar Nepal", "Maya Ghar Nepal" has been providing protection and rescue of helpless, violence affected and homeless people	20,810
Amount expended to purchase flex board for creating traffic awareness to general people on request of "Distric Traffic Office, Sunsari"	81,600
Financial assistance provided to "TAPLEJUNG SUNSARI CONCERN SOCIETY" which provides relief material to people affected by natural disaster	21,000
Financial assistance provided to "Satya Sai School" Dharan (which provides free of cost education in english medium to poor and needy student) for buying Library Rack	150,000
Total	1,059,676

Disclosure as prescribed in AGM Clearance Guidelines,2077
6.3 Disclosure with respect to compliance of directives issued by NRB to curb effect of COVID 19 (As per format prescribed in AGM Clearance Guidelines,2077)
Annexure 1

Particulars	As of Asadh end 2080	
	No. of Customers	Amount (NRs.)
Accrued Interest Received after Asadh end 2080 till 15 Sharawan 2080	421	6,022,252
Additional 0.3% Loan Loss Provision created on Pass Loan Portfolio	5,185	13,360,958
Extension of moratorium period of loan provided to Industry or Project under construction	NA	NA
Restructured/Rescheduled Loan with 5% Loan Loss Provision	-	-
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	NA	NA

Annexure 2

Particulars	No. of Customers	Amount (NRs.)
Refinance Loan	NA	NA
Business Continuity Loan	NA	NA

Annexure 3

Particulars	As of Asadh end 2080	
	No. of Customers	Amount (NRs.)
Subsidized Loan	209	94,205,190.91

6.4 Disclosure with respect to Interest income recognition, Interest receivable on loan on Ashad end 80 and Interest received up to Sharawan 15,2080

"Interest has been recognised as per accrual basis of accounting in accordance with NAS 18 subject to Guideline on Recognition of Interest Income, 2019 issued by NRB. As per NRB Directives 4, applicable for FY 79-80 accrued interest of 79-80 (not received up to Ashad end 80) ,received up to Sharawan 15 can be accounted as interest income of 79-80. Bank has opted above provision and interest received up to Sharawan 15 has been accounted as interest income of 79-80. The bank has trasferred only accrued interest of ashad 80 not received up to sharawan 15 to regulatory reserve. "

Details relating to AIR and interest received are as follows:

Particulars	Amount
Total Interest receivable on Ashad end 80 Excluding Bad loan	17,386,444
Total Interest receivable on Ashad end 80 on Bad loan	2,043,809
Total	19,430,253
Interest received from Shrawan 1 to Sharawan 15 other than Bad loan	6,022,252
Interest received from Shrawan 1 to Sharawan 15 on Bad loan	-
Total	6,022,252
Total Interest not received up to Sharawan 15(relating to AIR up to Ashad end 80)	13,408,001

6.5 Disclosure with respect to NFRS 16

ROU Asset

	Ashad end 80	Ashad end 79
Opening balance	27,572,517	-
Adjustment	1,086,070	-
Acquisition	-	31,911,796
Depreciation	4,511,013	4,339,279
Closing Balance	24,147,574	27,572,517
	-	
Lease Liability		
Opening Balance	28,489,567	31,911,796
Adjustment	1,086,070	-
Accrued Interest	1,957,907	2,112,561
Payment	5,675,309	5,534,790
Closing Balance	25,858,235	28,489,567
	-	
Depreciation charge for the year	4,511,013	4,339,279
Interest Expenses for the Year	1,957,907	2,112,561

6.1 Staff Training details

Training Provided to Staff of bank during the year to enhance overall knowledge, skill during reporting period are as follows;

Particulars	Participating staff	Trainer	Amount
AML/CFT Training	All staff	External Trainer	425,390
CIB API VERSION -2 Training	Jitendra Kumar Yadav(IT Incharge)	External Trainer	20,600
Branch Operation and Management	CSD and Teller staff of bank	In house Trainer	110,141
Training on Messenger on Work Management and Motivation	All Messenger of Bank	External Trainer	46,225
IT Risk Assesment Training	CEO, Sr Manager, IT head, IT Assistant	External Trainer	14,716
Effective Branch Management	Branch Incharge of Head office and Tarahara	External Trainer	14,135
Practical Approach to AMC/CFT and Contemporary Scenario	BM and RM	In house Trainer	164,670
Credit Administration Training	BM and RM	In house Trainer	138,800
System and Network Administration Training	CEO and Department Incharge of Bank	External Trainer	47,000
Practical Approach to AMC/CFT and Contemporary Scenario	Teller and CSD Staff of Bank	In house Trainer	137,680
Operation Risk Management Training	Teller and CSD Staff of Bank	In house Trainer	109,800
Corporate Governanace and AML CFT	CEO of bank and More than 2% shareholder	External Trainer	18,610
Sales and Customer excellence Training	CSD Staff of 4 Branch	External Trainer	27,070
Training on NRB Regulation for Credit Management	Branch Incharge of 3 branches	External Trainer	24,840
AML/CFT Training	All Staff of bank	External Trainer	315,760
Credit Risk Management	BM and RM of bank	External Trainer	119,975
Credit Recovery Management	BM and RM of bank	External Trainer	99,400
Total			1,834,812

Miteri Development Bank Limited
Principal Indicators of last 5 Financial Year

SN	Indicators	UNIT	FY	FY	FY	FY	FY
			2075-76	2076-77	2077-78	2078-79	2079-80
1	Net Profit/ Gross Income	Percent	20.54	21.51	20.40	18.60	16.12
2	Earnings Per Share	NPR	25.17	25.84	18.27	16.37	15.85
3	Market Value Per Share	NPR	234.00	307.00	586.00	347.00	404.10
4	Price Earning Ratio	Ratio	9.30	11.88	32.08	21.20	25.49
5	Dividend (including bonus) on Share Capital	Percent	19.50	15.79	14.00	13.00	10.00
6	Cash Dividend on Share Capital	Percent	0.98	0.79	0.70	0.65	0.50
7	Interest Income/ Loans and Advances and Investments	Percent	13.72	16.11	10.45	10.88	13.25
8	Staff Expenses/ Total Operating Expenses	Percent	15.58	14.72	17.41	13.96	12.07
9	Interest Expenses/ Total Deposits & Borrowings	Percent	7.87	8.19	6.26	7.34	9.57
10	Exchange Gain/ Total Income	Percent	-	-	-	-	-
11	Staff Bonus/ Total Staff Expenses	Percent	27.33	30.34	25.70	26.64	25.29
12	Net Profit/ Total Loans & Advances	Percent	3.59	4.44	2.94	2.93	3.49
13	Net Profit/ Total Assets	Percent	2.56	2.72	2.17	1.97	1.99
14	Total Loans & Advances/ Total Deposits	Percent	84.02	75.22	91.68	83.93	69.77
15	Total Operating Expenses/ Total Assets	Percent	8.62	8.69	6.95	7.61	9.44
16	Capital Adequacy (On Risk Weighted Assets)						
	a. Core Capital	Percent	18.07	18.48	22.70	23.77	29.32
	b. Supplementary Capital	Percent	0.89	0.81	1.25	1.24	1.33
	c. Total Capital Fund	Percent	18.96	19.29	23.95	25.02	30.65
17	Liquidity	Percent	33.90	45.32	26.46	36.34	50.39
18	Non-Performing Loan/ Total Loans & Advances	Percent	-	0.20	0.47	1.05	1.25
19	Base Rate	Percent	13.36	11.01	9.09	11.30	12.12
20	Weighted Average Interest Rate Spread	Percent	6.44	5.29	4.99	4.96	4.60
21	Book Net Worth	NPR	842,178,365	1,014,983,851	1,161,235,054	1,297,850,276	1,451,465,964
22	Number of Shares	Nos.	5,850,000	6,933,713	7,973,769	9,034,281	10,150,014
23	Number of Staff	Nos.	98	102	98	92	95

Miteri Development Bank Limited
Condensed Statement of Financial Position
As at Quarter ended 31st Ashad 2080

Amount in NPR

Particulars	Bank	
	This Quarter Ending	Immediate Previous Year Ending
Assets		
Cash and Cash Equivalents	412,713,254	324,503,776
Due from Nepal Rastra Bank	240,004,333	96,958,433
Placements with Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loans and Advances to BFs	390,332,652	220,597,748
Loans and Advances to Customers	4,214,660,373	4,824,237,133
Investment Securities	2,682,832,605	1,833,097,109
Current Tax Assets	-	375,186
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	21,409,661	9,000,114
Property and Equipment	55,825,647	58,024,023
Goodwill and Intangible Assets	267,222	447,761
Deferred Tax Assets	10,982,264	10,559,774
Other Assets	67,728,990	140,074,352
Total Assets	8,097,840,626	7,519,095,403

Particulars	Bank	
	This Quarter Ending	Immediate Previous Year Ending
Liabilities		
Due to Bank and Financial Institutions	57,766,970	59,816,575
Due to Nepal Rastra Bank	-	-
Derivative Financial Instruments	-	-
Deposits from Customers	6,508,886,332	6,004,597,312
Borrowings	-	-
Current Tax Liabilities	8,001,667	-
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	76,655,165	97,733,241
Debt Securities Issued	-	-
Subordinated Liabilities	-	-
Total Liabilities	6,648,110,134	6,222,145,128
Equity		
Share Capital	1,013,001,433	901,428,076
Share Premium	-	-
Retained Earnings	140,346,902	140,346,650
Reserves	296,388,133	254,073,557
Total Equity Attributable to Equity Holders	1,451,736,492	1,297,850,276
Non Controlling Interest	-	-
Total Equity	1,451,736,492	1,297,850,276
Total Liabilities and Equity	8,097,840,626	7,519,095,403

Condensed Statement of Profit or Loss
For the Quarter ended 31st Ashad 2080

Amount in NPR

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter(YTD)	This Quarter	Upto This Quarter(YTD)
Interest Income	252,836,721	976,533,241	221,246,756	759,027,337
Interest Expense	162,434,615	628,011,465	134,556,970	449,655,713
Net Interest Income	90,402,106	348,521,776	86,689,786	309,371,624
Fee and Commission Income	5,900,415	15,510,783	6,362,283	26,495,898
Fee and Commission Expense	159,680	784,610	279,770	472,512
Net Fee and Commission Income	5,740,735	14,726,173	6,082,513	25,983,386
Net Interest, Fee and Commission Income	96,142,841	363,247,949	92,772,300	334,955,010
Net Trading Income	-	-	-	-
Other Operating Income	(33,467)	4,426,201	209,410	9,197,458
Total Operating Income	96,109,374	367,674,152	93,031,750	344,152,467
Impairment Charge/ (Reversal) for Loans and Other Losses	(29,766,265)	469,860	(1,924,181)	9,743,778
Net Operating Income	125,875,662	367,204,292	94,955,931	334,406,689
Operating Expense				
Personnel Expenses	25,007,233	94,207,756	20,647,701	79,881,249
Other Operating Expenses	4,367,129	31,061,830	6,504,384	28,223,811
Depreciation & Amortisation	7,589,106	12,935,392	6,471,580	12,313,033
Operating Profit	88,912,193	228,999,314	61,332,066	212,790,595
Non Operating Income	-	-	-	-
Non Operating Expense	-	-	-	-
Profit Before Income Tax	88,912,193	228,999,314	61,332,066	212,790,595
Income Tax Expense				
Current Tax	26,873,658	68,699,744	20,737,449	66,175,008
Deferred Tax	-	-	(1,237,711)	(1,237,711)
Profit for the Period	62,238,535	160,299,520	41,832,328	147,852,298

Profit Attributable to:				
Equity-holders of the Bank	62,238,535	160,299,520	41,832,328	147,852,298
Non-Controlling Interest	-	-	-	-
Profit for the Period	62,238,535	160,299,520	41,832,328	147,852,298

Condensed Statement of Other Comprehensive Income
For the Quarter ended 31st Ashad 2080

Amount in NPR

Particulars	Bank			
	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter(YTD)	This Quarter	Upto This Quarter(YTD)
Profit for the year	62,238,535	160,299,520	41,832,328	147,852,298
Other Comprehensive Income for the year, Net of Income Tax	2,360,505	(985,810)	(97,850)	(5,656,430)
Total Comprehensive Income for the Period	64,599,040	159,313,710	41,734,477	142,196,868

Basis Earning per share(Annualised)	15.79	16.37
Diluted Earning per share(Annualised)	15.79	16.37

Total Comprehensive Income attributable to:				
Equity-Holders of the Bank	64,599,040	159,313,710	41,734,477	142,196,868
Non-Controlling Interest	-	-	-	-

Miteri Development Bank Limited
Comparison Unaudited and Audited Financial Statements as of 20/09/80

Statement of Financial Position	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			Amount	%	
Assets					
Cash and Cash Equivalent	412,713,254	412,854,404	141,150	0.03%	
Due from Nepal Rastra Bank	240,894,353	240,894,353	-	0.00%	
Placement with Bank and Financial Institutions	-	-	-	0.00%	
Derivative Financials Instrument	-	-	-	0.00%	
Other Trading Assets	-	-	-	0.00%	
Loans and Advances to Bank and Financial Institutions	390,332,052	390,332,052	-	0.00%	
Loans and Advances to Customers	4,214,600,377	4,215,984,202	1,322,825.0	0.03%	
Investment Securities	2,682,832,605	2,682,154,805	(677,800)	-0.03%	
Current Tax Assets	-	-	-	0.00%	
Investment in Subsidiaries	-	-	-	0.00%	
Investment in Associates	-	-	-	0.00%	
Investment Property	21,609,661	21,609,661	-	0.00%	
Property and Equipment	55,815,847	52,399,796	(3,426,052)	-6.14%	Due to adjustment of NFRS 16
Goodwill and Intangible Assets	267,222	267,222	0	0.00%	
Deferred Tax Assets	10,082,264	13,860,133	2,886,869	26.29%	Due to Final assessment of Deferred tax
Other Assets	67,738,998	67,851,954	102,965	0.15%	
Total Assets	8,097,846,626	8,098,197,583	356,957	0.00%	Consequential effect of above items.
Liabilities					
Due to Bank and Financial Institutions	53,766,970	53,766,970	-	0.00%	
Due to Nepal Rastra Bank	-	-	-	0.00%	
Derivative Financials Instrument	-	-	-	0.00%	
Deposits from Customers	6,506,886,332	6,506,886,332	-	0.00%	
Borrowings	-	-	-	0.00%	
Current Tax Liabilities	8,801,667	12,807,423	4,005,756	45.51%	Due to assessment of Final Tax
Provisions	-	-	-	0.00%	
Deferred Tax Liabilities	-	-	-	0.00%	
Other Liabilities	76,655,165	73,270,894	(3,384,271)	-4.41%	Due to set off of Plus asset with Defined Benefit Liability
Debt Securities Issued	-	-	-	0.00%	
Subordinated Liabilities	-	-	-	0.00%	
Total Liabilities	6,646,110,134	6,646,731,619	621,485	0.01%	Consequential effect of above items.
Equity					
Share Capital	1,015,001,437	1,015,001,437	-	0.00%	
Share Premium	-	-	-	0.00%	
Retained Earnings	140,346,902	137,377,951	(2,968,951)	-2.12%	Due to Change in Profit
Reserves	296,388,133	299,086,576	2,698,423	0.91%	
Total Equity Attributable to Equity Shareholders	1,451,736,492	1,451,465,964	(270,528)	-0.02%	
Non Controlling Interest					
Total Equity	1,451,736,492	1,451,465,964	(270,528)	-0.02%	Consequential effect of above items.
Total Equity and Liabilities	8,097,846,626	8,098,197,583	356,957	0.00%	Consequential effect of above items.

Statement of Profit and Loss	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			Amount	%	
Interest Income	976,533,241	978,398,520	1,865,278	0.19%	
Interest Expenses	628,011,463	628,011,463	-	0.00%	
Net Interest Income	348,521,778	350,387,057	1,865,278	0.54%	
Fee and Commission Income	15,510,783	15,894,617	383,834	2.47%	
Fee and Commission Expenses	784,610	1,325,610	541,000	68.95%	Due to Adjustment of Fee Expenses
Net Fee and Commission Income	14,726,173	14,569,007	(157,166)	-1.07%	Consequential effect of above items.
Net Interest, Fee and Commission Income	363,247,951	364,956,063	1,708,112	0.47%	
Net Trading Income	-	-	-	0.00%	
Other Operating Income	4,426,201	3,340,401	(677,800)	-15.31%	Due to Adjustment of Bonus dividend of unlisted share
Total Operating Income	367,674,152	368,704,464	1,030,312	0.28%	
Impairment Charge (reversal) for loans and other losses	469,860	469,860	0	0.00%	
Net Operating Income	367,204,292	368,234,604	1,030,312	0.28%	
Operating Expenses					
Personnel Expenses	94,207,756	92,275,926	(1,931,831)	-2.05%	Change in personal expenses due to actuarial report and Adjustment of Staff Finance Income
Other Operating Expenses	31,061,830	30,855,269	(206,561)	-0.67%	
Depreciation & Amortization	12,935,392	11,775,510	(1,159,881)	-8.97%	Due to NFRS 16 Adjustment
Operating Profit	238,996,214	233,227,899	(4,728,585)	-1.89%	
Non-Operating Income	-	-	-	0.00%	
Non-Operating Expenses	-	-	-	0.00%	
Profit before Income Tax	238,996,214	233,227,899	(4,728,585)	-1.89%	
Income Tax Expenses	-	-	-	0.00%	
Current Tax	68,099,794	74,964,729	6,264,926	9.17%	Due to Assessment of Final tax
Deferred Tax	-	(2,526,552)	(2,526,552)	100.00%	Due to adjustment of deferred tax
Profit for the Period	160,299,520	160,883,731	584,212	0.36%	Consequential effect of above items.

Consolidated Statement of Comprehensive Income	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			Amount	%	
Profit/(Loss) for the period	160,299,520	160,883,731	(584,212)	-0.36%	
Other Comprehensive Income	(985,810)	(1,640,550)	654,740	-86.70%	Adjustment of Actuary Valuation report
Total Comprehensive Income	159,313,710	159,043,181	270,528	0.17%	Consequential effect of above items.

मितेरी डेभलपमेन्ट बैंक लिमिटेड

०.५०% भन्दा बढि शेयर स्वामित्व रहेका शेयरधनीहरू

२०८०।०३।३१

क्र.सं.	शेयरहोल्डरको नाम	शेयरको प्रकार	शेयर संख्या	शेयर रकम	प्रतिशत
१	सुनिल श्रेष्ठ	संस्थापक	४१७,७२६।००	४१,७७२,६००।००	४।१२
२	राजेश अग्रवाल	संस्थापक	३१९,४३४।००	३१,९४३,४००।००	३।१५
३	राजेश अग्रवाल	संस्थापक	२९७,२५६।००	२९,७२५,६००।००	२।९३
४	जनसेवक भण्डारी	संस्थापक	२१२,९५५।००	२१,२९५,५००।००	२।१०
५	राम बहादुर श्रेष्ठ	संस्थापक	१९६,५४६।००	१९,६५४,६००।००	१।९४
६	ललिता थापा	संस्थापक	१४७,४३४।००	१४,७४३,४००।००	१।४५
७	गम्भिरमान तण्डुकार	संस्थापक	१३१,०४४।००	१३,१०४,४००।००	१।२९
८	पवन कुमार अग्रवाल	संस्थापक	१२२,८५२।००	१२,२८५,२००।००	१।२१
९	भिम बहादुर पौडेल	संस्थापक	१०६,४७६।००	१०,६४७,६००।००	१।०५
१०	योगेश कुमार श्रेष्ठ	संस्थापक	७३,७१२।००	७,३७१,२००।००	०।७३
११	विकाश श्रेष्ठ	संस्थापक	६९,६१५।००	६,९६९,५००।००	०।६९
१२	पुनम चन्द बुच्चा	संस्थापक	६५,५२५।००	६,५५२,५००।००	०।६५
१३	सुनिल अग्रवाल	संस्थापक	६५,५२५।००	६,५५२,५००।००	०।६५
१४	मदन मान अमात्य	संस्थापक	६५,५२५।००	६,५५२,५००।००	०।६५
१५	सुर्य शेखर श्रेष्ठ	संस्थापक	६५,५२५।००	६,५५२,५००।००	०।६५
१६	किसन मास्के	संस्थापक	६५,५२४।००	६,५५२,४००।००	०।६५
१७	उमा बस्नेत	संस्थापक	६५,५२४।००	६,५५२,४००।००	०।६५
१८	शान्ता दिक्षित	संस्थापक	६५,५२४।००	६,५५२,४००।००	०।६५
१९	जयन्द्रकुमार शर्मा	संस्थापक	६५,५१९।००	६,५५१,९००।००	०।६५
२०	डिल्ली प्रसाद ढकाल	संस्थापक	५७,४४६।००	५,७४४,६००।००	०।५७
२१	ईन्दु नेपाल श्रेष्ठ	संस्थापक	५७,३३२।००	५,७३३,२००।००	०।५६
२२	प्रदिप श्रेष्ठ	संस्थापक	५६,६८५।००	५,६६८,५००।००	०।५६
२३	पुर्ण प्रसाद सुवेदी	संस्थापक	५४,५९७।००	५,४५९,७००।००	०।५४
२४	सविना श्रेष्ठ	संस्थापक	५०,९७४।००	५,०९७,४००।००	०।५०
२५	सुनिल श्रेष्ठ	सर्वसाधारण	१५५,६०३।००	१५,५६०,३००।००	१।५३
२६	एन.एम.बि. सुलभ फण्ड	सर्वसाधारण	१३७,४४३।००	१३,७४४,३००।००	१।३५
२७	राजेश अग्रवाल	सर्वसाधारण	८६,१६०।००	८,६१६,०००।००	०।८५
२८	जनसेवक भण्डारी	सर्वसाधारण	७९,३२८।००	७,९३२,८००।००	०।७८
२९	राजेश अग्रवाल	सर्वसाधारण	५८,५३६।००	५,८५३,६००।००	०।५८

धितोपत्र दर्ता तथा निष्काशन नियमावली २०६५ को नियम २२ को उपनियम (१ र ५) सँग सम्बन्धित विवरण

१. संचालक समितिको प्रतिवेदन : संलग्न छ ।
२. लेखापरिक्षकको प्रतिवेदन : संलग्न छ ।
३. लेखापरिक्षण भएको वित्तिय विवरण : संलग्न छ ।
४. कानुनी कारवाही सम्बन्धि विवरण :

देहाय अनुसारको मुद्दा दायर भएको भाए, मुद्दा दायर भएको मिति, विषय, मुद्दा दायर भएको संस्थापक वा संचालकको नाम र सम्भाव्य कानुनी उपचार सम्बन्धि विवरण समावेश गर्नु पर्ने ।

- क) यस अवधिमा संगठित संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएको भाए ; यस अवधिमा बैंकको सामान्य व्यवसायसँग सम्बन्धित बाहेक अन्य कुनै उल्लेखनिय प्रकृतिका मुद्दा बैंक वा बैंकको विरुद्ध दायर भएको छैन ।
- ख) संगठित संस्थाको संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भाए : छैन ।
- ग) कुनै संस्थापक वा संचालन विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भाए : छैन ।

५) संगठित संस्थाको शेयर कारोबार तथा प्रगतिको विश्लेषण :

- क) धितोपत्र बजारमा भएको संगठित संस्थाको शेयरको कारोबार सम्बन्धमा व्यवस्थापनको धारण शेयरको कारोबार तथा मूल्य खुल्ला बजार स्वयमले निर्धारण गर्ने हुँदा यसमा व्यवस्थापनको धारण तटस्थ रहेको छ ।
- ख) संगठित संस्थाको शेयर कारोबार देहाय बमोजिम रहेको छ । (स्रोत : nepalstock.com)

त्रैमास	प्रथम त्रैमास	दोस्रो त्रैमास	तेस्रो त्रैमास	चौथो त्रैमास
अधिकतममूल्य	४४१।४०	४२५	४०८	४३०
न्यूनतममूल्य	३४७।९०	३६४।४०	३५३	३५०।३०
अन्तिममूल्य	३७२	३९६	३६६।९०	४०४।९०
कारोबार भएको कुल सख्या	८,५०,०४३	७,६४,६८७	४,७५,९५७	६,४८,९२२
कारोबार दिन	६५	५३	५६	६२

६) समस्या तथा चुनौतीहरु :

आन्तरीक चुनौतीहरु :

- क) कर्जाको मागमा उल्लेख्य ह्रास ऐवम कर्जा लगानीमा उच्च प्रतिस्पर्धा
- ख) उच्चतम प्रविधिको अभाव
- ग) दक्ष जनशक्तिको अभाव
- घ) शाखा संजालको कमी
- घ) राजनैतिक तथा आर्थिक अस्थिरता
- ङ) कर्जा तथा निक्षेपको व्याजमा अत्यन्त प्रतिस्पर्धा

उपरोक्त चुनौतिको सामना गर्न व्यवस्थापनको रणनीति : हाल कायम जनशक्तिलाई कार्यस्थल लगायत बाह्य तालिमको माध्यमबाट आवश्यक जनशक्ति तयार गर्ने । शाखा खोल्ने कार्यलाई निरन्तरता दिई शाखा संजाल बढाउने । बाह्य चुनौतीहरुको सम्बन्धमा व्यवस्थापन चनाखो भई निरन्तर सजग रहि जोखिम को असरलाई कम गर्ने रणनीति व्यवस्थापनले लिइको छ ।

बाह्य चुनौतीहरु :

- क) अन्य बैंकमा राखिएको निक्षेपमा न्यून व्याज पाउनु
- ख) तरलताको स्थितिमा व्यापक परिवर्तन
- ग) अन्य बैंक तथा वित्तिय संस्थाको शाखा संजालको प्रवेश

ङ) बजारमा आर्थिक गतिविधिमा सुस्तता

७) संस्थागत सुशासन :

यस विकास बैंकले नेपाल राष्ट्र बैंकको निर्देशन बमोजिम संस्थागत सुशासन अभिवृद्धिको लागि आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न आवश्यक कार्यहरु गरेको छ । बैंकको संचालन जोखिम कम गरी कारोबारलाई चुस्त छिटो छिर्ति बनाउन संचालक तथा व्यवस्थापन तहमा विभिन्न समितीहरु क्रियाशिल रहेका छन् । साथ बैंकको कारोबारलाई व्यवस्थित गराउन विभिन्न नीति नियम तथा निर्देशिकाहरु तयार गरी लागू गरिएकोले व्यवस्थापन तथा कार्यान्वयन पक्ष सबल रहेको छ ।



नेपाल राष्ट्र बैंक
वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या : वि.सं.सु.वि. / गैरस्थलगत / मिनेरी डेभलपमेण्ट / ०८० / ८१
च.नं.

केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं
फोन नं : ०१-४४१२२०७
Site: www.nrb.org.np
Email: nrbiso@nrb.org.np
संकेत: वकस-३३

मिति : २०८०/०८/१८

श्री मिनेरी डेभलपमेण्ट बैंक लिमिटेड,



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

महाशय,

त्यस संस्थाले पेज गरेको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेरचनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०७९/८० को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा अनुरोध छ । साथै, संस्थाले प्रस्ताव गरे अनुसार आ.व. २०७९/८० सम्मको सञ्चित मुनाफा रु.९३,७३,७७,९२९/- बाट २०८० असार मसान्तमा कायम रहेको चुक्ता पुँजी रु.९,०९,५०,०९,४३७/- को ९.५० प्रतिशतले हुन आउने रकम रु.९,६४,२५,९३६.५० (अक्षरेपि नौ करोड चौसठ्ठी लाख पन्ध्रस हजार एक सय छत्तिस र पैसा पचास मात्र) बराबरको बोनस शेयर तथा सोही चुक्ता पुँजीको ०.५० प्रतिशतले हुन आउने रकम रु.५०,७५,००७.९९ (अक्षरेपि पचास लाख पचहत्तर हजार सात र पैसा उन्नाइस मात्र) नगद लाभांश (लाभांशमा लाग्ने कर प्रयोजनको लागि) अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्ने स्वीकृति प्रदान गरिएको व्यहोरा समेत निर्णयानुसार अनुरोध गर्दछु ।

- १) यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०८० बमोजिम व्याजदर, अधारदर तथा व्याज छुट सम्बन्धी व्यवस्थाको पालना गर्नुहुन तथा ग्राहकलाई व्याज छुट दिँदा सबै ग्राहकलाई समान रुपमा छुट दिने व्यवस्थाको कडाइका साथ पालना गर्नुहुन ।
- २) यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०८० बमोजिम सम्पत्ति शद्धीकरण तथा आतकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरुपमा पालना गर्नुहुन ।
- ३) ग्राहक पहिचान (KYC), अनुपालना तथा कर्जा व्यवस्थापन लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरूको सधार गर्न समय सीमा सहितको कार्ययोजना बनाई प्रभावकारी रूपले कार्यान्वयन गर्ने तथा पुनः नदोहोरिने व्यवस्था गर्नुहुन ।
- ४) कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिताको सुनिश्चितता गरी प्रवाहित कर्जाको नियमित रुपमा अनुगमन गर्ने कार्यलाई प्रभावकारी रुपमा कार्यान्वयन गर्नुहुन ।

भवदीय,


(रञ्जना शर्मा)
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

नेपाल राष्ट्र बैंकवाट आ.व. २०७८/०८० को वित्तीय विवरण प्रकाशन गर्न स्विकृत दिदा दिएको निर्देशनको सम्बन्धमा बैंकको प्रतिक्रिया :

१. निर्देशन बमोजिम गरिने व्यहोरा अनुरोध छ ।
२. निर्देशन बमोजिम गरिने व्यहोरा अनुरोध छ ।
३. निर्देशन बमोजिम गरिने व्यहोरा अनुरोध छ ।
४. निर्देशन बमोजिम गरिने व्यहोरा अनुरोध छ ।

कम्पनीको प्रवन्धपत्र तथा नियमावलीमा आवश्यक परिमार्जन / संशोधन तथा थप गर्ने :

दफा /नियमावली	हाल भैरहेको व्यवस्था	संशोधित व्यवस्था	संशोधन तथा थप गर्नुपर्ने कारण
प्रवन्धपत्रको दफा ५ (ख)	यस वित्तीय संस्थाको जारी पूँजी रु १,०१,५०,०१,४३६।८६(अक्षरेपि एक अर्ब एक करोड पचास लाख एक हजार चार सय छत्तिस र पैसा छयासी) मात्र हुनेछ । सो पूँजिलाई प्रति शेयर रु १००।- का दरले १,०१,५०,०१,४३६।८६ (एक करोड एक लाख पचास हजार चौध दशमलव तिन छ आठ छ) थान साधारण शेयरमा विभाजन गरिएको छ ।	यस वित्तीय संस्थाको जारी पूँजी रु १,११,१४,२६,५७३।३६ (अक्षरेपि एक अर्ब एघार करोड चौध लाख छव्विस हजार पाँच सय त्रिहत्तर र पैसा छत्तिस) मात्र हुनेछ । सो पूँजिलाई प्रति शेयर रु १००।- का दरले १,११,१४,२६,५७३।३६ (एक करोड एघार लाख चौध हजार दुई सय पैसट्टी दशमलव सात तिन तिन छ) थान साधारण शेयरमा विभाजन गरिएको छ ।	बोनस शेयर जारी गरि जारी पूँजी वृद्धि गर्न ।
प्रवन्धपत्रको दफा ५ (ग)	यस वित्तीय संस्थाको चुक्ता पूँजी रु १,०१,५०,०१,४३६।८६(अक्षरेपि एक अर्ब एक करोड पचास लाख एक हजार चार सय छत्तिस र पैसा छयासी) मात्र हुनेछ ।	यस वित्तीय संस्थाको चुक्ता पूँजी रु १,११,१४,२६,५७३।३६(अक्षरेपि एक अर्ब एघार करोड चौध लाख छव्विस हजार पाँच सय त्रिहत्तर र पैसा छत्तिस) मात्र हुनेछ ।	बोनस शेयर जारी गरि चुक्ता पूँजी वृद्धि गर्न ।

व्यवस्थापन समुह



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प्रमुख कार्यकारी अधिकृत



विशाल श्रेष्ठ
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राम चन्द्र मर्दराई
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