


17th ANNUAL REPORT

FY 2023-24

१७औं वार्षिक प्रतिवेदन
आ.व. २०८०/८१

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NEW BUSINESS AGE
PVT. LTD.

PRESENTS

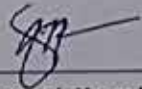


New Business Age
and the Board of Jury confer the title

**BEST MANAGED FINANCE
COMPANY OF THE YEAR**

to

MANJUSHREE FINANCE LTD.



Ramesh Hamal
Former Chairman, SEBON
Jury Chair



Madan Iamsal
Chairman
New Business Age (P) LTD.

 **अभियान**

22 March 2024

**New
Business Age**

प्रोक्सी फारम

श्री सञ्चालक समिति,
 मञ्जुश्री फाइनेन्स लिमिटेड,
 केन्द्रीय कार्यालय, उँकार भवन, नयाँबानेश्वर, काठमाण्डौ ।

विषय :- प्रतिनिधि (प्रोक्सी) नियुक्त गरिएको वारे ।

महाशय,

.....जिल्ला.....न.पा./गा.पा., वडा नं बस्ने
 म/हामीले मञ्जुश्री फाइनेन्स लिमिटेडको शेयरधनीको हैसियतले मिति
 २०८१ पुस २८ गते (तदनुसार जनवरी १२, २०२५), आईतवारका दिन हुने सत्रौँ साधारण सभामा स्वयं उपस्थित भई छलफल तथा निर्णयमा
 सहभागी हुन नसक्ने भएकोले उक्त सभामा भाग लिन/मतदान गर्नको लागि जिल्ला,
न.पा./ गा.पा., वडा नं..... बस्ने श्री/श्रीमती.....
 लाई मेरो/हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

प्रतिनिधिको
 हस्ताक्षर नमुना :
 शेयरधनी परिचय नं. :
 वा छिद्र ल्यास

निवेदक
 दस्तखत :
 नाम :
 शेयरधनी परिचय नं. :
 वा BOID No.:
 शेयर संख्या :
 मिति :
 नोट :

यो निवेदन साधारण सभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै कम्पनीको रजिस्टर्ड कार्यालय, उँकार भवन, नयाँबानेश्वर, काठमाण्डौमा पेश
 गरी सक्नु पर्नेछ ।

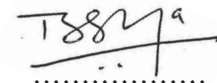
मञ्जुश्री फाइनेन्स लिमिटेडको सत्रौँ वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र

शेयरधनीको नाम : श्री
 शेयरधनी नं. वा BOID No.:
 शेयर संख्या :

.....

शेयरधनीको दस्तखत

द्रष्टव्य: शेयरधनी आफैले खाली कोष्टहरू भर्नु होला
 (सभा कक्षमा प्रवेश गर्न यो प्रवेश पत्र प्रस्तुत गर्नु अनिवार्य छ)



कम्पनी सचिव

मञ्जुश्री फाइनान्स लिमिटेड

सत्रौं वार्षिक साधारण सभा बस्ने सठबन्धी सूचना

मिति २०८१ साल पौष महिना ०३ गते बुधवार बसेको सञ्चालक समितिको २८८ औं बैठकको निर्णय बमोजिम यस मञ्जुश्री फाइनान्स लिमिटेडको सत्रौं वार्षिक साधारण सभा निम्न लिखित विषयहरू उपर छलफल तथा निर्णय गर्नका लागि निम्न मिति, समय र स्थानमा बस्ने भएकोले सम्पूर्ण शेयरधनी महानुभावहरूको जानकारीको लागि अनुरोध गर्दै यो सूचना प्रकाशित गरिएको छ ।

सभा हुने मिति, समय र स्थान :

मिति : २०८१ पौष २८ गते आईतवार (तदनुसार १२ जनवरी २०२५)

समय : विहान ११:०० बजे

स्थान: थापागाउँ ब्याङ्केट, थापागाउँ, नयाँबानेश्वर, काठमाण्डौ ।

सत्रौं वार्षिक साधारण सभामा छलफलका लागि प्रस्तुत गरिने प्रस्तावहरू :

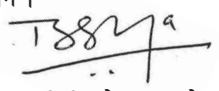
(क) सामान्य प्रस्ताव :

१. आर्थिक वर्ष २०८०/८१ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहित २०८१ आषाढ मसान्तको वासलात एवं आ.व. २०८०/८१ को नाफा नोक्सान हिसाब तथा नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरू उपर छलफल गरि पारित गर्ने ।
३. कम्पनी ऐन, २०६३ को दफा १११ अनुसार लेखापरीक्षण समितिको सिफारिसमा आर्थिक वर्ष २०८१/८२ को लागि लेखापरीक्षक नियुक्ति गर्ने र निजको पारिश्रमिक निर्धारण गर्ने । (वहालवाला श्री पि.आर.एस.एच. एण्ड एशोसिएट्स, चार्टर्ड एकाउन्टेन्ट्स पुनः नियुक्त हुन योग्य हुनु हुन्छ) ।
४. सञ्चालक समितिले प्रस्ताव गरे बमोजिम हाल कायम चुक्ता पूँजी रु. १,३५,१५,५२,८४८।८० (अक्षरेपि एक अर्ब पैतीस करोड पन्ध्र लाख बाउन्न हजार आठ सय अठचालिस रुपियाँ र पैसा अस्सी मात्र) को ६.३५% ले हुन आउने रकम रु. ८,५८,२३,६०५।९० (अक्षरेपि आठ करोड अन्ठाउन्न लाख तेइस हजार छ सय पाँच रुपैया र पैसा नव्वे मात्र) बराबरको नगद लाभांश (नगद लाभांशको कर समेत) वितरण गर्न स्वीकृत प्रदान गर्ने ।
५. यस वित्तीय संस्थाको सञ्चालक समितिमा संस्थापक समूहका शेयरधनीहरूको तर्फबाट निर्वाचित सञ्चालकज्यूहरू ३ (तीन) जना र सर्वसाधारण समूहका शेयरधनीहरूको तर्फबाट निर्वाचित सञ्चालकज्यूहरू मध्येका १ (एक) जना गरि ४ (चार) जना सञ्चालकज्यूहरूको कार्यकाल २०८१ पौष मसान्तबाट सकिई उक्त पद रिक्त हुने भएको हुँदा वित्तीय संस्थाको नियमावली बमोजिम रिक्त रहने उक्त ४ (चार) जना सञ्चालकहरूको निर्वाचन गर्ने ।

(ख) विशेष प्रस्तावहरू :

१. प्रबन्ध पत्र र नियमावली संशोधन ।
- (क) नेपाल राष्ट्र बैंकको स्वीकृत लिई यस वित्तीय संस्थाको रजिष्टर्ड (केन्द्रिय) कार्यालयलाई का.जि. का.म.न.पा. वडा नं. १० बाट ठाउँसारी गरी का.जि. का.म.न.पा. वडा नं. ११ मा राख्नका लागि यस वित्तीय संस्थाको प्रबन्ध पत्रको दफा २(१) र नियमावलीको नियम २ मा रहेको यस वित्तीय संस्थाको रजिष्टर्ड (केन्द्रिय) कार्यालय रहने स्थान संशोधन गर्ने ।
- (ख) नेपाल राष्ट्र बैंकको स्वीकृत लिई अध्यक्ष तथा सञ्चालकहरूको बैठक भत्ता तथा सुविधालाई समयानुकूल हुने गरि मिलाउन यस वित्तीय संस्थाको नियमावलीको नियम २९(१)(ख) लाई संशोधन गर्ने ।
२. प्रबन्ध-पत्र तथा नियमावलीलाई उपरोक्त बमोजिम संशोधन गर्न अनुमति लिनु पर्ने नियमनकारी निकायहरूबाट प्राप्त हुन आउने निर्देशन बमोजिम थपघट लगायत आवश्यक संशोधन गर्न सञ्चालक समितिलाई पूर्ण अख्तियारी प्रदान गर्ने ।
३. यस वित्तीय संस्था र अन्य कुनै उपयुक्त बैंक वा वित्तीय संस्था एक आपसमा गाभ्ने गाभिने (MERGER) गर्ने वा प्राप्ती (Acquisition) गर्ने तथा बैदेशिक रणनीतिक साभेदारीमा जान उपयुक्त देखिएमा यस वित्तीय संस्थाको चल अचल सम्पत्ति र दायित्व तथा कारोवारको मूल्यांकन (Due Diligence Audit) गर्न राष्ट्रिय वा अन्तर्राष्ट्रिय मान्यता प्राप्त मूल्यांकनकर्ता नियुक्त गर्न तथा निजको पारिश्रमिक तोक्न, गाभ्ने वा गाभिने वा प्राप्ति गर्ने सम्बन्धी प्रारम्भिक तथा अन्तिम सम्झौता गर्ने र सो प्रकृया पुरा गर्न आवश्यक पर्ने सम्पूर्ण कार्य गर्नको लागि सञ्चालक समितिलाई पूर्ण अख्तियारी प्रदान गर्ने ।

(ग) विविध :


 सञ्चालक समितिको आज्ञाले
 (कम्पनी सचिव)

सत्रौं वार्षिक साधारण सभा सम्बन्धी थप जानकारी :

१. यस संस्थाको सत्रौं वार्षिक साधारण सभा, सञ्चालक निर्वाचन र नगद लाभांश वितरण प्रयोजनका लागि यस संस्थाको शेयर दाखिल खारेजको काम २०८१ साल पौष महिना ११ गतेका दिन बन्द रहनेछ । नेपाल स्टक एक्सचेन्ज लि. तथा सिडिएस एण्ड क्लियरिङ लिमिटेडमा मिति २०८१/०९/११ गते भन्दा अघिल्लो दिनसम्म कारोबार भई मिति २०८१/०९/१९ गते कार्यालय समय भित्र यस संस्थाको शेयर रजिष्ट्रार श्री एन.आई.एम.बि. एस क्यापिटल लिमिटेडको कार्यालय लाजिम्पाट, काठमाण्डौमा प्राप्त शेयर नामसारी लिखतको आधारमा शेयरधनी किताबमा कायम शेयरधनीहरूले सो सत्रौं वार्षिक साधारण सभामा भाग लिन/मतदान गर्न/नगद लाभांश प्राप्त गर्न योग्य हुने छन् ।
२. यस संस्थाको सत्रौं वार्षिक साधारण सभामा भाग लिन प्रतिनिधि नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले सभा शुरू हुने समय भन्दा कम्तीमा ४८ घण्टा अगावै यस संस्थाको शेयर रजिष्ट्रार श्री एन.आई.एम.बि. एस क्यापिटल लिमिटेडको कार्यालय, काठमाण्डौ वा यस संस्थाको रजिष्टर्ड कार्यालय, उँकार भवन, नयाँवानेश्वर, काठमाण्डौमा प्रोक्सी फाराम दर्ता गरी सक्नु पर्नेछ । सत्रौं वार्षिक साधारण सभामा भाग लिन प्रतिनिधि नियुक्त गरी सकेपछि उक्त प्रतिनिधि बदर गरी अर्कै मुकरर गर्ने भएमा सो को लिखित सूचना समेत तत्काल यस संस्थाको शेयर रजिष्ट्रार श्री एन.आई.एम.बि. एस क्यापिटल लिमिटेडको कार्यालय, काठमाण्डौ वा यस संस्थाको रजिष्टर्ड कार्यालय, उँकार भवन, नयाँवानेश्वर, काठमाण्डौमा दर्ता गरी सक्नु पर्नेछ ।
३. यस संस्थाको सत्रौं वार्षिक साधारण सभामा भाग लिन प्रतिनिधि (प्रोक्सी) नियुक्त गरि सकेपछि सम्बन्धित शेयरधनी सभामा उपस्थित हुनु भएमा शेयरधनीको प्रतिनिधि (प्रोक्सी) स्वतः बदर हुनेछ ।
४. नाबालक तथा अशक्त शेयरधनीहरूको तर्फबाट यस संस्थाको शेयर लगत किताबमा संरक्षकको रूपमा नामदर्ता भएको व्यक्तिले सत्रौं वार्षिक साधारण सभामा भाग लिन वा प्रतिनिधि (प्रोक्सी) तोक्न सक्नु हुनेछ ।
५. शेयरधनी महानुभावहरूको सुविधाको लागि हाजिरी पुस्तिका सत्रौं वार्षिक साधारण सभा हुने दिन १० बजे देखि सभा चालु रहेसम्म साधारण सभा स्थलमा खुल्ला राखिनेछ ।
६. यस वित्तीय संस्थाको सञ्चालक समितिमा संस्थापक समूहका शेयरधनीहरूको तर्फबाट निर्वाचित सञ्चालकज्यूहरू ३ (तीन) जना र सर्वसाधारण समूहका शेयरधनीहरूको तर्फबाट निर्वाचित सञ्चालकज्यूहरू मध्येका १ (एक) जना गरि ४ (चार) जना सञ्चालकज्यूहरूको कार्यकाल २०८१ पौष मसान्तबाट सकिई उक्त पद रिक्त हुने भएको हुँदा वित्तीय संस्थाको नियमावली बमोजिम रिक्त रहने उक्त ४ (चार) जना सञ्चालकहरूको निर्वाचन सम्बन्धी निर्वाचन कार्यक्रम निर्वाचन अधिकृतको कार्यालय रहने यस संस्थाको रजिष्टर्ड कार्यालय, उँकार भवन, नयाँवानेश्वर, काठमाण्डौको सूचनापाटी तथा संस्थाको वेभसाइटमा समेत निर्वाचन हुनु भन्दा १५ दिन अघि प्रकाशित गरिनेछ । साथै निर्वाचनका सम्बन्धमा थप जानकारी आवश्यक परेमा यस संस्थाको रजिष्टर्ड कार्यालय, उँकार भवन, नयाँवानेश्वर, काठमाण्डौमा सम्पर्क राख्नु हुन समेत यसै सूचनाबाट अनुरोध गरिन्छ ।
७. यस संस्थाको सत्रौं वार्षिक साधारण सभाका सम्बन्धमा अन्य आवश्यक जानकारीका लागि यस संस्थाको रजिष्टर्ड कार्यालय, उँकार भवन, नयाँवानेश्वर, काठमाण्डौमा सम्पर्क राख्नुहुन अनुरोध गरिन्छ ।

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Abbreviations

AGM	Annual General Meeting
ALCO	Assets Liability Committee
AML/CFT	Anti Money Laundering/Counter Financing of Terrorism
BFI s	Bank and Financial Institutions
BOD	Board of Directors
CBO	Chief Business Officer
CCO	Chief Credit Officer
CEO	Chief Executive Officer
DECO	Deputy Chief Executive Officer
EPS	Earnings Per Share
FY	Financial Year
GDP	Gross Domestic Product
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
KYC	Know Your Customers
MFL	Manjushree Finance Limited
NAS	Nepal Accounting Standards
NFRS	Nepal Financial Reporting Standards
NPL	Non-Performing Loans
NPR	Nepalese Rupees
NRB	Nepal Rastra Bank
RMC	Risk Management Committee
RTGS	Real Time Gross Settlement
RTI	Right to Information
SWOT-	Strengths, Weaknesses, Opportunities, Threats

CHAPTER-1

Global and National Economic Outlook

Global Economic Outlook

Current Global Economic Trends

The global economy has shown resilience in 2024, despite facing numerous challenges. According to the IMF, global GDP growth is projected to be 3.2% in 2024 and 3.3% in 2025. This growth is driven by a combination of factors, including the easing of inflation, recovery in consumer demand, and stabilization in global supply chains. However, significant uncertainties remain, such as geopolitical tensions, persistent inflation in some sectors, and potential financial market volatility.

Inflation and Monetary Policy

Inflation has been a critical issue globally, but there are signs of moderation. Headline inflation has eased in many countries due to declines in food, energy, and goods prices. However, inflation rate (average consumer prices) remains stubbornly high, averaging around 6.3% in South Asian countries (World Economic Outlook October 2024). Central banks worldwide have been adjusting their monetary policies to manage inflation, with many maintaining higher interest rates to curb price increases.

Labour Market Dynamics

Labour markets have shown mixed signals. While unemployment rates remain low, labour and skill shortages persist, particularly in sectors like healthcare and information technology. These shortages are exacerbated by demographic changes, such as aging populations, which could hinder long-term economic growth. Addressing these issues requires significant investments in education, upskilling, and reskilling of the workforce.

Risks and Uncertainties

The global economic outlook is clouded by several risks. Geopolitical tensions, such as conflicts and trade restrictions, could disrupt economic stability. Additionally, the potential for persistent inflation and financial market volatility poses threats to sustained growth. Policymakers need to remain vigilant and adaptable to navigate these challenges effectively.

National Economic Outlook: Nepal

Recent Economic Performance

Nepal's economy has shown signs of recovery in recent years. In 2024, Nepal's real GDP growth accelerated to 3.1%, up from 2% in 2023. This growth was primarily driven by a robust performance in the services sector, which benefited from a significant increase in tourist arrivals. The tourism sector's revival boosted activities in transportation, accommodation, and food services.

Key Economic Indicators

- GDP Growth:** Nepal's GDP growth has been on an upward trajectory, supported by the recovery in tourism and services. The World Bank projects continued growth, albeit at a moderate pace, as the country navigates post-pandemic recovery challenges.
- Inflation:** Inflation in Nepal has been relatively stable, but it remains a concern due to external factors such as global commodity prices and supply chain disruptions. The government and central bank have been monitoring inflation closely to ensure it remains within manageable levels.
- Employment:** The labour market in Nepal faces challenges like those seen globally, including skill shortages and underemployment. Efforts to improve vocational training and education are crucial to address these issues and enhance workforce productivity.
- Foreign Trade:** Nepal's trade balance remains a concern, with imports significantly outpacing exports. The government has been working on policies to boost exports and reduce dependency on imports, particularly in essential goods and services.

Sectoral Analysis

- Agriculture:** Agriculture remains a vital sector for Nepal, employing a significant portion of the population. However, productivity challenges and climate-related risks continue to affect output. Investments in modern agricultural practices and infrastructure are needed to enhance productivity

and resilience.

2. **Industry:** The industrial sector in Nepal is gradually recovering, with growth in manufacturing and construction activities. However, the sector faces challenges such as inadequate infrastructure, energy shortages, and regulatory hurdles. Addressing these issues is essential for sustained industrial growth.
3. **Services:** The services sector has been a key driver of economic growth, particularly tourism. The surge in tourist arrivals has had a positive impact on related industries, including hospitality, transportation, and retail. Continued efforts to promote Nepal as a tourist destination and improve infrastructure will be crucial for sustained growth in this sector.

NRB Monetary Policy

Nepal Rastra Bank (NRB) unveiled its monetary policy for FY 2024/25 on July 26, 2024. The main objectives are to achieve the government's 6% economic growth and 5% inflation targets, provide adequate liquidity for borrowing and lending, and incentivize investment in productive sectors. Key highlights include:

- **Interest Rates:** The policy aims to maintain stable interest rates to support economic activities. The NRB has kept the policy rate at 5.5%, with the bank rate at 7.0% and the deposit collection rate at 3.0%.
- **Liquidity Management:** The NRB has introduced measures to manage excess liquidity in the banking system, including the use of liquidity absorption instruments.
- **Credit Expansion:** The policy encourages banks and financial institutions to expand credit to productive sectors, particularly agriculture, industry, and small and medium enterprises (SMEs).

Review of Economic Data by NRB

The NRB's review of economic data for the first four months of FY 2024/25 provides insights into the current economic situation:

- **Inflation:** The year-on-year consumer price inflation stood at 5.60% in mid-November 2024, with food and beverage inflation at 9.10% and non-food and service inflation at 3.65%.
- **Foreign Trade:** Imports increased by 0.2%, while exports grew by 4.2%. Remittances, a significant

source of foreign exchange, increased by 9.1% in NPR terms.

- **Balance of Payments:** The balance of payments remained at a surplus of NPR 205.83 billion.
- **Banking Sector:** Deposits at banks and financial institutions (BFIs) increased by 2.3%, and private sector credit grew by 2.5%.

Key Challenges for the Nepalese Economy

1. **Trade Imbalance:** Nepal faces a significant trade deficit, with imports far exceeding exports. This imbalance puts pressure on foreign exchange reserves and the overall economy.
2. **Infrastructure Deficiencies:** Inadequate infrastructure, particularly in transportation and energy, hampers economic growth and industrial development.
3. **Labour Market Issues:** Skill shortages and underemployment are persistent challenges. Improving vocational training and education is essential to enhance workforce productivity.
4. **Climate Change:** Nepal is highly vulnerable to climate change, which affects agriculture and overall economic stability. Investments in climate resilience are crucial.
5. **Political Instability:** Frequent changes in government and policy inconsistency can disrupt economic planning and implementation.

Challenges for the Nepalese Banking Sector

The Nepalese banking sector faces several challenges that need to be addressed to ensure its stability and growth:

1. **Non-Performing Loans (NPLs):** The banking sector faces challenges with rising NPLs, which affect profitability and financial stability. Effective risk management and recovery strategies are essential to mitigate this issue.
2. **Regulatory Compliance:** Adhering to evolving regulatory requirements can be complex and costly for banks. Ensuring compliance while maintaining operational efficiency is a significant challenge.
3. **Digital Transformation:** While digital banking offers opportunities, it also presents challenges in terms of cybersecurity and the need for significant investment in technology. Banks must balance innovation with security and customer trust.
4. **Access to Finance:** Expanding banking services

to rural and underserved areas remains a challenge. Enhancing financial inclusion requires innovative approaches and collaboration with various stakeholders.

Opportunities for the Nepalese Banking Sector

Despite the challenges, the Nepalese banking sector has several opportunities for growth and development:

1. **Financial Inclusion:** There is significant potential to expand banking services to unbanked and underbanked populations, particularly in rural areas. Leveraging mobile banking and fintech solutions can enhance access to financial services.
2. **Digital Banking:** Embracing digital banking and fintech solutions can enhance customer experiences and operational efficiency. Investing in digital infrastructure and cybersecurity will be crucial for success.
3. **Green Financing:** Investing in sustainable and green projects offers opportunities for banks to support environmental initiatives and attract new customers. Green financing can also align with global sustainability goals and enhance the bank's reputation.
4. **Remittances:** Leveraging remittance flows can provide a stable source of income for banks and support economic development. Developing efficient remittance services can attract more customers and increase financial inclusion.

Conclusion

The national and global economic outlook presents a mixed picture of resilience and challenges. Globally, the economy is expected to grow steadily, with inflation easing and labour markets stabilizing. However, significant risks and uncertainties remain, requiring vigilant and adaptive policymaking.

In Nepal, the economy is on a recovery path, driven by growth in the services sector and supported by government initiatives. However, challenges such as inflation, trade imbalances, and labour market issues need to be addressed to ensure sustained and inclusive growth. Continued investments in infrastructure, education, and social protection, along with effective policy measures, will be crucial for Nepal's economic future.

The Nepalese banking sector faces both challenges and opportunities. Addressing issues such as non-performing loans and regulatory compliance, while leveraging opportunities in digital banking and financial inclusion, will be key to ensuring the sector's growth and stability. Embracing green financing and enhancing remittance services can further support economic development and sustainability.

By focusing on these areas, Nepal can navigate the complexities of the global economic landscape and achieve long-term economic stability and prosperity. The combined efforts of the government, financial institutions, and the private sector will be essential in driving this progress and ensuring a resilient and inclusive economy for all Nepalese citizens.

CHAPTER-2

General Corporate Information and Business Profile

1. Manjushree Finance: Trusted Financial Partner

Established in 2007, Manjushree Finance Limited (Herein after referred to as “MFL” or “the Finance”) is a leading financial institution licensed by Nepal Rastra Bank as “C” Class Financial Institution. We're dedicated to providing superior financial solutions tailored to the unique needs of our valued customers. With a paid-up capital of NRs. 1.35 billion, MFL is one of the largest finance companies in Nepal. We're here to help our customers navigate their financial journeys with confidence.

Our Vision

To be the premier financial institution, renowned for our expertise and exceptional services.

Our Mission

To empower our customers to achieve their financial goals through innovative and superior financial solutions. We're committed to optimizing our resources to exceed the expectations of all our stakeholders.

Customer-Centric Approach

We believe in fostering long-lasting relationships with our customers. Our friendly and knowledgeable team is always ready to assist you in a comfortable and supportive environment.

A Team of Experts

Our management team, comprising experienced professionals from diverse fields, is dedicated to driving our growth and success. We're committed to leveraging our expertise to deliver exceptional value to our customers.

2. The Board of Directors

As per Section 14(1) of the Banks and Financial Institutions Act, 2073, the Board of Directors (BOD) of a finance company must consist of a minimum of 5 and a maximum of 7 members. MFL is guided by a seasoned Board of Directors, ensuring strong governance and strategic direction. The Board, composed of seven distinguished individuals, brings a wealth of experience and expertise to the company.

MFL currently has a 7-member BOD, led by Chairperson Mr. Yadav Adhikari. Here's a closer look at the Board members:

S.N.	Name	Designation	Representation
1	Mr. Yadav Adhikari	Chairperson	Promoter Shareholder
2	Mrs. Indira Pandit (Ghimire)	Director	Public Shareholder
3	Mr. Suman Prasad Adhikari	Director	Promoter Shareholder
4	Mr. Satish Gautam	Director	Public Shareholder
5	Mr. Ram Hari Sharma	Director	Promoter Shareholder
6	Mr. Dipak Thapa	Director	Public Shareholder
7	Mr. Pushpa Raj Bhandari	Director	Independent

3. Profile of Board Members



Mr. Yadav Adhikari, Chairman

Academic Qualification: Master of Public Administration (MPA)

Professional Background:

Mr. Adhikari has had a distinguished career in law enforcement, culminating in his role as an Additional Inspector General of Police (AIGP). His extensive experience in the police force has equipped him with strong leadership, strategic planning, and crisis management skills.

Mrs. Indira Pandit (Ghimire), Director

Academic Qualification: Master of Arts (MA)

Professional Background:

Mrs. Ghimire has served as a lecturer, imparting knowledge and mentoring students in higher education institutions. She has also been actively involved in social service, working with different organizations to support community development and social welfare programs.



Mr. Suman Prasad Adhikari, Director

Academic Qualification: Bachelor of Business Studies (BBS)

Professional Background:

Mr. Adhikari has worked with various Bilateral Organizations/INGOs, where he has gained significant experience in project management, community development, and international relations. In addition to his work with INGOs, he has been involved in the business sector, bringing a wealth of knowledge in business operations, financial management, and entrepreneurship.

Mr. Ram Hari Sharma, Director

Academic Qualification: Bachelor of Commerce (B.Com.)

Professional Background:

Mr. Sharma has a background in banking for around 18 years at Rastriya Banijya Bank, where he developed expertise in financial services, customer relations, and risk management.

After his banking career, he transitioned to social service, contributing to various community initiatives and non-profit organizations.





Mr. Satish Gautam, Director

Academic Qualification: Master of Public Policy (MPP), MSC (Renewal Energy), BSC(EE)

Professional Background:

Mr. Gautam has extensive experience working with INGOs, focusing on policy analysis, program implementation, and advocacy. His work has often involved collaborating with government agencies and other stakeholders to drive social change.

Mr. Dipak Thapa, Director

Academic Qualification: Master of Business Studies (MBS)

Professional Background:

Mr. Thapa is a seasoned business professional with a strong background in business management, strategic planning, and market analysis. He has successfully led various business ventures and projects.



Mr. Pushparaj Bhandari, Director

Academic Qualification: Master of Business Studies (MBS), Bachelor of Science (BSc)

Professional Background:

Mr. Bhandari has an extensive background in banking, including ex-employee at Nepal Rastra Bank, Manager at Nepal SBI Bank, CEO of erstwhile Birgunj Finance Ltd. and CBO at erstwhile Bank of Kathmandu Ltd.

Alongside his banking career, he has also been involved in tutoring, offering educational support and guidance to MBA students across various subjects.



4. Executive Leadership

MFL is led by a visionary team of banking experts who are dedicated to driving the company's growth and success. Our leadership team brings a wealth of experience and a customer-centric approach to the table, ensuring that we deliver exceptional value to our stakeholders.

With a strong focus on innovation, we are committed to providing cutting-edge financial solutions that meet the evolving needs of our customers. Our leadership team is passionate about building long-lasting relationships with our clients and empowering them to achieve their financial goals.

5. Management Team

MFL is driven by a experienced management team, Each member brings decades of industry

experience to the table. Our team comprises skilled professionals across various departments, including business, operations, risk management and human resources. This collective expertise empowers us to deliver innovative financial solutions, ensuring operational excellence and customer satisfaction.

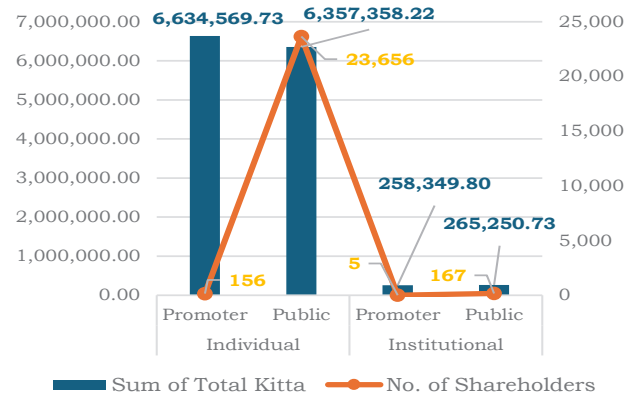
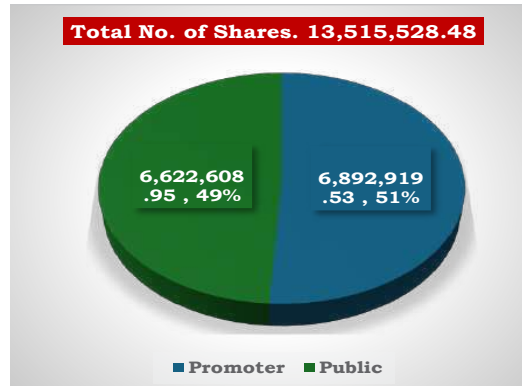
6. Key products or Services

MFL provides a wide range of financial products, focusing on retail banking with higher returns on deposits and customized services. We offer value banking with the lowest service fees, timely services, and an industry-leading digital transaction platform. Our commitment extends to empowering youths and women in entrepreneurship, while delivering innovative and secure financial solutions to help our customers achieve their goals.

7. Investor Profile

Analysis of Shareholders by Promoters or Public, and Individual or Institutional

Promoter and Public Shareholding	Composition of Institutional and Individual Shareholders
----------------------------------	--



Holdings Range	Promoter		Public		Total	
	Total Kitta	No. of Share holders	Total Kitta	No. of Share holders	Total Kitta	No. of Share holders
Up to 100	26.94	31	479,485.63	13,962	479,512.57	13,993
Above 100 to 500	4,550.05	19	1,759,916.02	7,276	1,764,466.07	7,295
Above 500 to 1,000	9,257.45	11	1,123,130.42	1,542	1,132,387.87	1,553
Above 1,000 to 2,000	29,656.03	17	910,169.99	647	939,826.02	664
Above 2,000 to 5,000	47,373.93	13	882,188.93	293	929,562.87	306
Above 5,000 to 10,000	71,738.29	9	469,763.80	68	541,502.09	77
Above 10,000 to 20,000	99,753.78	6	276,608.80	20	376,362.58	26
Above 20,000 to 50,000	700,886.63	19	334,639.32	11	1,035,525.95	30
Above 50,000-100,000	866,499.00	12	160,244.43	2	1,026,743.43	14
Above 100,000	5,063,177.42	24	226,461.62	2	5,289,639.04	26
Total	6,892,919.53	161	6,622,608.95	23,823	13,515,528.48	23,984

Market Capitalization

Particulars	Public	Promoters	Total
No. of Shares Floated in the Market	6,622,608.95	6,892,919.53	13,515,528.48
Market Price as of Ashadh End 2081	602.90	267.60	-
Total Market Capitalization	3,992,770,934.90	1,844,545,265.60	5,837,316,200.50

Stock Performance and Trading Activity

Manjushree Finance Limited (MFIL) is a prominent financial institution in Nepal, offering a range of financial services including loans, deposits, and investment opportunities. Established with the aim of providing accessible financial solutions, MFIL has grown to become a trusted name in the industry. The company

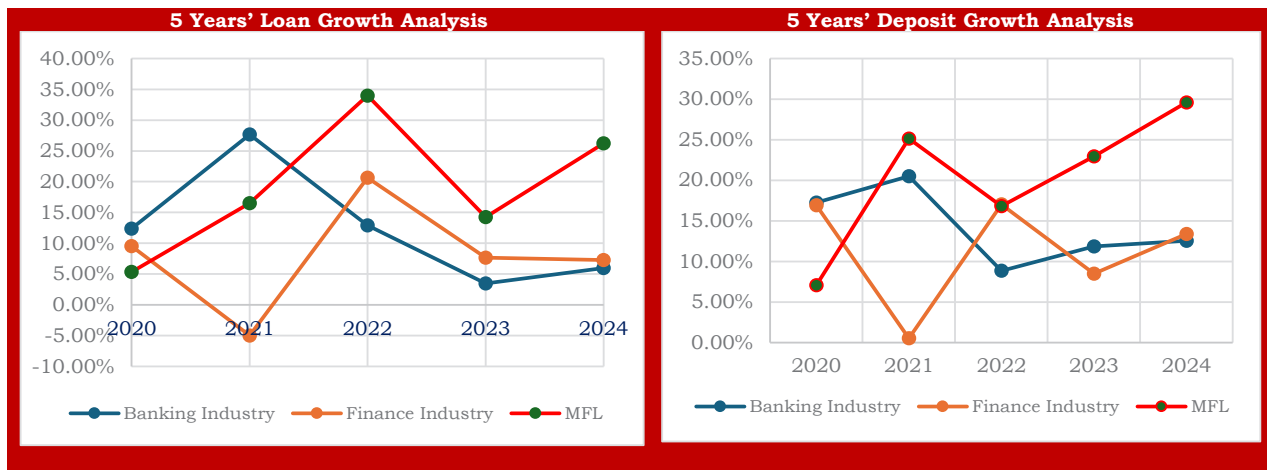
is listed on the Nepal Stock Exchange (NEPSE) and has shown consistent performance over the years, reflecting its strong market presence and commitment to customer satisfaction.

Quarter wise details of stock performance in NEPSE during FY 2080-81 is summarized as under:

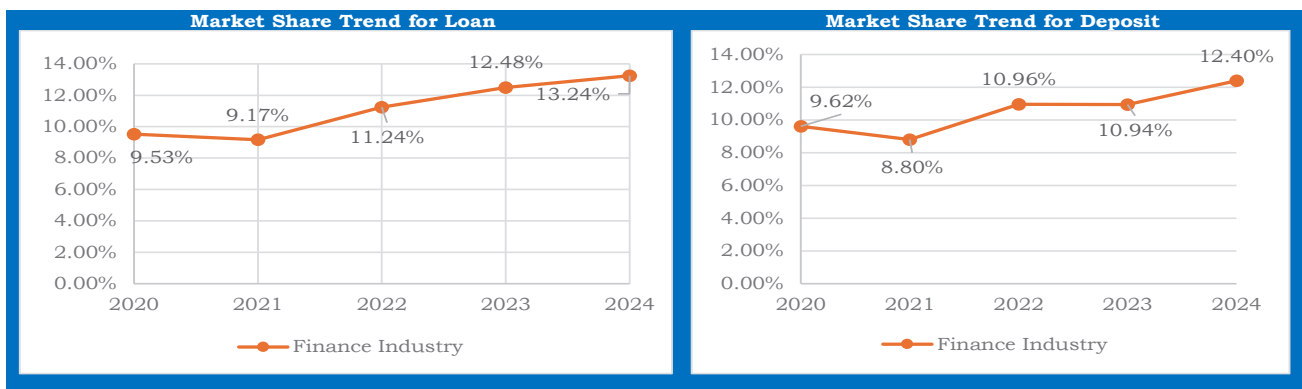
Quarter	High Price (Rs.)	Low Price (Rs.)	Last Trading Price (Rs.)	Total Trading Days	Total No. of Transactions	Total No. of Traded Shares
First	512.90	501.00	503.00	61.00	10,176	1,052,034
Second	542.60	532.00	534.00	49.00	7,479	1,189,746
Third	527.00	505.00	505.00	58.00	9,973	1,435,503
Fourth	640.50	490.00	602.90	61.00	21,943	3,532,866

8. Competitive Landscape

Industry Trends (Banking Industry vs Finance Companies vs MFL)



Market Share Trend of MFL over Las 5 Years



SWOT Analysis

Strength	Internal Challenges	Opportunities	External Challenges
Strong Market Presence	Cost Optimization	Digital Banking Expansion	Economic Instability
Strong Capital Base for Expansion	Brand Building	Strategic Partnerships and Collaborations	Intense Competition
Diverse Product Portfolio	Innovation	Financial Inclusion Initiatives	Cybersecurity Risks
Skilled Workforce	Diversification of Revenue Streams	Positive Economic Trends in Nepal	Ever-changing Regulatory Landscape
Established Growth Momentum	Employee Empowerment	Innovative Products	Industry-wide Recovery Challenges
Strong Customer Base	Limited Geographic Reach		
Strategic Branch Locations			
Value Banking Initiatives			

Notable Milestones



Board of Directors



From Left to Right

Mr. Ram Hari Sharma
Director

Mr. Suman Prasad Adhikari
Director

Mrs. Indira Pandit (Ghimire)
Director

Mr. Yadav Adhikari
Chairman

Mr. Satish Gautam
Director

Mr. Dipak Thapa
Director

Mr. Pushparaj Bhandari
Director

Management Team



Front Row, From Left to Right

Mr. Sreedhar Bhandari Chief Legal Officer	Mr. Padam Thakulla DCEO	Mr. Tej Raj Timilsina CEO	Mr. Ganesh Khatri Chief Business Officer	Mr. Bikash Raj Shakya Chief Operating Officer
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Back Row, From Left to Right

Mrs. Sharmila Kayastha Head, Human Resource	Mr. Chandra Prakash Khatri Head, Internal Audit	Mrs. Priska Thapa Head, Marketing	Mr. Shambhu Kumar Raut Chief Credit Officer	Mr. Sunil Jung Shahi Head, IT
Mrs. Shweta Pande Head, Compliance	Mr. Achyut Sapkota Chief Finance Officer	Mr. Uttam Shrestha Head, Credit Operations	Mr. Manoj Gautam Head, HO Credit	Mrs. Sangita Dangol Chief Risk Officer

MANJUSHREE FINANCE LIMITED
मञ्जुश्री फाइनेन्स लिमिटेड

नेपाल राष्ट्र बैंकबाट 'ग' वर्गको इजाजतपत्र प्राप्त संस्था
behind your happiness



We are overjoyed and immensely proud to announce that Manjushree Finance has been honored with the prestigious **16th Corporate Business Excellency Award** for being adjudged as the "Best Finance Company" amongst all finance companies in the country.

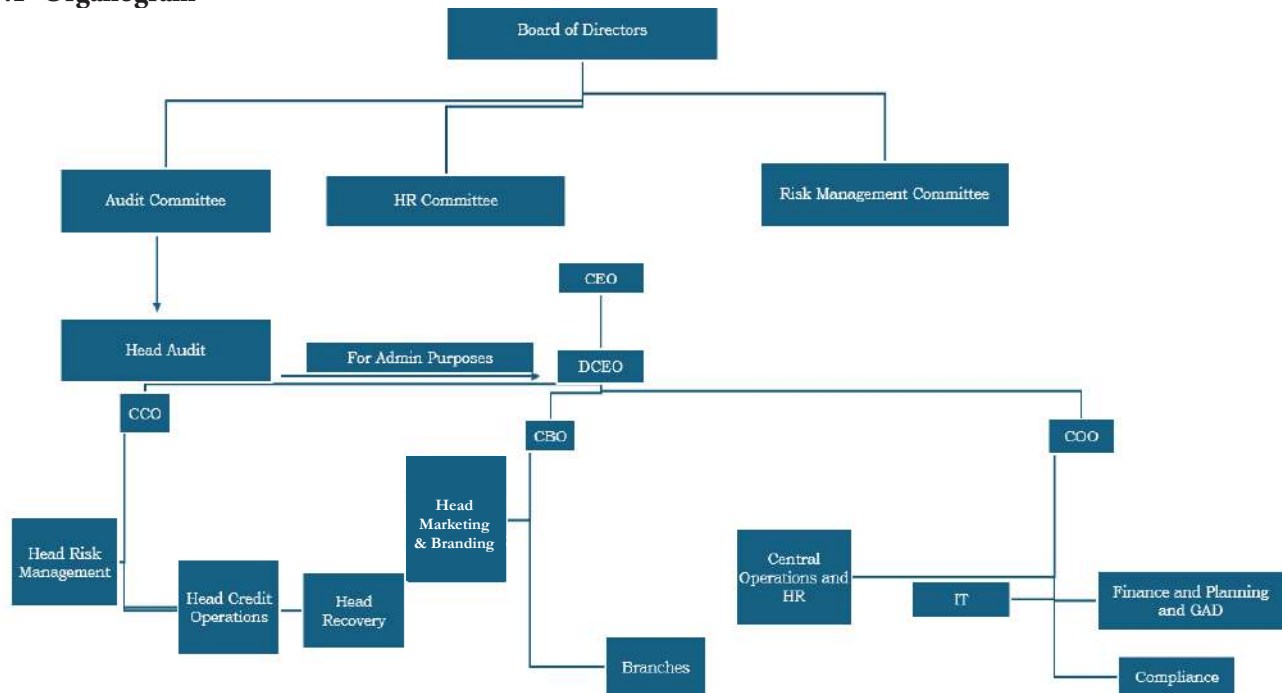
THANK YOU ENTIRE TEAM, VALUED CUSTOMERS & STAKEHOLDERS !

मुख्य शाखा: ॐ कार भवन "दोस्रो तल्ला" नयाँ बानेश्वर, काठमाडौं - नेपाल ☎ ९७७-९-४७२२५३४
९७७- ९- ४७२२५९७/४७२४९७०/४७२३९८५ ✉ info@manjushreefinance.com.np

CHAPTER-3

Governance, Risk Management & Compliance

3.1 Organogram



3.2 Board Meeting

The Board of Directors held a total of 25 meetings during the fiscal year, ensuring active oversight of the company's strategic direction and operational performance. These meetings provided a platform for

in-depth discussions on key issues, including financial performance, risk management, and corporate governance. Through these regular engagements, the Board played a crucial role in safeguarding the long-term interests of shareholders and guiding the company's growth and sustainability.

S.N	Name of Director	Designation	No. of Meetings Attended	Share Holding at Ashadh End 2081
1	Mr. Yadav Adhikari	Chairperson	25	931 Kitta
2	Mrs. Indira Pandit (Ghimire)	Director	22	3,312 Kitta
3	Mr. Suman Prasad Adhikari	Director	25	947,778 Kitta
4	Mr. Satish Gautam	Director	5	100 Kitta
5	Mr. Ram Hari Sharma	Director	23	826 Kitta
6	Mr. Dipak Thapa	Director	11	820 Kitta
7	Mr. Pushpa Raj Bhandari	Director	-	-
Directors Retired During the Year				
1	Mr. Arun Neupane*	Director	25	-
2	Mr. Dilman Singh Chand	Director	12	504 Kitta
3	Mr. Chintamani Gautam	Director	9	13,516 Kitta

* Retired on 2081-04-02

Key Considerations and Resolutions

- Approval of various policies:
 - Working Capital Loan Policy and Guidelines 2080,
 - Loan Recovery Policy 2080,
 - Talent Hunt Policy 2080,
 - AML/CFT and KYC Policy 2024,
 - Employee Service Byelaws 2081,
 - Finance Administration Byelaws 2081,
 - Valuation Guideline 2024,
 - Strategic Planning 2028,
- Approval of annual financial statements for FY 2079-80 and discussion on audit report on the same
- Recommendation of statutory auditor to be appointed from AGM
- Approval request to NRB for Foreign Exchange Transaction License
- Discussion and response on NRB inspection report regarding RTGS system
- Approval of annual budget for FY 2081-82
- Approval request to NRB for opening new extension counter
- Discussion and Response on NRB Inspection Report 2080
- Accepted resignation of CEO and appointment of CEO and DCEO



- Welcome to directors (Mrs. Indira Pandit Ghimire and Mr. Dipak Thapa) elected by 16th AGM
- Appointment of new director (Mr. Satish Gautam)
- Acceptance of resignation of Director (Mr. Dilman Singh Chand)
- Discussion and approval of reports of different Board level committees

3.3 Board Level Committees

In accordance with the requirement of the Companies 2063 and the Bank & Financial Institutions Act 2073, and to enhance its oversight and decision-making capabilities, MFL had formed different board-level committees comprised of directors' expert in the relevant field. These committees are focused on specific areas of the business.

3.3.1 Audit Committee

The Committee convened 10 meetings during the year. Key discussions and decisions made at these meetings are summarized below:

Composition	Role	Key Considerations and Decisions
Mr. Ram Hari Sharma	Director, Coordinator	<ul style="list-style-type: none"> • Approval of internal audit planning • Review of internal audit reports and internal control system • Recommendation of Statutory Auditors for appointment • Review external audit reports and discussion with external auditors • Review of interim and audited financials • Submission of annual Audit Committee Report to the Board
Mrs. Indira Pandit (Ghimire)	Director, Member	
Head-Internal Audit	Member Secretary	

3.3.2 Risk Management Committee

The Committee convened 8 meetings during the year. Key discussions and decisions made at these meetings are summarized below:

Composition	Role	Key Considerations and Decisions
Mr. Dipak Thapa	Director, Coordinator	<ul style="list-style-type: none"> Review of Risk Management Policy, Risk Based Pricing Policy, Working Capital Loan Policy and Valuation Guidelines, and recommendation to the Board for approval Review of portfolio from the point of view of internal policy and regulatory threshold, assessment of concentration risk, portfolio quality including NPA level and early warning signals, adequacy of loan loss provisioning and comparison with industry trend Review of risk profile on a quarterly basis, assessment credit risk, operational risk, market risk and information security risk Assessment of effectiveness of risk management system and practices of MFL, review of stress testing results Consideration of decision of Assets Liability Committee
Mr. Ram Hari Sharma	Director, Member	
Chief Operating Officer	Member	
Chief Risk Officer	Member Secretary	

3.3.3 AML/CFT Committee

The Committee convened 11 meetings during the year. Key discussions and decisions made at these meetings are summarized below:

Composition	Role	Key Considerations and Decisions
Mr. Pushpa Raj Bhandari	Director, Coordinator	<ul style="list-style-type: none"> Approval of annual budget and training program related to AML/CFT Discussion on report of external audit and internal audit related to the AML/CFT compliance department and enforcement status Discussion on report of AML Inspection conducted by NRB Review of KYC/AML Policy of MFL Discussion on reporting to NRB and compliance of applicable legal and regulatory requirements Approval of AML/CFT Risk Management Report to be submitted to NRB
Chief Risk Officer	Member	
Compliance Head	Member Secretary	

3.3.4 Employee Service Benefit Committee

The Committee convened 6 meetings during the year. Key discussions and decisions made at these meetings are summarized below:

Composition	Role	Key Considerations and Decisions
Mr. Suman Prasad Adhikari	Director, Coordinator	<ul style="list-style-type: none"> Review of HR Byelaws, Review of Annual Performance Review System, Revision on Employee Facilities Approval for recruitment of new staff Appointment of DCEO Approval of annual training calendar Approval of head count budget for FY 2081/82
Chief Executive Officer	Member	
HR Department-Head	Member Secretary	

3.4 Remuneration of Directors

S.N.	Name of Director	Board of Director	Audit Committee	RMC	AML/CFT Committee	HR Committee	Building Purchase Committee	Total
1	Mr. Yadav Adhikari	275,000	-	-	-	-	-	275,000
2	Mrs. Indira Pandit (Ghimire)	241,000	40,000	-	-	-	-	281,000
3	Mr. Suman Prasad Adhikari	260,000	-	-	-	60,000	30,000	350,000
4	Mr. Satish Gautam	50,000	-	-	-	-	-	50,000
5	Mr. Ram Hari Sharma	240,000	100,000	40,000	-	-	30,000	410,000
6	Mr. Dipak Thapa	110,000	-	40,000	-	-	-	150,000
7	Mr. Pushpa Raj Bhandari	-	-	-	-	-	-	-
Directors Retired During the Year								
1	Mr. Arun Neupane	260,000	-	-	120,000	-	30,000	410,000
2	Mr. Dilman Singh Chand	130,000	60,000	40,000	-	-	-	230,000
3	Mr. Chintamani Gautam	100,000	-	40,000	-	-	-	140,000
	Total	1,666,000	200,000	160,000	120,000	60,000	90,000	2,296,000

3.5 Management Committees

Executive Committee

S.N	Name	Role
1	Chief Executive Officer	Co-ordinator
2	Deputy Chief Executive Officer	Member
3	Chief Credit Officer	Member
4	Chief Business Officer	Member
5	Chief Operating Officer	Member
6	Chief Legal Officer	Member
7	Chief IT Officer	Member
8	Head of Credit- Corporate Office	Member
9	Chief Risk Officer	Member
10	Chief Finance Officer	Member
11	Compliance Officer	Member
12	Head - Credit Operation Department	Member
13	Head - Human Resource Management	Member
14	Head - Internal Audit	Member
15	Head- Deposit Marketing & Branding	Member - Secretary

Other Management Committees

Risk Management Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	CCO	Member
4	CBO	Member
5	COO	Member
6	CLO	Invitee Member
7	CRO	Member-Secretary

Assets and Liabilities Committee (ALCO)		
S.N.	Designation	Role
1	CEO	Coordinator
2	DCEO	Member
3	CCO	Member
4	CBO	Member
5	CFO	Member
6	Treasury-Head	Member-Secretary

IT Steering Committee		
S.N.	Composition	Role
1	DCEO	Coordinator
2	COO	Member
3	HR Head	Member
4	IT Head	Member-Secretary

IT Strategy Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	CBO	Member
4	COO	Member
5	IT Head	Member-Secretary

Financial Administration Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	COO	Member
4	CFO	Member

5	Head-GAD	Member-Secretary
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Loan Recovery Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	CCO	Member
4	CBO	Member
5	Recovery Head	Member-Secretary

Loan Write-off Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	CCO	Member
4	CBO	Member
5	CLO	Member
6	Recovery Head	Member-Secretary

Fixed Asset Auction Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	COO	Member
4	CFO	Member-Secretary

Purchase Committee		
S.N.	Composition	Role
1	CEO	Coordinator
2	DCEO	Member
3	CFO	Member
4	Head-GAD	Member-Secretary

Record Management and Disposal Committee		
S.N.	Composition	Role
1	Head-GAD	Coordinator
2	CFO	Member
3	Security Guard	Member
4	Head-GAD	Member-Secretary

3.6 Right to Information and Grievance Handling

As a public and listed banking institution licensed by Nepal Rastra Bank (NRB), we are unwavering in our commitment to transparency, accountability, and the principles of good governance. We fully recognize the critical role that the Right to Information (RTI) plays in building public trust and empowering stakeholders with timely, accurate, and accessible information.

MFL has established streamlined, efficient processes for the prompt dissemination of information, making financial reports, policies, and essential documents readily available to the public, shareholders, and relevant stakeholders.

With online and offline RTI request systems, we ensure that inquiries are met with swift and comprehensive responses. These initiatives reflect our dedication to fostering openness and nurturing a deeper relationship with the communities we serve, ultimately contributing to the sustainable growth and development of Nepal's banking sector.

In full compliance with Section 5 of the RTI Act 2064 and Rule 3 of the RTI Rules 2065, we have made a comprehensive public disclosure of crucial information on our website. This includes details on the scope of our business, applicable laws and

regulatory frameworks, branch locations, officer information, service charges, grievance handling mechanisms, the process to seek information, and relevant contact details.

By providing these resources, we strive to uphold the highest standards of transparency, ensuring that stakeholders have easy access to critical information, and we remain fully responsive to public concerns. Our commitment to RTI is not just a legal obligation, but a core value that reflects our dedication to fostering trust, accountability, and an empowered community.

Additionally, we have provided the link to the NRB Grievance Handling Portal (<https://gunaso.nrb.org.np>) on our website, ensuring that stakeholders can easily access the regulator's grievance handling system.

3.7 Whistle Blow

MFL has implemented a robust whistleblower policy namely Whistleblowing Policy 2079 to encourage ethical behavior and transparency. This policy provides a confidential channel for employees, customers, and other stakeholders to report suspected misconduct or wrongdoing without fear of retaliation. The mechanism ensures that the whistleblower's identity remains anonymous, protecting their privacy and security.

CHAPTER-4

Key Financial Highlights

4.1 Horizontal Analysis of Financial Position

(Amount Rs.)

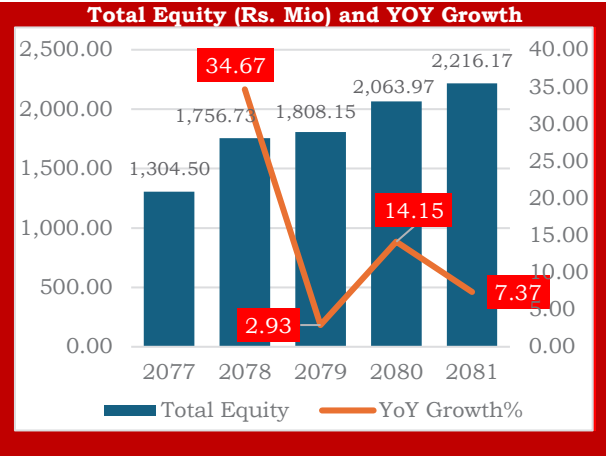
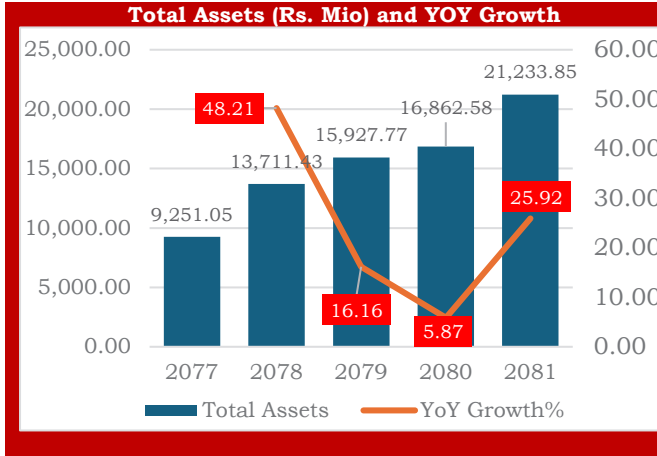
Assets	31st Ashadh 2081	31st Ashadh 2080	Change	% Change
Cash and Cash Equivalent	365,926,265	1,007,858,504	(641,932,239)	(63.69)
Due from Nepal Rastra Bank	838,736,447	655,465,614	183,270,833	27.96
Placement With BFIs	-	-	-	-
Derivative Financial Instruments	-	-	-	-
Other Trading Assets	-	-	-	-
Loan and Advances to B/FIs	1,327,368,635	959,036,391	368,332,244	38.41
Loans and Advances to Customers	13,999,297,975	11,291,008,274	2,708,289,701	23.99
Investment in Securities	4,132,619,091	2,597,152,379	1,535,466,712	59.12
Current Tax Assets	32,427,270	15,510,315	16,916,955	109.07
Investment in Subsidiaries	-	-	-	-
Investment in Associates	-	-	-	-
Investment Property	63,520,366	25,905,880	37,614,485	145.20
Property and Equipment	225,421,700	192,860,086	32,561,614	16.88
Goodwill and Intangible Assets	3,040,945	1,635,977	1,404,968	85.88
Deferred Tax Assets	18,840,859	17,020,033	1,820,826	10.70
Other Assets	226,646,007	99,131,097	127,514,910	128.63
Total Assets	21,233,845,560	16,862,584,550	4,371,261,009	25.92
Liabilities	31st Ashadh 2081	31st Ashadh 2080	Change	% Change
Due to BFIs	1,204,819,219	1,124,170,620	80,648,598	7.17
Due to Nepal Rastra Bank	603,662,927	195,678,864	407,984,063	208.50
Derivative Financial Instruments	-	-	-	-
Deposit from Customers	16,413,518,399	12,741,295,612	3,672,222,787	28.82
Borrowings	-	-	-	-
Current Tax Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred Tax Liabilities	-	-	-	-
Other Liabilities	295,671,113	237,472,974	58,198,140	24.51
Debt Securities Issued	500,000,000	500,000,000	-	-
Subordinated Liabilities	-	-	-	-
Total Liabilities	19,017,671,659	14,798,618,071	4,219,053,588	28.51

Equity	31st Ashadh 2081	31st Ashadh 2080	Change	% Change
Share Capital	1,351,552,849	1,351,552,849	-	-
Share Premium	-	-	-	-
Retained Earning	174,925,005	79,438,885	95,486,119	120.20
Reserves	689,696,048	632,974,746	56,721,302	8.96
Total Equity	2,216,173,901	2,063,966,480	152,207,421	7.37
Total Liabilities and Equity	21,233,845,560	16,862,584,550	4,371,261,009	25.92

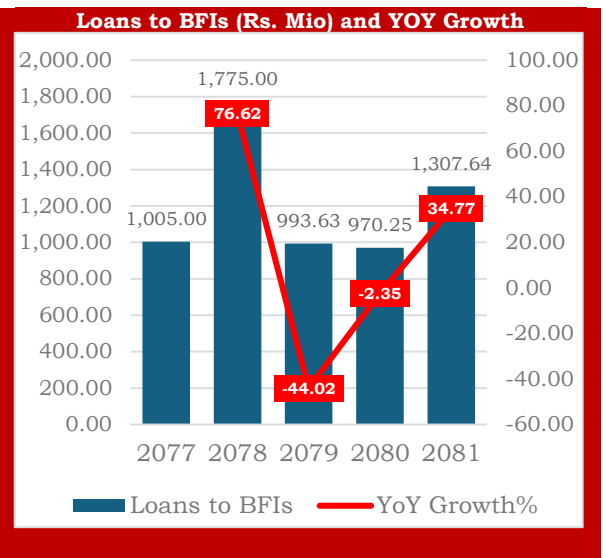
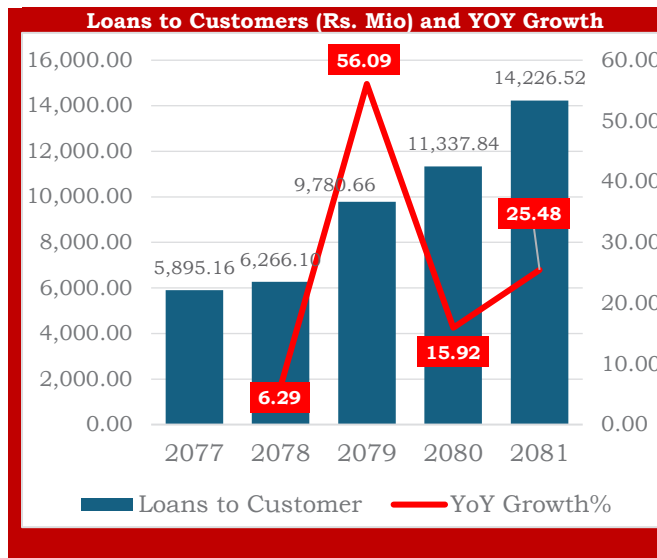
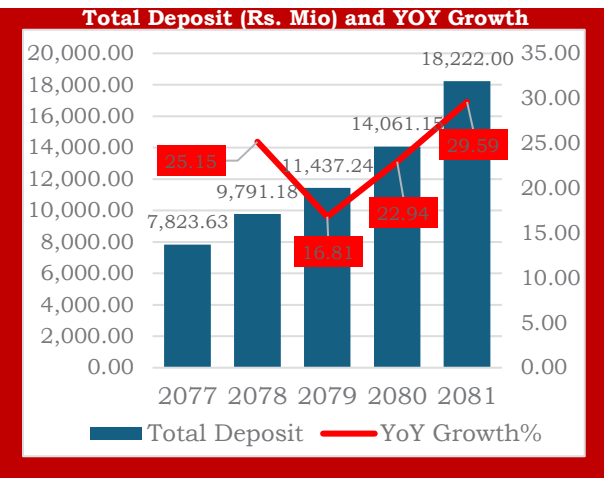
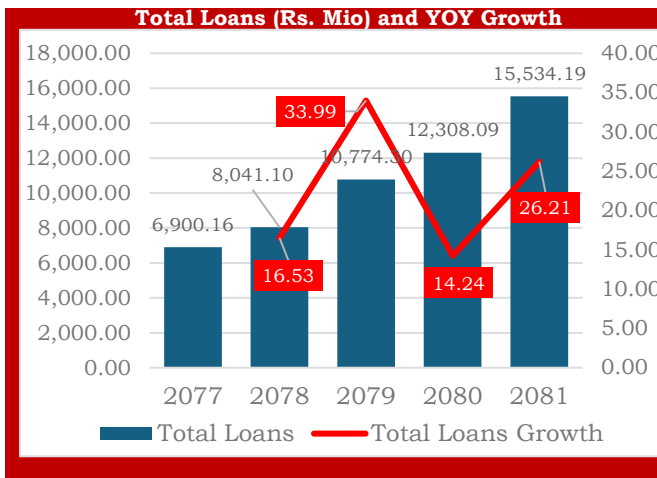
4.2 Horizontal Analysis of Profitability

Particulars	2080-81	2079-80	Change	% Change
Interest Income	2,266,763,164	2,111,056,147	155,707,018	7.38
Interest Expense	(1,517,280,936)	(1,410,177,727)	(107,103,209)	7.60
Net Interest Income	749,482,228	700,878,420	48,603,809	6.93
Fees and Commission Income	87,593,155	57,680,235	29,912,920	51.86
Fees and Commission Expense	-	-	-	-
Net Fee and Commission Income	87,593,155	57,680,235	29,912,920	51.86
Net Interest Fee and Commission Income	837,075,383	758,558,654	78,516,729	10.35
Net Trading Income	-	-	-	-
Other Operating Income	10,974,098	44,842	10,929,256	24,373.08
Total Operating Income	848,049,481	758,603,496	89,445,985	11.79
Impairment Charge	151,274,932	91,888,438	59,386,494	64.63
Net Operating Income	696,774,549	666,715,058	30,059,491	4.51
Operating Expenses				
Personnel Expense	226,233,440	192,450,470	33,782,970	17.55
Other Operating Expenses	77,834,191	76,200,984	1,633,207	2.14
Depreciation and Amortization	43,905,637	44,720,836	(815,199)	(1.82)
Operating Profit	348,801,281	353,342,769	(4,541,487)	(1.29)
Non-Operating Income	-	-	-	-
Non-Operating Expense	23,924,497	-	23,924,497	100.00
Profit Before Income Tax	324,876,785	353,342,769	(28,465,984)	(8.06)
Income Tax Expense	100,261,421	106,343,603	(6,082,182)	(5.72)
Current Tax	101,535,512	110,370,458	(8,834,946)	(8.00)
Deferred Tax Income	(1,274,091)	(4,026,856)	2,752,765	(68.36)
Profit for the Period	224,615,364	246,999,166	(22,383,802)	(9.06)
Earnings per Share	16.62	18.28	(1.66)	(9.06)
Distributable Profit	174,925,005	79,438,886	95,486,119	120.20

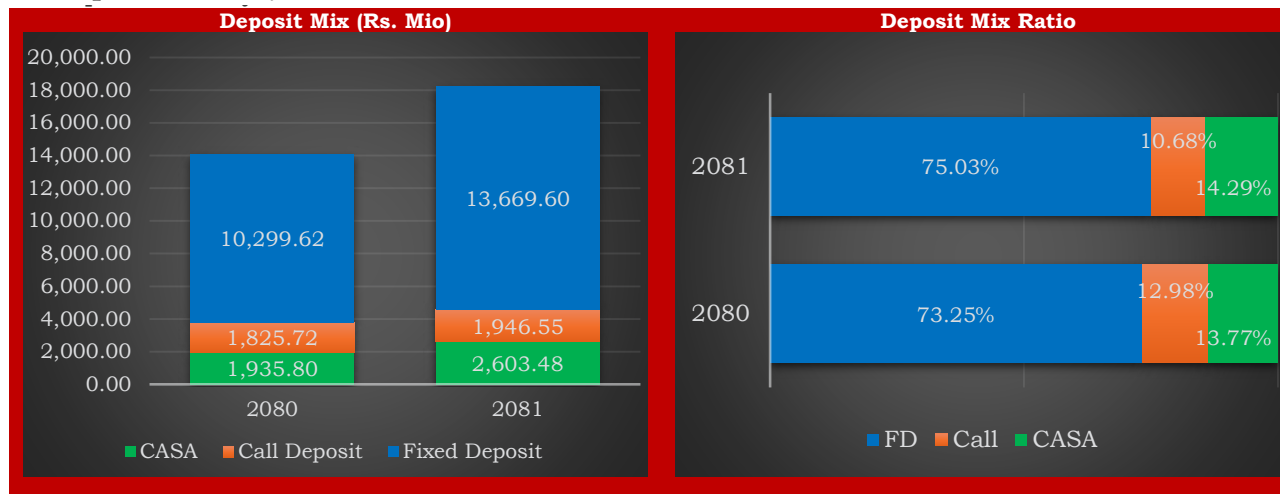
4.3 Total Assets and Shareholders' Fund for Last 5 Years



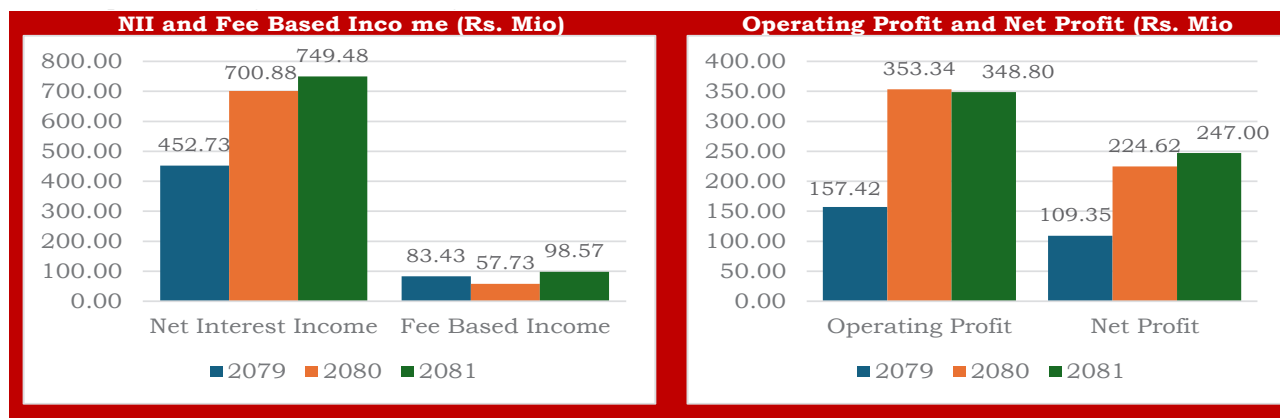
4.4 Business Growth Analysis of Last 5 Years



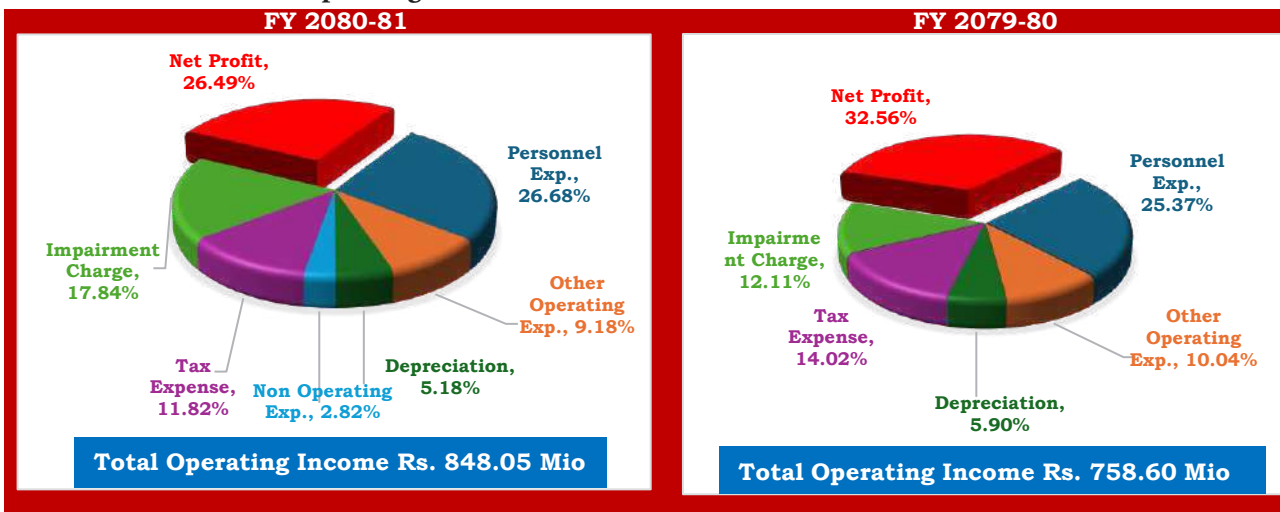
4.5 Deposit Mix Analysis



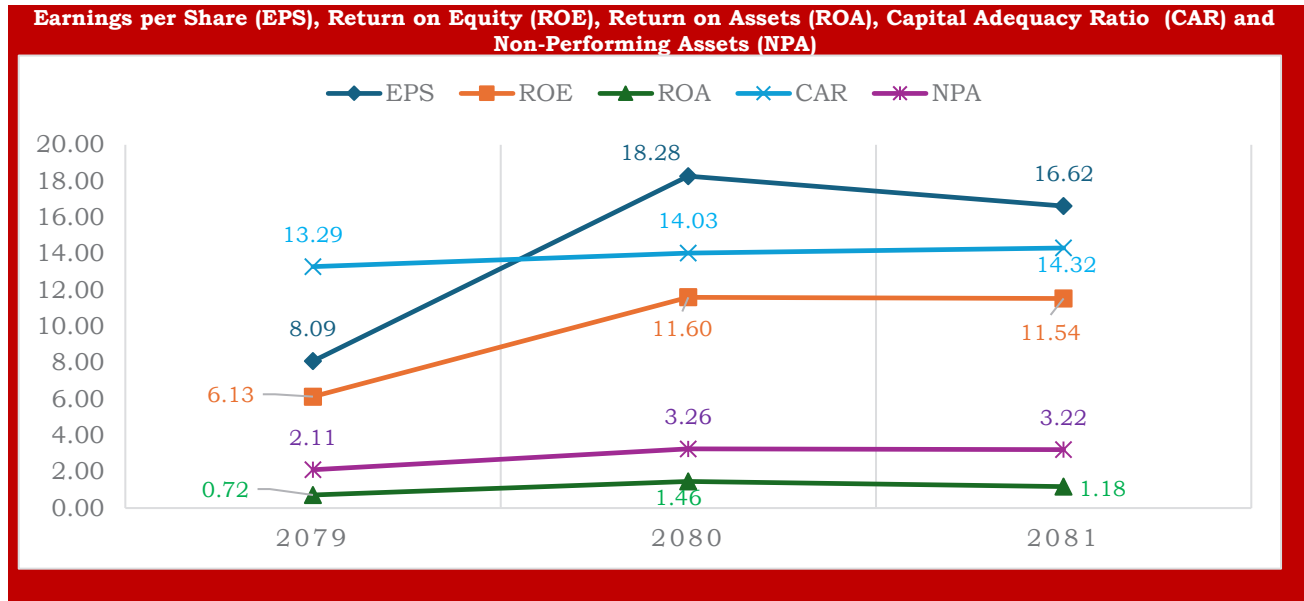
4.6 Comparative Analysis of Profitability



4.7 Breakdown of Total Operating Income

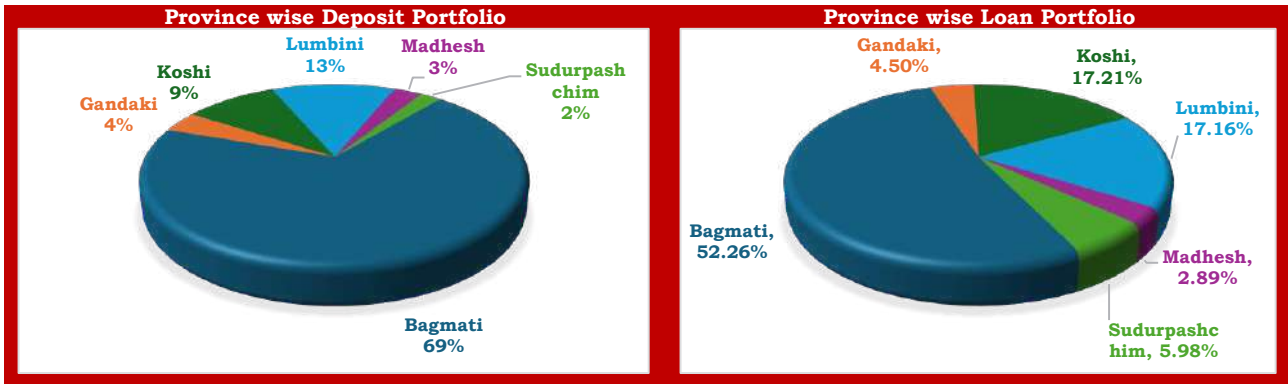


4.8 Ratio Analysis

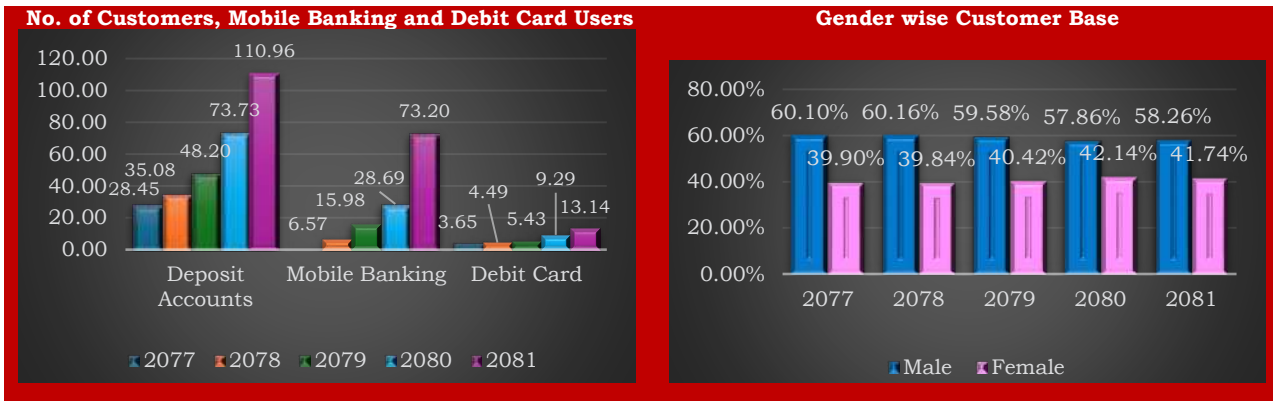


CHAPTER-5 Key Non-Financial Highlights

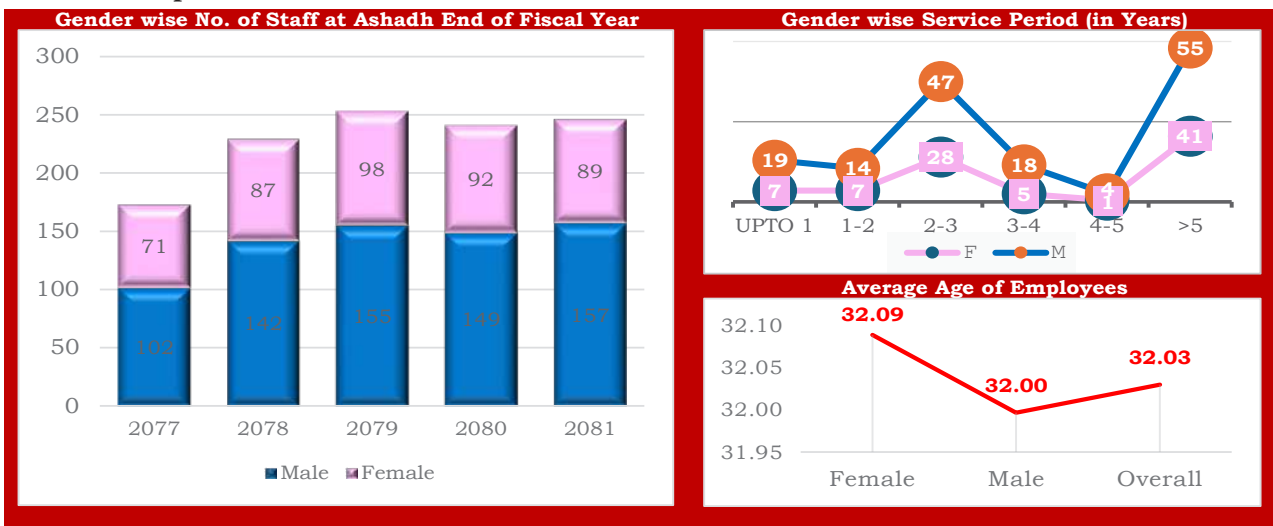
5.1 Province wise Analysis of Loan and Deposit Portfolio



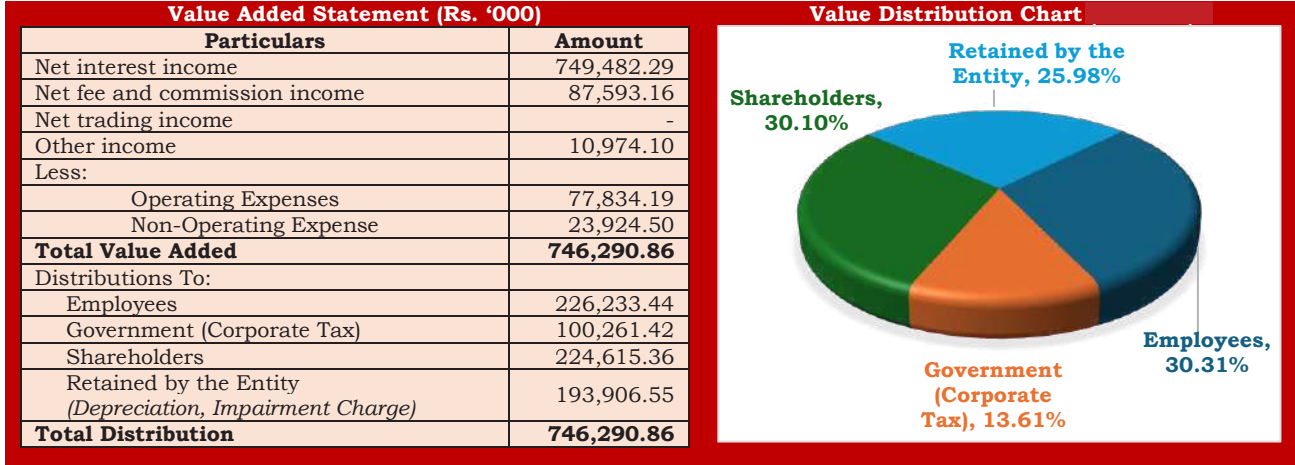
5.2 Year wise Analysis of Customer Outreach (No. in '000)



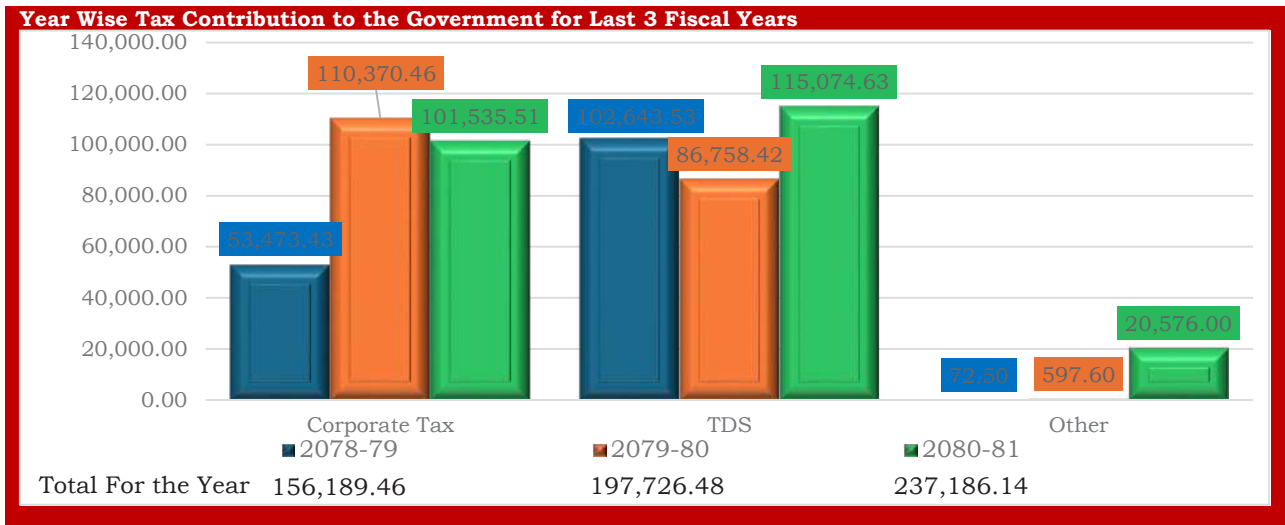
5.3 Human Capital



5.4 Value Added Statement and Value Distribution Chart



5.5 Contribution to the State



CHAPTER-6

Letter from Chairperson

Dear Valued Shareholders,

It is with great pleasure that I welcome you to the 17th Annual General Meeting of Manjushree Finance Limited. Today, we gather to reflect on our performance over the past fiscal year, assess the prevailing economic landscape both globally and within Nepal, and outline our strategic direction for the future. I am honored to address you and share insights into our achievements, the challenges we have navigated, and the opportunities that lie ahead.

Global Economic Overview:

The global economic landscape over the past year has been characterized by a complex interplay of factors. The enduring effects of the COVID-19 pandemic, coupled with geopolitical tensions, supply chain disruptions, and inflationary pressures, have created a challenging environment for businesses worldwide.

The global economic landscape has been significantly shaped by a confluence of interconnected challenges. Rising inflationary pressures, fueled by persistent supply chain bottlenecks and escalating energy prices, have compelled central banks worldwide to implement tighter monetary policies. This shift has resulted in higher interest rates, making borrowing more expensive for businesses and consumers alike, thereby reducing investment and spending.

Adding to this complexity, ongoing geopolitical conflicts have injected substantial uncertainty into global markets. These conflicts disrupt established trade routes, discourage investment due to heightened risk aversion, and ultimately hinder overall economic growth.

The persistent disruptions to global supply chains have further exacerbated inflationary pressures and impeded economic recovery. These disruptions, often stemming from logistical bottlenecks, production slowdowns, and trade restrictions, continue to affect the smooth flow of goods and services, contributing to price increases and hindering the ability of businesses to meet demand.

Consequently, the combined effect of these factors—*inflation, geopolitical instability, and supply chain disruptions*—has led to a pronounced slowdown in global economic growth. Many economies now face the looming threat of recession, as businesses grapple with rising costs, reduced demand, and an uncertain outlook. The interconnected nature of these challenges underscores the complexity of the current global economic environment and the difficulties policymakers face in navigating these turbulent times.

Nepalese Economic Overview:

The Nepalese economy has navigated a complex landscape over the past year, dealing with both global economic adversities and specific domestic challenges. While some

trends mirror the global economic climate, Nepal's unique context has shaped its economic trajectory. The nation's recovery from the economic fallout of the COVID-19 pandemic, while showing signs of progress, has been uneven across various sectors. Some industries have rebounded more quickly than others, creating disparities in recovery rates and impacting overall economic momentum. In recent years, the Nepalese financial sector faced significant liquidity challenges for the past few years. This scarcity of readily available funds constrained lending activities, hindering investment and overall economic growth. These liquidity pressures also exerted upward pressure on interest rates, making borrowing more expensive and further limiting access to credit for businesses and individuals.

Currently, while market liquidity has improved, a new challenge has emerged: subdued credit demand. Despite the availability of loanable funds within banks and financial institutions, businesses and individuals are showing a decreased appetite for borrowing. This hesitancy suggests a slowdown in investment and broader economic activity, indicating a need for policies to stimulate demand and encourage productive investment. The lingering effects of the COVID-19 pandemic continue to pose recovery challenges for businesses across various sectors. Many enterprises are

still struggling to fully recover from the disruptions caused by lockdowns and reduced economic activity. This ongoing struggle affects their ability to service existing loans and reduces their willingness to take on new debt, further contributing to the reduced credit demand.

Nepal's external sector faces persistent pressures due to rising import costs, driven by global inflation and supply chain disruptions, coupled with relatively slower export growth. This imbalance puts pressure on the nation's foreign exchange reserves, impacting its ability to finance imports and maintain macroeconomic stability.

Remittances, a vital source of foreign exchange for Nepal, have remained relatively stable, providing a crucial buffer against external pressures and supporting the overall economy. These inflows of funds from Nepalese workers abroad continue to play a significant role in supporting household consumption and contributing to the nation's foreign currency reserves.

Navigating Challenges and Achieving Growth:

Despite the challenging global and domestic economic environment, and specifically the liquidity constraints of recent years and the current subdued credit demand, Manjushree Finance Limited has demonstrated remarkable resilience and achieved impressive business growth. This demonstrates the strength of our business model, the dedication of our team, and the trust placed in us by our customers and shareholders.

Impressive Business Growth Despite Market Challenges:

Despite facing market liquidity challenges in prior years, Manjushree Finance Limited (MFL) has achieved impressive business growth, a testament to its strategic approach and operational resilience.

Financial Performance Highlights:

Our financial performance this year reflects a story of robust growth in key areas, coupled with specific challenges that impacted net profitability.

- Our loan portfolio experienced substantial expansion, growing by 26.21%, equivalent to Rs. 3.23 billion, bringing our total loan portfolio to Rs. 15.53 billion.

- Deposit mobilization also saw significant growth, increasing by 29.59% or Rs. 4.16 billion, resulting in a total deposit portfolio of Rs. 18.22 billion. This strong growth in both loans and deposits demonstrates our ability to attract new business and effectively manage our core operations.
- Our net interest income grew by 6.95% and reached Rs. 74.95 crores, indicating healthy earnings from our lending activities. Fee-based income showed even more impressive growth at 70.75% and reached Rs. 9.86 crores, highlighting the success of our diversified revenue streams. Consequently, our total operating income increased by 11.79%, reaching Rs. 84.81 crores.
- However, despite this positive performance in revenue generation, our net profit experienced a decrease of 9.06%, amounting to Rs. 22.46 crores. This decline was primarily attributable to two factors: a spread restriction of 4.6% which impacted on our net interest margin, and a substantial increase in impairment charges by Rs. 15.13 crore, reflecting a more cautious approach to provisioning for potential loan losses. Consequently, our earnings per share (EPS) also saw a slight decrease, from Rs.18.28 in the previous year to Rs. 16.62 this year.
- Despite the impact on net profit, we have maintained a healthy non-performing asset (NPA) ratio of 3.22%, a slight improvement from 3.26% in the previous year. This demonstrates our continued focus on prudent credit risk management. Furthermore, our capital adequacy ratio remains well above the regulatory requirement, standing at a strong 14.32% compared to 14.03% in the last year, ensuring our financial stability and capacity for future growth.

Significant Business Growth Above Industry Average: Despite the various challenges, MFL's business growth has significantly exceeded the industry average. This performance reflects the effectiveness of our strategies and the dedication of our team.

Digitization Initiatives:

Recognizing the importance of technology in the modern financial landscape, we have adopted digitization to the extent feasible given our resources.

Looking Ahead:

We hold strong confidence in Manjushree Finance Limited's ability to navigate the ever-changing economic landscape and achieve sustained success in the future. Our strategic focus will remain centered on several key priorities. First and foremost, we are committed to strengthening our core business operations. This involves continuous improvement in our existing products and services, efficient resource allocation, and a deep understanding of our target market segments. Equally important is our dedication to managing risk effectively. We will maintain a robust risk management framework, ensuring prudent lending practices and proactive monitoring of potential risks to safeguard the long-term financial health of the institution.

Enhancing the customer experience is another critical area of focus. We strive to provide seamless, personalized, and valuable interactions for our customers at every touchpoint. This includes investing in customer service training, streamlining processes, and developing innovative solutions that meet their evolving needs. Furthermore, we recognize the transformative power of technology and will continue to invest in its adoption and integration across our operations. This includes upgrading our technological infrastructure, developing digital channels, and leveraging data analytics to enhance efficiency and deliver better customer experiences.

Finally, we are committed to contributing to the sustainable development of Nepal. This commitment extends beyond our core business operations to encompass responsible business practices, environmental stewardship, and social responsibility initiatives that benefit the communities we serve. We believe that by focusing on these key areas, Manjushree Finance Limited will be well-equipped to thrive in the dynamic economic environment and contribute positively to the nation's progress.

Our Sincere Appreciation:

I express my sincere gratitude to our shareholders, Board of Directors, management team, and employees for their collective efforts and unwavering dedication. It is through this shared commitment that we have achieved so much, and I am confident that together, we will continue to build a brighter future for Manjushree Finance Limited. We also extend our sincere appreciation to the Nepal Rastra Bank for their effective oversight and guidance, as well as to other government agencies for their support in creating a stable and enabling environment for the financial sector in Nepal.

Thank you.
Yadav Adhikari
Chairperson

CHAPTER-7

CEO's Foreword

This past year has been a period of significant progress for Manjushree Finance Limited, characterized by resilience in the face of global and local economic headwinds, strategic growth in key areas, and a continued commitment to transformation and innovation. This report provides a comprehensive overview of our performance, highlighting our achievements, acknowledging the challenges we navigated, and outlining our vision for the future.

Navigating a Complex Economic Landscape:

The global economic environment in 2080-81 (2023-24) presented a complex set of challenges including persistent inflation, geopolitical instability, supply chain disruptions, unstable interest rates. These global trends had a ripple effect on the Nepalese economy, which also faced its own unique set of circumstances, including, fluctuating market liquidity, post-pandemic recovery challenges, shifts in consumer behavior, lack of credit demand in the banking sector, severe competition from banking as well as Fintech companies.

Notwithstanding these intricate circumstances, characterized by unpredictable market fluctuations and evolving customer needs, MFL exhibited notable strategic agility. We understood that a rigid approach would be insufficient in this environment, and therefore, we dynamically adapted our plans, adjusting our resource allocation and operational strategies to reduce potential risks and exploit new avenues for growth. Our core values of customer focus, innovation and continuous improvement, financial prudence, continued to underpin our operations, providing a consistent framework for decision-making amidst the changing landscape.

Key Achievements and Strategic Progress:

Despite the challenging backdrop, we achieved significant progress in several key areas:

Financial Performance:

Our financial results for the year underscore our commitment to sustainable growth. Importantly, our business growth has demonstrated strong leadership

within the financial sector, outperforming both the overall banking industry and the finance company's sector. This achievement reflects the effectiveness of our strategic initiatives and our team's dedication to excellence.

- Our loan portfolio demonstrated exceptional growth, expanding by 26.21% to Rs. 15.53 billion. This remarkable performance significantly exceeded the growth rates of the finance companies' industry (7.27%), solidifying our position as a leader in the market.
- Our deposit mobilization efforts resulted in a substantial 29.59% increase and reached Rs. 18.22 billion, a testament to the trust our customers place in us. This significantly outpaced the overall industry average of 12.55% and the finance companies sector average of 13.38%, demonstrating our strong appeal to depositors.
- Net interest income saw a healthy increase of 6.93%, bringing the total net interest income to nearly Rs. 75 crores.
- Despite significant increase in loans and advances and net interest income, increased provisioning and spread compression limiting to a maximum cap of 4.60% due to regulatory requirements significantly impacted net profit this year. These factors, while necessary for maintaining financial stability within the regulatory framework, resulted in a slight decrease in EPS to 16.62 per annum from 18.28 in the previous year. Nonetheless, this EPS remains one of the highest in the industry, demonstrating the underlying strength of our business model.
- We maintained a strong capital adequacy ratio of 14.32%, including a core capital ratio of 12.87%, ensuring our financial stability. While the total capital fund of the overall industry stood at 12.92%, and the finance companies' sector at 14.89%, our robust capital position underscores our resilience and capacity for future growth.
- We maintained a strong focus on asset quality, resulting in an NPA ratio of 3.22% at the end of Ashadh 2081, compared to 3.26% in the previous year. This is a noteworthy achievement, especially considering the overall industry NPA of 3.86%

and the significantly higher NPA of 9.87% within the finance company's sector.

- MFL reported a significant increase in fee-based income, which surged by over 70% during the year, reaching Rs. 98.57 million. This impressive growth is attributed to the strategic focus of the management on enhancing non-interest income streams, demonstrating their effective approach in diversifying revenue sources and strengthening the company's financial stability

Award and Recognition:

In the year 2023-24, MFL has been awarded "Best Finance Company - 2024" by New Business Age, reflecting our exceptional performance and innovative strategies, robust risk management, compliance, corporate governance, and human resource development.

Expanding Market Presence:

Our customer base expanded significantly, exceeding 100,000 with the addition of over 35,000 new customers. This growth translated into increased market share. Our deposit market share rose from 10.94% to 12.40% within the finance company's sector. Similarly, our market share of loans and advances increased from 12.48% to 13.24%

Enhancing Customer Experience:

We undertook a comprehensive effort to enhance the customer experience through a range of digital initiatives. These included upgrading our mobile banking app to the BankXP web version, introducing a new web banking platform, enabling online account opening, implementing a video KYC mechanism, and upgrading our digital loan processing system.

Investing in Technology and Innovation:

We continued to invest in technology to drive operational efficiency, enhance security, and deliver innovative customer solutions. Key initiatives included upgrading our core banking system, strengthening cybersecurity measures, developing new digital



products, and automating internal processes. These investments directly support our long-term goals of superior customer experiences and sustainable growth.

Strengthening Risk Management:

In a dynamic economic environment, effective risk management is paramount. We further strengthened our risk management framework by enhancing credit risk assessment processes, implementing new risk monitoring tools, strengthening internal controls, implementing risk-based pricing for credit deals. This has enabled us to maintain a healthy asset quality and navigate potential challenges effectively.

Developing Our People:

Our employees are our greatest asset. We invested in their professional development through various training programs, leadership development initiatives and employee engagement activities.

Strategic Partnership with Merchants:

An important strategic progress this year has been our partnership with various merchants, including airlines companies, hospitals, and other businesses at both central and local levels. These collaborations enable us to offer impressive discounts to our customers on a wide range of products and services provided by these merchants, enhancing the value we deliver to our clients.

Addressing Key Challenges:

This year presented several key challenges: evolving regulations, intense competition from BFIs and Fintech companies, the need for enhanced customer experience, technological advancements including core banking system upgrades and enhanced cybersecurity and managing loan recovery during an economic slowdown. We proactively addressed

these challenges through strategic investments in technology and information security system, enhanced risk management, and a strong focus on customer experience.

Looking Ahead: Our Strategic Priorities:

Our strategic priorities for the coming year are designed to create long-term value for our stakeholders. We will focus on: maintaining sustainable business growth; prioritizing prudent lending in low-risk sectors; strategically growing CASA deposits; accelerating our digital transformation; enhancing our risk management framework; and embedding data-driven decision-making throughout our organization.

These priorities are based on a thorough assessment of the market landscape, our competitive strengths, and the evolving needs of our customers. We are confident that by executing these strategies effectively, we will create long-term value for our stakeholders.

With Heartfelt Gratitude:

I am profoundly thankful for the dedication and hard work of our employees, whose talent and commitment are the cornerstone of our success. We also extend our heartfelt gratitude to our Board of Directors for their wise counsel and leadership, and to our shareholders for their unwavering trust and support. Additionally, we acknowledge the invaluable contributions of our customers, partners, and the regulatory bodies that oversee our industry.

Sincerely,

Tej Raj Timilsina
Chief Executive Officer

CHAPTER-8

Report of the Board of Directors

मञ्जुश्री फाइनान्स लिमिटेडको सत्रौं वार्षिक साधारण सभामा प्रस्तुत सञ्चालक समितिको प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

यस मञ्जुश्री फाइनान्स लिमिटेडले देश विदेशमा घटेका विविध घटना परिघटनाबाट सृजित विषम परिस्थितिले उत्पन्न गरेको आर्थिक तरलता समेतलाई डटेर सामना गर्दै विगतका वर्षभै आर्थिक वर्ष २०८०/८१ मा समेत संस्थालाई उत्कृष्ट बनाई राख्न सदैव क्रियाशिल रही सही दिशानिर्देश तथा कुशल रणनीतिका साथ अगाडी बढिरहेकोले संस्थाले वित्तीय परिसूचकहरूमा आफ्नो स्थानलाई निरन्तर रुपमा सुदृढ गर्दै आफूलाई एउटा सबल, सुदृढ एवं विश्वसनीय वित्तीय संस्थाको रुपमा चिनाउँदै एउटा अब्बल वित्तीय संस्थाको रुपमा स्थापित गर्न सफल भएको छ । हामी यस संस्थालाई अभूत सुदृढ र सवल बनाउँदै व्यवसायिक र रणनीतिक रुपमा नयाँ नयाँ कार्य योजनाहरू कार्यान्वयन गर्दै अग्रपंक्तिको वित्तीय संस्थाका रुपमा स्थापित गर्न निरन्तर लागि परेका छौं । संस्थाले स्थापनाकाल देखि हाल सम्म नै विभिन्न विषम परिस्थितिहरूको सामना गर्दै आफ्नो व्यवसायलाई सवल र सुदृढ बनाउँदै संस्थाको मुनाफा वृद्धिलाई निरन्तरता दिदै आएको यथार्थ सवैका सामु छर्लङ्ग छ । यस गरिमामय सभा समक्ष सञ्चालक समितिको वार्षिक प्रतिवेदनका साथै कम्पनी ऐन, २०६३, बैंक तथा वित्तीय संस्था ऐन, २०७३ तथा नेपाल राष्ट्र बैंकबाट जारी गरिएका निर्देशनहरूको अधिनमा रही तयार भएको २०८१ आषाढ मसान्तको यस संस्थाको वित्तीय अवस्थाको विवरण (वासलात), आर्थिक वर्ष २०८०/८१ को नाफा-नोक्सान हिसाव, अन्य विस्तृत आम्दानीको विवरण, नगद प्रवाह विवरण सहितको सम्पूर्ण वित्तीय विवरण गरिमामय सभाको स्वीकृतिका लागि प्रस्तुत गर्न पाउँदा सञ्चालक समिति हर्षित छ ।

विगत वर्षको कारोवारको सिंहावलोकन :

यस संस्थाको विगत आ.व. र यस आ.व. को निम्नानुसारको तुलनात्मक आर्थिक विवरणबाट समीक्षा अवधिमा संस्थाले गरेको प्रगतिको भ्रूलक स्पष्ट हुने व्यहोरा गरिमामय सभा समक्ष सादर अवगत गराउँदछौं ।

रु. हजारमा

विवरण	आ.व. २०७९/०८०	आ.व. २०८०/०८१	बृद्धि/(कमी) (प्रतिशतमा)
निक्षेप	१,४०,६१,१४५	१,८२,२२,००१	२९।५९
लगानी	२५,९७,१५२	४१,३२,६१९	५९।१२
कूल कर्जा	१,२३,०८,०९१	१,५५,३४,१८९	२६।२१
कूल व्याज आम्दानी	२२,६६,७३६	२१,११,०५६	७।३८
संचालन मुनाफा	३,५३,३४३	३,४८,८०१	(१।२९)
खुद मुनाफा	२,४६,९९९	२,२४,६१५	(९।०६)

उल्लेखित आ.व. को आर्थिक कारोबारलाई सिंहावलोकन गर्दा सो अबधिमा यस संस्थाले कर्जा विस्तार २६।२१ प्रतिशत तथा निक्षेप परिचालन २९।५९ प्रतिशत बृद्धि गर्न सफल भएको छ । हाल यस संस्थाले कर्जा प्रवाह गर्दा सो को गुणस्तरीयता र विश्वसनियतालाई विशेष ध्यान दिई अनुशासित ढंगले कर्जा विस्तार गर्न सफल भएको छ । देशमा विद्यमान प्रतिकूल व्यवसायिक वातावरण रहेको विषम परिस्थितिका बावजुद पनि संस्थाले उपरोक्त बमोजिम गुणस्तरीयता र विश्वसनियतालाई विशेष ध्यान दिई अनुशासित ढंगले कर्जा विस्तार गरेको कारण संस्थाले आफूलाई अब्बल सावित गर्दै सन्तोषजनक उपलब्धि हासिल गर्न सफल भएको छ, जसलाई शेयरधनी महानुभावहरूले सकारात्मक रुपमा लिनु हुनेछ भन्ने विश्वास लिएका छौं ।

संस्थाको कारोवारमा राष्ट्रिय तथा अन्तर्राष्ट्रिय आर्थिक क्षेत्रको प्रभाव :

अघिल्ला आर्थिक वर्षहरूमा भै समीक्षा वर्षमा पनि विश्व अर्थतन्त्रले विविध किसिमका आरोह अवरोहहरू सामना गरेको छ । रुस-युक्रेन युद्ध, पेट्रोलियम पदार्थको मूल्यवृद्धि र आपूर्ति व्यवधानका जस्ता कारणहरूले मुद्रास्फूर्ति उच्च रहन गएको छ भने विश्वव्यापी रुपमा आर्थिक मन्दीको स्थिति देखापरेको छ । त्यस्तै, ब्याजदरको वृद्धिले विश्व भरि नै आर्थिक वृद्धिलाई सुस्त बनाएको छ । विभिन्न घटना परिघटनाहरूले विश्वलाई नै आक्रान्त पारेको र विभिन्न देशहरूका बीचमा रहेको आपसी द्वन्दका कारण विश्वको आर्थिक वृद्धिलाई प्रत्यक्ष वा अप्रत्यक्ष रुपमा असर पारे जसबाट एकातर्फ अधिकांश मुलुकहरूमा राजस्व परिचालन संकुचित भएको छ भने अर्कोतर्फ सार्वजनिक खर्चमा भएको बढोत्तरीका कारण कूल गार्हस्थ्य उत्पादनसँग सार्वजनिक ऋणको अनुपात विश्वव्यापी रुपमा बढेको छ । आर्थिक क्रियाकलापहरू

प्रत्यक्ष रूपमा प्रभावित भएका छन् । यद्यपि यस संस्था साना तथा मझौला ग्राहक केन्द्रित व्यवसायमा केन्द्रित रहेको कारण अपेक्षित रूपमा व्यवसायीक वृद्धि हासिल गर्न सफल रहेको छ ।

चालु आ.व.को २०८१ असोज मसान्त सम्मको संस्थाको उपलब्धि (लेखापरीक्षण हुन बाँकी)

विवरण	रु. (लाखमा)
निक्षेप	२,१५,४६,६१६९
कूल कर्जा	१,७१,३४,८१२७
सञ्चालन मुनाफा	१,५४,३१०६

साथै, नेपाल राष्ट्र बैंकबाट काठमाडौं महानगरपालिका वडा नम्बर ६ बौद्धमा एक्स्टेन्सन काउन्टर सञ्चालन गर्ने अनुमति प्राप्त भए पश्चात मार्ग २०८१ देखि उक्त एक्स्टेन्सन काउन्टर सफलतापूर्वक सञ्चालनमा आएको छ ।

चालु आर्थिक वर्षमा संस्थाको समग्र कारोबारको स्थिति सन्तोषप्रद नै रहेको छ । यस संस्थाले चालु आ.व. को लागि निर्धारण गरेको लक्ष्य हासिल भई शेयरधनीहरूलाई अभूतै राम्रो प्रतिफल दिन सक्षम हुनेछ भन्ने विश्वास राखेको छ ।

भावी योजना

- कर्जा तथा निक्षेप बृद्धिको लागि नयाँ नयाँ प्रकृतिका सेवाहरू शुरु गर्ने,
- दीर्घकालिन रूपमा सम्पत्ति वृद्धि गर्नका लागि प्रमुख निक्षेप परिचालनका आधारहरूको सिर्जना गर्ने,
- संस्थागत निक्षेप भन्दा व्यक्तिगत निक्षेपको आकार बढाउने,
- संस्थाको सेवालालाई प्रविधिमैत्री बनाई सरल र सहज बनाउँदै लाने,
- व्यक्तिगत कर्जालाई भन्दा साना तथा मझौला व्यवसायिक कर्जालाई प्राथमिकता दिने ।

संस्थाको व्यवसायीक सम्बन्ध

यस संस्थाले आफ्ना ग्राहकवर्गहरू, विभिन्न संघ संस्था तथा निकायहरूसँग सदैव पारदर्शिताको आधारमा व्यवसायिक एवं सुमधुर सम्बन्ध कायम गर्दै आएको छ । यसले क्रमिक रूपमा आफ्नो सेवालालाई चौतर्फी रूपमा विस्तार गर्दै लगेकाले संस्थाको व्यवसायीक सम्बन्ध समाजका सबै तह र तप्कामा सुमधुर रहेको छ ।

सञ्चालक समिति र अन्य समितिहरू

नेपाल राष्ट्र बैंकको निर्देशन र बैंक तथा वित्तीय संस्था सम्बन्धी ऐन २०७३, को दफा २६ र २७ मा भएको व्यवस्था अनुसार सञ्चालक समितिले आफ्नो जवाफदेहीतामा सञ्चालक संयोजक हुने गरी लेखापरीक्षण समिति, जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति र सम्पत्ति शुद्धीकरण निवारण सम्बन्धी समिति गठन गरी संस्थाको नियमित क्रियाकलापहरूलाई नजिकबाट नियाली जोखिमहरूलाई कम गर्न र ग्राहक तथा शेयरधनीहरूको हितलाई सर्वोपरी मानी संस्थालाई अगाडि बढाउन निर्देशन दिने गरेको छ ।

मानव संसाधन

कर्मचारीहरू संस्थाका अमूल्य सम्पत्ति हुन् भन्ने मान्यतालाई आत्मसात गर्दै यस संस्थाको मानव संसाधन सम्बन्धी नीति तर्जुमा गरिएको छ । कर्मचारीको स्तर बृद्धिका लागि विभिन्न किसिमका प्रशिक्षण दिने, विभिन्न गोष्ठी, सेमिनारहरूमा भाग लिन पठाउने कार्यलाई निरन्तरता दिइएको छ । संस्थाको मानव संसाधन विकासमा कर्मचारीहरूको वार्षिक कार्य सम्पादन मूल्यांकन गरी सोही बमोजिम निजहरूको स्तर, पारिश्रमिक एवं सुविधा बृद्धि गर्ने परिपाटी लिइएको छ । यसका अतिरिक्त यो संस्था सदैव योग्य, दक्ष, लगनशील तथा इमान्दार कर्मचारीहरू नियुक्त गर्ने र त्यस्ता योग्य कर्मचारीहरूलाई संस्थाको सेवामा कायमै राख्न उत्प्रेरित गर्नेमा प्रतिबद्ध छ । संस्थामा कार्यरत कर्मचारीहरूलाई वृत्ति विकासको अवसर प्रदान गरी अन्यत्र जानुपर्ने परिस्थिति सिर्जना नहोस् भन्ने कुरामा संस्था सजग छ ।

संस्थागत सुशासन

संस्थागत सुशासनको स्तरलाई सदैव अत्यन्त उच्च कायम राख्ने कुरामा संस्था पूर्ण प्रतिबद्ध छ । संस्थागत सुशासन संस्थाको काम कारवाहीको मार्ग दर्शनको रूपमा रहेको मनन गर्दै सोही अनुरूप सञ्चालक समितिका काम कारवाहीहरू अगाडी बढाइएका छन् । यस संस्थाका अन्य सबै क्रियाकलापहरू पारदर्शी रूपमा सञ्चालन गरी संस्थागत सुशासनको विकास गर्न एवं सो को अनुभूति गराउन संस्था सदैव क्रियाशील छ । यस संस्थाले नेपाल राष्ट्र बैंक लगायत नियमनकारी निकायहरबाट समय समयमा जारी भएका नीति निर्देशनलाई सजगताका साथ कार्यान्वयन गर्दै

आएको छ। साथै, यसले अवलम्बन गरेको नीति, सवल व्यवस्थापन एवं कर्मचारीहरूको अथक परिश्रमको परिणाम स्वरूप आगामी दिनहरूमा संस्थाले अभूत बढी उपलब्धि हासिल गर्ने छ भन्ने हामीले विश्वास लिएका छौं।

आन्तरिक नियन्त्रण प्रणाली

व्यवसाय बिस्तारसगैँ त्यसमा अन्तरनिहित जोखिमहरू न्यूनीकरण गर्नको लागि आन्तरिक नियन्त्रण प्रणालीको महत्वपूर्ण भूमिका रहेको हुन्छ। सोही अनुरूप बैकिङ व्यवसायमा निहित कर्जा, बजार तथा संचालन लगायतका जोखिमहरूलाई मध्यनजर गर्दै संस्थाले आन्तरिक नियन्त्रण प्रणालीलाई दृढो बनाउने नीति लिएको छ। यसै गरी संचालन प्रक्रिया तर्फ आर्थिक प्रशासन विनियमावली, कर्मचारी विनियमावली, कर्जा अपलेखन विनियमावली, कर्जा नीति लगायत आवश्यक नीति निर्देशिकाहरू तयार गरी लागू गरिरहेको छ। यसको अलावा संस्थाको आवश्यकता अनुसार ग्राहक विवरण पहिचान कार्यविधि, सम्पत्ति शुद्धीकरण तथा आतंकवादी निवारण कार्यविधि तथा अन्य कार्यविधिहरू तयार गरी सोही अनुरूप क्रियाकलापहरू संचालन गरेको छ। लेखापरीक्षण समितिले आन्तरिक नियन्त्रण प्रक्रियाको नियमित अनुगमन गर्ने परिपाटीको विकास गरेको छ।

वित्तीय संस्थाको कारोवारलाई असर पार्ने मुख्य कुराहरू

- (१) यस संस्थाबाट प्रदान गरिने दीर्घकालीन, मध्यकालीन कर्जा प्रवाह गर्दा हुनसक्ने संभावित जोखिमहरू,
- (२) नेपाल सरकार वा नेपाल राष्ट्र बैंक सम्बन्धी नीतिमा परिवर्तन हुँदा सिर्जना हुनसक्ने संभावित जोखिमहरू,
- (३) नेपाल राष्ट्र बैंकको निर्देशन अनुसार व्याजदरमा हुने परिवर्तन तथा थपघटले उत्पन्न हुनसक्ने संभावित जोखिमहरू,
- (४) निक्षेप तथा कर्जा लगानीको व्याजदरमा हुने परिवर्तनबाट असर गर्ने जोखिमहरू,
- (५) यथासमयमा कर्जा असुली नभई उत्पन्न हुनसक्ने जोखिमहरू,
- (६) कर्जा तथा लगानीको व्याजदरमा हुने परिवर्तनबाट हुनसक्ने आर्थिक जोखिमहरू,
- (७) अन्तर्राष्ट्रिय बजारमा हुने मन्दीबाट नेपाली बजारमा पर्न सक्ने असरबाट हुने आर्थिक जोखिमहरू,
- (८) देशको आर्थिक अवस्थामा आउने उतार चढावबाट पर्नसक्ने जोखिमहरू तथा
- (९) प्रविधि मार्फत प्रवाह गरिने सेवामा आउन सक्ने विभिन्न प्रकृतिका जोखिमहरू।

यस संस्थाको कर्जा तथा सापट र लगानी खराब भई हुन सक्ने जोखिमहरूको लागि नेपाल राष्ट्र बैंकको निर्देशानुसार संस्थाले कर्जा नोकसानी व्यवस्था जस्ता कोषको व्यवस्था गरेको छ। संस्थाले वित्त बजारमा हुने प्रतिस्पर्धाको लागि जनशक्ति विकासमा आवश्यक ध्यान पुऱ्याएको छ। यस बाहेक व्यवसायिक जोखिमहरूबाट श्रृजना हुनसक्ने हानि नोकसानीको लागि व्यवस्थापन चनाखो भई सम्भावित हानि नोकसानी कम गर्न सक्षम तथा प्रतिबद्ध छ।

लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया

समीक्षा वर्षको वार्षिक वित्तीय विवरणहरू उपर लेखापरीक्षकले लेखापरीक्षण प्रतिवेदनमा कैफियतरहितको राय (Unqualified Opinion) प्रकट गर्नु भएको हुँदा लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत नरहेको व्यहोरा जानकारी गराउँदछौं।

लेखापरीक्षण, वासलात र अन्य विवरण

२०८१ आषाढ मसान्तको वित्तीय अवस्थाको विवरण (वासलात) आ.व. २०८०/८१ को नाफा नोकसान हिसाव, नगद प्रवाह विवरण, सम्बन्धित अनुसूचीहरू तथा लेखापरीक्षकको प्रतिवेदन यसै प्रतिवेदनको अंगको रूपमा राखिएका छन्। साथै, कम्पनी ऐन, २०६३ को दफा १०९(४) वमोजिमका कुराहरूलाई अनुसूचीको रूपमा प्रस्तुत गरिएको छ। यहाँहरूको सहभागितामुलक छलफल एवं समर्थन पछि उक्त विवरणहरू अनुमोदित हुनेछ भन्ने विश्वास लिएको छु।

अन्त्यमा,

यस संस्थाको प्रगतिको लागि सहयोग, सद्भाव, अमूल्य सुझाव तथा मार्गदर्शन दिनुहुने सम्पूर्ण महानुभावहरू, नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लि. तथा आदरणीय ग्राहकवर्ग तथा समस्त सरोकारवालाहरूप्रति हार्दिक कृतज्ञता सहित धन्यवाद व्यक्त गर्दछौं। साथै संस्थालाई यस उचाइमा पुऱ्याउन सहयोग गर्ने व्यवस्थापन तथा कर्मचारीहरूलाई धन्यवाद ज्ञापन गर्दछौं।

धन्यवाद।

सञ्चालक समितिको तर्फबाट

यादव अधिकारी

सञ्चालक समिति अध्यक्ष

CHAPTER-9

Additional Disclosures

कम्पनी ऐन, २०६३ को दफा १०९(४) अनुसारको विवरण

- (क) विगत वर्षको कारोवारको सिंहावलोकन, वार्षिक प्रतिवेदनमा उल्लेख छ।
- (ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोवारलाई कुनै असर परेको भए सो असर, वार्षिक प्रतिवेदनमा उल्लेख छ।
- (ग) प्रतिवेदन तयार भएको मिति सम्म चालू वर्षको उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा, वार्षिक प्रतिवेदनमा उल्लेख छ।
- (घ) कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध, वार्षिक प्रतिवेदनमा उल्लेख छ।
- (ङ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण, समीक्षा अवधिमा संस्थाको सञ्चालक समितिमा हेरफेर भई देहाय बमोजिमका सञ्चालकहरु रहनु भएको छ।

क्र.सं.	सञ्चालकको नाम, थर	ठेगाना	पद	नियुक्ती मिति	कै.
१	यादव अधिकारी	का.जि. का.म.न.पा. वडा नं. ४ सुकेधारा	अध्यक्ष	२०७७/०९/२९	
२	इन्दिरा पण्डित (घिमिरे)	चितवन जिल्ला भरतपुर म.न.पा. वडा नं. २०	संचालक	२०८०/०९/२९	
३	सुमन प्रसाद अधिकारी	भापा जिल्ला भद्रपुर न.पा. वडा नं. १५, सगरमाथा टोल	संचालक	२०७८/११/०६	
४	राम हरी शर्मा	कलैया-५ वारा हाल का.जि. का.म.न.पा. वडा नं. ७ चार्वाहिल	संचालक	२०७७/०९/२९	
५	सतिस गौतम	ललितपुर म.न.पा. वडा नं. ५, महालक्ष्मीस्थान, ललितपुर	संचालक	२०८०/११/०४	
६	दिपक थापा	भरतपुर म.न.पा. वडा नं. ५, चितवन	संचालक	२०८०/०९/२९	
७	पुष्प राज भण्डारी	का.जि. साविक वालुवा गा.वि.स. वडा नं. ६ को हाल परिवर्तित गोकर्णेश्वर न.पा.वडा नं. ३ वालुवा	संचालक	२०८१/०५/०३	

समीक्षा अवधिमा संस्थाको सञ्चालक समितिबाट राजिनामा गर्नुभएका सञ्चालकहरु निम्नानुसार रहनु भएको छ।

क्र.सं.	सञ्चालकको नाम, थर	पद	नियुक्ती मिति	राजिनामा मिति	कैफियत
१	श्री दिलमान सिंह चन्द	सञ्चालक	२०७७/०९/२९	२०८०/०९/२९	राजिनामा
२	श्री चिन्तामणी गौतम	सञ्चालक	२०७६/०९/२९	२०८०/०९/१९	राजिनामा
३	श्री अरुण न्यौपाने	सञ्चालक	२०७७/०४/०२	२०८१/०४/०२	पदावधि समाप्त

- (च) कारोवारलाई असर पार्ने मुख्य कुराहरु वार्षिक प्रतिवेदनमा उल्लेख छ।
- (छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत नभएको। लेखापरीक्षण प्रतिवेदन वार्षिक प्रतिवेदनमा संलग्न रहेको छ।
- (ज) लाभांश बांडफांड गर्न सिफारिश गरिएको रकम आर्थिक वर्ष २०८०/०८१ को मुनाफाबाट चुक्ता पूँजीको ६।३५ प्रतिशत नगद लाभांश वितरण गर्न सिफारिश गरिएको छ।
- (झ) शेयर जफत भएको भए जफत भएको शेयर संख्या र त्यस्तो शेयरको अंकित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो बापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण संस्थाले आर्थिक वर्ष २०८०/०८१ मा कुनै शेयर जफत गरेको छैन।

- (ज) विगत आर्थिक वर्षमा कम्पनी र त्यसको सहायक कम्पनीको कारोवारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरवलोकन
विगत आर्थिक वर्षमा वित्तीय संस्थाको प्रगतिको सम्बन्धमा मूल प्रतिवेदनमा उल्लेख भैसकेको छ । वित्तीय संस्थाको कुनै सहायक कम्पनी छैन ।
- (ट) कम्पनी र त्यसको सहायक कम्पनीले आर्थिक वर्ष २०८०/०८१ मा सम्पन्न गरेको प्रमुख कारोवारहरू र सो अवधिमा कम्पनीको कारोवारमा आएको कुनै महत्वपूर्ण परिवर्तन
संस्थाको प्रमुख कारोवारहरू वा कोरोवारमा आएको महत्वपूर्ण परिवर्तन सम्बन्धमा मूल प्रतिवेदनमा उल्लेख भैसकेको छ । यस संस्थाको कुनै सहायक कम्पनी छैन ।
- (ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले संस्थालाई उपलब्ध गराएको जानकारी
संस्थाको आधारभूत शेयरधनीहरूले संस्थालाई कुनै व्यहोरा जानकारी नगराएको जानकारी गराउँदछौ ।
- (ड) विगत आर्थिक वर्षमा वित्तीय संस्थाका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्व विवरण र वित्तीय संस्थाको शेयर कारोवारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट वित्तीय संस्थाले प्राप्त गरेको जानकारी

सञ्चालक तथा पदाधिकारीहरू	शेयरको स्वामित्वको विवरण (कितामा)
यादव अधिकारी	९३१
इन्दिरा पण्डित (घिमिरे)	३,३१२
सुमन प्रसाद अधिकारी	९,४७,७७८
राम हरी शर्मा	८२६
सतिस गौतम	१००
दिपक थापा	८२०
पुष्प राज भण्डारी	नभएको

यस संस्थाका सञ्चालक तथा पदाधिकारीहरूले यस संस्थाको शेयर कारोवारमा संलग्न नरहेको व्यहोरा जानकारी गराउँदछौ ।

- (ढ) विगत आर्थिक वर्षमा कम्पनीसंग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा
यस संस्था कुनै सम्भौताहरूमा सञ्चालक तथा निजको निजको नातेदारको व्यक्तिगत स्वार्थ भएको जानकारी संस्थालाई उपलब्ध भएको छैन ।
- (ण) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर आफै खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी शेयर खरीद बापत कम्पनीले भुक्तानी गरेको रकम
हालसम्म यस संस्थाले आफ्नो शेयर आफैले खरिद गरेको छैन ।
- (त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण
संस्थाले नेपाल राष्ट्र बैंकको निर्देशनको अधिनमा रही आन्तरिक लेखापरीक्षण गराई रहेको छ र आवश्यकता अनुसार नीति नियमहरू बनाई कार्य गर्दै आईरहेको छ। यसका अतिरिक्त आन्तरिक नियन्त्रण प्रणाली सहित अन्य कुराहरूको उच्च स्तरबाट रेखदेख गर्न गैर कार्यकारी सञ्चालकको संयोजकत्वमा एक लेखापरीक्षण समिति रहेको छ ।
- (थ) विगत आर्थिक वर्षको कूल व्यवस्थापन खर्चको विवरण
आ. व. २०८०/०८१ मा कर्मचारी खर्च (बोनस समेत) रु २२,६२,३३,४४०।- (बाइस करोड बैसठ्ठी लाख तेत्तिस हजार चार सय चालीस रुपैया मात्र) र कार्यालय सञ्चालन खर्च रु. १२,१७,३९,८२७।- (बाह्र करोड सत्र लाख उनन्चालिस हजार दुई सय सत्ताइस रुपैया मात्र) गरी कूल व्यवस्थापन खर्च रु. ३४,७९,७३,२६७।- (चौतीस करोड उनासी लाख त्रिहत्तर हजार दुई सय सतसठ्ठी रुपैया मात्र) रहेको छ ।

- (द) लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सो को विवरण
- क) लेखापरीक्षण समितिका सदस्यहरूको नामावली देहाय बमोजिम रहेको छ :
- | | |
|-------------------------------------|------------|
| १) श्री राम हरी शर्मा | संयोजक |
| २) श्री इन्दिरा पण्डित (घिमिरे) | सदस्य |
| ३) प्रमुख आन्तरिक लेखापरीक्षण विभाग | सदस्य सचिव |
- ख) समितिका सदस्यहरूलाई बैठक भत्ता बाहेक कुनै पारिश्रमिक र सुविधा प्रदान गरिएको छैन। सदस्य सचिव बाहेक संयोजक र सदस्यलाई प्रति बैठक भत्ता रु. १०,०००/- प्रदान गरिएको छ।
- ग) आ.व. २०८०/०८१ मा ११ पटक लेखापरीक्षण समितिको बैठक बसेको र सो बैठकले आन्तरिक लेखापरीक्षणको प्रतिवेदनको समीक्षा गरी सुधारका लागि व्यवस्थापनलाई आवश्यक निर्देशन दिएकोमा व्यवस्थापनले निर्देशन अनुरूप कार्य गरेको छ।
- (ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजका नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा यस संस्थाका सञ्चालकहरू, कार्यकारी प्रमुख, आधारभूत शेयरधनी तथा निजका नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी रहेको छैन।
- (न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, तथा पदाधिकारीहरूलाई भुक्तान गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम
- (क) यस संस्थाको सञ्चालकको बैठक भत्ता वार्षिक रु २२,९६,०००।००
- (ख) प्रमुख कार्यकारी अधिकृतको यस आ.व. मा रहेको जम्मा पारिश्रमिकको विवरण यस प्रकार रहेको छ :

नाम	रकम रु	कैफियत
श्री नारायण सुवेदी	३७,३५,३३९।८२	२०८० पौष १६ सम्म
श्री तेज राज तिमिल्सिना	३३,३८,९४९।१९	२०८० पौष १७ देखि
जम्मा	७०,७४,२८९।०१	

(ग) व्यवस्थापन समूहको खर्च रु २,५०,६२,९६०।१०

टिप्पणी

- क) अध्यक्ष तथा सञ्चालकलाई बैठक भत्ता बाहेक अन्य सुविधा उपलब्ध गराएको छैन।
- ख) प्रमुख कार्यकारी अधिकृतलाई तलब तथा भत्ता र १ महिनाको तलब बराबर औषधि उपचार खर्चको अतिरिक्त बोनस ऐन बमोजिम कर्मचारीलाई दिने बोनस र संस्थाको स्वीकृत कर्मचारी विनियमावली बमोजिम सञ्चित बिदाको सुविधा प्रदान गरिएको छ।

(प) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम

क्र.सं	आर्थिक वर्ष	बाँकी लाभांश रकम रु	क्र.सं	आर्थिक वर्ष	बाँकी लाभांश रकम रु
१	२०७४/०७५	५१५,०९०.४८	४	२०७७/०७८	१,७६४,४४१.८४
२	२०७५/०७६	२,४४५,६५२.२९	५	२०७९/०८०	५,३७९,४३१.७१
३	२०७६/०७७	१,६५३,३९८.३१	जम्मा		९९,७५८,०९४.६३

(फ) कम्पनी ऐन, २०६३ को दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण कम्पनी ऐन, २०६३ को दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरिएको छैन।

(ब) कम्पनी ऐन, २०६३ को दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच भएको कारोवारको विवरण कम्पनी ऐन, २०६३ को दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच कारोवार भएको छैन।

(भ) कम्पनी ऐन, २०६३ तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुरा प्रचलित कानून बमोजिम खुलाउनुपर्ने सबै कुरा खुलाइएको छ।

(म) अन्य आवश्यक कुराहरू केही छैन।

मञ्जुश्री फाईनान्स लिमिटेडको
 धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६(२) सँग सम्बन्धित
 अनुसूची १५ बमोजिमको वार्षिक विवरण

१. सञ्चालक समितिको प्रतिवेदन: सम्बन्धित शीर्षक अर्न्तगत राखिएको ।
२. लेखापरिक्षकको प्रतिवेदन : सम्बन्धित शीर्षक अर्न्तगत राखिएको ।
३. लेखापरीक्षण भएको विवरण : सम्बन्धित शीर्षक अर्न्तगत राखिएको ।
४. कानुनी कारवाही सम्बन्धी विवरण :
 - (क) त्रैमासिक अवधिमा संगठित संस्थाले वा संस्थाका विरुद्ध कुनै मुद्दा दायर भएको भए ।
 - यस संस्थाको कर्जासँग सम्बन्धीत बाहेक अन्य मुद्दा दर्ता नभएको
 - (ख) संगठित संस्थाका संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको व भएको भए,
 - मुद्दा दर्ता नभएको
 - (ग) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको भए ।
 - यस वित्तीय संस्थाको जानकारीमा नरहेको

५. संगठित संस्थाको शेयर कारोबार तथा प्रगतिको विश्लेषण :
 - (क) धितो बजारमा भएको संगठित संस्थाको शेयर कारोबार सम्बन्धमा व्यवस्थापनको धारण :
 - नेपाल स्टक एक्सचेन्ज तथा धितोपत्र बोर्डको सुपरिवेक्षण व्यवस्थाको अधिनमा रहि कारोबार गरि रहेको
 - (ख) आ.व. २०८०/८१ मा संगठित संस्थाको शेयरको अधिकत, न्यूनतम र अन्तिम मूल्यका साथै कूल कारोबार, शेयर संख्या र कारोबार दिन:

त्रैमास	अधिकतम मूल्य	न्यूनतम	अन्तिम मूल्य	कूल कारोबार दिन	कूल कारोबार संख्या	कूल कारोबार शेयर संख्या
प्रथम	५१२।९०	५०१।००	५०३।००	६१	१०,१७६	१०,५२,०३४
दोस्रो	५४२।६०	५३२।००	५३४।००	४९	७,४७९	११,८९,७४६
तेस्रो	५२७।००	५०५।००	५०५।००	५८	९,९७३	१४,३५,५०३
चौथो	६४०।५०	४९०।००	६०२।९०	६१	२१,९४३	३५,३२,८६६

६. समस्या तथा चुनौति:
 - (क) आन्तरिक समस्या तथा चुनौति:
 - आयको विविधिकरण
 - (ख) बाह्य समस्या तथा चुनौति:
 - वित्तीय संस्थाको बिच तिर प्रतिस्पर्धा
 - आर्थिक संकुचनले गर्दा कर्जा भएको न्युन माग ।
 - (ग) रणनीति:
 - निक्षेप तथा कर्जाको विविधिकरण ।
 - समय सापेक्ष प्रविधिमा आधारित नयाँ सेवाहरूको विकास ।
 - पूँजीकोष वृद्धि

७. संस्थागत सुशासन:

- बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३, नेपाल राष्ट्र बैंक द्वारा जारी गरिएका निर्देशन तथा परिपत्रहरूको पूर्णरूपमा पालना गरिएको छ। संस्थागत सुशासनलाई सदैव उच्च प्राथमिकतामा राख्दै आएको र संस्थागत सुशासन सम्बन्धी निर्देशन तथा परिपत्रहरूको पूर्ण रूपले पालना गरिएको छ।
 - आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न लेखापरीक्षण समिति (Audit Committee) गठन गरिएको छ जसले बाह्य र आन्तरिक नियन्त्रण प्रणालीलाई अभि सुदृढ बनाउन व्यवस्थापनलाई सल्लाह र सुझावहरू दिँदै आईरहेको छ।
 - नेपाल राष्ट्र बैंकको निर्देशन, स्थलगत निरीक्षण प्रतिवेदन, आन्तरिक तथा बाह्य लेखापरीक्षण प्रतिवेदनमा औल्याइएका सुझाव तथा निर्देशनहरूलाई यस वित्तीय संस्थाले सदैव पालना गर्दै आएको छ। संस्थागत सुशासनको पूर्ण पालना गर्दै यसलाई अभि सुदृढ बनाउदै लैजान यस वित्तीय संस्थाको सञ्चालक समिति र व्यवस्थापन पूर्ण प्रतिवद्ध रहेको छ।
८. नियम २६ को उपनियम ५ संग सम्बन्धित विशेष घटना वा परिस्थिति सम्बन्धी विवरण नभएको।

मञ्जुश्री फाइनेन्स लिमिटेडको
कम्पनी ऐन, २०६३ को दफा ७८ वमोजिम कम्पनी रजिष्टारको कार्यालयमा पेश गर्नु पर्ने प्रतिवेदन
(आ.व. २०८०/०८१)

- (क) **बाँडफाँड भएको शेयरको संख्या :**
 आ.व. २०८०/०८१ सम्ममा वित्तीय संस्थाको प्रति शेयर कित्ता मूल्य रु. १००१- को दरको जम्मा रु. १,३५,१५,५२,८४८८० (एक अर्ब पैतीस करोड पन्ध्र लाख बाउन्न हजार आठ सय अठचालिस रुपियाँ अस्सी पैसा) बराबरको १,३५,१५,५२,८४८८० कित्ता शेयर शेयरधनिहरूमा बाँडफाँड भएको,
- (ख) **बाँडफाँड भएको शेयर मध्ये चुक्ता भएको र नभएको शेयरको संख्या :**
 आ. व. २०८०/०८१ सम्ममा वित्तीय संस्थाको प्रति शेयर कित्ता मूल्य रु. १००१- को दरको जम्मा रु. १,३५,१५,५२,८४८८० (एक अर्ब पैतीस करोड पन्ध्र लाख बाउन्न हजार आठ सय अठचालिस रुपियाँ अस्सी पैसा) बराबरको १,३५,१५,५२,८४८८० कित्ता शेयर शेयरधनिहरूमा बाँडफाँड भई उक्त सबै शेयर वापतको रकम चुक्ता भैसकेकोले चुक्ता हुन बाँकी नभएको ।
- (ग) **आ.व. २०८०/०८१ मा वित्तीय संस्थाको सञ्चालक समितिका अध्यक्ष तथा सञ्चालकहरू, प्रमुख कार्यकारी अधिकृत, लेखापरीक्षक र निजहरूलाई भुक्तान गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :**

वित्तीय संस्थाको सञ्चालक समितिका अध्यक्ष तथा सञ्चालकहरू, प्रमुख कार्यकारी अधिकृत, लेखापरीक्षकहरूको विवरण	निजहरूलाई भुक्तान गरिएको जम्मा पारिश्रमिक, भत्ता तथा सुविधाको रकम रु.
• वित्तीय संस्थाको सञ्चालक समितिका अध्यक्ष तथा सञ्चालकहरू	२२,९६,०००।००
• प्रमुख कार्यकारी अधिकृत	-
नाम	रकम रु
श्री नारायण सुवेदी (२०८० पौष १६ सम्म)	३७,३५,३३९।८२
श्री तेज राज तिमिल्सिना (२०८० पौष १७ देखि)	३३,३८,९४९।१९
जम्मा	७०,७४,२८९।०१
• बाह्य लेखापरीक्षण शूलक (श्री पी.आर.एस्. एच्. एण्ड एसोसिएट्स, चार्टर्ड एकाउण्टेन्ट्स)	५,६५,०००।००

- (घ) **वित्तीय संस्थाको चुक्ता पूँजी रु. १,३५,१५,५२,८४८८० (एक अर्ब पैतीस करोड पन्ध्र लाख बाउन्न हजार आठ सय अठचालिस रुपियाँ अस्सी पैसा) (संस्थापक तथा सर्वसाधारण) को पाँच प्रतिशत वा सोभन्दा बढी शेयर खरिद गरी लिने व्यक्ति वा संगठित संस्थाको नाम र निजहरूको नाममा रहेको शेयर वा डिबेन्चरको विवरण :**

क्र.सं.	नाम	शेयर कित्ता	प्रतिशत
१.	सुमन प्रसाद अधिकारी	९,४७,७७८	७.०१%
२.	पारस अधिकारी	७,३३,६१०	५.४३%

- (ङ) **वित्तीय संस्थाले शेयर बिक्रीबाट प्राप्त भएको जम्मा रकम र सम्बन्धित आर्थिक वर्षमा वित्तीय संस्थाले खरिद गरेको तथा जारी गरेको नयाँ शेयर तथा डिबेन्चरको विवरण :**
 आ.व. २०८०/०८१ मा वित्तीय संस्थाले कुनै शेयर बिक्री नगरेको र सो आर्थिक वर्षमा बोनश शेयर वितरण गरी जारी गरेको छैन । वित्तीय संस्थाले आ.व. २०७७/०७८ मा ५,००,०००.०० कित्ता डिबेन्चर निष्काशित गरे वाहेक सो पश्चात् अन्य थप कुनै पनि डिबेन्चर निष्काशित गरेको छैन ।
- (च) **सञ्चालक वा आधारभूत शेयरधनी वा निजका नजिकका नातेदारहरूले कम्पनीलाई बुझाउन बाँकी रहेको रकम:**
 नभएको ।

- (छ) शेयर विक्रि वा अन्य कुनै काम कुरा गरे वापत दिएको वा दिनु पर्ने रकम :
नभएको ।
- (ज) बैक्त तथा वित्तीय संस्थाहरूबाट लिएको ऋण तथा बुझाउन बाँकी साँवा तथा व्याज रकम:
नरहेको ।
- (झ) वित्तीय संस्थाले भुक्तानी लिनु पर्ने वा वित्तीय संस्थाले अन्य व्यक्तिलाई भुक्तानी गर्नु पर्ने भनी दाबी गरिएको रकम वा यस विषयमा मुद्दा मामिला चलिरहेको भए त्यसको विवरण :
 • वित्तीय संस्थाले रकम दिलाई भराई पाउन ऋणअसूली न्यायधिकरणमा उजुरी निवेदन दर्ता गरि भरि पाउने ठहरी फैसला भई उक्त फैसलाहरू कार्यान्वयन हुन बाँकी रहेको भनि आ.ब. २०७९/०८० को प्रतिवेदनमा उल्लेख भएकोमा उक्त फैसलाहरू कार्यान्वयन भै नसकेको र सो बाहेक यस आ.ब. २०८०/०८१ मा वित्तीय संस्थाले भुक्तानी लिनु पर्ने अन्य रकम बाँकी नभएको, वित्तीय संस्थाले अन्य व्यक्तिलाई भुक्तानी गर्नु पर्ने भनी दाबी गरिएको रकम वा यस विषयमा मुद्दा मामिला नरहेको ।
- (ञ) वित्तीय संस्थाको व्यवस्थापनमा कार्यरत तथा अन्य स्तरका कर्मचारी वा कामदारको संख्या :
आ.ब. २०८०/०८१ मा वित्तीय संस्थाको व्यवस्थापनमा कार्यरत कर्मचारी संख्या ११ जना र अन्य स्तरका कर्मचारी संख्या २३४ जना गरि जम्मा कर्मचारी संख्या २४५ जना रहेको ।
- (ट) वित्तीय संस्थाको व्यवस्थापनमा कार्यरत तथा अन्य स्तरमा कार्यरत विदेशीहरूको संख्या तथा निजहरूलाई भुक्तान गरिएको पारिश्रमिक, भत्ता तथा सुविधा :
नभएको ।
- (ठ) कम्पनी र कुनै विदेशी निकाय वा व्यक्तिहरूबीच लगानी, व्यवस्थापन वा प्राविधिक सेवा वा अन्य विषयमा एक वर्षभन्दा बढी अवधिको लागि कुनै सम्झौता गरिएको भए सोको विवरण र सम्बन्धित आर्थिक वर्षमा त्यस्तो सम्झौता अनुसार भुक्तान गरिएको लाभांश, कमिसन, शुल्क दस्तुर र रोयल्टी आदिको विवरण :
नभएको ।
- (ड) वित्तीय संस्थाको एक आर्थिक वर्षको व्यवस्थापन खर्चको विवरण :
आ.व. २०८०/०८१ मा कर्मचारी खर्च (वार्षिक बोनस समेत) २२,६२,३३,४४०।- (बाइस करोड बासाठी लाख तेत्तिस हजार चार सय चालीस रुपैया मात्र) र कार्यालय सञ्चालन खर्च रु. १२,१७,३९,२२७।- (बाह्र करोड सत्र लाख उनन्चालिस हजार दुई सय सत्ताइस रुपैया मात्र) गरी कूल व्यवस्थापन खर्च रु. ३४,७९,७३,२६८।- (चौतीस करोड उनासी लाख त्रिहतर हजार दुई सय अठसठ्ठी रुपैया मात्र) रहेको छ ।
- (ढ) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम :
- | आ.व. | बाँकी लाभांश रकम रु |
|----------|---------------------|
| २०७४।०७५ | ५,१५,०९०.४८ |
| २०७५।०७६ | २४,४५,६५२.२९ |
| २०७६।०७७ | १६,५३,३९८.३९ |
| २०७७।०७८ | १७,६४,४४९.८४ |
| २०७९।०८० | ५३,७९,४३९.७९ |
- (ण) यस वित्तीय संस्थाले कम्पनी ऐन तथा प्रचलित कानूनको पालना पूर्ण रुपमा गरेको छ भन्ने कुराको उद्घोषण :
यस वित्तीय संस्थाले देहाय बमोजिमका सम्पूर्ण वित्तीय विवरणहरू समेत नेपाल राष्ट्र बैकको निर्देशन अनुसारको ढाँचा तथा कम्पनी ऐन बमोजिम तयार गरी सोको पूर्ण रुपमा परिपालना गरेको व्यहोरा उद्घोषण गर्दछ ।
- (९) वित्तीय संस्थाको प्रबन्धपत्र वा नियमावलीमा संशोधन गरिएको भए संशोधन गरेको मिति, संशोधित प्रबन्धपत्र वा नियमावली कार्यालयमा अभिलेख गरेको वा नगरेको लगायत ऐनका व्यवस्थाहरू पालना गरिएको वा नगरिएको कुरा :
वित्तीय संस्थाको प्रबन्धपत्र वा नियमावलीमा संशोधन गरिदा प्रचलित ऐन नियम अनुसार नै अभिलेख गर्ने गरिएको ।
- (२) नयाँ शेयर जारी गरिएको भए ऐनको म्यादभित्र शेयर बाँडफाँडको विवरण म्यादभित्र पेश गरेको वा नगरेको कुरा र म्याद नाघी

- पेश भएको भए जरिवाना तिरेको रकम :
- नयाँ शेयर जारी गरिँदा ऐनको म्याद भित्र शेयर बाँडफाँड गरि ऐन नियम अनुसार नै गरि अभिलेख समेत गर्ने गराउने गरिएको ।
- (३) वित्तीय संस्थाले डिबेञ्चर उठाउँदा ऐनमा गरिएको व्यवस्था गरे नगरेको कुरा :
वित्तीय संस्थाले डिबेञ्चर उठाउँदा ऐनमा गरिएको व्यवस्था अनुरूप नै गरिएको ।
- (४) शेयरधनी वा डिबेञ्चरवालाको दर्ता किताबको निरीक्षण बन्द गरेको मिति, पटक सो सम्बन्धमा ऐनका पालना गरेको वा नगरेको कुरा :
ऐन नियम अनुसार नै गरिएको ।
- (५) वित्तीय संस्थाले शेयरजफत गरेको भए ऐनका व्यवस्थाहरू पालना गरे वा नगरेको कुरा :
हाल सम्म कुनै शेयर जफत नगरिएको ।
- (६) वित्तीय संस्थाको खुद सम्पत्ति घट्न गई चुक्तापूँजीको आधा वा सो भन्दा कम भएको भए सो सम्बन्धमा सञ्चालक समितिले ऐन बमोजिमको जिम्मेवारी पूरा गरे नगरेको कुरा :
यस वित्तीय संस्थाको चुक्ता पूँजी नघटेको ।
- (७) वित्तीय संस्थाले आफ्नो शेयर आफैले खरीद गरेको भए खरीद गरेको मिति र सो सम्बन्धमा ऐनका व्यवस्थाहरू पालना गरेको वा नगरेको कुरा :
हालसम्म आफ्नो शेयर आफै खरीद नगरिको ।
- (८) वित्तीय संस्थाले ऐन बमोजिम वार्षिक साधारण सभा गरे नगरेको कुरा, वार्षिक साधारण सभाको सूचना, गणपूरक संख्या, स्थान लगायतका विषयहरूमा ऐनको व्यवस्थाहरू पालना भएको वा नभएको कुरा, वार्षिक साधारण सभाको निर्णय विवरण रीतपूर्वक अभिलेख गरे नगरेको कुरा :
ऐन नियम अनुसार नै गर्ने गरिएको ।
- (९) वित्तीय संस्थाले विशेष साधारण सभा गरेको भए सो गरेको मिति र सो सम्बन्धमा ऐनको व्यवस्थाहरू पालना भएको वा नभएको कुरा :
विशेष साधारण सभा नगरिएको ।
- (१०) वित्तीय संस्थाले देहाय बमोजिमका विवरण वा सूचना म्याद भित्र कार्यालयमा पेश गरेको वा नगरेको कुरा:
- (अ) वित्तीय संस्थाको प्रबन्धपत्र र नियमावलीमा भएको संशोधन ।
ऐन, नियम अनुसार नै गर्ने गरिएको ।
 - (आ) शेयर बाँडफाँडको विवरण ।
जानकारी तथा अभिलेख गराईएको ।
 - (इ) धितोपत्र व्यवसायी र कम्पनी बीच भएको सम्झौता ।
कुनै सम्झौता नभएको ।
 - (ई) शेयरमा रहेको हक सम्बन्धी जानकारी ।
ऐन नियम अनुसार नै गरिएको ।
 - (उ) शेयर, डिबेञ्चर र ऋणको लगत ।
ऐन नियम अनुसार नै राखिएको ।
 - (ऊ) आफ्नो शेयर आफैले खरीद गरेकोमा सो सम्बन्धी जानकारी ।
हालसम्म आफ्नो शेयर आफैले खरीद नगरेको ।
 - (ए) अग्राधिकार शेयर फिर्ता लिएको भए सो सम्बन्धी जानकारी ।
हालसम्म अग्राधिकार शेयर जारी नभएको ।
 - (ऐ) वार्षिक साधारणसभा गर्नु भन्दा कम्तीमा एक्काइस दिन अगाडी पेश गर्नु पर्ने प्रतिवेदन ।
ऐन नियम अनुसार नै पेश गरिएको ।

- (ओ) वार्षिक साधारण सभाको विवरण र वार्षिक आर्थिक विवरणहरु ।
 ऐन नियम अनुसार नै पेश गर्ने गरिएको ।
- (औ) लेखापरीक्षकको नियुक्तिको जानकारी ।
 ऐन नियम अनुसार नै गराईएको ।
- (अं) वित्तीय संस्थाको रजिष्टर्ड कार्यालय रहेको ठेगाना परिवर्तन गरिएको भएमा सो को जानकारी ।
 हालसम्म ठेगाना परिवर्तन नभएको ।
- (अः) वित्तीय संस्थाका सञ्चालकहरुको निजी स्वार्थ रहेको विषयमा गराएको जानकारी ।
 ऐन नियम अनुसार नै गरिएको र निजी स्वार्थ नभएको ।
- (११) वित्तीय संस्थाका पदाधिकारीहरुले वित्तीय संस्थामा बुझाउनु पर्ने देहायका लिखतहरु बुझाएको वा नबुझाएको कुराः
- (अ) आफ्नो निजी स्वार्थ रहेको विषयमा सञ्चालकहरुले गराउनु पर्ने जानकारी ।
 ऐन नियम अनुसार नै गरिएको र निजी स्वार्थ नभएको ।
- (आ) वित्तीय संस्थाको सञ्चालक वा निजको नजिकको नातेदारले वित्तीय संस्थाको शेयरमा हक प्राप्त गरेको जानकारी ।
 जानकारी प्राप्त नभएको ।
- (इ) आफू आधारभूत शेयरधनी हुन पुगेको वा आधारभूत शेयरधनी नरहेकोमा त्यस्तो शेयरधनीले कम्पनीलाई गराउनु पर्ने जानकारी ।
 ऐन नियम अनुसार नै गराईएको ।
- (ई) अन्य कसैको हक वा लगानी ।
 नभएको ।
- (१२) वित्तीय संस्थाको सञ्चालक, प्रबन्ध सञ्चालक वा प्रमुख कार्यकारी अधिकृतको नियुक्ति, निजहरुको कार्यकाल, पारिश्रमिक, भत्ता र सुविधा ऐन बमोजिम रीतपूर्वक भएको वा नभएको कुरा ।
 ऐन नियम अनुसार नै गरिएको ।
- (१३) ऐन बमोजिम वित्तीय संस्थामा स्वतन्त्र सञ्चालकको नियुक्ति भएको वा नभएको कुरा ।
 यस वित्तीय संस्थामा स्वतन्त्र सञ्चालकको नियुक्ति गरी सोको विवरण ऐन नियम अनुसार नै अभिलेख गरिएको ।
- (१४) वित्तीय संस्थाको सञ्चालक समितिको बैठक कहिले बस्यो, सञ्चालक समितिको बैठकको न्यूनतम संख्या, सो सम्बन्धी सूचना र निर्णय विवरणका लगायतका विषयहरुमा ऐनका व्यवस्थाहरुको पालना भएको वा नभएको कुरा ।
 ऐन नियम अनुसार नै गर्ने गरिएको ।
- (१५) वित्तीय संस्थाले आफ्नो सञ्चालक वा निजको नजिकको नातेदारसँग कुनै अर्थपूर्ण कारोबार गरेको भए त्यस्तो कारोबार गर्न साधारण सभाको स्वीकृति लिएको वा नलिएको कुरा ।
 यस प्रकारको कारोबार नभएको ।
- (१६) कुनै सञ्चालकले कम्पनी मार्फत् आफुलाई व्यक्तिगत फाइदा हुने काम गरेको भए साधारण सभाको निर्णय बमोजिम त्यस्तो फाइदा लिएको हो वा होइन सो कुरा ।
 कुनै व्यक्तिगत फाइदा नलिएको ।
- (१७) वित्तीय संस्थाले सञ्चालन गरी आएको व्यवसायको सत्तरी प्रतिशत भन्दा बढी व्यवसाय विक्री गर्दा वा कुनै व्यहोराले हक छोडिदिँदा, चुक्ता पूँजी र सञ्चित मुनाफाको जम्मा रकम भन्दा बढी हुने गरी ऋण लिँदा वा एक आर्थिक वर्ष मा पचास हजार रुपैयाँ वा वित्तीय संस्थाको विगत तीन आर्थिक वर्षको सरदर खुद मुनाफाको एक प्रतिशतले हुन आउने रकममध्ये जुन कम हुन्छ सो रकम भन्दा बढीको चन्दा वा अनुदान दिएको भए साधारण सभाबाट विशेष प्रस्ताव पारित गरेको वा नगरेको कुरा सो सम्बन्धी व्यहोरा ।
 सो सम्बन्धमा कुनै कार्य नभएको ।
- (१८) ऐन बमोजिम वित्तीय संस्थाले राख्नुपर्ने देहाय बमोजिमका दर्ता किताबहरु खडा गरी वित्तीय संस्थाको रजिष्टर्ड कार्यालयमा राखेको वा नराखेको कुरा खुलाउनेः
- (अ) शेयरधनीको दर्ता किताब :
 शेयर रजिष्ट्रारले अद्यावधिक गरि राखिरहेको ।

- (आ) डिवेञ्चरवालाको दर्ता किताब :
 ऐन नियम अनुसार नै रहेको ।
 - (इ) सञ्चालक तथा कम्पनी सचिवको दर्ता किताब :
 ऐन नियम अनुसार नै रहेको ।
 - (ई) वित्तीय संस्थाले अर्को कम्पनीलाई दिएको सापटी, अर्को वित्तीय संस्थाले लिएको ऋण बापत दिएको जमानत वा वित्तीय संस्थाको धितोपत्रमा गरेको लगानीको विवरण ।
- आ. व. २०८०/०८१ मा अर्को कम्पनी तथा वित्तीय संस्थालाई दिएको कर्जा रकमको विवरण :

कम्पनी तथा वित्तीय संस्थाको नाम	प्रवाह गरिएको कर्जा रकम रु
आरम्भ चौतारी लघुवित्त वित्तीय संस्था लिमिटेड	५५,३७४,८८१।७६
अभियान लघुवित्त वित्तीय संस्था लिमिटेड	८,००,००,०००।००
धौलागिरी लघुवित्त वित्तीय संस्था लिमिटेड	१५,००,००,०००।००
ग्रामीण विकास लघुवित्त वित्तीय संस्था लिमिटेड	२४८,३११,३०८।००
किसान लघुवित्त वित्तीय संस्था लिमिटेड	२४२,६५५,९५८।४६
मिरमिरे लघुवित्त वित्तीय संस्था लिमिटेड	२०,००,००,०००।००
नाडेप लघुवित्त वित्तीय संस्था लि.	६५,९५६,९७३।८५
नेपाल सेवा लघुवित्त वित्तीय संस्था लिमिटेड	११,१४५,९१५।३०
नेरुडे मिरमिरे लघुवित्त वित्तीय संस्था लिमिटेड	१०,००,००,०००।००
सबैको लघुवित्त वित्तीय संस्था लिमिटेड	४४,१९७,३८७।६७
सूर्योदय वोमी लघुवित्त वित्तीय संस्था लिमिटेड	१०,००,००,०००।००
विन नेपाल लघुवित्त वित्तीय संस्था लिमिटेड	१,००,००,०००।००
जम्मा	१,३०,७६,४२,४२५।०४

नोट : उल्लेखित कर्जाहरु नेपाल राष्ट्र बैङ्कको निर्देशिका वमोजिम विपन्न वर्ग कर्जा अन्तर्गत प्रवाह भएकोले सोका लागि सम्बन्धित संस्थाहरुको संस्थागत जमानी समेत लिईएको ।

- आ.व. २०८०/०८१ मा धितोपत्रमा गरेको लगानीको विवरण : संस्थाको आ.व. २०८०/०८१ को अन्तमा धितोपत्रमा रहेको लगानी यस प्रकार छ :

नाम	लगानी रु	नाम	लगानी रु
सानिमा ग्रोथ फण्ड	१०,९७,७३३	एनएमबी ५०	५,५४,९२२
एनआईबीएल ग्रोथ फण्ड	१०,००,०००	एनआईसी एसिया फ्लेक्जि क्याप फण्ड	४,८५,७४९
सनराईज फोकस्ड ईक्विटी फण्ड	२०,४१,९२६	एनआईसी एसिया ब्यालेन्सुड फण्ड	१९,२२,८७६
प्रभु स्मार्ट फण्ड	८९,३२,७२१	लक्ष्मी उन्नती कोष	१७,५६,४६९
एनआईसी एसिया सेलेक्ट फण्ड ३०	२२,९६,६००	एनआईसी एसिया ग्रोथ फण्ड	१३,१८,४१६
आरबीबी म्यूचुअल फण्ड १	२२,४२,६८४	ग्लोबल आईएमई ब्यालेन्सुड फण्ड	१,२८,८८८
सिटिजन्स म्यूचुअल फण्ड १	२,२५,४८,५०१	नबिल ब्यालेन्सुड फण्ड २	१२,०८,६७८
कुमारी ईक्विटी फण्ड	१३,९५,७८३	कुमारी धनवृद्धि योजना	८,६३,५७५
एनएमबी सुलभ इन्भेष्टमेण्ट फण्ड २	२८,९७,७२८	कुमारी सुनौलो लगानी योजना	२५,००,०००
सनराईज ब्लूचिप फण्ड	१,९५,३८५	सिद्धार्थ इन्भेष्टमेण्ट ग्रोथ स्किम ३	३०,००,०००
सनराईज फर्स्ट म्यूचुअल फण्ड	३,४७,०९,३७४	सिटिजन्स सुपर ३० म्यूचुअल फण्ड	२,००,००,०००

प्रभु सेलेक्ट फण्ड	१,०७,४५,९१०	आरबीबी म्यूचुअल फण्ड २	१०,०००,०००
हिमालयन ८०-२०	१,००,००,०००	सानिमा ईक्विटी फण्ड	१७,०८,५४३
कुमारी सबल योजना	७५,००,०००	सिद्धार्थ ईक्विटी फण्ड	५९,१५,८९९
लक्ष्मी ईक्विटी फण्ड	३१,४६,४५२	सानिमा लार्ज क्याप फण्ड	३८,९३,९८२
लक्ष्मी भ्याल्यू फण्ड	५०,००,०००	७.५ निफ्रा ऊर्जा ऋणपत्र २०८५।८६	१,८१,९६८
एनआईबीएल स्टेवल फण्ड	५०,००,०००	पोर्टफोलियो व्यवस्थापन कम्पनी (PMS) मार्फत लगानी	१,००,००,०००
एनआईसी एसिया ग्रोथ फण्ड २	१,००,००,०००		
जम्मा			१९,६९,९०,७६३

- (१९) ऐन बमोजिम वित्तीय संस्थाले वार्षिक आर्थिक विवरणहरू लेखापरीक्षण गराएको वा नगराएको कुरा ।
ऐन नियम अनुसार नै गराईएको ।
- (२०) वित्तीय संस्थाले ऐन बमोजिम सञ्चालक समितिको प्रतिवेदन तयार गरे/नगरेको कुरा ।
ऐन नियम अनुसार नै तयार गरेको ।
- (२१) ऐन विपरीत वित्तीय संस्थाले आफ्ना सञ्चालक, पदाधिकारी, आधारभूत शेयरधनी वा निजहरूको नातेदारहरूलाई ऋण प्रदान गरेको वा नगरेको कुरा ।
नगरेको ।
- (२२) वित्तीय संस्थाले डिफ्फाउन्टमा शेयर जारी गरेको भए सो सम्बन्धमा ऐनका व्यवस्थाहरूको पालना गरेको वा नगरेको कुरा ।
वित्तीय संस्थाले डिफ्फाउन्टमा शेयर जारी नगरेको ।
- (२३) वित्तीय संस्थाले बोनस शेयर जारी गरेको भए सो सम्बन्धमा ऐन बमोजिमका व्यवस्थाहरूको पालना भएको वा नभएको कुरा ।
ऐन नियम अनुसार नै गरिएको ।
- (२४) वित्तीय संस्थाले प्रिमियम मूल्यमा शेयर जानरी गरेको भए सो सम्बन्धमा ऐन बमोजिमका व्यवस्थाहरूको पालना भएको वा नभएको कुरा ।
प्रिमियम शेयर जारी नगरिएको ।
- (२५) वित्तीय संस्थाले आफ्नो शेयर खरीद गर्न आफ्ना शेयरधनी वा अन्य व्यक्तिलाई कुनै ऋण वा आर्थिक सहयोग प्रदान गरेको वा नगरेको कुरा ।
नगरेको ।
- (२६) वित्तीय संस्थाको स्वार्थसँग बाँझिन सक्ने आफ्ना निजी स्वार्थहरू भए सो सम्बन्धमा कम्पनीलाई तोकिएको म्यादभित्र जानकारी गराएको वा नगराएको कुरा ।
हाल सम्म त्यस्तो अवस्था नआएको ।
- (२७) सञ्चालकले आफ्नो कम्पनी वा सो वित्तीय संस्थाको सहायक वा प्रमुख वित्तीय संस्थाको अन्य सहायक वित्तीय संस्थाको शेयर वा डिभेन्चरमा हक प्राप्त गरेको भए म्यादभित्र कम्पनीलाई जाकारी गराएको वा नगराएको कुरा ।
हाल सम्म त्यस्तो अवस्था नआएको ।
- (२८) वित्तीय संस्थाले लाभांश वा अन्तरिम लाभांश बाँड्दा ऐनको पालना गरे वा नगरेको कुरा ।
ऐन नियम अनुसार नै गर्ने गरिएको ।
- (२९) वित्तीय संस्थाको साधारणसभामा शेयरधनीलाई लाभांश बाहेक वित्तीय संस्थाको कोषमा व्ययभार पर्ने गरी नगद वा जिन्सीको रूपमा कुनै रकम भुक्तानी गरे वा नगरेको कुरा ।
कुनै रकमा भुक्तानी नगरेको ।
- (३०) कार्यालयबाट कम्पनीलाई कुनै निर्देशन दिएको भए सो निर्देशनको पालना भएको वा नभएको कुरा ।

कार्यालयबाट हालसम्म कुनै निर्देशन प्राप्त नभएको ।

- (३१) सूचीकृत कम्पनी भए वार्षिक साधारण सभाको सूचनाको साथमा संक्षिप्त आर्थिक विवरण शेयरधनीलाई पठाएको वा नपठाएको कुरा ।
ऐन नियमानुसार पठाउने गरिएको ।
- (३२) लेखापरीक्षण समिति गठन गर्नुपर्ने सूचीकृत कम्पनी भए ऐन बमोजिम त्यस्तो समिति गठन गरिएको/नगरिएको कुरा ।
ऐन नियमानुसार नै गर्ने गरिएको ।
- (३३) ऐनको उल्लङ्घन गरेको अभियोगमा कम्पनी विरुद्ध कुनै कारबाही चलिरहेको वा त्यस्तो कसूर ठहर भई वित्तीय संस्थाले कुनै दण्ड सजाय व्यहोर्नु परेको भए सो को व्यहोरा ।
नभएको ।
- (३४) ऐनको दफा ८१ अनुसार वित्तीय संस्थाका सञ्चालक तथा पदाधिकारीले कार्यालयलाई तिरेको जरिवानाको विवरण ।
नभएको ।
- (३५) वित्तीय संस्थाको सुशासन तथा पारदर्शिताको दृष्टिकोणबाट कम्पनी सचिवले खुलाउन आवश्यक ठानेका अन्य आवश्यक कुराहरु ।
केही नभएको ।
- (त) अन्य आवश्यक कुरा :
केही नभएको ।

अध्यक्ष/सञ्चालक
मञ्जुश्री फाईनान्स लिमिटेड

लेखापरीक्षक
सी.ए. सुवास पौडेल
पी.आर.एस्. एच्. एण्ड् एसोसिएट्स
चार्टर्ड एकाउण्टेन्ट्स

CHAPTER-10

Auditor's Report and Audited Financial Statements

P.R.S.H. & Associates
Chartered Accountants

Corporate Office:
 Address: Anamnagar-29, Kathmandu, Nepal
 E-mail: subash@cprsh.com, info@cprsh.com
 Website: cprsh.com
 Phone: 9851185210

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MANJUSHREE FINANCE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Manjushree Finance Limited (hereinafter referred to as "the finance company") which comprise statement of financial position as at Ashadh 31, 2081 (July 15, 2024), statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and notes to the financial statements.

In our opinion, accompanying financial statements give a true and fair view of the financial position of the finance company as at Ashadh 31, 2081, its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSS).

Basis for Opinion

We conducted our audit of the financial statements 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 Entity in accordance with the Handbook of The Code of Ethics for Professional Accountants issued by The Institute of Chartered Accountants of Nepal (ICAN), and we have fulfilled our other ethical responsibilities in accordance with the ICAN's Handbook of The Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are matters based on our judgment, are of most significance in the audit of the financial statements of the current period, which were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide separate opinion on these matters. In addition to the matters described in the Basis for Opinion section, we have determined the matters described below as the key audit matters to be communicated in our report.

The results of our audit procedures, including the procedures performed to address the matters below, provides the basis for our audit opinion on the accompanying financial statements.

Following are the Key Audit Matters:

S. No.	Key Audit Matters	How the Matters were Addressed in Our Audit
1.	Interest Income Ref. Note no. 4.29 and accounting policies to the financial statements. The finance company has total interest income of Rs.2,266,763,164.00 including	We applied following procedures in respect of verification of interest income: ✓ Understanding of the core banking software of the finance company how interest rate on



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	<p>Rs.1,804,512,949.00 on loans and advance to customers.</p> <p>Interest income has been recognized on accrual basis as per the interest recognition guidelines of Nepal Rastra Bank (NRB) / NFRS. Interest has not been recognized on accrual basis in case of non-performing loans.</p> <p>Due to limitation of lack of system capability for accruing interest income as per the prescribed norms, review of fair value of collateral on regular basis, manual intervention might be required.</p> <p>As this may have effect on the recognition of the interest income by the finance company, we have considered it as a key audit matter.</p>	<p>loans and advances has been implemented in system.</p> <ul style="list-style-type: none"> ➤ Whether interest income on advances is automatically generated in the CBS system. ➤ Review of accrual and recognition interest income whether relevant NFRS and the NRB norms have been followed by the finance company for the same. ➤ Review and verify the transactions relating to manual debit or credit of interest in the system ➤ Understanding as to how the finance company's management monitors their business, analyze its credit portfolio and the interest income thereon. ➤ Review whether the legal remedies against defaulting borrowers are not adversely affected. <p>Accounting policies and recognition of interest income has been considered acceptable.</p>
2.	Investment Securities Valuation Ref. Note no. 4.8 and accounting policies to the financial statements.	
	<p>The finance company has total investment securities of Rs. 4,132,619,091.00 as at 31st Ashadh 2081 classified into different categories as investment securities measured at amortized cost and investment in equity measured at fair value through other comprehensive income, which in aggregate represent 19.46 % of the total assets of the finance company.</p> <p>Classification of investment into different categories as Investment securities measured at amortized cost and Investment in equity measured at fair value through other comprehensive income warrant management judgment and it impacts on valuation of investment securities and impairment allowance.</p> <p>Due to the percentage of volume over total assets and the requirement of management judgment for</p>	<p>We applied following procedures in respect of Investment verification:</p> <ul style="list-style-type: none"> ➤ Review of accounting policies adopted by the finance company based on Nepal Financial Reporting Standards and the Directives issued by NRB and compliance of the same. <p>Evaluation of management's assessment to categorize investments classified into different categories as Investment securities measured at amortized cost and Investment in equity measured at fair value through other comprehensive income</p> <ul style="list-style-type: none"> ➤ Verification of valuation of investment on sampling basis in reference to its cost and quoted market price as the case may be. ➤ Verification of impairment allowance provided for different investments in commensurate with NFRSs and NRB Directives. <p>Accounting policies, classification, valuation and impairment allowances for investments are considered acceptable.</p>



	measurement of impairment allowance, considered this as key audit matter.	
3.	Loan Loss Provision Ref. Note no. 4.7 and accounting policies to the financial statements.	
	<p>The finance company's advances to the customers represent 65.93 % of its total assets at the end of period under review and are stated at Rs. 13,999,297,975.00 which is net of provision of Rs. 587,210,862. The provision against advances was identified as a key audit matter as it involves a considerable degree of management judgment and compliance with Directives and Circulars issued by Nepal Rastra Bank.</p>	<p>We applied following procedures in respect of verification of loan loss provision:</p> <ul style="list-style-type: none"> ➤ Review of borrower's files, which includes evaluation of borrowers' repayment behavior, assessment of financial strength based on the available financial statements, adequacy of security/collateral, obtainment of required legal documents, CIC reports, and compliance with prudential regulations. ➤ Business sites visit of the borrowers on sampling basis. ➤ Review of IT system to provide loan loss provision based on overdue payments. ➤ On sampling basis, verification of accuracy of provision against non-performing loan calculated by the IT system and manual calculation sampling basis. ➤ Evaluation of appropriateness of subjective judgement made by the management for performing loans' borrowers. ➤ Review of Board's evaluation and decisions on loans. <p>Loan loss provision made by the finance company is considered acceptable.</p>
4.	Information Technology (IT)	



<p>IT controls with respect to recording transactions, generating various reports in compliance with NRB guidelines and other compliance to regulators in an important part of process. Such reporting is heavily dependent on effective working of Core banking Software (CBS) and other allied systems. We have considered this a key audit matter as any control lapses, validation failures, incorrect input data and errors in the extraction of data may result in incorrect financial reporting.</p>	<p>Our audit approach regarding information technology of the finance company is based upon the Information Technology Guidelines issued by NRB and it also included:</p> <ul style="list-style-type: none"> ➤ Understanding of the business processes, IT systems used to generate and support those balances and associated IT applications controls and IT dependencies in manual controls. ➤ Understanding the coding system adopted by the institution for various categories of customers. ➤ Evaluating and testing the design and operating effectiveness of certain control activities over the integrity of the material IT systems that are relevant to the financial reporting. ➤ Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the institution. ➤ Checking the user/authority matrix for any changes in the regulations/policy of the institution. ➤ Reviewed the reports generated by the system on a sample basis and verified the interest income and expense booking regarding loan and deposit on a test basis with the CBS of the finance company. ➤ Reliance on the independent Information System Audit of the institution.
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Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we concluded that there is material misstatement of the other information; we are required to report that fact.



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

Responsibilities of the Management and Those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting standards (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.

In preparing the financial statements, management is responsible for assessing the finance company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so, those charged with governance are responsible for overseeing the finance 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. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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




auditor's report. However, future events or conditions may cause the finance company to cease to continue as a going concern.

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

Report on Other Legal and Regulatory Requirements

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

- I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit.
- II. The accounts and records of the finance company have been maintained as required by law except as mentioned above.
- III. Financial statements are in agreement with the books of account maintained by the finance company.
- IV. The capital fund, risk bearing fund and the provision for possible impairment of assets of the finance company are adequate as per the Directives issued by Nepal Rastra Bank.
- V. In our opinion and to the best of our information and according to the explanations given to us, the Board of Directors, the representative or any employee of the finance company has not acted contrary to the provision of law relating to accounts nor caused direct loss or damage to the finance company deliberately or acted in a manner that would jeopardize the interest and security of the finance company.
- VI. The operations of the finance company are within its jurisdiction.
- VII. The finance company has not acted in a manner to jeopardize the interest and security of the depositors and investors.
- VIII. The finance company has a centralized core accounting system and details received from branches of the finance company though the statements are independently not audited, were adequate for our audit, and
- IX. We have not come across any fraudulence in the accounts, so far as it appeared from our examination of the books of account.


Subash Poudel,
Partner
P.R.S.H & Associates,
Chartered Accountants



UDIN No: 241208CA00991LfsFF
Date: 2081/08/23
Place: Anamnagar, Kathmandu

Manjushree Finance Limited

STATEMENT OF FINANCIAL POSITION

As on 31st Ashadh, 2081 (July 15, 2024)

Assets	Notes	31st Ashadh 2081	31st Ashadh 2080
Cash and Cash Equivalent	4.1	365,926,265	1,007,858,504
Due from Nepal Rastra Bank	4.2	838,736,447	655,465,614
Placement With Bank And Financial Institutions	4.3	-	-
Derivative Financial Instruments	4.4	-	-
Other Trading Assets	4.5	-	-
Loan and Advances to B/FIs	4.6	1,327,368,635	959,036,391
Loans and Advances to Customers	4.7	13,999,297,975	11,291,008,274
Investment in Securities	4.8	4,132,619,091	2,597,152,379
Current Tax Assets	4.9	32,427,270	15,510,315
Investment in Subsidiaries	4.10	-	-
Investment in Associates	4.11	-	-
Investment Property	4.12	63,520,366	25,905,880
Property and Equipment	4.13	225,421,700	192,860,086
Goodwill and Intangible Assets	4.14	3,040,945	1,635,977
Deferred Tax Assets	4.15	18,840,859	17,020,033
Other Assets	4.16	226,646,007	99,131,097
Total Assets		21,233,845,560	16,862,584,550
Liabilities		31st Ashadh 2081	31st Ashadh 2080
Due to Bank And Financial Institutions	4.17	1,204,819,219	1,124,170,620
Due to Nepal Rastra Bank	4.18	603,662,927	195,678,864
Derivative Financial Instruments	4.19	-	-
Deposit from Customers	4.20	16,413,518,399	12,741,295,612
Borrowings	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred Tax Liabilities	4.15	-	-
Other Liabilities	4.23	295,671,113	237,472,974
Debt Securities Issued	4.24	500,000,000	500,000,000
Subordinated Liabilities	4.25	-	-
Total Liabilities		19,017,671,659	14,798,618,071
Equity		31st Ashadh 2081	31st Ashadh 2080
Share Capital	4.26	1,351,552,849	1,351,552,849
Share Premium		-	-
Retained Earning		174,925,005	79,438,885
Reserves	4.27	689,696,048	632,974,746
Total Equity Attributable to Equity Holders		2,216,173,901	2,063,966,480
Non-Controlling Interests		-	-
Total Equity		2,216,173,901	2,063,966,480
Total Liabilities and Equity		21,233,845,560	16,862,584,550
Contingent Liabilities and Commitment	4.28	800,000	300,000
Net Assets Value Per Share		163.97	152.71

Achyut Sapkota
Chief Finance Officer

Tej Raj Timilsina
Chief Executive Officer

Yadav Adhikari
Chairperson

As per Our Report of Even Date

Suman Prasad Adhikari
Director

Indira Pandit (Ghimire)
Director

Ram Hari Sharma
Director

Subash Poudel, FCA
Partner

Satish Gautam
Director

Pushpa Raj Bhandari
Director

Dipak Thapa
Director

P.R.S.H. & Associates,
Chartered Accountants

Date: 2081/08/23

Place: Kathmandu, Nepal

Manjushree Finance Limited

STATEMENT OF PROFIT OR LOSS

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	Notes	2080-81	2079-80
Interest Income	4.29	2,266,763,164	2,111,056,147
Interest Expense	4.30	(1,517,280,936)	(1,410,177,727)
Net Interest Income		749,482,228	700,878,420
Fees and Commission Income	4.31	87,593,155	57,680,235
Fees and Commission Expense	4.32	-	-
Net Fee and Commission Income		87,593,155	57,680,235
Net Interest Fee and Commission Income		837,075,383	758,558,654
Net Trading Income	4.33	-	-
Other Operating Income	4.34	10,974,098	44,842
Total Operating Income		848,049,481	758,603,496
Impairment Charge/(Reversal) for Loans and Other Losses	4.35	151,274,932	91,888,438
Net Operating Income		696,774,549	666,715,058
Operating Expenses			
Personnel Expense	4.36	226,233,440	192,450,470
Other Operating Expenses	4.37	77,834,191	76,200,984
Depreciation and Amortisation	4.38	43,905,637	44,720,836
Operating Profit		348,801,281	353,342,769
Non Operating Income	4.39	-	-
Non Operating Expense	4.40	23,924,497	-
Profit Before Income Tax		324,876,785	353,342,769
Income Tax Expense	4.41	100,261,421	106,343,603
Current Tax		101,535,512	110,370,458
Deferred Tax Income		(1,274,091)	(4,026,856)
Profit for the Period		224,615,364	246,999,166
Profit Attributable to:			
Equity Holders of the Bank		224,615,364	246,999,166
Non-Controlling Interest		-	-
Profit for the Period		224,615,364	246,999,166
Earnings per Share:			
Basic Earnings per Share		16.62	18.28
Diluted Earnings per Share		16.62	18.28

Achyut Sapkota
Chief Finance Officer

Suman Prasad Adhikari
Director

Satish Gautam
Director

Date: 2081/08/23

Place: Kathmandu, Nepal

Tej Raj Timilsina
Chief Executive Officer

Indira Pandit (Ghimire)
Director

Pushpa Raj Bhandari
Director

Yadav Adhikari
Chairperson

Ram Hari Sharma
Director

Dipak Thapa
Director

As per Our Report of Even Date

Subash Poudel, FCA
Partner

P.R.S.H. & Associates,
Chartered Accountants

Manjushree Finance Limited

STATEMENT OF OTHER COMPREHENSIVE INCOME

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	Notes	2080-81	2079-80
Profit for the Period		224,615,364	246,999,166
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		(1,822,451)	1,666,297
• Gains/(Losses) on Revaluation		-	-
• Actuarial Gain/(Losses) on Defined Benefit Plan		-	464,534
• Income Tax Relating to above Items		546,735	(639,249)
Net Other Comprehensive Income that Will not Be Reclassified to Profit or Loss		(1,275,716)	1,491,582
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 Period, Net of Income Tax		(1,275,716)	1,491,582
Total Comprehensive Income for the Period		223,339,648	248,490,747
Total Comprehensive Income Attributable To:			
Equity Holders of the Bank		223,339,648	248,490,747
Non-Controlling Interest		-	-
Total Comprehensive Income for the Period		223,339,648	248,490,747

Achyut Sapkota
Chief Finance Officer

Suman Prasad Adhikari
Director

Satish Gautam
Director

Date: 2081/08/23

Place: Kathmandu, Nepal

Tej Raj Timilsina
Chief Executive Officer

Indira Pandit (Ghimire)
Director

Pushpa Raj Bhandari
Director

Yadav Adhikari
Chairperson

Ram Hari Sharma
Director

Dipak Thapa
Director

As per Our Report of Even Date

Subash Poudel, FCA
Partner

P.R.S.H. & Associates,
Chartered Accountants

Manjushree Finance Limited

STATEMENT OF CHANGES IN EQUITY

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	Attributable to Equity-Holders of the Bank										Total	Non-Controlling Interest	Total Equity		
	Share Capital	Share Advance	Share Premium	General Reserve	Exchange Requisition Reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earnings	Other Reserve					
Balance at Shrawan 01, 2079	1,351,552,848	-	-	265,157,684	-	98,173,333	-	-	977,5387	90,816,679	-	-	1,815,475,732	-	1,815,475,732
Adjustment/Rectification	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted/Restated Balance as at Shrawan 01, 2079	1,351,552,848	-	-	265,157,684	-	98,173,333	-	-	977,5387	90,816,679	-	-	1,815,475,732	-	1,815,475,732
Comprehensive Income for the Year															
Profit for the Year	-	-	-	-	-	-	-	-	246,999,166	-	-	-	246,999,166	-	246,999,166
Other Comprehensive Income, Net of Tax															
Gain/(loss) from Investment in Equity Instruments Measured at Fair Value	-	-	-	-	-	-	1,166,408	-	-	-	-	-	1,166,408	-	1,166,408
Gain/(loss) on Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrual Gain/(Losses) on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	325,174	-	-	325,174	-	325,174
Gain/(Losses) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Gains/(Losses) Arising from Translating Financial Assets of Foreign Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the Year									246,774,553	91,141,833			2,063,966,479		2,063,966,479
Transfer to Reserves During the Year	-	-	-	49,399,833	-	(335,173)	-	-	(49,074,660)	-	-	-	-	-	-
Transfer/Deferred Tax Reserve to Retained Earnings During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Creation of CSR Fund	-	-	-	-	-	-	-	-	(2,469,992)	2,469,992	-	-	-	-	-
Creation of Training Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilization of Training Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilization of CSR Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve During the Year	-	-	-	-	-	-	-	-	206,188	(206,188)	-	-	-	-	-
Transfer from Reserves During the Year Due to AFR	-	-	-	-	-	-	-	-	(8,333,333)	8,333,333	-	-	-	-	-
Transfer from Reserves During the Year Due to NBR	-	-	-	-	-	-	-	-	(3,276,264)	3,276,264	-	-	-	-	-
Transfer from Reserves During the Year Due to Deferred Tax Assets	-	-	-	-	-	-	-	-	(3,387,606)	3,387,606	-	-	-	-	-
Transactions with Owners, Directly Recognized in Equity															
Amount Transferred from Premium to Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued Expenses Tax Impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on Disposal of Share Classified into OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for Loss on Valuation of Share Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Tax on Gain on Disposal of Share Classified into OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions				49,399,833		42,336,697			(177,335,667)	85,597,137					
Balance at Ashadh 31, 2080	1,351,552,848.13			314,557,517		140,511,851	1,166,408		79,439,885	176,739,990			2,063,966,479		2,063,966,479

Balance at Start of 2080	1,351,532,848	314,557,317	140,511,831	1,166,408	79,438,885	176,733,990	2,063,946,479	2,063,946,479
Adjustment/Restatement	-	-	-	-	-	-	-	-
Adjusted/Restated Balance as at Start of 2080	1,351,532,848	314,557,317	140,511,831	1,166,408	79,438,885	176,733,990	2,063,946,479	2,063,946,479
Comprehensive Income for the Year								
Profit for the Year	-	-	-	-	224,615,364	-	224,615,364	224,615,364
Other Comprehensive Income, Net of Tax								
Gain/(Loss) from Investment in Equity Instruments Measured at Fair Value	-	-	-	(1,275,716)	-	-	(1,275,716)	(1,275,716)
Gain/(Loss) on Recalculation	-	-	-	(1,275,716)	-	-	(1,275,716)	(1,275,716)
Actual Gain/(Loss) on Defined Benefit Plans	-	-	-	-	-	-	-	-
Gain/(Loss) on Cash Flow Hedge	-	-	-	-	-	-	-	-
Exchange Gain/(Loss) Arising from Translating Financial Assets of Foreign Operation	-	-	-	-	-	-	-	-
Total Comprehensive Income for the Year								
Transfer to Reserves During the Year	-	44,923,073	-	-	(44,923,073)	-	-	-
Transfer of Deferred Tax Reserve to Retained Earnings During the Year	-	-	-	-	-	-	-	-
Creation of CSR Fund	-	-	-	-	(2,246,154)	2,246,154	-	-
Creation of Training Fund	-	-	-	-	(185,598)	185,598	-	-
Utilization of Training Fund	-	-	-	-	-	-	-	-
Utilization of CSR Fund	-	-	-	-	8,811	(8,811)	-	-
Transfer to Capital Redemption Reserve During the Year	-	-	-	-	-	-	-	-
Transfer from Reserves During the Year Due to A/R	-	-	(14,976,256)	-	14,976,256	-	-	-
Transfer from Reserves During the Year Due to N/A	-	-	23,697,126	-	(23,697,126)	-	-	-
Transfer from Reserves During the Year Due to Deferred Tax Assets	-	-	1,820,826	-	(1,820,826)	-	-	-
Transactions with Owners, Directly Recognized in Equity								
Amount Transferred from Premium to Share Capital	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-
Share Issued Expenses	-	-	-	-	-	-	-	-
Share Issued Expenses Tax Impact	-	-	-	-	-	-	-	-
Dividend to Equity Holders	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-
Gain on Disposal of Share Classified into OCI	-	-	-	-	(71,132,226)	-	(71,132,226)	(71,132,226)
Adjustment for Loss on Valuation of Share Investment	-	-	109,308	-	(109,308)	-	-	-
Current Tax on Gain on Disposal of Share Classified into OCI	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Contributions by and Distributions								
Balance as at End of 31, 2081	1,351,532,848	44,923,073	10,651,005	(109,308)	(129,129,244)	2,422,941	(71,132,226)	(71,132,226)
		359,480,990	151,162,835		174,925,065	179,161,931	2,216,173,901	2,216,173,901

Achyut Sapkota	Tej Raj Timilsina	Yadav Adhikari	Satish Gautam	Pushpa Raj Bhandari	As per Our Report of Even Date
Chief Finance Officer	Chief Executive Officer	Chairperson	Director	Director	
Suman Prasad Adhikari	Indira Pandit (Ghimire)	Ram Hari Sharma	Dipak Thapa	Subash Poudel, FCA	
Director	Director	Director	Director	Partner	
				P.R.S.H. & Associates,	
				Chartered Accountants	
Date: 2081/08/23					
Place: Kathmandu, Nepal					

Manjushree Finance Limited

STATEMENT OF CASH FLOWS

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	2080-81	2079-80
Cash Flows from Operating Activities		
Interest Received	2,233,817,818	2,032,441,528
Fee and Other Income Received	87,593,155	57,680,235
Dividend Received	8,189,002	-
Receipts from Other Operating Activities	1,405,306	-
Interest Paid	(1,516,004,029)	(1,413,341,123)
Commission and Fee Paid	-	-
Cash Payments to Employee	(226,774,179)	(173,046,526)
Other Expense Paid	(57,430,912)	(91,256,057)
Operating Cash Flows Before Change in Operating Assets and Liabilities	530,796,161	412,478,058
(Increase)/Decrease in Operating Assets	(3,506,445,577)	(1,939,917,271)
Due from Nepal Rastra Bank	(183,270,833)	(337,786,186)
Placement with Bank and Financial Institutions	-	-
Other Trading Assets	-	-
Loan and Advances to Bank and Financial Institutions	(337,388,369)	(138,944,981)
Loan and Advances to Customer	(2,969,166,205)	(1,456,472,487)
Other Assets	(16,620,170)	(6,713,617)
Increase/(Decrease) in Operating Liabilities	4,160,855,448	676,610,744
Due to Bank and Financial Institutions	80,648,598	(748,373,725)
Due to Nepal Rastra Bank	407,984,063	(905,308,742)
Deposits from Customers	3,672,222,787	2,330,293,210
Borrowings	-	-
Other Liabilities	-	-
Net Cash Flow from Operating Activities Before Tax Paid	1,185,206,033	(850,828,470)
Income Taxes Paid	(118,370,410)	(137,632,237)
Net Cash Flow From Operating Activities	1,066,835,623	(988,460,707)
Cash Flows From Investing Activities		
Purchase of Investment Securities	(1,537,255,438)	(2,595,486,082)
Receipts from Sale of Investment Securities	-	1,863,900,257
Purchase of Plant and Equipment	(36,013,506)	(15,341,398)
Receipt from Sale of Property and Equipment	1,205,000	298,000
Purchase of Intangible Assets	(2,051,325)	(734,500)
Receipt from Sale of Intangible Assets	-	-
(Purchase)/Sale of Investment Properties	(63,520,366)	-
Receipt from Sale of Investment Properties	-	-
Interest Received	-	-
Dividend Received	-	-
Net Cash Used in Investing Activities	(1,637,635,635)	(747,363,723)
Cash Flows from Financing Activities		
Receipt from Issue of Debt Securities	-	-
Repayment of Debt Securities	-	-
Receipt from Issue of Subordinated Liabilities	-	-
Repayment of Subordinated Liabilities	-	-
Receipt from Issue of Shares	-	-
Dividend Paid	(71,132,226)	-
Interest Paid	-	-
Other Receipt/ Payment	-	-
Net Cash from Financing Activities	(71,132,226)	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(641,932,239)	(1,735,824,430)
Cash and Cash Equivalents at Shrawan 01, 2080	1,007,858,504	2,743,682,934
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents Held	-	-
Closing Cash and Cash Equivalents	365,926,265	1,007,858,504

Achyut Sapkota
Chief Finance Officer

Tej Raj Timilsina
Chief Executive Officer

Yadav Adhikari
Chairperson

As per Our Report of Even Date

Suman Prasad Adhikari
Director

Indira Pandit (Ghimire)
Director

Ram Hari Sharma
Director

Subash Poudel, FCA
Partner

Satish Gautam
Director

Pushpa Raj Bhandari
Director

Dipak Thapa
Director

P.R.S.H. & Associates,
Chartered Accountants

Date: 2081/08/23

Place: Kathmandu, Nepal

Manjushree Finance Limited

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	31st Ashadh 2081	32nd Ashadh 2080
Net Profit or (Loss) as per Statement of Profit or Loss	224,615,364	246,999,166
Appropriations:		
a. General Reserve	(44,923,073)	(49,399,833)
b. Foreign Exchange Fluctuation Fund	-	-
c. Capital Redemption Reserve	-	(83,333,333)
d. Corporate Social Responsibility Fund	(2,237,343)	(2,263,804)
e. Employees' Training Fund	(185,598)	-
f. Other	-	-
Profit or (Loss) Before Regulatory Adjustment	177,269,350	112,002,196
Regulatory Adjustment :		
a. Interest Receivable (-)/Previous Accrued Interest Received (+)	14,976,256	(39,276,264)
b. Short Loan Loss Provision in Accounts (-)/Reversal (+)	-	-
c. Short Provision for Possible Losses on Investment (-)/Reversal (+)	(109,308)	-
d. Short Loan Loss Provision on Non Banking Assets (-)/Reversal (+)	(23,697,126)	-
e. Deferred Tax Assets Recognised (-)/ Reversal (+)	(1,820,826)	(3,387,606)
f. Goodwill Recognised (-)/ Impairment of Goodwill (+)	-	-
g. Bargain Purchase Gain Recognised (-)/Resersal (+)	-	-
h. Acturial Loss Recognised (-)/Reversal (+)	-	325,173
i. Other (+/-)	-	-
Net Profit for the Year Available for Distribution	166,618,346	69,663,499
Opening Balance of Retained Earning	79,438,886	9,775,387
Adjustment: (+/-)	-	-
Distribution:		
Bonus Shares Issued	-	-
Cash Dividend Paid	(71,132,226)	-
Distributable Profit or (Loss)	174,925,005	79,438,886

Achyut Sapkota
Chief Finance Officer

Suman Prasad Adhikari
Director

Satish Gautam
Director

Date: 2081/08/23

Place: Kathmandu, Nepal

Tej Raj Timilsina
Chief Executive Officer

Indira Pandit (Ghimire)
Director

Pushpa Raj Bhandari
Director

Yadav Adhikari
Chairperson

Ram Hari Sharma
Director

Dipak Thapa
Director

As per Our Report of Even Date

Subash Poudel, FCA
Partner

P.R.S.H. & Associates,
Chartered Accountants

Manjushree Finance Limited

SHAREHOLDERS HOLDING 0.5% OR MORE

S.N.	Name	No. of Shares Held	Paid Amount	Holding %
1	Suman Prasad Adhikari	947,778	94,777,800	7.01%
2	Paras Adhikari	733,610	73,361,000	5.43%
3	Kamal Kumar Begani	434,198	43,419,800	3.21%
4	Sharad Koirala	291,048	29,104,800	2.15%
5	Damodar Prasad Gautam	257,440	25,744,000	1.90%
6	LP Bhanu Sharma	158,606	15,860,600	1.17%
7	Rekha Oli Upreti	155,373	15,537,300	1.15%
8	Vinay Kumar Sharma	143,490	14,349,000	1.06%
9	Hathway Investment Nepal	134,338	13,433,800	0.99%
10	Shova Mishra	134,338	13,433,800	0.99%
11	Santosh Kumar Rathi	134,338	13,433,800	0.99%
12	Saurav Dahal	133,232	13,323,200	0.99%
13	Prem Naryan Sapkota	133,232	13,323,200	0.99%
14	Satyabhama Niraula	132,935	13,293,500	0.98%
15	Shankar Prasad Dahal	132,607	13,260,700	0.98%
16	Sagar Kumar Ghimire	132,465	13,246,500	0.98%
17	Pratima Upadhaya Dahal	131,751	13,175,100	0.97%
18	Kalyan Raj Baral	130,461	13,046,100	0.97%
19	Numanath Poudel	129,032	12,903,200	0.95%
20	Rabi Raj Aryal	123,086	12,308,600	0.91%
21	Bishnu Subedi	123,084	12,308,400	0.91%
22	Captive Investment Company Pvt. Ltd	120,279	12,027,900	0.89%
23	Sharada Sharma Gautam	117,804	11,780,400	0.87%
24	Vijaya Bahadur Shah	116,528	11,652,800	0.86%
25	Divya Koirala	110,117	11,011,700	0.81%
26	Aman Chaudhary	108,657	10,865,700	0.80%
27	Shovita Shrestha Dhakal	102,001	10,200,100	0.75%
28	Shrichand Jain	98,474	9,847,400	0.73%
29	Raj Kumar Agrawal	96,494	9,649,400	0.71%
30	Arbind Tulachan	90,369	9,036,900	0.67%
31	Bhoj Raj Aryal	83,235	8,323,500	0.62%
32	Nabaraj Thapa	81,387	8,138,700	0.60%
33	Balaram Sapkota	73,985	7,398,500	0.55%
34	Tanka Prasad Dhakal	69,034	6,903,400	0.51%

Manjushree Finance Limited

NOTES TO THE FINANCIAL STATEMENTS

As on 31st Ashadh, 2081 (July 15, 2024)

1. General Information

Manjushree Finance Limited (hereinafter referred to as “MFL or the finance company or the financial institution”) is a national level finance company domiciled in Nepal, registered as a Public Limited Company under Companies Act 2063 and Bank & Financial Institution Act, 2063. Registered address of the financial institution is located at New Baneshwor, Kathmandu, Nepal. The financial institution is listed on Nepal Stock Exchange and is trading under the code “MFIL”.

2. Basis of Preparation

2.1 Statement of Compliance

The Financial Statements of the financial institution for the year ended 15th July, 2024 comprising Statement of Financial Position, Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements (including Significant Accounting Policies), have been prepared in accordance with Nepal Financial Reporting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal and in compliance with the requirements of all applicable laws and regulations.

The financial institution has applied certain carve-outs which are as described in Notes to Accounts.

2.2 Going Concern

The financial statements are prepared on a going concern basis, as the Financial Institution has the resources to continue in business for the foreseeable future. In making this assessment, the Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.3 Reporting Period and Approval of Financial Statements

The financial institution follows the Nepalese financial year based on the Nepalese calendar.

The accompanied financial statements have been approved by the Board of Directors on its meeting held on 23/08/2081 and have been recommended for adoption by shareholders in the Annual General Meeting.

2.4 Functional and Presentation Currency

Financial statements are denominated in Nepalese Rupees, which is the functional and presentation currency of the financial institution.

2.5 Use of Estimates, Assumption, and Judgments

The financial institution, under NFRS, is required to apply accounting policies to suit its circumstances and operating environment most appropriately. Further, the financial institution is required to make judgement in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. Later, this may be determined that a different choice could have been more appropriate.

NFRS requires the financial institution 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 financial institution applies estimates in preparing and presenting the financial statements. The estimates and underlying assumptions are reviewed periodically. Revision to accounting estimates is recognised in the period in which the estimates is revised and are applied prospectively.

Disclosures of the accounting estimates have been included in the relevant section of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

2.6 Changes in Accounting Policies

There has been no significant change in the accounting policies adopted by the financial institution except where required due to adoption of Nepal Financial Reporting Standards.

2.7 New Reporting Standards in Issue But not Yet Effective

There have been amendments to the Standards issued by the Institute of Chartered Accountants of Nepal (ICAN) and applicability of the new Standards have been notified for IFRS. But the amendments and new standards become applicable only when ICAN pronounces them.

The Financial Institution has availed the Carve-outs on NFRS-9 Financial Instruments (ICAN notice dated 2nd Shrawan 2079). The quantitative and qualitative impact of the same have been disclosed as applicable.

2.8 New Standard and Interpretation Not Adopted

Financial statements of the Financial Institution have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) issued by the Institute of Chartered Accountants of Nepal (ICAN) to the extent applicable.

2.9 Discounting

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

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

2.10 Comparative Information

These Financial Statements of the financial institution provides comparative information in respect of previous periods. The accounting policies have been consistently applied by the financial institution with those of the previous financial year in accordance with NAS 01. Presentation of Financial Statements, except those which had to be changed because of application of the new NFRS or expiry of the carve-out period. Further, comparative information is reclassified wherever necessary to comply with the current presentation. The changes in comparative have been duly disclosed in notes.

Materiality and Aggregation In compliance with Nepal Accounting Standard - NAS 01 (Presentation of Financial Statements), each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial. Financial Assets and Financial Liabilities are offset, and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by an Accounting Standard.

2.11 Prior Period Errors

Prior period errors may be due to omission or misstatements in an entity's financial statements. Such omissions may relate to one or more prior period. Correction of error done by calculation of cumulative effect of the change on the financial statements for the period as if new method or estimate had always

been used for all the affected previous period financial statements. Details of prior period adjustment has been shown in explanatory notes.

2.12 Materiality and Aggregation

In compliance with Nepal Accounting Standard - NAS 01 (Presentation of Financial Statements), each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial. Financial Assets and Financial Liabilities are off set and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by an Accounting Standard.

2.13 Limitation of NFRS Implementation

If the information is not available and the cost to develop would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective section.

3. Significant Accounting Policies

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

3.1 Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for available –for-sale investments, assets held for sale and discontinued operations, other financial assets and liabilities held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value.

The financial statements have been prepared on a going concern basis where the accounting policies and judgements as required by the standards are consistently used and in case of deviations disclosed specifically.

3.2 Basis of Consolidation

The financial institution does not have control over any other entity for consolidation of Financial Statements. Apart from that, at the end of Ashadh, 2081, the financial institution does not have any Investments in Shares.

3.3 Cash & Cash Equivalent

The fair value of cash is the carrying amount. Cash and cash equivalent represent the amount of cash in hand, balances with other bank and financial institutions, money at short notice and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their value and used by the financial institution in the management of short-term commitment.

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

3.4 Financial Assets and Financial Liabilities

3.4.1 Recognition

Financial assets and liabilities, with the exception of loans and advances to customers and balances due to customers, are initially recognised on the trade date i.e. the date that the financial institution becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Loans and advances to customers are recognised when funds are transferred to the customers' account at fair value inclusive of transaction costs. The financial institution recognises due to customer balances when funds reach the financial institution.

3.4.2 Classification

The financial institution classifies its financial assets into the following measurement categories:

✓ ***Financial Assets and Liabilities Held for Trading***

The financial institution classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short term profit making through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking. Included in this classification are Government bonds, NRB Bonds, Domestic Corporate bonds, Treasury bills, Equities etc. held primarily for the trading purpose.

✓ ***Financial Assets and Financial Liabilities Designated at Fair Value Through Profit or Loss***

Financial assets and financial liabilities classified in this category are those that have been designated by management upon initial recognition. Management may only designate an instrument at FVTPL upon initial recognition when one of the following criteria are met, and designation is determined on an instrument-by-instrument basis:

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

Or

- The assets and 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

Or

- The financial instrument contains one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

✓ ***Loans and Receivables to Customers***

After initial measurement, loans and advances to customers are subsequently measured at amortisation over the period of loan. This practice is almost nearer to the effective interest method prescribed by NFRS. The method has been adopted as the cost for computation for interest on effective interest method is huge in terms of benefits to be received from the computation in the short run.

✓ ***Held-to-Maturity***

Held-to-maturity assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the financial institution's management has the intention and ability to hold to maturity.

✓ ***Available-for-Sale.***

Available-for-sale assets are those non-derivative financial assets intended to be held for an indefinite period, which may be sold in response to liquidity requirements or changes in interest rates, exchange rates, commodity prices or equity prices.

✓ ***Financial Liabilities Held at Amortised Cost***

Financial liabilities not classified held at fair value through profit or loss includes borrowings which are classified as amortised cost instruments.

3.4.3 Measurement

✓ ***Initial Measurement***

All financial instruments are initially recognised at fair value plus transaction cost except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

✓ **Subsequent Measurement**

Financial assets and liabilities designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value taken directly to the statement of profit or loss. Interest and dividend income or expense is recorded in revenue according to the terms of the contract, or when the right to payment has been established.

Available-for-sale financial assets are subsequently carried at fair value, with gains and losses arising from changes in fair value taken to Other Comprehensive Income. The financial institution makes irrevocable election to route fair value changes through Other Comprehensive Income.

Loans and receivables and held-to-maturity financial assets are subsequently measured at amortised cost. Within this category loans and advances to the customers have been recognised at amortised cost using the method that very closely approximates effective interest rate method. The losses arising from impairment of such investments are recognised in the income statement within credit loss expense. If the financial institution were to sell or reclassify more than an insignificant amount of held-to-maturity investments before maturity (other than in certain specific circumstances), the entire category would be tainted and would have to be reclassified as available-for-sale.

Financial liabilities are subsequently measured at amortised cost, with any difference between proceeds net of directly attributable transaction costs and the redemption value recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

3.4.4 De-recognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or where the financial institution has transferred substantially all risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the financial institution has retained control, the assets continue to be recognised to the extent of the financial institution's continuing involvement.

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. For recognizing gain/loss in case of de-recognition, the financial institution has applied the policy to recognize the fair value movement till preceding year to Other Comprehensive Income and to recognize the gain realized in reporting year to Income Statement.

3.4.5 Impairment of Loans and Advances

The financial institution reviews its individually significant loans and advances at each Reporting date to assess whether an impairment loss should be provided in the Statement of Profit or loss. In particular, the Management's judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and hence actual results may differ, resulting in future changes to the provisions made.

The individual impairment provision applies to financial assets evaluated individually for impairment and is based on Management's best estimate of the present value of the future cash flows that are expected to be received. In estimating these cash flows, Management makes judgments about a borrower's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable.

Individual assessment of impairment of exposures means establishing whether objective evidence of impairment exists, estimation of the present value of future cash flows, and calculation of the value of impairment for each individual receivable from the borrower included in this assessment.

The financial institution has considered all loans and advances for individual assessment of impairment. The financial institution determines, for each individual loan to be assessed for individual impairment,

whether they expect to collect their receivables from expected future cash flows (going concern) or from collateral realization (gone concern). If a financial institution identifies objective evidence of impairment, the financial institution indicates, at single debtor level, the most realistic sources of repayment (collection approach/strategy) based on all available information regarding such borrower's financial position and performances. The financial institution assesses whether collection will be made from the borrower's expected future operating cash flows (borrower continues to perform business activities – going concern) or based on collateral enforcement and realization (expectation that the borrower ceases to exist – gone concern). In both cases, financial institution uses conservative assumptions relating to the estimation of the expected cash flows, considering current economic conditions and the financial institution's own economic forecasts.

When estimating impairment based on collateral realization, the recoverable amount is the present value of the net inflow from collateral realization (considering the priority of claims), discounted by applying the original effective interest rate to the expected time to realization.

A collective impairment provision is established for:

- Groups of homogeneous loans and advances that are not considered individually significant; and
- Groups of assets that are individually significant but that were not found to be individually impaired.

Since, the financial institution has considered all loans and advances for individual assessment of impairment, collective impairment provision has not been considered.

As stated in 2.7 the financial institution loans and advances is greater considering the NRB directive as compared to NFRS impairment provisioning. Therefore, provisioning as per NRB directive is applied.

3.4.6 Impairment of Financial Investments – Available-for-Sale

The financial institution also records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost along with the historical share price movements, duration, and extent up to which the fair value of an investment is less than its cost.

3.4.7 Impairment of Non-Financial Assets

The financial institution assesses whether there are any indicators of impairment for an asset or a cash generating unit (CGU) at each Reporting date or more frequently, if events or changes in circumstances necessitate to do so. This requires the estimation of the 'Value in use' of such individual assets or the CGUs. Estimating 'Value in use' requires the Management to make an estimate of the expected future cash flows from the asset or the CGU and to select a suitable discount rate in order to calculate the present value of the relevant cash flows. This valuation requires the financial institution to make estimates about expected future cash flows and discount rates and hence, they are subject to uncertainty.

3.5 Trading Assets

Trading assets are those assets that the financial institution acquires principally for the purpose of selling in the near term or holds as part of a portfolio that is managed together for short-term profit shall be presented under this account head. The other trading asset includes non-derivative financial assets. It includes Government bonds, NRB Bonds, Domestic Corporate bonds, Treasury bills, Equities etc. held primarily for the trading purpose.

3.6 Derivatives Assets and Derivative Liabilities

Financial institution doesn't deal with any derivative financial instruments.

3.7 Property and Equipment

All property and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to

the financial institution and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Freehold land is not depreciated although it is subject to impairment testing. Depreciation on other assets is calculated using the straight- line method to allocate their cost to their residual values over their estimated useful lives, as follows:

▪ ROU Assets	As per NFRS 16
▪ Vehicle	7 Years
▪ Furniture and Fixture	5 Years
▪ Leasehold	5 Years
▪ Computer and Office Equipment	5 Years
▪ Machinery	5 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. The value of the assets fully depreciated but continued to be in use is considered not material.

At each reporting date, assets are also assessed for indicators of impairment. If an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately to the recoverable amount.

Assets with costs less than NPR 5,000 are charged off on purchase as revenue expenditure.

Gains and losses on disposals are included in the Statement of Profit or Loss.

3.8 Intangible Assets

Acquired Intangible Assets

Intangible assets are initially measured at fair value, which reflects market expectations of the probability that the future economic benefits embodied in the asset will flow to the financial institution and are amortised based on their expected useful lives.

Computer Software

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the specific software. Costs associated with the development of software are capitalised where it is probable that it will generate future economic benefits more than its cost. Computer software costs are amortised over the period of 5 years in Straight Line method (SLM). Costs associated with maintaining software are recognised as an expense as incurred.

At each reporting date, these assets are assessed for indicators of impairment. If an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately.

3.9 Investment Property

Land or Land and Building other than those classified as property and equipment and non-current assets held for sale under relevant accounting standard are presented under this account head. The Non-Banking Assets acquired by the financial institution is classified as investment property.

3.10 Income Tax

3.10.1 Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities of Nepal. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in Nepal.

The liabilities recognised for the purpose of current Income tax, including fees, penalties are included under this head.

3.10.2 Deferred Tax Assets/Liabilities

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rate applicable to the financial institution as at the reporting date which is expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax relating to items which are charged or credited directly to equity, is credited, or charged directly to equity and is subsequently recognised in the statement of profit or loss together with the deferred gain or loss.

3.11 Deposits, Debt Securities Issued and Subordinate Liabilities

The deposits held by the financial institution on behalf of its customers are classified as financial liabilities and measured at amortised cost under effective interest method. The financial institution has issued debt securities amounting NPR 500,000,000 in FY 2077-78.

3.12 Provisions

Provisions are recognised in respect of present obligations arising from past events where it is probable that outflow of resources will be required to settle the obligations and they can be reliably estimated.

3.13 Revenue Recognition

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

3.13.1 Interest Income

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 Nepal Rastra Bank, due from BFIs, loan and advances to staff etc.

Interest income on loans and advances is recognized on amortised principal which is nearer to the effective interest method suggested by NFRS. The adoption of effective interest method is not possible due to constraints of time, effort and cost in short term compared to the benefits it provides. Interest of loans and advances which are significantly impaired are not recognized.

Interest income on government bond, treasury bills and bank balances are recognized under effective interest method.

Accrued Interest on Loan (except for bad loan) has been recognised.

3.13.2 Fees and Commissions

Fees and commissions are generally recognised on an accrual basis when the service has been provided or significant act performed. Service Fee Income/Expenses are recognized on accrual basis unless it is impracticable to recognize as allowed through carve-out on NFRS.

3.13.3 Dividend Income

Dividend income is recognised when the financial institution's right to receive the payment is established, which is generally when the shareholders approve the dividend.

3.13.4 Net Trading Income

Net trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

3.13.5 Net Income from Other Financial Instrument at Fair Value through Profit or Loss

Gains and losses arising from changes in the fair value of financial instruments designated at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise. Contractual interest income and expense on financial instruments held at fair value through profit or loss is recognised within net interest income.

3.14 Interest Expense

For all financial instruments measured at amortised cost, interest bearing financial assets classified as available-for-sale and financial instruments designated at FVTPL, interest expense is recorded using the EIR unless it is impracticable.

3.15 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 expensed 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 financial institution has present legal or constructive obligation to pay this amount because 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:

3.15.1 Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which a financial institution 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 the financial institution 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'.

The financial institution contributes 10% of 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).

3.15.2 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).

3.15.3 Gratuity

Provision for gratuity payable to employees was made in compliance with Labor Act, 2074.

Provision for long-term employee benefits have been made for the year based on the projected figures for this year in the Actuarial Valuation carried out in FY 2079-80.

The financial institution'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 the financial institution. An economic benefit is available to the financial institution if it is realizable during the life of the plan, or on settlement of the plan liabilities.

The financial institution 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 end of the annual period.

The increase in gratuity liabilities attributable to the services provided by employees during the year ended 15th July 2024 (current service cost) has been recognized in the Statement of Profit or Loss under 'Personnel Expenses' together with the net interest expense. The financial institution recognizes the total actuarial gain and loss that arises in calculating the financial institution's obligation in respect of gratuity in other comprehensive income during the period in which it occurs.

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

3.15.4 Unutilized Accumulated Leave

The financial institution'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. The financial institution'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. 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.

3.15.5 Staff Bonus

Provision for bonus has been made at 10% of net profit before bonus as prescribed by the directive of Nepal Rastra Bank.

3.16 Leases

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

a. The Financial Institution as a Lessee

- At the commencement date, a lessee shall recognize a right-of-use asset and a lease liability.
- At the commencement date, a lessee shall measure the right-of-use asset at cost.

The cost of the right-of-use asset shall comprise: (a) the amount of the initial measurement of the lease liability; (b) any lease payments made at or before the commencement date, less any lease incentives received; (c) any initial direct costs incurred by the lessee; and (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or because of having used the underlying asset during a particular period.

- At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.
- Subsequent measurement of the right-of-use asset
After the commencement date, a lessee shall measure the right-of-use asset applying a Cost Model.

b. Cost Model

To apply a cost model, a lessee shall measure the right-of-use asset at cost: (a) less any accumulated depreciation and any accumulated impairment losses; and (b) adjusted for any re-measurement of the lease liability specified in paragraph 36(c). A lessee shall apply the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, subject to the requirements in paragraph 32.

c. Subsequent Measurement of Lease Liability

After the commencement date, a lessee shall measure the lease liability by: (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications specified in paragraphs 39–46, or to reflect revised in-substance fixed lease payments. Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. After the commencement date, a lessee shall recognize in profit or loss, unless the costs are included in the carrying amount of another asset applying other applicable Standards, both: (a) interest on the lease liability; and (b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

3.17 Foreign Currency Translation

Foreign currency transactions are translated into the NPR using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when recognised in other comprehensive income. Non-monetary assets that are measured at fair value are translated using exchange rate at the date that fair value was determined.

The financial institution is not involved in any kind of foreign currency transaction during this year.

3.18 Financial Guarantee and Loan Commitment

In the ordinary course of business, the financial institution issues performance guarantees, bid bond guarantees and advance payment guarantee. These guarantees are initially recognised in the financial statement (within 'contingent liabilities') at guaranteed value. The premium received is recognised in the income statement in net fees and commission income on a straight-line basis over the life of the guarantee.

3.19 Share Capital and Reserves

3.19.1 Share Capital

Financial instruments issues are classified as equity when there is no contractual obligation to transfer cash, other financial assets, or issue available number of own equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction net of taxes from the proceeds.

Dividends on ordinary shares classified as equity are recognised in equity in the period in which they are declared.

The issue expenses for the issue were charged in the year of issue and though the impact from past of the financial institutions' equity the amount has not been adjusted with the share capital and the financial institution considered the impact to be immaterial. A summary of promoter and public shareholding is as under:

Particulars	No. of Shares	Ratio
No. of Promoters Shares	6,892,920.00	51%
No. of Public Shares	6,622,608.49	49%
Total	13,515,528.49	100%

3.19.2 Reserves

The reserves include regulatory and free reserves.

✓ General Reserve

There is a regulatory requirement to set aside 20% of the net profit to the general reserve until the reserve is twice the paid-up share capital. The reserve is the accumulation of setting aside profits over the years.

No Dividend (either cash dividend or bonus share) are distributed from the amount in General/ Statutory Reserve.

Particulars	Amount
Opening Balance As on 1st Shrawan 2080	314,557,517
Changes in FY 2080/81	44,923,073
Balance As at Ashadh End 2081	359,480,590

✓ Assets Revaluation Reserve

Any Reserve created from revaluation of assets (such as Property & Equipment, Intangible Assets, Investment Property) shall be presented under this heading. Revaluation reserves often serve as a cushion against unexpected losses but may not be fully available to absorb unexpected losses due to the subsequent deterioration in market value and tax consequences of revaluation. The financial institution has followed cost model therefore no assets revaluation reserve is created.

✓ Capital Reserve

The capital reserve represents the amount of those reserves which are in nature of capital, and which shall not be available for distribution of cash dividend. The amount from share forfeiture due to non-payment of remaining amount for the unpaid shares, capital grants received in cash or kind, capital reserve arising out of merger and acquisition etc are presented under this heading.

The Finance has issued Debenture of Rs. 50 crores in FY 2077/78. Debenture Redemption Reserve created in respect of the same as required by the NRB Directives is as under:

Particulars	Amount
Opening Balance As on 1st Shrawan 2079	83,333,333
Changes in FY 2079/80	83,333,333
Balance as on 31st Ashadh 2080	166,666,666
Changes in FY 2080/81	-
Balance as on 31st Ashadh 2081	166,666,666

As per our letter dated 6/5/2081 and confirmation on the same by NRB vide its letter dated 9/5/2081, debenture redemption reserve has not been made in FY 2080-81 in accordance with the provision of NRB Directive 16(5)(3) as the debenture has been classified for the purpose of CD ratio only.

✓ **Special Reserve**

Any special reserve that is created as per the specific requirement of NRB directive or special instruction of NRB are represented as special reserve. The amount allocated to this reserve by debiting retained earning account are presented under this heading.

✓ **Corporate Social Responsibility Fund**

The fund created for the purpose of corporate social responsibility by allocating 1% of Net profit as per NRB Directive is presented under this account head.

Particulars	Amount
Opening Balance As on 1st Shrawan 2080	13,089,751
Transferred to CSR Fund During the Year	2,246,154
Utilization towards CSR Expenses	(8,811)
Balance as at Ashadh End 2081	15,327,094

✓ **Investment Adjustment Reserve**

It is a regulatory reserve created as a cushion for adverse price movements in the financial institution's investments as directed by the Directives of Nepal Rastra Bank. Bank & Financial Institutions are required to create Investment Adjustment Reserve equal to 2% of Value of investment.

✓ **Actuarial Gain/Loss Reserve**

Actuarial Gain/Loss Reserve Actuarial gain or loss that represents change in actuarial assumptions used to value employee obligations shall be presented under this account head. Details of reserve made towards actuarial loss is presented as under:

Particulars	Amount
Opening Balance As on 1 st Shrawan 2079	(3,342,601)
Changes in FY 2078/79	325,174
Balance as at Ashadh End 2080	(3,017,427)
Changes in FY 2080/81	-
Balance as at Ashadh End 2081	(3,017,427)

✓ **Regulatory Reserve**

The amount that is allocated from profit or retained earnings of the financial institution to this reserve as per the *Directive of NRB for the purpose of implementation of NFRS* and which shall not be regarded as free for distribution of dividend (cash as well as bonus shares) shall be presented under this account head. The amount allocated to this reserve shall include interest income recognized but not received in cash, difference of loan loss provision as per NRB directive and impairment on loan and advance as per NFRS (in case lower impairment is recognized under NFRS), amount equals to deferred tax assets, actual loss recognized in other comprehensive income, amount of goodwill recognized under NFRS etc. Details are presented as under:

Particulars	Interest Receivable	Short Loan Loss Provision	Short Provision for Losses on	Short Provision on NBA	Deferred Tax Assets	Actuarial (Gain)/ Loss	Total
Opening Balance As on 1st Shrawan 2075	-	-	-	-	-	-	-
Changes in FY 2075/076	28,264,603	-	96,373	22,897,812	4,955,315	-	56,214,103
Balance As on 31st Ashadh 2076	28,264,603	-	96,373	22,897,812	4,955,315	-	56,214,103
Changes in FY 2076/077	19,905,235	-	-	-	(4,955,315)	-	14,949,920
Balance As on 31st Ashadh 2077	48,169,838	-	96,373	22,897,812	-	-	71,164,023
Changes in FY 2077/078	11,446,205	-	(96,373)	(5,148,783)	11,367,438	-	17,568,487
Balance as on 31st Ashadh 2078	59,616,043	-	-	17,749,029	11,367,438	-	88,732,510
Changes in FY 2078/079	5,261,359	-	-	(1,428,324)	2,264,988	3,342,601	9,440,624
Balance as on 31st Ashadh 2079	64,877,402	-	-	16,320,705	13,632,426	3,342,601	98,173,134
Changes in FY 2079/080	39,276,264	-	-	-	3,387,606	(325,173)	42,338,697
Balance as on 31st Ashadh 2080	104,153,666	-	-	16,320,705	17,020,032	3,017,428	140,511,831
Changes in FY 2080/081	(14,976,256)	109,308	-	23,697,126	1,820,826	-	10,651,004
Balance as on 31st Ashadh 2081	89,177,410	109,308	-	40,017,831	18,840,858	3,017,428	151,162,835

Details of amount transferred to Regulatory Reserve (RR) for AIR is as under:

Particulars	Amount
Total Accrued Interest at End of Ashadh as per 2.2 Report	272,177,949
AIR Suspended on Bad Loans	(52,840,505)
AIR on Loans Other than on Bad Loans	219,337,444
AIR Recovered Before 32 nd of Shrawan	(77,786,000)
Net AIR for Purpose on 32 nd of Shrawan	141,551,444
Total RR to be Maintained for AIR	89,177,410
Opening Balance of RR for AIR	104,153,665
Additional RR Made for AIR in Current Year	(14,976,256)

✓ Other Reserve

Any reserve created with specific or non-specific purpose (except stated in above) are presented under thus by disclosing accounting heads.

3.20 Earnings per Share

The financial institution measures earning per share based on the earning attributable to the equity shareholders for the period. The number of shares is taken as the weighted average number of shares for the relevant period as required by *NAS 33 - Earnings Per Share*.

There are no instruments, such as convertibles, that would require dilution of EPS, therefore diluted EPS has not been computed and disclosed.

3.21 Segmental Reporting

The financial institution's segmental reporting is in accordance with NFRS 8 geographical segments. Geographical segments are reported in a manner consistent with the internal reporting provided to the financial institution's management, which is responsible for allocating resources and assessing performance of the geographical segments. All transactions between geographical segments are

conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in Head Office. Income and expenses directly associated with each segment are included in determining geographical segment performance.

Segmental information has been provided under Disclosures & Additional Information.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the financial institution's total revenue in any of the periods reported.

3.22 Interim Financial Reporting

Interim reports corresponding to the financial statements had been reported in accordance with the regulatory reporting requirements. Those statements have been published quarterly in national level newspaper.

3.23 Debenture Issue Expenses

The finance company has issued 9.5% debenture amounting to Rs. 500,000,000.00 in FY 2077-78.

3.24 Proposed Dividend

The Finance Company has decided to distribute cash dividend of 6.35 % (including for tax purpose) for the year.

Manjushree Finance Limited

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

4.1 Cash and Cash Equivalent

Particulars	31st Ashadh 2081	31st Ashadh 2080
Cash in Hand	95,965,428	132,782,463
Balances with B/FIs	269,960,837	875,076,041
Money at Call and Short Notice	-	-
Other	-	-
Total	365,926,265	1,007,858,504

4.2 Due from Nepal Rastra Bank

Particulars	31st Ashadh 2081	31st Ashadh 2080
Statutory Balances with NRB	838,736,447	655,465,614
Securities Purchased Under Resale Agreement	-	-
Other Deposit and Receivable from NRB	-	-
Total	838,736,447	655,465,614

4.3 Placements with Bank and Financial Institutions

Particulars	31st Ashadh 2081	31st Ashadh 2080
Placement with Domestic B/FIs	-	-
Placement with Foreign B/FIs	-	-
Less: Allowances for Impairment	-	-
Total	-	-

4.4 Derivative Financial Instruments

Particulars	31st Ashadh 2081	31st Ashadh 2080
Held for Trading		
Interest Rate Swap	-	-
Forward Exchange Contract	-	-
Others	-	-
Held for Risk Management		
Interest Rate Swap	-	-
Forward Exchange Contract	-	-
Others	-	-
Total	-	-

4.5 Other Trading Assets

Particulars	31st Ashadh 2081	31st Ashadh 2080
Treasury Bills	-	-
Government Bond	-	-
NRB Bonds	-	-
Domestic Corporate Bonds	-	-
Equities	-	-
Other	-	-
Total	-	-
Pledged	-	-
Non- Pledged	-	-

4.6 Loans and advances to B/FIs

Particulars	31st Ashadh 2081	31st Ashadh 2080
Loan to Microfinance Institutions	1,343,060,344	971,649,694
Other	-	-
Less: Allowances for Impairment	(15,691,709)	(12,613,303)
Total	1,327,368,635	959,036,391

Note: The above amount represents provided to Microfinance Institutions in the normal course of business, which includes accrued interest amounting to Rs. 35,417,919.

4.6.1 Allowances for Impairment

Particulars	31st Ashadh 2081	31st Ashadh 2080
Balance as at Shrawan 1	12,613,303	12,917,218
Impairment Loss for the Year:		
Charge for the Year	-	-
Recoveries/Reversal	3,078,406	(303,915)
Amount Written off	-	-
Balance as at Ashadh End	15,691,709	12,613,303

4.7 Loans and Advances to Customers

Particulars	31st Ashadh 2081	31st Ashadh 2080
Loans and Advances Measured at Amortized	14,586,508,837	11,730,280,875
Less: Impairment Allowances		
Individual Impairment	(587,210,862)	(439,272,601)
Portfolio Impairment	-	-
Net Amount	13,999,297,975	11,291,008,274

Loan and Advances Measured at FVTPL	-	-
Total	13,999,297,975	11,291,008,274

4.7.1 Analysis of Loan and Advances - By Product

Particulars	31st Ashadh 2081	31st Ashadh 2080
Product		
Term Loans	3,909,016,736	1,976,389,926
Overdraft	774,165,234	379,558,320
Trust Receipt/Import Loans		
Demand and Other Working Capital Loans	618,214,825	642,511,727
Personal Residential Loans	4,097,780,672	3,184,351,981
Real Estate Loans	1,093,279,452	1,241,820,961
Margin Lending Loans	776,466,310	541,015,551
Hire Purchase Loans	125,458,796	163,507,011
Deprived Sector Loans	485,402,714	835,654,241
Bills Purchased	-	-
Staffs Loans	175,994,474	203,326,532
Other	2,346,810,099	2,373,028,120
Sub-Total	14,402,589,312	11,541,164,369
Interest Receivable	183,919,525	189,116,505
Total	14,586,508,837	11,730,280,875

4.7.2 Analysis of Loan and Advances - By Currency

Particulars	31st Ashadh 2081	31st Ashadh 2080
Nepalese Rupee	14,586,508,837	11,730,280,875
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
Total	14,586,508,837	11,730,280,875

4.7.3 Analysis of Loan and Advances - By Collateral

Particulars	31st Ashadh 2081	31st Ashadh 2080
Secured		
Moveable/Immoveable Assets	12,741,220,651	10,018,253,921
Non Governmental Securities	776,466,310	541,015,561
Gold and Silver	-	-

Guarantee of Domestic BFIs	-	-
Government Guarantee	-	-
Guarantee of International Rated Bank	-	-
Collateral of Export Document	-	-
Collateral of Fixed Deposit Receipt	124,873,994	234,873,511
Collateral of Government Securities	-	-
Institutional Guarantee	-	-
Counter Guarantee	-	-
Personal Guarantee	583,960,651	539,250,134
Other Collateral	359,987,231	396,887,748
Sub Total	14,586,508,837	11,730,280,875
Unsecured	-	-
Total	14,586,508,837	11,730,280,875

4.7.4 Allowances for Impairment

Particulars	31st Ashadh 2081	31st Ashadh 2080
Specific Allowances for Impairment		
Balance at Shrawan 1	439,272,601	347,839,464
Impairment Loss for the Year:	147,938,262	91,433,137
Charge for the Year	147,938,262	91,433,137
Recoveries/Reversal During the Year	-	-
Write-offs	-	-
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Ashadh End	587,210,862	439,272,601
Collective Allowances for Impairment		
Balance at Shrawan 1		
Impairment Loss for the Year:	-	-
Charge/(Reversal) for the Year	-	-
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Ashadh End	-	-
Total Allowances for Impairment	587,210,862	439,272,601

4.8 Investment in Securities

Particulars	31st Ashadh 2081	31st Ashadh 2080
Investment Securities Designated at FVTPL	-	-
Investment Securities Measured at Amortized Cost	3,936,766,450	2,532,181,595
Investment in Equity Measured at FVTOCI	195,852,641	64,970,784
Total	4,132,619,091	2,597,152,379

4.8.1 Investment in Securities Measured at Amortized Cost

Particulars	31st Ashadh 2081	31st Ashadh 2080
Debt Securities	181,968	-
Government Bond	1,869,265,900	1,898,067,895
Government Treasury Bills	1,067,318,582	634,113,700
Nepal Rastra Bank Bonds	-	-
Nepal Rastra Bank Deposit Instruments	1,000,000,000	-
Other	-	-
Less: Specific Allowances for Impairment	-	-
Total	3,936,766,450	2,532,181,595

4.8.2 Investment in Equity Measured at Fair Value through Other Comprehensive Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Equity Instrument		
Quoted Equity Securities	193,074,609	28,675,284
Unquoted Equity Securities	2,960,000	36,295,500
Total	196,034,609	64,970,784

4.8.3 Information Relating to Investment in Equities

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	Cost	Fair Value	Cost	Fair Value
Investment in Quoted Mutual Funds				
"Sanima Growth Fund (111,780 Units of Rs.9.82 Each)"	1,097,733	1,133,449	1,097,732.91	1,116,682.20
"NIBL Growth Fund (100,000 Units of Rs.10 Each)"	1,000,000	1,064,000	1,000,000.00	1,064,000.00
"Sunrise Focused Equity Fund (107,100 Units of Rs.9.88 Each)"	2,041,926	1,719,680	1,057,718.14	1,036,728.00
"Prabhu Smart Fund (602,000 Units of Rs.9.73 Each)"	8,932,721	8,767,203	5,858,608.01	5,959,800.00
"NIC Asia Select Fund 30 (270,408 Units of Rs.8.49 Each)"	2,296,600	2,595,917	2,296,600.11	2,430,967.92
RBB Mutual Fund 1 (3,400 Units of Rs.7.52 Each)	2,242,684	2,263,584	25,561.12	27,472.00
Nabil Equity Fund (56,127 Units of Rs.9.54 Each)	-	-	535,186.98	539,380.47
Kumari Equity Fund (158,825 Units of Rs.8.79 Each)	1,395,783	1,534,250	1,395,782.91	1,615,250.25
NMB Sulav Investment Fund 2 (41675 Units of Rs. 9.46 Each)	2,897,728	2,937,269	394,069.82	416,333.25

Sunrise Bluechip Fund (25,600 Units of Rs.7.63 Each)	195,385	211,712	195,385.26	200,960.00
Sunrise First Mutual Fund (71,450 Units of Rs.10.7 Each)	34,709,374	31,934,677	764,179.44	791,666.00
Prabhu Select Fund (553,911 Units of Rs.8.93 Each)	10,745,910	11,690,836	4,944,090.30	4,902,112.35
NMB 50 (51,700 Units of Rs.10.73 Each)	554,922	519,068	554,921.87	542,850.00
NIC Asia Flexi CAP Fund (57,301 Units of Rs.8.48 Each)	485,749	530,034	485,748.74	582,751.17
NIC Asia Balance Fund (209,953 Units of Rs.9.16 Each)	1,922,876	2,015,549	1,922,876.25	1,958,861.49
Laxmi Unnati Kosh (194,030 Units of Rs.9.05 Each)	1,756,469	1,746,270	1,756,469.45	1,821,941.70
NIC Asia Growth Fund (131,950 Units of Rs.9.99 Each)	1,318,416	1,306,305	1,318,415.73	1,357,765.50
Global IME Balanced Fund 1 (14,970 Units of Rs.8.61 Each)	128,888	136,227	128,887.75	139,819.80
Nabil Balanced Fund 2 (138,085 Units of Rs.8.75 Each)	1,208,678	1,242,765	1,208,677.64	1,215,148.00
Kumari Dhanbriddi Yojana (95,099 Units of Rs.9.08 Each)	863,575	919,607	863,574.89	954,793.96
Citizens Mutual Fund 1 (2,713,155 units of Rs. 8.31 Each)	22,548,501.38	26,154,814	-	-
Himalayan 80-20 (1,000,000 units of Rs. 10 Each)	10,000,000.00	9,990,000	-	-
Kumari Sabal Yojana 750,000 units of Rs 10 Each)	7,500,000.00	7,500,000	-	-
Laxmi Equity Fund 330,425 units of Rs 9.52 Each)	3,146,451.79	3,129,125	-	-
Laxmi Value Fund II 500,000 units of 10 Each)	5,000,000.00	4,620,000	-	-
NIBL Stable Fund 500,000 units of 10 Each)	5,000,000.00	5,000,000	-	-
NICAsia Growth Fund 2 1,000,000 units of 10 Each)	10,000,000.00	8,200,000	-	-
Sanima Equity Fund 151,000 units of Rs 11.31 Each)	1,708,543.19	1,647,410	-	-
Siddhartha Equity Fund 656,466 units of Rs 9.01 Each)	5,915,899.65	5,507,750	-	-
Sanima Large Gap Fund 489,170 units of Rs 7.96 Each)	3,893,982.07	4,544,389	-	-
Investment through PMS	10,000,000.00	10,000,000	-	-

NIFRA Urja Rinpatra 7%-2085/86 200 units 909.84 Each)	181,968.27	177,720	-	-
Citizens Super 30 Mutual Fund (200,000 Units of Rs.10 Each)	20,000,000	20,000,000	20,000,000.00	20,460,000.00
Kumari Sunaulo Lagani Yojana (250,000 Units of Rs.10 Each)	2,500,000	2,960,000	2,500,000.00	2,662,500.00
RBB Mutual Fund 2 (1,000,000 Units of Rs.10 Each)	10,000,000	9,500,000	10,000,000.00	10,080,000.00
Siddhartha Investment Growth Scheme 3 (300,000 Units of Rs.10 Each)	3,000,000	2,835,000	3,000,000.00	3,093,000.00
Subtotal	196,190,763	196,034,609	63,304,487	64,970,784

4.9 Current Tax Assets/Liability

Particulars	31st Ashadh 2081	31st Ashadh 2080
Current Tax Assets	133,962,782	125,880,773
Current year Income Tax Assets	133,962,782	125,880,773
Tax Assets of Prior Periods	-	-
Current Tax Liabilities	101,535,512	110,288,401
Current Year Income Tax Liabilities	101,535,512	110,288,401
Tax Liabilities of Prior Periods	-	-
	101,535,512	110,288,401
Total of Income Tax Assets/(Liabilities)	32,427,270	15,592,372

4.10 Investment in Subsidiaries

Particulars	31st Ashadh 2081	31st Ashadh 2080
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	-	-
Total Investment	-	-
Less: Impairment Allowances	-	-
Net Carrying Amount	-	-

4.10.1 Investment in Quoted Subsidiaries

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	Cost	Fair Value	Cost	Fair Value
.....Ltd	-	-	-	-
.....shares of Rs..... Each	-	-	-	-
.....Ltd	-	-	-	-
.....shares of Rs..... Each	-	-	-	-
Total	-	-	-	-

4.10.2 Investment In Unquoted Subsidiaries

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	Cost	Fair Value	Cost	Fair Value
.....Ltd				
.....shares of Rs..... Each	-	-	-	-
.....Ltd				
.....shares of Rs..... Each	-	-	-	-
Total	-	-	-	-

4.10.3 Information Relating to Subsidiaries of the Bank

Particulars	Percentage of Ownership	
	31st Ashadh 2081	31st Ashadh 2080
.....Ltd	-	-
.....Ltd	-	-

4.10.4: Non Controlling Interest of the Subsidiaries

Particulars	Group 31st Ashadh 2081
Equity Interest Held by NCI (%)
Profit (Loss) Allocated During the Year	-
Accumulated Balances of NCI as on Ashadh End	-
Dividend Paid to NCI	-
	-
	31st Ashadh 2080
Equity Interest Held by NCI (%)	-
Profit (Loss) Allocated During the Year	-
Accumulated Balances of NCI as on Ashadh End	-
Dividend Paid to NCI	-

4.11 Investment in Associates

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	Cost	Fair Value	Cost	Fair Value
Investment in Quoted Associates				
Investment in Unquoted Associates	-	-	-	-
Total Investment				
Less: Impairment Allowances	-	-	-	-
Net Carrying Amount	-	-	-	-

4.11.1 Investment in Quoted Associates

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	Cost	Fair Value	Cost	Fair Value
.....Ltd				
.....shares of Rs..... Each	-	-	-	-
.....Ltd				
.....shares of Rs..... Each	-	-	-	-
Total	-	-	-	-

4.11.2 Investment in Unquoted Associates

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	Cost	Fair Value	Cost	Fair Value
	-	-	-	-
Total	-	-	-	-

4.11.3 Information Relating to Associates of the Bank

Particulars	Percentage of Ownership	
	31st Ashadh 2081	31st Ashadh 2080
	-	-
Total	-	-

4.11.4: Equity Value of Associates

Particulars	Group	
	31st Ashadh 2081	31st Ashadh 2080
	-	-
Total	-	-

4.12 Investment Properties

Particulars	31st Ashadh 2081	31st Ashadh 2080
Investment Properties Measured at Fair Value		
Balance as on Shrawan 01	25,905,880	25,905,880
Addition/(Disposal) During the Year	37,614,485	-
Net Changes in Fair Value During the Year		
Adjustment/Transfer		
Net Amount	63,520,366	25,905,880
Investment Properties Measured at Cost		
Balance as on Shrawan 01	-	-
Addition/(Disposal) During the Year	-	-
Adjustment/Transfer	-	-

Accumulated Depreciation	-	-
Accumulated Impairment Loss	-	-
Net Amount	-	-
Total	63,520,366	25,905,880

4.12.1 Detail of Investment Property

Name and Address of Borrower	Date of Assuming of Non-Banking Assets	Total Non-Banking Assets
Raju Prasad Yadav	2081/2/24	1,200,000
Laxmi Nepali Sarki	2081/2/30	5,000,000
Pramila Kumari Barai	2081/3/6	3,100,000
Roman Traders	2081/3/28	8,055,837
Mamina Darai	2081/3/29	4,917,130
Masina Damai	2081/3/29	1,735,593
Durga Dharikar	2081/3/32	2,893,306
Tulsi Chaudhary	2081/3/31	8,618,399
Akhilesh Ray Rajput	2081/3/31	2,413,101
Himalaya Traders	2081/3/31	13,981,373
Himalaya Thapa Magar	2081/3/31	8,575,627
Shuva Gangajal Traders	2081/3/31	3,030,000
Total		63,520,366

4.13 Property and Equipment

Particulars	Land	Building	ROU Assets	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & Others	Total Ashadh end 2081	Total Ashadh end 2080
Cost											
Balance as at Shrawan 1, 2079	-	-	118,036,498	53,725,559	16,592,805	38,372,413	32,251,380	-	47,131,067	306,109,722	306,109,722
Addition During the Year	-	-	29,607,194	1,127,232	629,500	8,169,400	1,111,002	-	3,206,517	43,850,845	43,850,845
Acquisition	-	-	29,607,194	1,774,560	629,500	8,433,300	1,111,002	-	3,393,037	44,948,594	-
Capitalization	-	-	-	(647,328)	-	(263,900)	-	-	(186,520)	(1,097,748)	-
Disposal During the Year	-	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-
Balance as at Ashadh end 2080	-	-	147,643,692	54,852,791	17,222,305	46,541,813	33,362,382	-	50,337,584	349,960,567	306,109,722
Addition During the Year	-	-	40,055,790	3,603,370	313,200	21,395,363	2,940,506	-	1,534,397	69,842,627	14,897,498
Acquisition	-	-	40,055,790	3,619,168	313,200	26,924,263	3,180,709	-	1,976,166	76,069,297	152,138,594
Capitalization	-	-	-	(15,798)	-	(5,528,900)	(240,203)	-	(441,769)	(6,226,670)	-
Disposal During the Year	-	-	-	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-
Balance as at Ashadh End 2081	-	-	187,699,482.62	58,456,161.24	17,535,505	67,937,176	36,302,888	-	51,871,981	419,803,194	321,007,219
Depreciation and Impairment											
As at Shrawan 1, 2079	-	-	14,554,737	24,304,238	8,473,095	21,508,356	15,884,641	-	29,222,629	113,747,696	81,083,059
Impairment for the Year	-	-	-	-	-	-	-	-	-	-	-
Depreciation Charge for the Year	-	-	19,933,789	7,649,155	2,177,602	4,854,475	4,453,475	-	5,127,561	44,196,057	35,538,602
Disposals	-	-	-	(647,326)	-	(9,425)	-	-	(186,520)	(843,271)	(2,751,046)
Adjustment	-	-	-	7,185	-	-	-	-	-	7,185	(122,918)
As at Ashadh End 2080	-	-	34,488,526	31,313,252	10,650,697	26,153,406	20,338,116	-	34,163,670	157,107,667	113,747,697
Impairment for the Year	-	-	-	-	-	-	-	-	-	-	-
Depreciation Charge for the Year	-	-	17,902,062	7,822,900	2,033,182	5,919,453	4,463,454	-	5,118,227	43,259,279	44,196,057
Disposals	-	-	-	(5,271)	-	(5,320,080)	(222,416)	-	(437,686)	(5,985,453)	(189,425)
Adjustment	-	-	-	-	-	-	-	-	-	-	-
As at Ashadh End 2081	-	-	52,390,588	39,130,881	12,683,879	26,752,779	24,579,154	-	38,844,212	194,381,494	157,754,329
Capital Work in Progress											
Net Book Value	-	-	-	-	-	-	-	-	-	-	-
As at Ashadh end 2079	-	-	103,481,761	29,421,321	8,119,710	17,064,057	16,366,739	-	17,908,438	88,880,265	34,698,877
As at Ashadh end 2080	-	-	113,155,166	23,539,539	6,571,608	20,388,407	13,024,266	-	16,173,914	79,697,734	192,562,026
As at Ashadh end 2081	-	-	135,308,894	19,325,280	4,851,626	41,184,397	11,723,733	-	13,027,770	225,421,700	192,860,086

4.14 Goodwill and Intangible Assets

Particulars	Goodwill	Software		Other	Total Ashadh end 2081	Total Ashadh end 2080
		Purchased	Developed			
Cost						
Balance as at Shrawan 1, 2079		5,738,259		-	5,738,259	5,199,814
Addition During the Year	-	734,500		-	734,500	-
Acquisition	-	-		-	-	-
Capitalization	-	734,500		-	734,500	-
Disposal During the Year	-	-		-	-	-
Adjustment/Revaluation	-	-		-	-	-
Balance as at Ashadh End 2080		6,472,759		-	6,472,759	5,199,814
Addition During the Year	-	-		-	-	678,000
Acquisition	-	2,051,325		-	2,051,325	-
Capitalization	-	-		-	-	-
Disposal During the Year	-	-		-	-	-
Adjustment/Revaluation	-	-		-	-	(139,555)
Balance as at Ashadh End 2081		8,524,084		-	8,524,084	5,738,259
Amortisation and Impairment						
As on Shrawan 1, 2079	-	4,312,003		-	4,312,003	3,196,014
Amortisation Charge for the Year	-	524,779		-	524,779	672,426
Impairment for the Year	-	-		-	-	-
Disposals	-	-		-	-	-
Adjustment	-	-		-	-	-
Balance as on Ashadh End 2080		4,836,782		-	4,836,782	3,868,440
Amortisation Charge for the Year	-	-		-	-	443,563
Impairment for the Year	-	646,357		-	646,357	-
Disposals	-	-		-	-	-
Adjustment	-	-		-	-	-
As on Ashadh end 2081		5,483,139		-	5,483,139	4,312,003
Capital Work in Progress						
Net Book Value	-	-		-	-	-
As at Ashadh End 2079	-	1,426,256		-	887,811	1,174,733
As at Ashadh End 2080	-	1,635,976		-	1,635,976	1,331,374
As at Ashadh end 2081	-	3,040,945		-	3,040,945	1,426,256

4.15 Deferred Taxes Assets/(Liabilities)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	31st Ashadh 2080 Net Deferred Tax Assets / (Liabilities)
Deferred Tax on Temporary Differences on Following Items:			
Loans and Advances to BFIs	-	-	-
Loans and Advances to Customers	-	-	-
Investment Properties	-	-	-
Investment Securities	-	(499,889)	(499,889)
Investment in Associates	-	-	-
Property and Equipment	(25,157,101)	-	(25,157,101)
Employees' Defined Benefit Plan	3,552,141	-	3,552,141
Employees' Leave Liability	3,400,217	-	3,400,217
Lease Liabilities	35,724,665	-	35,724,665
Provisions LLP	-	-	-
Other Temporary Differences	-	-	-
Deferred Tax on Temporary Differences	17,519,922	(499,889)	17,020,033
Deferred Tax on Carry Forward of Unused Tax Losses	-	-	-
Deferred Tax Due to Changes in Tax Rate	-	-	-
Net Deferred Tax Asset (Liabilities) as at End of 2079/80	-	-	17,020,033
Deferred Tax (Asset)/ Liabilities as on Shrawan 01, 2079	-	-	13,632,426
Origination/(Reversal) During the Year	-	-	3,387,606
Deferred Tax (Expense)/Income Recognized in Profit or Loss	-	-	4,026,856
Deferred Tax (Expense)/Income Recognized in Other Comprehensive Income	-	-	(639,249)
Deferred Tax (Expense)/Income Recognized Directly in Equity	-	-	-
Deferred Tax on Temporary Differences on Following Items:			
Loans and Advances to BFIs	-	-	-
Loans and Advances to Customers	-	-	-
Investment Properties	-	-	-
Investment Securities	-	546,735	546,735
Investment in Associates	-	-	-
Property and Equipment	(30,374,882)	-	(30,374,882)
Employees' Defined Benefit Plan	3,584,628	-	3,584,628
Employees' Leave Liability	3,255,244	-	3,255,244
Lease Liabilities	41,829,134	-	41,829,134
Provisions LLP	-	-	-
Lease Under NFRS	-	-	-
Other Temporary Differences	-	-	-
Deferred Tax on Temporary Differences	18,294,124	546,735	18,840,859

Deferred Tax on Carry Forward of Unused Tax Losses	-	-	-
Deferred Tax Due to Changes in Tax Rate	-	-	-
Net Deferred Tax Asset (Liabilities) as at End of 2080/81	-	-	18,840,859
Deferred Tax (Asset)/ Liabilities as at Shrawan 1, 2080	-	-	17,020,033
Origination/(Reversal) During the Year	-	-	1,820,826
Deferred Tax (Expense)/Income Recognized in Profit or Loss	-	-	1,274,091
Deferred Tax (Expense)/Income Recognized in Other Comprehensive Income	-	-	546,735
Deferred Tax (Expense)/Income Recognized Directly in Equity	-	-	-

4.16 Other Assets

Particulars	31st Ashadh 2081	31st Ashadh 2080
Assets Held for Sale	-	-
Other Non-Banking Assets	-	-
Bills Receivable	-	-
Accounts Receivable	1,872,537	12,741,799
Accrued Income	-	-
Prepayments and Deposits	29,618,103	9,398,056
Income Tax Deposit	-	-
Deferred Employee Expenditure	183,880,465	72,985,726
Others	11,274,902	4,005,517
Stationery Stock	3,141,142	4,005,517
Commission Receivable	-	-
Deposit	-	-
Other	8,133,760	-
Total	226,646,007	99,131,097

4.17 Due to Bank and Financial Institutions

Particulars	31st Ashadh 2081	31st Ashadh 2080
Money Market Deposits	-	-
Interbank Borrowing	-	-
Other Deposits from BFIs	1,204,819,219	1,124,170,620
Settlement and Clearing Accounts	-	-
Other Deposits from BFIs	-	-
Total	1,204,819,219	1,124,170,620

4.18 Due to Nepal Rastra Bank

Particulars	31st Ashadh 2081	31st Ashadh 2080
Refinance from NRB	-	-
Standing Liquidity Facility	-	-
Lender of Last Resort facility from NRB	-	-
Securities Sold Under Repurchase Agreements	-	-
Other Payable to NRB	603,662,927	195,678,864
Total	603,662,927	195,678,864

4.19 Derivative Financial Instruments

Particulars	31st Ashadh 2081	31st Ashadh 2080
Held for Trading		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Held for Risk Management		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Total	-	-

4.20 Deposits from Customers

Particulars	31st Ashadh 2081	31st Ashadh 2080
Institutions Customers	5,346,989,689	3,080,986,159
Term Deposits	4,303,067,183	2,235,878,766
Call Deposits	927,692,007	845,059,893
Current Deposits	116,183,000	-
Other	47,500	47,500
Individual Customers	11,066,528,710	9,660,309,453
Term Deposits	8,570,149,280	7,757,672,861
Saving Deposits	2,429,660,230	1,900,898,583
Current Deposits	65,995,460	-
Other	723,740	1,738,010
Total	16,413,518,399	12,741,295,612

4.20.1 Currency wise Analysis of Deposit form Customers

Particulars	31st Ashadh 2081	31st Ashadh 2080
Nepalese Rupee	16,413,518,399	12,741,295,612
Indian Rupee	-	-
United State dollar	-	-
Great Britain pound	-	-
Euro	-	-
Japenese yen	-	-
Chinese Yuan	-	-
Other	-	-
Total	16,413,518,399	12,741,295,612

4.21 Borrowings

Particulars	31st Ashadh 2081	31st Ashadh 2080
Domestic Borrowing		
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
Sub Total	-	-
Foreign Borrowing		
Foreign Bank and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
Total	-	-

4.22 Provisions

Particulars	31st Ashadh 2081	31st Ashadh 2080
Provisions for Redundancy		
Provision for Restructuring	-	-
Pending Legal Issues and Tax Litigation	-	-
Onerous Contracts	-	-
Other	-	-
Total	-	-

4.22.1 Movement in Provisions

Particulars	31st Ashadh 2081	31st Ashadh 2080
Balance at Shrawan 1		
Provisions Made During the year	-	-
Provisions Used During the Year	-	-
Provisions Reversed During the Year	-	-
Unwind of Discount	-	-
Balance at Ashadh end	-	-

4.23 Other Liabilities

Particulars	31st Ashadh 2081	31st Ashadh 2080
Liabilities for Employees Defined Benefit Obligations	11,948,761	11,840,471
Liabilities for Employees Defined Contribution Obligations	-	-
Liabilities for Leave Short Term Employee Benefits	10,850,814	11,334,055
Bills Payable	-	-
Creditors and Accruals	55,958,788	17,877,104
Interest Payable on Deposits	2,800,998	1,524,091
Interest Payable on Borrowing	22,822,667	22,822,667
Liabilities on Deferred Grant Income	-	-
Unpaid Dividend	-	-
Liabilities Under Finance Lease	139,430,446	119,082,216
Employee Bonus Payable	36,097,422	39,260,308
Other Liabilities	15,761,217	13,732,062
Audit Fee Payable	557,500	401,400
TDS Payable	15,203,717	13,188,585
Others	-	142,077
Total	295,671,113	237,472,974

4.23.1 Defined Benefit Obligation

Particulars	31st Ashadh 2081	31st Ashadh 2080
Present Value of Non-funded Obligations	11,948,761	11,840,471
Total Present Value of Obligations	11,948,761	11,840,471
Fare Value of Plan Assets	-	-
Present Value of Net Obligations	11,948,761	11,840,471
Recognized Liability for Defined Benefit Obligations	11,948,761	11,840,471

4.23.2 Plan Assets

Particulars	31st Ashadh 2081	31st Ashadh 2080
Equity Securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	-	-
Total	-	-

4.23.3 Movement in the Present Value of Defined Benefit Obligation

Particulars	31st Ashadh 2081	31st Ashadh 2080
Defined benefit obligations at Shrawan 1	11,840,471	9,231,067
Actuarial Losses/ (Gain)	-	(464,534)
Benefits Paid by the Plan	(5,362,841)	(591,266)
Current Service Cost and Interest	5,471,130	3,665,204
Defined Benefit Obligations at Ashadh End	11,948,761	11,840,471

4.23.4 Movement in the Fair Value of Plan Assets

Particulars	31st Ashadh 2081	31st Ashadh 2080
Fair Value of Plan Assets at Shrawan 1	-	-
Contributions Paid into the Plan	-	-
Benefit Paid During the Year	-	-
Actuarial (Losses)/ Gain	-	-
Expected Return on Plan Assets	-	-
Fair Value of Plan Assets at Ashadh End	-	-

4.23.5 Amount Recognized in Profit or Loss

Particulars	31st Ashadh 2081	31st Ashadh 2080
Current Service cost	4,405,488	2,866,194
Interest on Obligation	1,065,642	799,010
Expected Return on Plan Assets	-	-
Total	5,471,130	3,665,204

4.23.6 Amount Recognized in Other Comprehensive Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Actual (Gain)/Loss	-	(464,534)
Total	-	(464,534)

4.23.7 Actuarial Assumptions

Particulars	31st Ashadh 2081	31st Ashadh 2080
Discount Rate	9.00%	9.00%
Expected Return on Plan Asset	-	-
Future Salary Increase	5.00%	5.00%
Withdrawal Rate	-	-

4.24 Debt Securities Issued

Particulars	31st Ashadh 2081	31st Ashadh 2080
Debt Securities Issued Designated as at Fair Value through Profit or Loss	-	-
Debt Securities Issued at Amortised Cost	500,000,000	500,000,000
Total	500,000,000	500,000,000

4.25 Subordinate Liabilities

Particulars	31st Ashadh 2081	31st Ashadh 2080
Redeemable Preference Shares	-	-
Irredeemable Cumulative Preference Shares (Liabilities Component)	-	-
Other	-	-
Total	-	-

4.26 Share Capital

Particulars	31st Ashadh 2081	31st Ashadh 2080
Ordinary Shares	1,351,552,849	1,351,552,849
Convertible Preference Shares (Equity Component)	-	-
Irredeemable Preference Shares (Equity Component)	-	-
Perpetual Debt (Equity Component Only)	-	-
Calls in Advance in Ordinary Shares	-	-
Total	1,351,552,849	1,351,552,849

4.26.1 Share Capital Detail

Particulars	31st Ashadh 2081	31st Ashadh 2080
Authorised Capital		
13,600,000 Ordinary Share of Rs. 100 each	1,360,000,000	1,000,000,000
Issued Capital		
13,515,528.4880 Ordinary Share of Rs. 100 each (FY 79/80)		1,351,552,849
13,515,528.4880 Ordinary Share of Rs. 100 each (FY 80/81)	1,351,552,849	
Suscribed and Paid up Capital		
13,515,528.4880 Ordinary Share of Rs. 100 each (FY 79/80)		1,351,552,849
13,515,528.4880 Ordinary Share of Rs. 100 each (FY 80/81)	1,351,552,849	
Total	1,351,552,849	1,351,552,849

4.26.2 Ordinary Share Ownership

Particulars	31st Ashadh 2081		31st Ashadh 2080	
	% Holding	Amount	% Holding	Amount
Domestic ownership	100.00%	1,351,552,849	100.00%	1,351,552,849
Nepal Government	-	-	-	-
"A" Class Licenced Institutions	-	-	-	-
Other Licenced Institutions	-	-	-	-
Other Institutions & Individuals	5.62%	75,957,270	5.62%	75,957,270
Public	94.38%	1,275,595,579	94.38%	1,275,595,579
Other	-	-	-	-
Foreign Ownership	-	-	-	-
Total	100.00%	1,351,552,849	100.00%	1,351,552,849

4.27 Reserves

Particulars	31st Ashadh 2081	31st Ashadh 2080
Statutory General Reserve	359,480,590	314,557,517
Exchange Equilisation Reserve		
Corporate Social Responsibility Reserve	15,327,093	13,089,750
Capital Redemption Reserve	166,666,666	166,666,666
Regulatory Reserve	151,162,835	140,511,831
Investment Adjustment Reserve	-	-
Capital Reserve	-	-
Assets Revaluation Reserve	-	-
Fair Value Reserve	(109,308)	1,166,408
Dividend Equalisation Reserve	-	-
Debenture Redemption Reserve	-	-
Actuarial Gain/(Loss) Reserve	(3,017,427)	(3,017,427)

Special Reserve	-	-
Other Reserve	185,598	-
Total	689,696,048	632,974,746

4.28 Contingent Liabilities and Commitments

Particulars	31st Ashadh 2081	31st Ashadh 2080
Contingent Liabilities	800,000	300,000
Undrawn and Undisbursed Facilities	-	-
Capital Commitment	-	-
Lease Commitment	-	-
Litigation	-	-
Total	800,000	300,000

4.28.1: Contingent Liabilities

Particulars	31st Ashadh 2081	31st Ashadh 2080
Acceptance and Documentary Credit	-	-
Bills for Collection	-	-
Forward Exchange Contracts	-	-
Guarantees	800,000	300,000
Underwriting Commitment	-	-
Other Commitments	-	-
Total	800,000	300,000

4.28.2: Undrawn and Undisbursed Facilities

Particulars	31st Ashadh 2081	31st Ashadh 2080
Undisbursed Amount of Loans	-	-
Undrawn Limits of Overdrafts	-	-
Undrawn Limits of Credit Cards	-	-
Undrawn Limits of Letter of Credit	-	-
Undrawn Limits of Guarantee	-	-
Total	-	-

4.28.3: Capital Commitments

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

Particulars	31st Ashadh 2081	31st Ashadh 2080
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	31st Ashadh 2081	31st Ashadh 2080
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

Particulars	31st Ashadh 2081	31st Ashadh 2080
Contingent Tax Liabilities	-	-

4.29 Interest Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Cash and Cash Equivalent	6,679,602	23,423,213
Due from Nepal Rastra Bank	-	-
Placement with Bank and Financial Institutions	-	-
Loan and Advances to Bank and Financial Institutions	174,199,225	138,650,139
Loans and Advances to Customers	1,804,512,949	1,717,367,010
Investment Securities	250,963,418	207,400,847
Loan and Advances to Staff	30,407,970	24,214,937
Other Interest Income	-	-
Less: Interest Refund to Customer	-	-
Total	2,266,763,164	2,111,056,147

4.30 Interest Expense

Particulars	31st Ashadh 2081	31st Ashadh 2080
Due to Bank and Financial Institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposits from Customers	1,468,289,292	1,344,184,009
Borrowing	1,491,644	18,493,717
Debt Securities Issued	47,500,000	47,500,001
Subordinated Liabilities	-	-
Other Charges	-	-
Total	1,517,280,936	1,410,177,727

4.31 Fees and Commission Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Loan Administration Fees	-	-
Service Fees	78,305,480	50,564,602
Consortium Fees	-	-
Commitment Fees	-	-
DD/TT/Swift Fees	-	-
Credit Card/ATM Issuance and Renewal Fees	-	-
Renewal Fees	-	-
Prepayment and Swap Fees	-	-
Investment Banking Fees	-	-
Asset Management Fees	-	-
Brokerage Fees	-	-
Remittance Fees	-	-
Commission On Letter of Credit	-	-
Commission On Guarantee Contracts Issued	-	-
Commission On Share Underwriting/Issue	-	-
Locker Rental	-	-
Other Fees and Commission Income	9,287,675	7,115,633
Total Fees And Commission Income	87,593,155	57,680,235

4.31.1 Other Fees and Commission Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Bancassurance Commission	154,219	352,771
DTB Income	3,296,247	2,126,292
Other Commission	85,574	238,267
Other Income	5,751,635	4,398,303
Total	9,287,675	7,115,633

4.32 Fees and Commission Expense

Particulars	31st Ashadh 2081	31st Ashadh 2080
ATM Management Fees	-	-
Visa/Master Card Fees	-	-
Guarantee Commission	-	-
Brokerage	-	-
Dd/TT/Swift Fees	-	-
Remittance Fees and Commission	-	-
Other Fees and Commission Expense	-	-
Total	-	-

4.33 Net Trading Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
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	-	-

4.34 Other Operating Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Foreign Exchange Revaluation Gain	-	-
Gain/Loss on Sale of Investment Securities	215,693	1,317
Fair Value Gain/Loss on Investment Properties	-	-
Dividend on Equity Instruments	8,189,002	-
Gain/Loss on Sale of Property and Equipment	1,164,096	43,525
Gain/Loss on Sale of Investment Property	594,000	-
Operating Lease Income	-	-
Gain/Loss on Sale of Gold and Silver	-	-
Other Operating Income	811,306	-
Total	10,974,098	44,842

4.35 Impairment Charge/(Reversal) for Loan and Other Losses

Particulars	31st Ashadh 2081	31st Ashadh 2080
Impairment Charge/(Reversal) on Loan and Advances to BFIs	3,078,406	(303,915)
Impairment Charge/(Reversal) on Loan and Advances to Customers	147,938,262	91,433,137

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	-	-
Impairment Charge/(Reversal) on Other Assets	-	-
Receivables	258,264	759,216
Total	151,274,932	91,888,438

4.36 Personnel Expenses

Particulars	31st Ashadh 2081	31st Ashadh 2080
Salary	101,375,065	73,305,580
Allowances	40,938,288	31,204,629
Gratuity Expense	5,471,130	3,665,204
Provident Fund	7,952,083	6,161,419
Uniform	-	-
Training & Development Expense	2,949,709	3,143,767
Leave Encashment	6,633,290	5,420,209
Medical	7,300,095	5,768,337
Insurance	-	-
Employees Incentive	-	-
Cash-Settled Share-Based Payments	-	-
Pension Expense	-	-
Finance Expense Under NFRS	2,997,100	5,724,638
Other Expenses Related to Staff	14,519,260	18,796,379
Sub Total	190,136,020	153,190,162
Employees Bonus	36,097,421	39,260,308
Total	226,233,440	192,450,470

4.36.1 Finance Expense Under NFRS

Particulars	31st Ashadh 2081	31st Ashadh 2080
Finance Expense of Exit Loan	1,154,575	106,117
Finance Expense of Continued Loan	841,348	4,825,019
Finance Expense of New Loan	1,001,178	793,503
Total	2,997,100	5,724,638

4.36.2 Other Expenses Related to Staff

Particulars	31st Ashadh 2081	31st Ashadh 2080
Staff Excellence Award	1,834,464	2,500
Other Staff Cost	1,637,534	2,608,521
Refreshment	3,548,191	1,750,891
Leave Travel Allowance	6,927,571	5,162,096
Travelling & Daily Allowance	1,958,000	1,001,250
Total	15,905,760	10,525,257

4.37 Other Operating Expenses

Particulars	31st Ashadh 2081	31st Ashadh 2080
Directors' Fee	2,296,000	2,566,000
Directors' Expense	46,945	80,320
Auditors' Remuneration	565,000	406,800
Other Audit Related Expense	48,565	12,488
Professional and Legal Expense	255,177	369,500
Office Administration Expense (4.37 A)	59,166,008	65,716,413
Operating Lease Expense	-	-
Operating Expense of Investment Properties	-	-
Corporate Social Responsibility Expense	8,811	206,188
Onerous Lease Provisions	-	-
Finance Expense Under Lease	7,956,900	6,843,275
Other Expenses	7,490,785	-
Total	77,834,191	76,200,984

4.37 A Office Administration Expenses

Particulars	31st Ashadh 2081	31st Ashadh 2080
Water & Electricity	6,947,303	6,691,739
Repair & Maintenance	3,936,639	3,701,364
(a) Building	-	-
(b) Vehicle	1,343,485	1,052,747
(c) Computer & Accessories	-	3,120
(d) Office Equipment & Furniture	1,015,386	398,254
(e) Others	1,577,768	2,247,242
Insurance	5,978,318	5,141,469
Postage, Telex, Telephone, Fax	7,473,196	7,074,878
Printing & Stationery	5,150,661	3,592,323
Newspapers, Books & Journals	32,180	43,695
Advertisements	2,312,562	8,682,317
Donation	61,000	500

Security Expenses	10,511,967	10,485,722
Deposit & Loan Guarantee Premium	-	-
Travel Allowance & Expenses	2,690,876	2,029,873
Entertainment	277,521	304,278
Annual/Special General Meeting Expenses	828,756	637,026
Other	-	-
Fuel Expenses	4,724,843	4,114,878
Annual Fee	1,645,708	2,994,584
Other Office Expense	6,594,479	10,221,768
Total	59,166,008	65,716,413

4.38 Depreciation and Amortisation

Particulars	31st Ashadh 2081	31st Ashadh 2080
Depreciation on Property and Equipment	43,259,279	44,196,057
Depreciation on Investment Property	-	-
Amortization of Intangible Assets	646,357	524,779
Total	43,905,637	44,720,836

4.39 Non Operating Income

Particulars	31st Ashadh 2081	31st Ashadh 2080
Recovery of Loan Written off	-	-
Other Income	-	-
Total	-	-

4.40 Non Operating Expense

Particulars	31st Ashadh 2081	31st Ashadh 2080
Loan Written Off	14,943,943	-
Redundancy Provision	-	-
Expense of Restructuring	-	-
Other Expense	8,980,554	-
Total	23,924,497	-

4.41 Income Tax Expenses

Particulars	31st Ashadh 2081	31st Ashadh 2080
Current Tax Expenses	101,535,512	110,370,458
Current Year	101,535,512	110,370,458
Adjustment for Prior Years	-	-
Deferred Tax Expenses	(1,274,091)	(4,026,856)
Origination and Reversal of Temporary Differences	(1,274,091)	(4,026,856)
Change in Tax Rate	-	-
Recognition of Previously Unrecognized Tax Losses	-	-
Total	100,261,421	106,343,603

4.41.1: Reconciliation of Tax Expenses and Accounting Profit

Particulars	31st Ashadh 2081	31st Ashadh 2080
Profit Before Tax	324,876,785	353,342,769
Tax Amount at the Rate of 30%	97,463,035	106,002,831
Add: Tax Effect of the Expenses that are not Deductible for Tax Purpose	4,072,476	4,367,628
Less: Tax Effect on Exempt Income	-	-
Add/Less: Tax Effect on other Items	-	-
Total	101,535,512	110,370,458
Effective Tax Rate	31.25%	31.24%

Manjushree Finance Limited

DISCLOSURES & ADDITIONAL INFORMATION

As on 31st Ashadh, 2081 (July 15, 2024)

5.1 Risk Management

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

S.N.	Members of Risk Management Committee	Designation
1	Mr. Dipak Thapa	Director, Coordinator
3	Mr. Ram Hari Sharma	Director, Member
4	Chief Operating Officer	Member
5	Chief Risk Officer	Member-Secretary

The Committee meets eleven times during the fiscal year. The committee oversees and reviews the fundamental prudential risks including operational, credit, market, reputational, capital and liquidity risk etc.

The responsibilities of Risk Management Committee are as follows:

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

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

i) Risk Governance

Risk management committee of the Finance Company has formed to review the credit risk, market risk and liquidity risk of the Finance. Apart from this the Finance Company has formed the Assets Liability Committee (ALCO) to monitor Liquidity risk as well as market risk and Anti-Money Laundering Prevention committee (AML) to monitor the operational risk. The committee and subcommittee has effectively discharged their duties & responsibility.

Risk management committee analyse the Stress testing of the Finance Company as required by Nepal Rastra Bank and its impact and corrective action to mitigate the risk.

Through its risk management framework, the Finance Company seeks to efficiently manage credit, market and liquidity risks which arise directly through the Finance Company's commercial activities as well as operational, regulatory and reputational risks which arise as a normal consequence of any business undertaking. As part of this framework, the Finance Company uses a set of principles that describe its risk management culture. The Finance has developed Risk Management Policy to manage Credit risk, Market risk and liquidity risk.

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

1) Credit Risk

Credit risk is the potential for loss due to failure of counterparty to meet its obligations to pay the Finance Company in accordance with agreed terms.

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

2) Operational Risk

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

For the control of operational risk of institution, it has Financial Administration Policy, Employee Bylaws, Operational manual, AML, KYC & CFT policy, and Guidelines for AML, KYC & CFT, Suspicious Transaction identification Procedure, politically exposed person identification procedure, which guides the day to day operation.

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

3) Market Risk

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

4) Liquidity Risk

Liquidity risk is the potential that the Finance Company either does not have sufficient liquid financial resources available to meet all its obligations as they fall due or can only access these financial resources at excessive cost.

5) Reputational Risk

Reputational risk is a risk of loss resulting from damages to reputation of institution, in lost revenue; increased operating, capital or regulatory costs; or destruction of shareholder value.

Reputational risk is managed by the management committee which are responsible for protecting the institution's reputation locally and has the responsibility to ensure that the Finance Company does not undertake any activities that may cause material damage to the reputation of institution.

6) Employee Benefit Risk

Employee benefit risk is the potential risk of loss due to having to meet shortfall in the Finance Company's defined benefits gratuity and leave encashment schemes.

The gross obligation for gratuity is calculated considering the salary at the time of retirement of the individual staff and number of years' service with the finance. The home leave can be accumulated for maximum period of 60 days for total period served by individual staff. The gross obligation for leave encashment is calculated considering the last drawn salary multiplied by no of eligible days for leave encashment.

7) Internal Control

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

The effectiveness of the Company's internal control system is reviewed regularly by the Board, its Committees, Management, and Internal Audit. The Audit Committee has reviewed the effectiveness of the Finance Company's system of internal control during the year and provided feedback to the Board as appropriate. The Internal Audit monitors compliance with policies/standards and the effectiveness of internal control structures across the Company through its program of business/unit audits. Internal Audit reports are quarterly forwarded to the Audit Committee. The findings of all audits are reported to the Chief Executive Officer and Business Heads for initiating immediate corrective measures.

**8) Any Other Risk
Compliance Risk**

Compliance risk is the risk of legal or regulatory sanctions, material financial loss, or loss to reputation due to failure to comply with laws, rules and standards.

MFL is committed to follow best practices and market standards in the areas of accountability, transparency and business ethics. The Finance Company aims at a zero tolerance of misconduct and corruption.

Strategic Risk

Strategic risk is the risk in achieving Finance Company's strategic objectives, both from internal and external events and scenarios which prevent from achieving strategic objectives.

Interest Rate Risk

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period.

AML/CFT Risk

AML/CFT risk is related with providing financial services to money launders and terrorists for channelling of money derived from crime or aimed at funding terrorism.

The strictness of the provisions made in laws and directives reflect the seriousness of this issue; non-compliance of which may cause significant reputational risk as well as may result in adverse consequences.

A Board level committee namely, AML/CFT Committee has been formed as required by the NRB Directives. Furthermore, a separate AML, KYC & CFT Unit is established which looks after the effective implementation and compliance of AML, KYC & CFT related prevailing Acts, Rules and Directives.

5. Hierarchy of Fair Value Measurement of Financial Assets at Fair Value

Particulars	2080-81			2079-80		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Fair Value Through Profit or Loss						
Fair Value through OCI						
Equity Investments	193,074,609	-	2,960,000	-	-	-
Fair Value of Financial Assets – Held at Amortised Cost						
Cash in Hand	95,965,428			252,741,803		
Balances with B/FIs		269,960,837				2,490,941,130
Money at Call and Short Notice		-				-
Interbank Placement		-				-
Balance at NRB		838,736,447				317,679,428
Derivative Financial Instrument		-				-
Loans & Advances		15,929,569,181				11,054,240,579
Government Bonds		1,869,265,900				1,765,979,640
Government Treasury Bills		1,067,318,582				97,919,300
Equity Investments		-				-
Other Assets		31,490,640				16,396,350
Fair Value of Financial Liabilities – Held at Amortised Cost						
Deposits from Customers			16,413,518,399			10,411,002,401
Due to Banks			603,662,927			1,100,987,606
Debt Securities			500,000,000			500,000,000
Employee Related Liabilities			58,896,997			59,680,829
Bills Payable			-			-
Creditors and Accruals			55,958,788			13,439,384
Interest Payable on Deposit			2,800,998			3,196,191
Interest Payable on Borrowing			22,822,667			24,313,962
Unpaid Dividend			-			-
Other Liabilities			15,761,217			15,441,576

5.2 Capital Management

5.2.1 Qualitative Disclosures

The Finance Company has maintained the capital adequacy as per Capital adequacy framework, 2007 (Updated July 2008) as required by Nepal Rastra Bank. The main objective of this framework is to develop a safe and sound financial system by way of a sufficient amount of qualitative capital and risk management practices. The total equity of the Finance Company comprises paid-up capital, statutory reserves and other reserves. The Finance Company has subordinate term debt. Core Capital fund and Total Capital Fund as per Basel II is 12.87% and 14.32% as at Ashadh End 2081.

Assessment of the capital adequacy of the Finance Company is done on a regular basis taking into consideration the exposure of bank. Also, the analysis of possible impact on capital adequacy is being done on a regular basis taking into consideration the future impacts on assumptive basis. Capital adequacy of the Finance Company and impact in capital due to future change in nature and size of business is discussed in Risk Management Committee and is summarized in board. Regular monitoring of the nature of business is being done so that unexpected negative impact could not take place in capital adequacy of Finance Company. Reporting to the regulatory body is being done as prescribed by the compliance department.

The internal capital adequacy assessment process (ICAAP) is a comprehensive process which requires board and senior management oversight, monitoring, reporting, and internal control reviews at regular intervals to ensure the alignment of regulatory capital requirement with the true risk profile of the Finance Company and thus ensure long-term safety and soundness of the Finance Company. The key components of an effective ICAAP are discussed below.

a. Board and Senior Management Oversight

The Board and senior management are responsible for understanding the nature and level of risk being taken by the Finance Company and how this risk relates to adequate capital levels. It is also responsible for ensuring that the formality and sophistication of the risk management processes is commensurate with the complexity of its operations. A sound risk management process, thus, is the foundation for an effective assessment of the adequacy of a Finance Company's capital position.

The board of directors of the Finance Company is responsible for setting the Finance Company's tolerance for risks. The board also ensures that management establishes a mechanism for assessing various risks; develops a system to relate these risks to the Finance Company's capital level and sets up a method for monitoring compliance with internal policies. It is equally important that the board instills strong internal controls and thereby an effective control environment through adoption of written policies and procedures and ensures that the policies and procedures are effectively communicated throughout the Finance Company.

b. Sound Capital Assessment

Another crucial component of an effective ICAAP is the assessment of capital. To be able to make a sound capital assessment, the Finance Company should, at minimum, have the following:

- Policies and procedures designed to ensure that the Finance Company identifies, measures, and reports all material risks.
- A process that relates capital to the level of risk.
- A process that states capital adequacy goals with respect to risk, taking account of the Finance Company's strategic focus and business plan and
- A process of internal control, reviews, and audit to ensure the integrity of the overall management process.

c. Comprehensive Assessment of Risk

All material risks faced by the Finance Company should be addressed in the capital assessment process. Nepal Rastra Bank recognizes that not all risks can be measured precisely. However, the Finance Company should develop a process to estimate risks with reasonable certainties. To make a comprehensive assessment of risks, the process should, at minimum, address the following forms of risk.

1. Credit Risk
2. Credit Concentration Risk
3. Operational Risk
4. Market Risk
5. Liquidity Risk

d. Monitoring and Reporting

The Finance Company has established an adequate system for monitoring and reporting risk exposures and assessing how the Finance Company's changing risk profile affects the need for capital. The Finance Company's senior management or board of directors, on a regular basis, receives reports on the Finance Company's risk profile and capital needs. These reports allow senior management to:

- Evaluate the level and trend of material risks and their effect on capital levels.
- Evaluate the sensitivity and reasonableness of key assumptions used in the capital assessment measurement system.
- Determine that the Finance Company holds sufficient capital against the various risks and is in compliance with established capital adequacy goals; and
- Assess its future capital requirements based on the Finance Company's reported risk profile and make necessary adjustments to the Finance Company's strategic plan accordingly.

e. Internal Control Review

The Finance Company's internal control structure is essential to a sound capital assessment process. Effective control of the capital assessment process includes an independent review and, where appropriate, the involvement of internal or external audits. The Finance Company's board of directors has a responsibility to ensure that management establishes a system for assessing the various risks, develops a system to relate risk to the Finance Company's capital level, and establishes a method for monitoring compliance with internal policies. The board should regularly verify whether its system of internal controls is adequate to ensure well-ordered and prudent conduct of business. The bank should conduct periodic reviews of its risk management process to ensure its integrity, accuracy, and reasonableness. Key areas that should be reviewed include:

- Appropriateness of the Finance Company's capital assessment process given the nature, scope, and complexity of its activities.
- Identification of large exposures and risk concentrations.
- Accuracy and completeness of data inputs into the Finance Company's assessment process.
- Reasonableness and validity of scenarios used in the assessment process; and
- Stress testing and analysis of assumptions and inputs.

5.2.2 Quantitative Disclosures

1. Capital Structure & Capital Adequacy

Tier I Capital & Breakdown of Its Components

Particulars	Amount (Rs '000)
Paid up Equity Share Capital	1,351,552.85
Irredeemable Non-cumulative preference shares	-
Share Premium	-
Proposed Bonus Equity Shares	-
Statutory General Reserves	359,480.59
Retained Earnings	174,925.00
Un-audited current year cumulative profit/(loss)	-
Capital Redemption Reserve	166,666.67
Capital Adjustment 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	-
Total Tier I Capital	2,052,625.11

Tier II Capital & Breakdown of Its Components

Particulars	Amount (Rs '000)
Cumulative and/or Redeemable Preference Share	-
Subordinated Term Debt	-
Hybrid Capital Instruments	-
General Loan Loss Provision (limited to 1.65% of total RWE)	231,113.72
Exchange Equalization Reserve	-
Investment Adjustment Reserve	-
Asset Revaluation Reserve	-
Other Reserves	-
Total Tier II Capital	2,283,738.83

Total Qualifying Capital

Particulars	Amount (Rs '000)
Core Capital (Tier I)	2,052,625.11
Supplementary Capital (Tier II)	231,113.72
Total Capital Fund	2,283,738.83

Capital Adequacy Ratio

Tier I and Total Capital Fund of the Finance Company as per Base II as on Ashad 2081 is 12.87% and 14.32% of Risk Weighted Exposures.

2. Risk Exposure**Risk Weighted Exposure for Credit Risk, Market Risk & Operational Risk**

Risk Weighted Exposures	Current Period
Risk Weighted Exposure for Credit Risk	14,298,304.82
Risk Weighted Exposure for Operational Risk	1,192,070.96
Risk Weighted Exposure for Market Risk	-
Adjustments under Pillar II	
ALM policies & practices are not satisfactory, add 1% of net interest income to RWE	-
Add% of the total deposit due to insufficient Liquid Assets	-
Add RWE equivalent to reciprocal of capital charge of 2% of gross income	151,720.70
If overall risk management policies and procedures are not satisfactory. Add 2% of RWE	309,807.52
If desired level of disclosure requirement has not been achieved, Add% of RWE	-
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	15,951,904.00

5.2.3 Compliance With External Requirement

The Finance Company, at all times, has complied with the externally imposed capital requirement.

5.3 Classification of Financial Assets & Financial Liabilities

Financial Assets	Amortized Cost	Fair Value Through Other Comprehensive Income	Fair Value Through Profit or Loss	Total
Cash in Hand	95,965,428	-	-	95,965,428
Balances with B/FIs	269,960,837	-	-	269,960,837
Money at Call and Short Notice	-	-	-	-
Interbank Placement	-	-	-	-
Balance at NRB	838,736,447	-	-	838,736,447
Derivative Financial Instrument	-	-	-	-
Loans & Advances	15,929,569,181	-	-	15,929,569,181
Government Bonds	1,869,265,900	-	-	1,869,265,900

Government Treasury Bills	1,067,318,582	-	-	1,067,318,582
Equity Investments	-	196,034,609	-	196,034,609
Other Assets	31,490,640	-	-	31,490,640
Total	20,102,307,016	196,034,609	-	20,298,341,624

Financial Liabilities	Amortized Cost	Fair Value Through Profit or Loss (FVTPL)		Total
		Held for Trading	Designated at FVTPL	
Deposits from Customers	16,413,518,399	-	-	16,413,518,399
Due to Banks & Financial Institutions	1,204,819,219	-	-	1,204,819,219
Due to Nepal Rastra Banks	603,662,927	-	-	603,662,927
Debt Securities	500,000,000	-	-	500,000,000
Employee Related Liabilities	58,896,997	-	-	58,896,997
Bills Payable	-	-	-	-
Creditors and Accruals	55,958,788	-	-	55,958,788
Interest Payable on Deposit	2,800,998	-	-	2,800,998
Interest Payable on Borrowing	22,822,667	-	-	22,822,667
Unpaid Dividend	-	-	-	-
Liabilities Under Finance Lease	119,082,216	-	-	119,082,216
Other Liabilities	15,761,217	-	-	15,761,217
Total	18,997,323,428	-	-	18,997,323,428

5.4 Operating Segment Information

1. General information

- Factors that management used to identify the entity's reportable segments
-Based on geographical segment
- Description of the types of products and services from which each reportable segment derives its revenues
- Loan & advances to customer and other ancillary services

2. Information about Profit or Loss, Assets and Liabilities

	Particulars/ Provinces						Total
	Koshi	Madhesh	Bagmati	Ganadaki	Lumbini	Sudur Paschim	
(a) Revenues From Customers	405,162,181	68,143,872	1,230,378,718	105,865,110	404,034,571	140,771,866	2,354,356,319
(b) Inter-segment Revenues	-	-	-	-	-	-	-
(c) Net Revenue	405,162,181	68,143,872	1,230,378,718	105,865,110	404,034,571	140,771,866	2,354,356,319
(d) Interest Revenue	390,088,238	65,608,599	1,184,602,829	101,926,429	389,002,580	135,534,489	2,266,763,164
(e) Interest Expense	142,467,342	43,520,816	1,051,060,569	57,417,944	190,118,111	32,696,154	1,517,280,936
(f) Net Interest Revenue	247,620,896	22,087,782	133,542,260	44,508,485	198,884,469	102,838,336	749,482,228
(g) Depreciation and Amortisation	7,555,740	1,270,793	22,944,938	1,974,245	7,534,711	2,625,209	43,905,637
(h) Other Net Expenses	39,481,824	6,640,413	119,896,671	10,316,234	39,371,942	13,717,791	229,424,875
(i) Segment Profit/(Loss)	174,550,365	9,798,114	(88,355,121)	25,415,834	126,017,301	77,450,292	324,876,785
(j) Entity's Interest in the Profit or loss of Associates Accounted for Using Equity Method	-	-	-	-	-	-	-
(k) Other Items:							
Material	-	-	-	-	-	-	-
Non-Cash	-	-	-	-	-	-	-
(l) Provision for Loan Loss	26,032,967	4,378,462	79,055,772	6,802,172	25,960,515	9,045,043	151,274,932
(m) Impairment of Assets	-	-	-	-	-	-	-
(n) Segment Assets	3,654,141,520	614,586,858	11,096,736,491	954,793,199	3,643,971,654	1,269,615,837	21,233,845,560
(o) Segment Liabilities	1,785,692,458	545,491,990	13,174,043,329	719,679,255	2,382,949,478	409,815,149	19,017,671,659

3.Reconciliations of Reportable Segment Revenues, Profit or Loss, Assets and Liabilities

(a) Revenue

Particulars	Amount
Total Revenues for Reportable Segment	2,354,356,319
Other Revenues	-
Elimination of Intersegment Revenues	-
Entity's Revenues	2,354,356,319

(b) Profit or Loss

Particulars	Amount
Total Profit or Loss for Reportable Segments	324,876,785
Other Profit or Loss	-
Elimination of Intersegment Profits	-
Unallocated Amounts:	-
Profit before Income Tax	324,876,785

(c) Assets

Particulars	Amount
Total Assets for Reportable Segments	21,215,004,700
Other Assets	-
Unallocated Amounts	-
Entity's Assets	21,215,004,700

(d) Liabilities

Particulars	Amount
Total Liabilities for Reportable Segments	19,017,671,659
Other Liabilities	-
Unallocated Liabilities	-
Entity's Liabilities	19,017,671,659

4.Information about Products and Services

Revenue from each type of product and services described in point no. 1(b) above

5. Information about Geographical Areas

Revenue from following geographical areas

(A) Domestic	Amount
Koshi Province	486,141,394
Madhesh Province	79,941,200
Bagmati Province	1,105,137,855
Gandaki Province	78,346,996
Lumbini Province	441,865,474
Sudurpaschim Province	162,923,400
Sub Total	2,354,356,319
(B) Foreign	Amount
Total	2,354,356,319

6. Information about Major Customers

Revenue from a single external customer doesnot exceed 10 percent or more of the entity's revenue

5.5 Share Options and Share Based Payment

The financial institution does not have any share option and share based payment.

5.6 Contingent Liabilities and Pending Legal Cases

Pending Legal Cases

At the end of Ashadh, 2081, administrative review against the tax assessed by Inland Revenue Office under Section 101 for F.Y. 2073/74, 2074-75 are 2075-76 are yet to be decided.

Contingent Liabilities

Where the financial institution undertakes to make a payment on behalf of its customers for guarantees issued 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"

Commitments

Where the financial institution 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 and the Bank has not made payments at the reporting date, those instruments are included in these financial statement as commitments"Details of contingent liabilities and commitments are presented in note 4.28

5.7 Related Parties Disclosures

Following has been identified as Related Parties for the financial institution under NAS 24 Related Parties:

- Directors
- Key Management Personnel of the Bank
- Relatives of Directors and Key Managerial Personnel

31st Ashadh 2081 Directors	31st Ashadh 2080 Directors
Mr. Yadav Adhikari	Mr. Yadav Adhikari
Ms. Indira Pandit (Ghimire)	Ms. Indira Pandit (Ghimire)
Mr. Suman Prasad Adhikari	Mr. Suman Prasad Adhikari
Mr. Satish Gautam	Mr. Dil Man Singh Chand
Mr. Ram Hari Sharma	Mr. Arun Neupane
Mr. Dipak Thapa	Mr. Chinta Mani Gautam
Mr. Arun Neupane	Mr. Ram Hari Sharma

Key Managerial Personnel	Key Managerial Personnel
Mr. Tej Raj Timilsina, CEO	Mr. Narayan Subedi, CEO
Mr. Padam Thakulla, DCEO	Mr. Tej Raj Timilsina, DCEO

Transaction During the Year

Particulars	31st Ashadh 2081	31st Ashadh 2080
Directors		
Directors Sitting Fees	-	-
Interest Paid to Directors on Deposits	4,379,459	4,060,021
Other Directors' Expenses (If Any)	-	-
Total	4,379,459	4,060,021
Key Management Personnel		
Remuneration and Benefit Paid	11,214,256	16,423,852
Chief Executive Officer (CEO)		
(a) Mr. Narayan Subedi, CEO (till 2080/09/16)	3,735,340	
(b) Mr. Tej Raj Timilsina , CEO (effective from 2080/09/17)	3,338,949	
Deputy Chief Executive Officer (DCEO)		
(a) Mr. Tej Raj Timilsina (till 2080/09/16)	2,229,541	
(b) Mr. Padam Thakulla (effective from 2080/11/06)	1,910,426	
Post-Retirement Benefits	-	-
Other Long-term Benefits	-	-
Borrowing During the Year	15,011,968	-
Interest on Borrowing	305,099	-
Interest on Account Balances	239,715	780,991
Other Transactions Benefits, if Any	-	-
Total	26,771,039	17,204,843

Reporting Date Balances

Particulars	31st Ashadh 2081	31st Ashadh 2080
Directors Deposits	65,784,429.33	40,300,917.96
KMP Deposits	3,483,049.45	10,664,358.99
Borrowings	-	-
Other Receivable Payables, if Any	-	-
Total	69,267,478.78	50,965,276.95

5.8 Merger and Acquisition

The financial institution has not undertaken any mergers and acquisition during the year.

5.9 Additional Disclosures of Non-Consolidated Entities

Not Applicable

5.10 Disclosure Related to ROU Asset and Lease Liability

As per NFRS-16, the Financial Institution has recognised the Right to Use Assets and Liability under Finance Lease. Right to Use Assets and Liability under Finance Lease is defined as present value of lease rent to be paid over the lease term. Right to use Assets(ROU Assets) is shown as discounted value of rent payment after deduction of depreciation where as Liabilities under Lease revised over the lease period. As per NFRS-16 "Leases", The recognition, impact and maturity are as presented below:

FY 2080-81

Particulars	ROU Assets	Liabilities Under Lease
Recognised at Shrawan 1	113,155,166	119,082,216
Add : Addition During the Year	40,055,790	40,055,790
Less : Depreciation	(17,902,062)	-
Add : Interest on Lease	-	7,956,900
Less : Lease Payment	-	(27,664,460)
Balance on Ashadh End	135,308,894	139,430,446

FY 2079-80

Particulars	ROU Assets	Liabilities Under Lease
Recognised at Shrawan 1	103,481,761	107,258,301
Add : Addition During the Year	29,607,194	29,607,194
Less : Depreciation	(19,933,789)	-
Add : Interest on Lease	-	6,843,275
Less : Lease Payment	-	(24,626,554)
Balance on Ashadh End	113,155,166	119,082,216

Maturity of Lease Liability

Particulars	31st Ashadh 2081	31st Ashadh 2080
Below 1 Year	-	-
From 1 Year to 5 Years	98,626,247	81,397,725
Above 5 Years	40,804,199	37,684,491
Total	139,430,446	119,082,216

5.11 Events after Reporting Date

"The financial institution monitors and assess events that may have potential impact to qualify as adjusting and / or non-adjusting events after the end of the reporting period. All adjusting events are adjusted in the books with additional disclosures and non-adjusting material events are discloses in the notes with possible financial impact, to the extent ascertainable. There are no material events that have occurred subsequent to the year end till the signing of these financial statements."

Manjushree Finance Limited

COMPARISON OF STATEMENT OF FINANCIAL POSITION

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	Notes	As per Unaudited 31 Ashadh 2081	As per Audited 31 Ashadh 2081	Variance		Reasons for Variance
				In Amount	%	
Assets						
Cash and Cash Equivalent	4.1	365,926,264.80	365,926,265	0	-	
Due from Nepal Rastra Bank	4.2	838,736,447.26	838,736,447	-	-	
Placement with Bank and Financial Institutions	4.3	-	-	-	-	
Derivative Financial Instruments	4.4	-	-	-	-	
Other Trading Assets	4.5	-	-	-	-	
Loan and Advances to B/FIs	4.6	1,327,368,635.15	1,327,368,635	-	-	
Loans and Advances to Customers	4.7	14,249,009,788.16	13,999,297,975	249,711,813	1.8	Adjustment of staff loan as per NFRS and AIR on loans to customers
Investment in Securities	4.8	4,132,619,091.13	4,132,619,091	-	-	
Current Tax Assets	4.9	13,244,722.80	32,427,270	(19,182,547)	-	Due to change in profit
Investment in Subsidiaries	4.10	-	-	-	-	
Investment in Associates	4.11	-	-	-	-	
Investment Property	4.12	63,520,365.78	63,520,366	-	-	
Property and Equipment	4.13	225,421,699.99	225,421,700	-	-	
Goodwill and Intangible Assets	4.14	3,040,944.85	3,040,945	-	-	
Deferred Tax Assets	4.15	17,747,388.55	18,840,859	(1,093,471)	(6.2)	Recalculated
Other Assets	4.16	45,213,811.00	226,646,007	(181,432,196)	(401.3)	Adjustment of staff loan as per NFRS and AIR on customer loans
Total Assets		21,281,849,159	21,233,845,560	48,003,600		
Liabilities						
Due to Bank and Financial Institutions	4.17	1,301,014,750	1,204,819,219	96,195,531.1	7.4	Regrouping
Due to Nepal Rastra Bank	4.18	603,662,927	603,662,927	-	-	
Derivative Financial Instruments	4.19	-	-	-	-	
Deposit from Customers	4.20	16,317,800,995.75	16,413,518,399	(95,717,403.4)	(0.6)	Regrouping
Borrowings	4.21	-	-	-	-	
Current Tax Liabilities	4.9	-	-	-	-	
Provisions	4.22	-	-	-	-	
Deferred Tax Liabilities	4.15	-	-	-	-	
Other Liabilities	4.23	278,262,953	295,671,113	(17,408,159.9)	(6.26)	Regrouping of AIP
Debt Securities Issued	4.24	523,737,640	500,000,000	23,737,639.7	4.5	Regrouping of AIP
Subordinated Liabilities	4.25	-	-	-	-	
Total Liabilities		19,024,479,266	19,017,671,659	6,807,607		
Equity						
Share Capital	4.26	1,351,552,848.80	1,351,552,849	-	-	
Share Premium		-	-	-	-	
Retained Earning		107,618,924	174,925,005	(67,306,080)	(62.5)	Due to change in profit, AIR recovered till Shrawan end (Considered till Shrawan 16th in unaudited) and allocation of profit
Reserves	4.27	798,198,120	689,696,048	108,502,072	13.6	As above
Total Equity Attributable to Equity Holders		2,257,369,893	2,216,173,901	41,195,992	(48.9)	
Non-controlling Interests		-	-	-	-	
Total Equity		2,257,369,893	2,216,173,901	41,195,992	(48.9)	
Total Liabilities and Equity		21,281,849,158	21,233,845,561	48,003,600	(49.9)	
Contingent Liabilities and Commitment	4.28	300,000	300,000	-	-	
Net Assets Value per Share		167.02	163.97	3.05	1.8	

Manjushree Finance Limited

COMPARISON OF STATEMENT OF PROFIT OR LOSS

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	Notes	As per Unaudited 2080-81	As per Audited 2080-81	Variance Amount	%	Reasons for Variance
Interest Income	4.29	2,272,591,023	2,266,763,164	5,827,859.12	0.26	Due to adjustment of staff loan as per NFRS, change in AIR due to change in classification of loans
Interest Expense	4.30	(1,517,268,574)	(1,517,280,936)	12,361.66	(0.00)	Interest on debenture
Net Interest Income		755,322,449	749,482,228	5,840,220.79	0.77	As above
Fees and Commission Income	4.31	87,593,155	87,593,155	-	-	
Fees and Commission Expense	4.32	-	-	-	-	
Net Fee and Commission Income		87,593,155	87,593,155	-	-	
Net Interest Fee and Commission Income		842,915,604	837,075,383	5,840,220.79	0.69	As above
Net Trading Income	4.33	-	-	-	-	
Other Operating Income	4.34	9,625,195	10,974,098	(1,348,902.14)	(14.01)	Dividend from mutual funds
Total Operating Income		852,540,799	848,049,481	4,491,318.65	0.53	As above
Impairment Charge/(Reversal) for Loans and Other Losses	4.35	91,687,408	151,274,932	(59,587,523.16)	(64.99)	Due to increase in impairment charge
Net Operating Income		760,853,391	696,774,549	64,078,841.81	8.42	Due to above adjustments
Operating Expenses						
Personal Expense	4.36	229,938,053	226,233,440	3,704,613.14	1.61	Due to interest on staff loan and change in staff bonus considering above changes
Other Operating Expenses	4.37	77,893,000	77,834,191	58,809.49	0.08	CSR expense and adjustment of error in expense booking for the year
Depreciation and Amortisation	4.38	43,905,637	43,905,637	0.00	0.00	
Operating Profit		409,116,701	348,801,281	60,315,419.19	14.74	
Non Operating Income	4.39	-	-	-	-	
Non Operating Expense	4.40	23,924,497	23,924,497	-	-	
Profit Before Share of Results of Associates & Joint Ventures		385,192,204	324,876,785	60,315,419.19	15.66	Due to above adjustments
Share of Results of Associates & Joint Venture		-	-	-	-	
Profit Before Income Tax		385,192,204	324,876,785	60,315,419.19	15.66	Due to above adjustments
Income Tax Expense	4.41	119,372,038	100,261,421	19,110,617.24	16.01	Due to above adjustments and disallowed expenses
Current Tax		119,552,659	101,535,512	18,017,146.64	15.07	Due to above adjustments
Deferred Tax Income		(180,620)	(1,274,091)	1,093,470.60	(605.40)	Recalculation of deferred tax
Profit for the Period		265,820,166	224,615,364	41,204,801.94	15.50	Due to above adjustments
Profit Attributable to:						
Equity Holders of the Bank		265,820,166	224,615,364	41,204,801.94	15.50	
Non-Controlling Interest		-	-	-	-	
Profit for the Period		265,820,166	224,615,364	41,204,801.94	15.50	
Earnings per Share:						
Basic earnings per share		19.67	16.62	16.62		
Diluted earnings per Share		19.67	16.62	16.62		

Manjushree Finance Limited

COMPARATIVE STATEMENT OF OTHER COMPREHENSIVE INCOME

As on 31st Ashadh, 2081 (July 15, 2024)

Particulars	Notes	As per Unaudited 2080-81	As per Audited 2080-81	In Amount	Changes %	Reasons for Variance
Profit for the Period		265,820,166	224,615,364	41,204,802	15.50	Due to change in net profit
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		(1,822,451.05)	(1,822,451)	-	-	Due to revaluation of investment securities
• Gains/(Losses) on Revaluation		-	-	-	-	-
• Actuarial Gain/(Losses) on Defined Benefit Plans		-	-	-	-	-
• Income Tax Relating to Above Items		546,735	546,735	-	-	-
Net Other Comprehensive Income that Will not be Reclassified to Profit or Loss		(1,275,716)	(1,275,716)	-	-	-
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 Period, Net of Income Tax		(1,275,716)	(1,275,716)	-	-	-
Total Comprehensive Income for the Period		264,544,450	223,339,648	41,204,802	15.50	Due to above
Total Comprehensive Income Attributable To:						
Equity Holders of the Bank		264,544,450	223,339,648	41,204,802	15.58	As above
Non-Controlling Interest		-	-	-	(0)	(0)
Total Comprehensive Income for the Period		264,544,450	223,339,648	41,204,802	15.50	Due to above

Other Disclosures

Corporate Social Responsibility Fund

NRB Directive 6 requires BFIs to create Corporate Social Responsibility Fund and appropriate an amount equivalent to 1% of net profit annually into this fund for covering expenditure related to CSR activities in the subsequent year. Accordingly, the institution had opening reserve of NPR 13,089,750. This year, the institution has also appropriated 1% of net profit i.e. Rs. 2,246,154 and utilized Rs. 8,811 for CSR activities during the year. Therefore, amount of CSR Fund at end of the year is NPR 15,327,093 which is shown under Other Reserve in Statement of Changes in Equity.

Particulars	31st Ashadh 2081	31st Ashadh 2080
Opening CSR Fund	13,089,750	10,825,947
Add : 1% of profit this year	2,246,154	2,469,992
Less : CSR Expenses	8,811	206,188
Closing CSR Fund	15,327,093	13,089,750

Employee's Training Fund

The financial institution has incurred Rs. 29,49,709 towards training and development of employees during the year. As per NRB Directives, minimum required expense towards training & development calculated as 3% of salary and allowance expense of previous year is Rs. 3,135,306. Hence, shortfall amount of Rs. 185,598 has been transferred to employee's training fund.

Particulars	31st Ashadh 2081	31st Ashadh 2080
Opening Training Fund	-	-
Add : 3% of Last Year Staff Expenses	3,135,306	2,821,923
Actual Staff Training Expenses	2,949,709	(3,143,767)
Closing Training Fund	185,598	-

Non Performing Assets

The Finance's non performing assets stood at 3.22% as at balance sheet date. Total non performing assets as at Balance sheet date is Rs. 500,808,858 and loan loss provision calculated as per NRB Directives is Rs. 371,788,850.

Particulars	31st Ashadh 2081	31st Ashadh 2080
Performing Loan	15,033,355,173	11,906,656,244
Good	13,718,790,456	11,165,043,568
Watch List	1,314,564,718	741,612,676
Non-Performing Loan (NPL)	500,808,858	401,435,649
Sub Standard	108,383,534	79,498,422
Doubtful	92,089,266	172,676,982
Bad	300,336,058	149,260,246
Gross Loans and Advances	15,534,164,032	12,308,091,894

Loan Loss Provision Calculated as per NRB Directives

Particulars	31st Ashadh 2081	31st Ashadh 2080
Performing Loan	231,113,721	196,412,562
Good	164,625,485	145,145,566
Watch List	66,488,236	51,266,995
Non-Performing Loan (NPL)	371,788,850	255,473,342
Sub Standard	27,095,884	19,874,605
Doubtful	46,044,633	86,338,491
Bad	298,648,333	149,260,246
Total Loan Loss Provision	602,902,571	451,885,903

Non Banking Assets

Non-Banking Assets are the assets obtained as security for loans & advances and subsequently taken over by the fiancne in the course of loan recovery. Such assets are booked at fair market value or total amount due from the borrower, whichever is lower.

Particulars	Date of Assuming of Non Banking Assets	Total Non Banking Assets
Raju Prasad Yadav	2081/2/24	1,200,000
Laxmi Nepali Sarki	2081/2/30	5,000,000
Pramila Kumari Barai	2081/3/6	3,100,000
Roman Traders	2081/3/28	8,055,837
Mamina Darai	2081/3/29	4,917,130
Masina Damai	2081/3/29	1,735,593
Durga Dharikar	2081/3/32	2,893,306
Tulsi Chaudhary	2081/3/31	8,618,399
Akhilesh Ray Rajput	2081/3/31	2,413,101
Himalaya Traders	2081/3/31	13,981,373
Himalaya Thapa Magar	2081/3/31	8,575,627
Shuva Gangajal Traders	2081/3/31	3,030,000
Total		63,520,366

Disposal of NBA During the Year

Name of Borrower	NBA Amount	Disposal Amount
Anmol Fashion	13,406,000	14,000,000
New Ishwori Books	25,905,880	25,905,880
Total	39,311,880	39,905,880

Gain/Loss on Disposal of NBA

1. Anmol Fashion

Particular	Amount
NBA Amount	13,406,000
Disposal Amount	14,000,000
Gain on Disposal of NBA	594,000

Adjustment for AIR & Interest Recovered Till Shrawan 32, 2081

At the end of the year, total AIR on loan except bad loan was Rs. 219,337,444. Amount of incremental AIR from the end of previous year of Rs. 28,825,301 has been added to the interest income.

As per requirements of the NRB Directives, Rs. 14,976,256 has been transferred to retained earning from regulatory reserve as the total amount of regulatory reserve to be made due to AIR is Rs. 89,177,410 , which was Rs. 10,41,53,665. Interest recovered till shrawan end, 2081 amounting to Rs.7,77,86,000 has been adjusted as per the NRB directive to determine the amount regulatory reserve due to AIR.

Additional Disclosures:

1. Refinance Loan and Business Continuity

Particulars	No. of Customers	Amount
Refinance Loan	-	-
Business Continuity Loan	-	-

2. Subsidized Loan

Particulars	No. of Customers	Amount
Subsidized Loan	9	4,638,711

3. Loan Written off

During the year, following loans are written off with due approval of the Board of Directors

Borrower Name	Principal Written off
Keshab bahadur Thapa	2,976,366.81
Anmol Fashion	3,192,342.36
Raju Prasad Yadav	877,572.44
Reshab Travels & Tours Pvt.Ltd.	368,000.00
Dipak Lama	933,454.15
Bhairab Kunda Hydropower	6,596,206.85
Total	14,943,942.61



नेपाल राष्ट्र बैंक वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/मञ्जुश्री/०८१/८२
च.नं. : १७२



केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं
फोन नं.: ९७७ ०१
४४१०१५८
Site: www.nrb.org.np
Email: nrdbdsd@nrb.org.np

मिति: २०८१/०९/०१

श्री मञ्जुश्री फाइनेन्स लिमिटेड
नयाँ बानेश्वर, काठमाण्डौ ।

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

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०८०/८१ को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैर स्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शोयरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित एवं कार्यान्वयन गर्ने गरी संस्थाले प्रस्ताव गरे अनुसार आर्थिक वर्ष २०८०/८१ सम्मको नियमनकारी समायोजन पछिको वितरणयोग्य मुनाफा रु.१७,४९,२५,००५।०० बाट २०८१ असार मसान्तमा कायम रहेको चुक्ता पुँजी रु.१,३५,१५,५२,८४८।८० को ६.३५ प्रतिशतले हुन आउने रकम (कर सहित) रु.८,५८,२३,६०५।९० (अक्षरेपी आठ करोड अन्ठाउन्न लाख तेइस हजार छ सय पाँच रुपैया र पैसा नब्बे मात्र) बराबरको नगद लाभांश अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्न स्वीकृति प्रदान गरिएको ब्यहोरा निर्णयानुसार अनुरोध छ ।

- (क) कर्जा प्रवाह पश्चात् अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
(ख) कर्जा सूचना तथा कालोसूची सम्बन्धी नियामकीय व्यवस्थाको पूर्णपालना गर्नुहुन ।
(ग) कर्जा व्यवस्थापन, ग्राहक पहिचान (KYC), सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

(अमृत बहादुर बुढार्थकी)
उप निर्देशक

बोधार्थ :

- श्री नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग ।
- श्री नेपाल राष्ट्र बैंक, वित्तीय संस्था सुपरिवेक्षण विभाग, कार्यान्वयन इकाई-१ ।

नेपाल राष्ट्र बैंकबाट प्राप्त वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धी निर्देशनको प्रतिउत्तर सम्बन्धमा:

नेपाल राष्ट्र बैंक, वित्तीय संस्था सुपरिवेक्षण विभागको पत्र संख्या वि.सं.सु.वि./गैरस्थलगत/ मञ्जुश्री/०८१/८२ च.नं. १७५, मिति २०८१/०९/०१ को पत्र अन्तरगत यस वित्तीय संस्थाको आ.व. २०८०/८१ को वार्षिक वित्तीय विवरण प्रकाशन गर्न प्राप्त स्विकृत पत्रमा उल्लेखित निर्देशनहरूको सम्बन्धमा यस संस्थाको मिति २०८१/०९/०३ मा भएको संचालक समितिको २८८औं बैठकको निर्णय बमोजिम देहाय अनुसारको प्रतिउत्तर पेश गरिएको व्यहोरा जानकारीको लागि अनुरोध छ।

१. निर्देशन नं. (क) का सम्बन्धमा: तहाँको निर्देशन बमोजिम यस संस्थाले प्रवाह गर्ने कर्जाहरू प्रवाह पश्चात अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्ने व्यवस्था मिलाईएको व्यहोरा जानकारीको लागि अनुरोध छ।
२. निर्देशन नं. (ख) का सम्बन्धमा: तहाँको निर्देशन बमोजिम कर्जा सूचना तथा कालोसूची सम्बन्धी नियामकीय व्यवस्थाको पूर्ण पालना गर्न यस संस्था सदैव सजग, सचेत र प्रतिबद्ध रहने व्यहोरा जानकारीको लागि अनुरोध छ।
३. निर्देशन नं. (ग) का सम्बन्धमा: तहाँको निर्देशन बमोजिम कर्जा व्यवस्थापन, ग्राहक पहिचान (पत्र), सञ्चालन जोखिम लगायतका विषयमा आन्तरिक लेखापरीक्षक, वाह्य लेखापरीक्षक तथा तहाँ बैंकबाट औल्याएका कैफियतहरूलाई पुनः नदोहोरिने गरि कार्य गर्न आवश्यक व्यवस्था मिलाईएको व्यहोरा जानकारीको लागि अनुरोध छ।

मञ्जुश्री फाइनेन्स लिमिटेड

वित्तीय ऋलकहरू
कम्तीमा विगत ५ वर्षको परिसूचकहरू

विवरण	सूचकांक	आ.व. २०८०/०८१	आ.व. २०७९/०८०	आ.व. २०७८/०७९	आ.व. २०७७/०७८	आ.व. २०७६/०७७
१. खुद नाफा/कूल आम्दानी प्रतिशत	प्रतिशत	९.५०	११.३९	८.०९	५१.८६	४१.७०
२. प्रति शेयर आम्दानी	रु	१६.६२	१८.२८	८.०९	५१.५१	३४.२८
३. प्रति शेयर वजार मूल्य	रु	६०२.९०	५५०.००	४४७.००	१,२८०.००	३०८.००
४. मूल्य आम्दानी अनुपात (PE Ratio)	अनुपात	३६.२८	३०.१०	५५.२५	२१.९१	८.९८
५. शेयर पूंजीमा लाभांश (वोनस सहित)	प्रतिशत	-	-	-	४६.००	२३.५०
६. शेयर पूंजीमा नगद लाभांस भुक्तानी	प्रतिशत	६.३५%	५.२६३%	-	६.००	५.५०
७. व्याज आम्दानी/कर्जा तथा सापट	प्रतिशत	१२.४२	१४.६१	१२.७९	११.४९	१५.५३
८. कर्मचारी खर्च/कूल सञ्चालन खर्च	प्रतिशत	६५.०१%	६१.४१%	५५.०३	६७.०१	६६.४४
९. कूल निक्षेप तथा सापटीमा व्याज खर्च	प्रतिशत	८.१०	९.६८	८.९०	६.३७	९.२०
१०. सटही घटबढ आम्दानी/कूल आम्दानी	प्रतिशत	-	-	-	-	-
११. कर्मचारी बोनस/कूल कर्मचारी खर्च	प्रतिशत	१५.९६	२०.४०	९.५०	४५.९२	२७.०३
१२. खुद नाफा/कर्जा सापट	प्रतिशत	१.४१	१.९४	१.०२	६.०१	३.६७
१३. खुद नाफा/कूल सम्पत्ति	प्रतिशत	१.०६	१.४६	०.७२	३.६३	२.८५
१४. कूल कर्जा/निक्षेप	प्रतिशत	८५.०८	८७.२३	८७.९२	८४.४३	९१.६४
१५. कूल सञ्चालन खर्च/कूल सम्पत्ति	प्रतिशत	१.६४	१.८६	१.०२	१.८७	२.६२
१६. जोखिम भारित सम्पत्ति पूंजीकोषको पर्याप्तता						
(क) प्राथमिक पूंजी	प्रतिशत	१२.८७	१४.०३	१३.२९	२१.६३	१५.८९
(ख) पुक पूंजी	प्रतिशत	१.४५	३.९८	४.७६	७.८१	०.९४
(ग) कूल पूंजी कोष	प्रतिशत	१४.३२	१८.०१	१८.०६	२९.४४	१६.८३
१७. निष्कृत कर्जा/कूल कर्जा	प्रतिशत	३.२२	३.२६	२.११	२.०१	३.३६
१८. आधार ब्याजदर (Base Rate)	प्रतिशत	११.१६	१२.३४	११.९९	८.९८	१०.६७
१९. ब्याजदर अन्तर (Weighted Average Interest Rate Spread)	प्रतिशत	४.५९	४.५८	३.६१	४.१८	४.५१
२०. बुक नेटवर्थ	रु	२,२१६,१७३,९०१	२,०६३,९६६,४८०	१,८०८,१५३,१९८	१,७५५,३९९,४३३	१,३०३,३२१,६७३
२१. कूल शेयर	संख्या	१३,५१५,५२८.४८८	१३,५१५,५२८.४८८	१३,५१५,५२८.४९	९,६५३,९४८.९२	८,१८१,३१२.६४
२२. कूल कर्मचारी	संख्या	२४५	२४०	२५८	१७३	१४७

MANAGEMENT TEAM



Mr. Tej Raj Timilsina
Chief Executive Officer



Mr. Padam Thakulla
Deputy Chief Executive Officer



Mr. Ganesh Khatri
Chief Business Officer



Mr. Shambhu Kumar Raut
Chief Credit Officer



Mr. Bikash Raj Shakya
Chief Operating Officer/
Company Secretary



Mr. Sreedhar Bhandari
Chief Legal Officer



Mr. Sunil Jung Shahi
Head, IT



Mr. Manoj Gautam
Head, HO Credit



Mr. Achyut Sapkota
Chief Finance Officer



Mrs. Sangeeta Dangol
Chief Risk Officer



Mrs. Sharmila Kayastha
Head, Human Resource



Mr. Chandra Prakash Khatri
Head, Internal Audit



Mrs. Shweta Pande
Head, Compliance



Mrs. Priska Thapa
Head, Marketing



Mr. Uttam Shrestha
Head, Credit Operations



Mr. Sunil Neupane
Head, Credit Recovery

Serving From 27 Branches & 1 Extension Counter Across Nepal

Koshi Province
Biratchowk
Biratnagar
Dharan
Inaruwa
Itahari
Jhumka

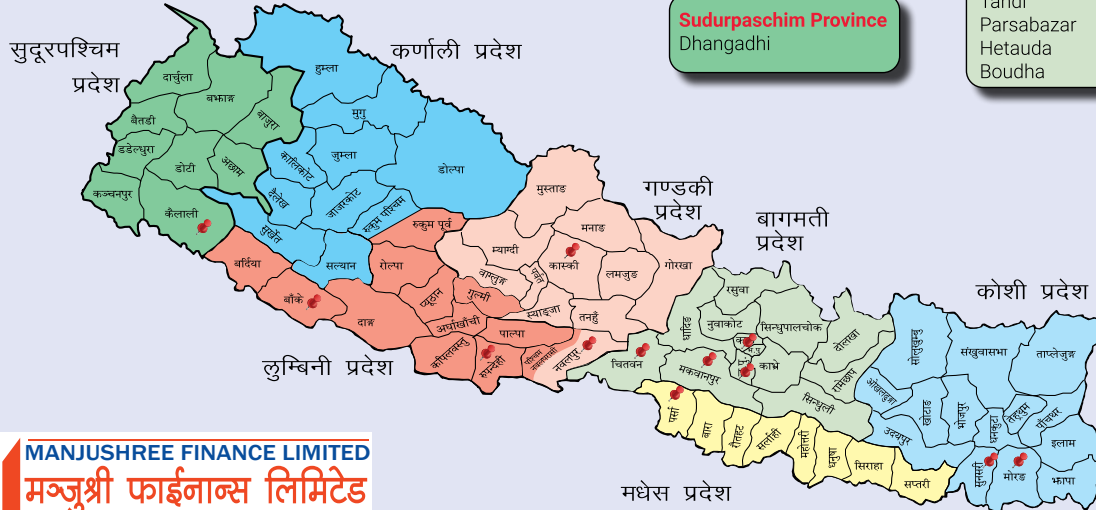
Lumbini Province
Nepalgunj
Butwal
Manigram
Yogikuti
Bhairahawa
Murgiya

Madhesh Province
Birgunj

Gandaki Province
Pokhara
Gaindakot

Sudurpaschim Province
Dhangadhi

Bagmati Province
New Baneshwor
New Road
Chabahil
Gongabu
Kalanki
Kumaripati
Narayanghat
Bharatpur
Tandi
Parsabazar
Hetauda
Boudha



नेपाल राष्ट्र बैंकबाट 'ग' वर्गको इजाजतपत्र प्राप्त संस्था

Omkar Building (2nd, 3rd Floor), New Baneshwor, Kathmandu, Nepal
GPO. Box: 23170, Tel: 977 01 4792517, Fax: 977 01 4792534
Email: info@manjushreefinance.com.np, www.manjushreefinance.com.np

Branch Network

<p>Main Branch New Baneshwor-Kathmandu 01-4792517/4794170</p>	<p>Narayangarh Branch Kamalnagar Chowk, Narayangharh- Chitwan 056-596034/596434/596934</p>	<p>New Road Branch New Road-Kathmandu 01-5322103/157</p>	<p>Butwal Branch Palpa Road, Butwal-Rupendehi 071-535913/5914</p>
<p>Dhangadhi Branch Bus Park, Dhangadhi, Kailali 091-526866</p>	<p>Itahari Branch Dharan Road Line, Sunsari 025-584286</p>	<p>Biratnagar Branch Mahendra Chowk, Morang 021-511194/95</p>	<p>Nepalgunj Branch Surkhet Road, Banke 081-537508/509</p>
<p>Dharan Branch Mahendra Path, Dharan 025-535238/537662</p>	<p>Pokhara Branch New Road, Pokhara 061-574213/214</p>	<p>Birgunj Branch Adarsha Nagar, Birgunj 051-532037</p>	<p>Murgiya Branch Murgiya, Rupendhi 071-440122/440123</p>
<p>Yogikuti Branch Yogikuti, Rupendehi 071-438563/438564</p>	<p>Manigram Branch Manigram, Rupendhi 071-562887/562987</p>	<p>Bhairahawa Branch Barmelitol, Rupendhi 071-590971/590972</p>	<p>Gaindakot Branch Congress chowk, Gaindakot 078-502315/316</p>
<p>Bharatpur Branch Hakimchowk, Chitwan 056-590134/234</p>	<p>Tandi Branch Tandi, Chitwan 056-490026/27</p>	<p>Parsa Bazar Branch Parsa Bazar, Chitwan 056-582961/962</p>	<p>Inaruwa Branch Inaruwa, Sunsari 025-590031/032</p>
<p>Jhumka Branch Jhumka, Sunsari 025-562169</p>	<p>Biratchowk Branch Biratchowk, Morang 021-547115/116</p>	<p>Chabahil Branch Chabahil, Kathmandu 01-5916559/60</p>	<p>Gongabu Branch Gongabu, Kathmandu 01-5912032/33</p>
<p>Kalanki Branch Kalanki, Kathmandu 01-5224022/4034</p>	<p>Hetauda Branch Hetauda, Makwanpur 057-590044/55</p>	<p>Kumaripati Branch Kumaripati, Lalitpur 01-5912072/74</p>	<p>Boudha Extension Counter Boudha, Kathmandu 01-5923038</p>