



ANNUAL REPORT
2081/82

TOWARDS RESILIENCE

"Access to All"



गरीमा विकास बैंक लिमिटेड
Garima Bikas Bank Limited

नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्रप्राप्त संस्था

The Annual Report of **Garima Bikas Bank Limited** for FY 2081/82 includes the audited financial statements, notes to the accounts, and all required statutory disclosures, providing a transparent overview of the Bank's financial performance and position.

ANNUAL REPORT FY 2081/82



ABOUT REPORT

This Annual Report of Garima Bikas Bank for the fiscal year 2081/82 provides a comprehensive and transparent overview of the Bank's financial performance, position, and strategic direction. This report includes audited financial statements, notes to the accounts, and all required statutory disclosures, offering a thorough representation of the Bank's financial health with detailed disclosures of both financial and non-financial factors. It presents an integrated view of the Company's operational performance, governance framework, strategic priorities, risk management practices, and sustainability initiatives, alongside consolidated financial statements and disclosures for the Group.

In line with our commitment to accountability, transparency, reliability, and sustainability, this report highlights the Bank's ongoing efforts to maintain proactive leadership in the development banking sector. It covers key business activities, performance outcomes, and significant developments during the reporting period, providing stakeholders with relevant, reliable, and decision-useful information. This ensures a clear understanding of how Garima Bikas Bank creates and sustains long-term value while maximizing stakeholder wealth.

ABOUT GBBL

Garima Bikas Bank Limited, a prominent name in Nepal's financial landscape, began its journey on 18 Kartik 2064 with a paid-up capital of NPR 26.5 million. Initially, it operated as a regional-level development bank headquartered in Waling, Syangja, with its service footprint covering three districts: Syangja, Palpa, and Kaski.



Recognizing the need for broader outreach, the Bank strategically expanded its operational area to ten districts on 20 Chaitra 2068. However, this expansion also brought challenges related to service distribution and accessibility. To overcome these hurdles and fulfill its commitment to "Access to All" Garima Bikas Bank took a significant step forward by transitioning into a national-level development bank. This pivotal decision paved the way for strategic mergers that strengthened the Bank's position and operational capabilities.

On 29 Asadh 2072, Garima Bikas Bank successfully merged with Nilgiri Bikas Bank Limited, a move that augmented its capital base, expanded its branch network, and enhanced operational efficiency. This consolidation was further strengthened by the merger with Subechha Bikas Bank Limited on 4 Aswin 2073.

The Bank's growth momentum continued with the acquisition of Sahara Bikas Bank Limited on 28 Kartik 2078. This strategic acquisition significantly strengthened Garima Bikas Bank's presence in Madhesh Province, broadening its reach and reinforcing its position as a leading financial institution in the region.

Present Scenario

BUILDING A RESILIENT NETWORK FOR CUSTOMER CONVENIENCE

Today, Garima Bikas Bank Limited stands as a strong and dynamic financial institution, steadily advancing toward greater resilience while offering a comprehensive range of banking services to a diverse customer base across Nepal. The Bank's Head Office is strategically located in Lazimpat, Kathmandu.

With a robust network of 125 branches, 1 extension counter, and 51 strategically located ATMs, the Bank ensures convenient and accessible financial services to customers nationwide.

SUBSIDIARY OF THE BANK

Garima Bikas Bank holds a 51.2 percent majority stake in Garima Capital Limited, making it a subsidiary. This strategic investment enables the Bank to diversify beyond traditional banking into merchant banking, portfolio management, mutual funds, and depository services.

Garima Capital Limited plays a key role in expanding the Bank's financial offerings and strengthening its market presence.

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STRATEGIC REPORT

The Strategic Report provides an overview of Garima Bikas Bank Ltd.'s key priorities, business performance, and long-term direction. It highlights the Bank's strategic objectives, operating environment, risk management approach, and value creation initiatives, demonstrating how the Bank is strengthening its competitive position while ensuring sustainable growth, responsible banking, and lasting value for stakeholders.



125 BRANCHES

Operating through 125 branch offices and 1 extension counter, the Bank ensures accessible, reliable banking services across key regions of Nepal.



92.68

DEPOSIT (RS. IN BILLION)

21.96

ANNUALIZED EPS (IN RS.)

VISION

To be the leading development bank of Nepal by providing banking **"Access to All"**.

MISSION

To contribute the nation for the economic development, serve the customers by providing financial access and quality banking products and services, maximize the value of the shareholders' wealth, provide excellent growth opportunities to the employees and meet the expectations of other stakeholders.

CORE VALUES

INTEGRITY

We uphold the highest standards of honesty and ethical conduct in every action and decision, building trust with our customers, employees, and stakeholders.

TEAMWORK

We believe in collaboration and collective effort, working together across all levels to achieve shared goals and drive organizational success.

CUSTOMER ORIENTED

We place our customers at the heart of everything we do, striving to understand their needs and deliver solutions that exceed their expectations.

PROFESSIONALISM

We demonstrate competence, accountability, and respect in every interaction, ensuring consistent quality and excellence in our services.

COMMUNITY FOCUSED

We are committed to contributing positively to the communities we serve, promoting inclusive growth and sustainable development.

RESILIENT BANKING

THE STRATEGIC FOCUS OF GARIMA BIKAS BANK LIMITED

In today's volatile economic environment with rapid digital changes and evolving customer expectations, Garima Bikas Bank Limited has positioned itself as a strong and resilient financial institution committed to sustainable growth and long-term stability. Resilient banking, in this context, means maintaining proactive risk management, strong capital, careful credit appraisal, diversified loan portfolio, and full compliance with regulatory guidelines. By strengthening governance, improving internal controls, and safeguarding asset quality, the Bank

ensures smooth operations even during economic challenges. It's focus on digital transformation and robust asset-liability management reflects a long-term vision built on trust and stability.

Beyond financial performance, Garima Bikas Bank Limited builds resilience through excellent customer service, strong corporate governance, advanced digital systems, corporate social responsibility, and a positive organizational culture. Investments in cybersecurity, modern digital banking platforms, and strong risk monitoring strengthen the Bank's ability to handle emerging risks. By promoting ethical banking, transparency and responsible lending to productive sectors, the Bank contributes to overall economic stability. Continuous staff development, regular stress testing, technology-driven services, and consistent returns to shareholders show that resilience is not just about business—it is a strategic strength that drives innovation, builds customer and investors' confidence and supports sustainable profitability.



10 PILLARS OF RESILIENT BANKING

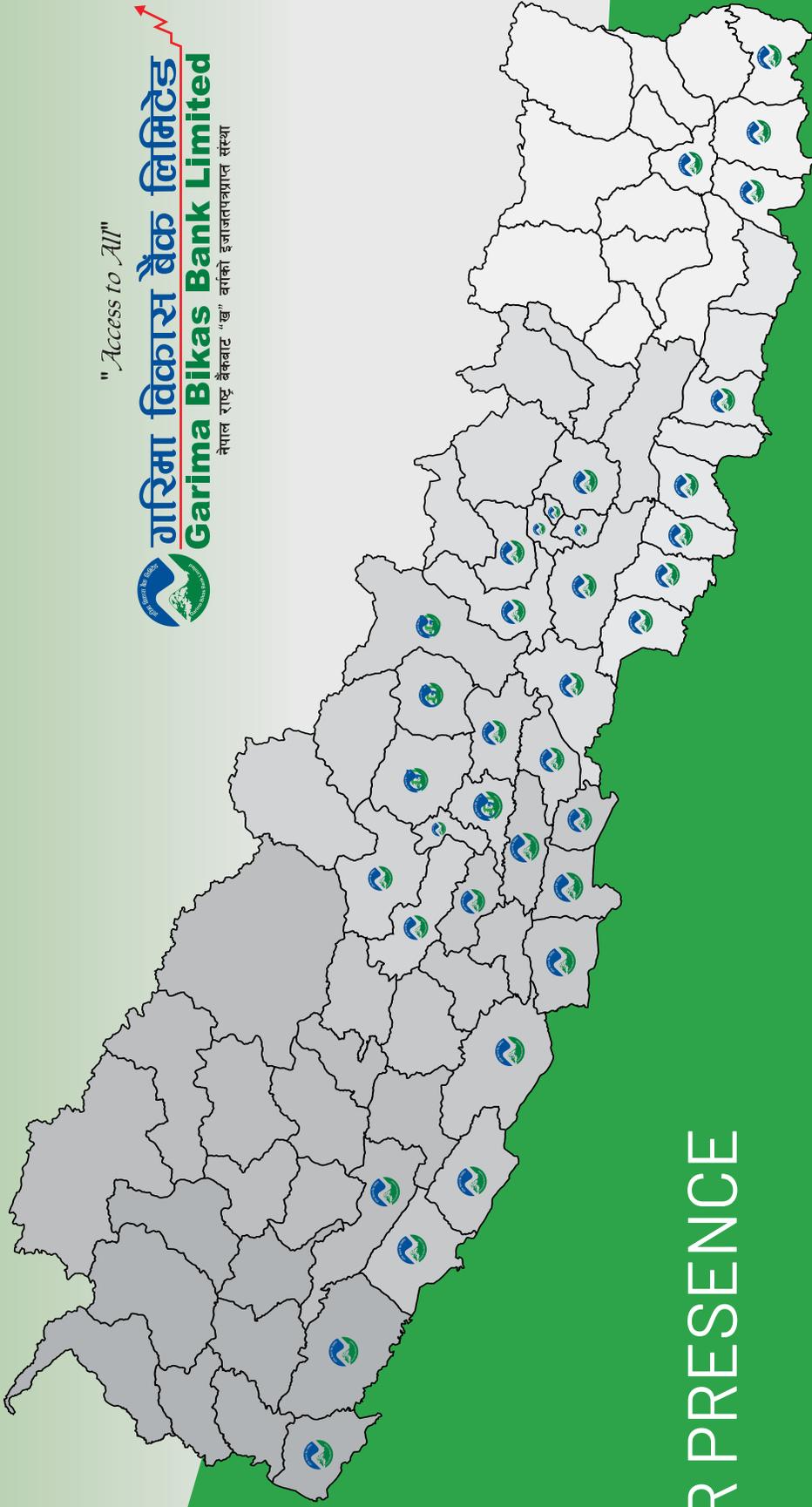
GARIMA BIKAS BANK LIMITED



FINANCIAL PERFORMANCE INDICATORS



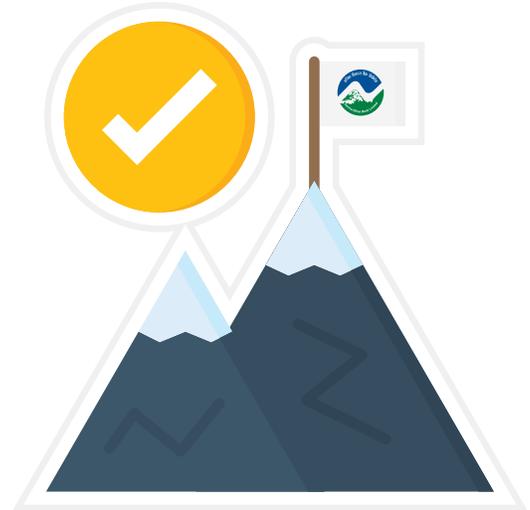
"Access to All"



OUR PRESENCE

125		1		51		10		1034		70,000+		495,000+
Branches		Extension Counter		ATM Booths		Regional Offices		Employees		Merchants		Mobile Banking Users

KEY MILESTONES



TOWARDS RESILIENCE



2082 Bhadra 13

Awarded as a Best Bank, Best Bank for AI/ML Implementation and Runner Up in MSME Acceleration and in Banking by Indian Chamber of Commerce

2082 Jestha 16

Purchase of Corporate Building

2080 Ashwin 19

EMI Facility Introduced in Credit Card (First Time in Development Bank)

2078 Kartik 28

Joint Operation with Sahara Bikas Bank Limited

2073 Ashwin 4

Joint Operation with Subhechha Bikas Bank Limited

2073 Chaitra 27

Head Office shifted to Lazimpat, Kathmandu

2078 Asadh 04

Acquiring subsidiary company Garima Capital Limited

2072 Asadh 29

Joint operation with Nilgiri Bikas Bank Limited & upgraded to National Level Development Bank

2068 Chaitra 20

Upgraded 10 District level Development Bank

2064 Mangshir 7

Formal Inauguration

2064 Shrawan 22

Incorporated under Company Act

2064 Ashwin 24

License from NRB to perform financial transaction

2064 Kartik 18

Formal Operation

STRATEGIC PILLARS

01



GOOD CORPORATE GOVERNANCE

Our core strength is guided by the philosophy and motto of good corporate governance.



CUSTOMER FIRST

We believe in long and sustainable relationship with our customers.



BANKING ACCESS

Contribute to the development of the country by attending the long term of the bank.



HUMAN RESOURCES

Skilled, experience and honest human resources with a positive attitude.



SME LOANS

Risk diversification and reaching a larger group.



BOARD OF DIRECTORS

Guided by its vision and the slogan "Access to All" the Bank has expanded its presence across all seven provinces of the country.

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MR. DILIP PRATAP KHAND
CHAIRMAN



MR. SHYAM PRASAD BASYAL
DIRECTOR



MR. DEEPENDRA SHRESTHA
DIRECTOR



MR. MUKUNDA RAJ ACHARYA
INDEPENDENT DIRECTOR



MR. BIMAL PANDEY
DIRECTOR (PUBLIC)



MR. SHOVIKANTA DHAKAL
DIRECTOR (PUBLIC)



MRS. IUSHMA KOIRALA
DIRECTOR (PUBLIC)

BOD'S PROFILE



MR. DILIP PRATAP KHAND
CHAIRMAN

Dilip Pratap Khand serves as the Chairperson and holds a Bachelor's degree. He was last appointed on 2081/09/29 and had previously served as a Director from 2065 Ashadh 27 to 2074 Bhadra 13. He is a resident of Waling-9, Syangja. Professionally, he is the Chairperson of Garima Holdings Limited and has also served as both Deputy Mayor and Mayor of Waling Municipality. In addition, he has published various literary works, has teaching experience, and has led several social organizations.



MR. SHYAM PRASAD BASYAL
DIRECTOR

Shyam Prasad Basyal is a Board Member with a Certificate Level qualification. He was last appointed on 2081/09/29 and has been serving as a Director since 2065 Ashadh 27 to date, including one tenures alongside the Chairperson from 30 Magh 2077 to 29 Poush 2081. He is a resident of Galyang-3, Syangja. Professionally, he is a reputed businessperson in Syangja and Rupandehi and is actively involved in various social and business organizations.



MR. DEEPENDRA SHRESTHA
DIRECTOR

Deependra Shrestha is a Board Member with a Master's Degree in Management. He was last appointed on 2081/09/29 and resides in Beni-7, Myagdi. Professionally engaged in business, he previously served as a Director of the then Nilgiri Bikas Bank and is also a Director at Lemon Tree Premier Hotel. In addition, he is actively involved in various local and social organizations.



MR. MUKUNDA RAJ ACHARYA
INDEPENDENT DIRECTOR

Mukunda Raj Acharya serves as an Independent Director of the Bank. He holds a Master's Degree in Law and is a retired Additional Inspector General (AIG) of Nepal Police. A resident of Chapakot-1, Syangja, he has also been actively involved in various social organizations.



MR. BIMAL PANDEY
DIRECTOR (PUBLIC)

Bimal Pandey has been serving as a Board Member since 2072 Ashadh 29 and was last elected on 29 Poush 2081. He holds a Bachelor's Degree and is a resident of Bharatpur-6, Chitwan. Professionally engaged in business, he previously served as a Director of the then Nilgiri Bikas Bank and is actively involved in various social and business organizations.



MR. SHOvakANTA DHAKAL
DIRECTOR (PUBLIC)

Shovakanta Dhakal is a Board Member of the Bank. He holds a Bachelor's Degree and is a resident of Waling-1, Syangja. Professionally engaged in business, he has approximately four and a half years of banking experience, during which he led the finance and internal audit departments. He has served as Managing Director of Khilung Kalika Agro Pvt. Ltd., worked as a senior audit staff member, and is currently the Chief Executive Officer of OM Agro Pvt. Ltd.



MRS. IUSHMA KOIRALA
DIRECTOR (PUBLIC)

Iushma Koirala is a Board Member of the Bank. She holds a Master's Degree in Management and is a resident of Pokhara-7, Kaski. Professionally engaged in business, she has more than 11 years of experience in the banking sector, bringing extensive expertise and practical insight to her role.

LEADERSHIP PROFILE



MR. MADHAV PRASAD UPADHAYA
CHIEF EXECUTIVE OFFICER

Madhav Prasad Upadhaya has been serving as the Chief Executive Officer since Baisakh 2081. He holds a Master's Degree in Management and brings over 18 years of senior management experience in the banking and financial sector. His professional journey includes 14 years in key leadership roles as Deputy General Manager and Deputy Chief Executive Officer. He also served

as the Company Secretary of the bank for 15 years, demonstrating long-term institutional involvement. His core areas of expertise include strategic planning, risk management, credit portfolio management, and enhancing operational efficiency. In addition to his banking career, he has 17 years of experience in teaching and academic engagement in management studies.



MR. ANIL REGMI
DEPUTY CHIEF EXECUTIVE OFFICER/
COMPANY SECRETARY

Anil Regmi, the Deputy Chief Executive Officer, is a Chartered Accountant with extensive professional experience in banking and auditing. Prior to his current role, he served as Assistant Chief Executive Officer at Garima Bikas Bank Limited for two years and as Chief Financial

Officer, Chief Operating Officer at Century Commercial Bank Limited for four years. He also spent six years at Janata Bank Nepal Limited, where he led the Internal Audit & Compliance Department. In addition, he has four years of experience in auditing of National & International Organization.

DEPARTMENT HEADS



MR. SANJU PRASAD JAISWAL
Head- Human
Resources Department



MR. ANUMAN SHRESTHA
Head- Logistic and
General Service Department



MR. ISHOWARI PRASAD DHAKAL
Head-Credit
Administration Department



MR. BHAKTA BAHADUR K.C.
Head-Deposit
Resource Management



MR. KAMAL PRASAD ARYAL
Head-Information Technology
Department



MR. ROSHAN TIMILSINA
Head-Operation Department



MR. DIPAK RAJ BHANDARI
Head-Credit Risk Assessment
/Micro Finance Department



MR. LAXMAN NEPAL
Head-Risk Management
Department



MR. MIN PRASAD SUBEDI
Head-AML/CFT and
Compliance Department



MR. BHOLA PRASAD TIWARI
Head-CEO's Secretariat



MR. KRISHNA SHRESTHA
Head-Collection,
NPA and NBA Management
Department



MR. KESHAB TIMALSINA
Head-Finance, Account
and Treasury Department



MR. GANESH POUDEL
Head-Internal
Audit Department



MR. ASHWIN NEUPANE
Head-Legal Department

A strong institution is built not just by capital, but by capable leader who carry vision in their minds, experience in their steps, and integrity in their actions. GBBL takes pride in its seasoned leadership team, driving financial inclusion with the spirit of "Access to All" and this strength of collective affords.

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REGIONAL MANAGERS



① **MR. DAYARAJ ARYAL**
Regional Manager- Kamalpokhari Region

② **MR. RAMESH RIJAL**
Regional Manager- Lazimpat Region



③ **MR. PURUSHOTTAM PANDEY**
Regional Manager- Butwal Region

④ **MR. KUMAR GURUNG**
Regional Manager- Narayangarh Region



⑤ **MR. MEGH BHADUR K.C.**
Regional Manager- Pokhara Region

⑥ **MR. LEKHNATH BHATTARAI**
Regional Manager- Waling Region



⑦ **MR. KAMAL PRASAD DHUNGANA**
Regional Manager- Beni Region

⑧ **MR. DEEPENDRA POKHREL**
Regional Manager- Itahari Region



⑨ **PRAKASH DEVKOTA**
Regional Manager- Kohalpur Region

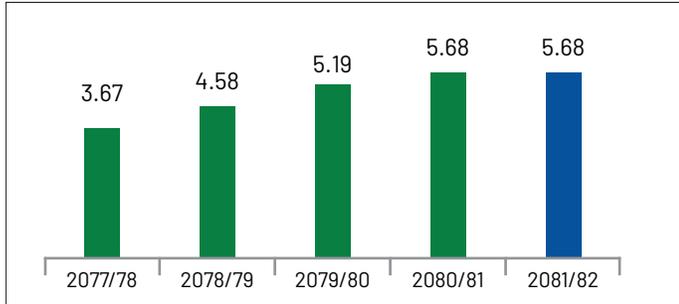
⑩ **MR. DAYAKANTA SAH**
Regional Manager- Lalbandi Region



FINANCIAL HIGHLIGHTS

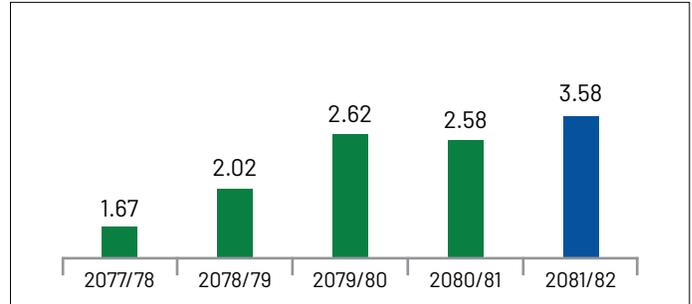
PAID-UP CAPITAL

(Rs. in Billion)



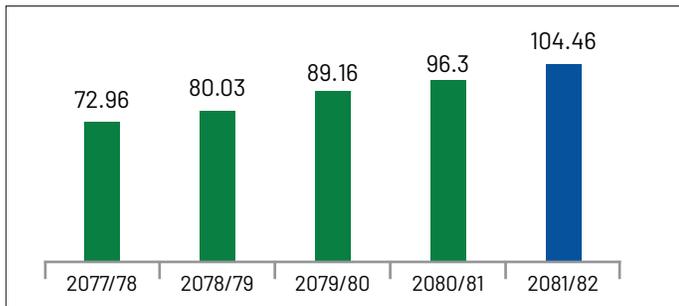
RESERVE

(Rs. in Billion)



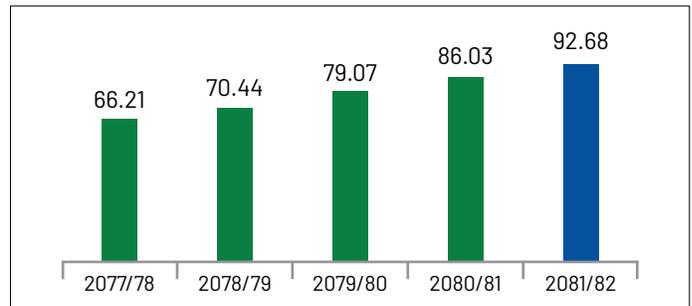
TOTAL ASSETS

(Rs. in Billion)



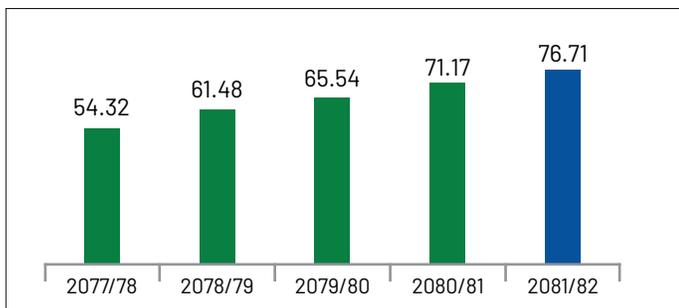
DEPOSIT

(Rs. in Billion)



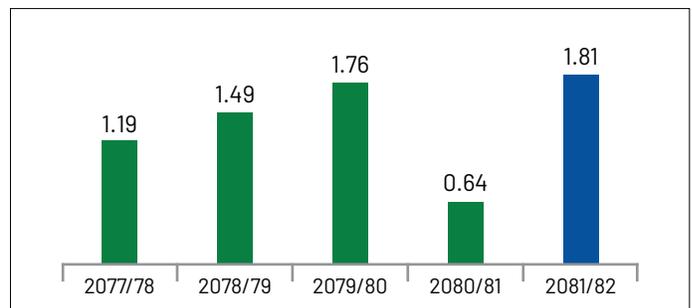
LOAN & ADVANCES

(Rs. in Billion)



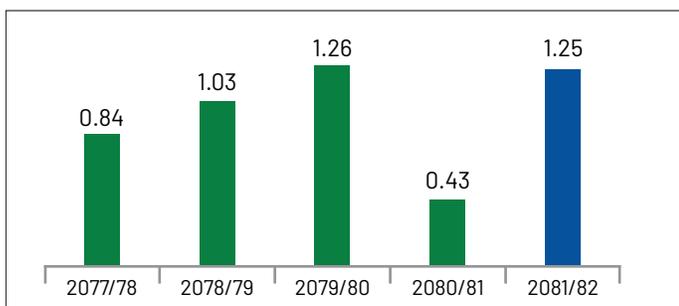
OPERATING PROFIT

(Rs. in Billion)



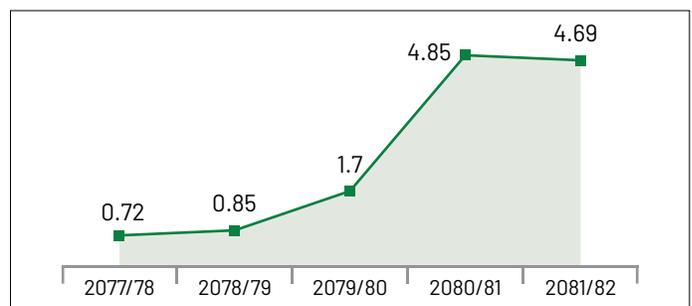
NET PROFIT

(Rs. in Billion)



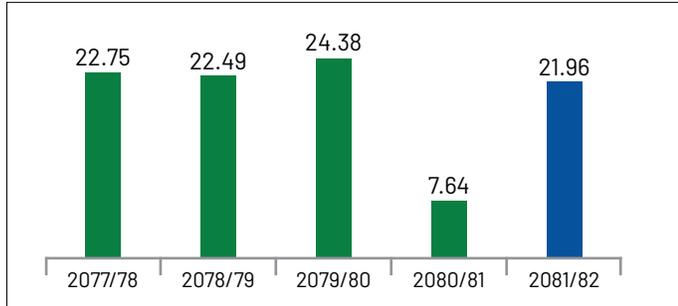
NON PERFORMING LOANS

(In %)

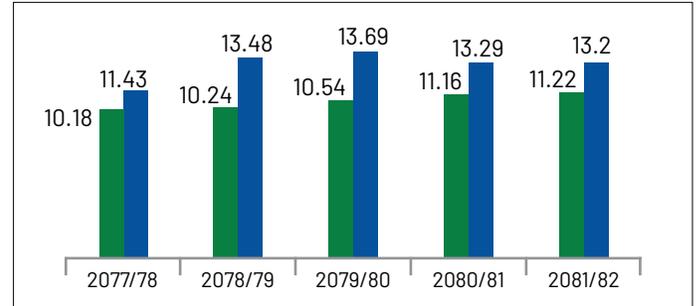


EARNING PER SHARE

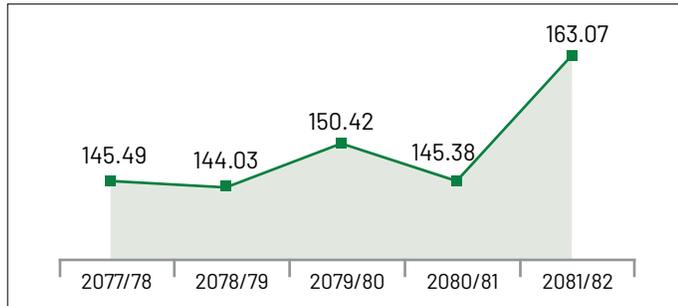
(In Rs.)

**CAPITAL ADEQUACY**

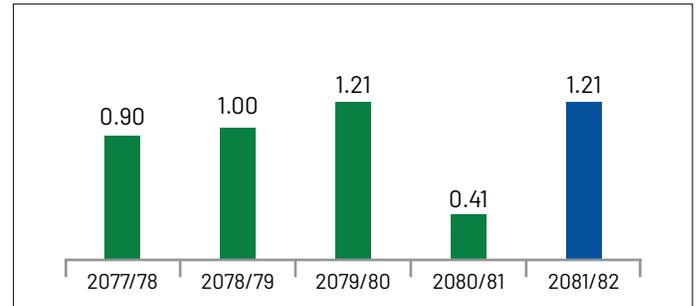
(In %)

**NET WORTH PER SHARE**

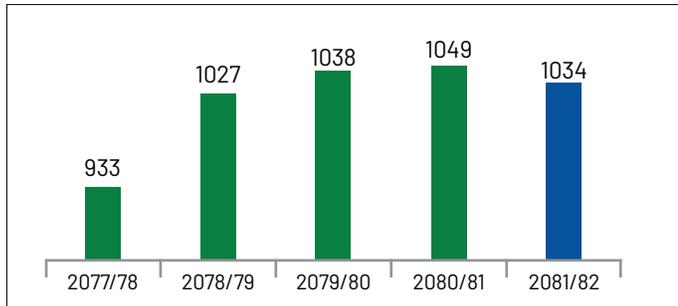
(In Rs.)

**NET PROFIT PER STAFF**

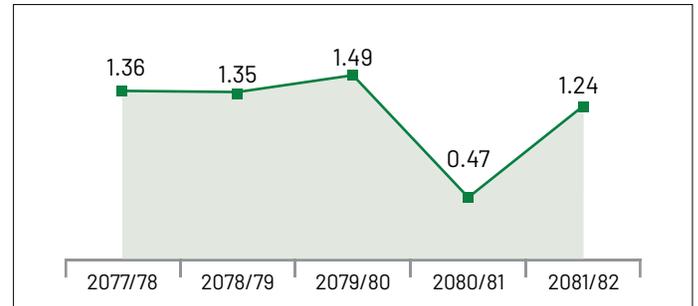
(Rs. in Million)

**TOTAL STAFFS**

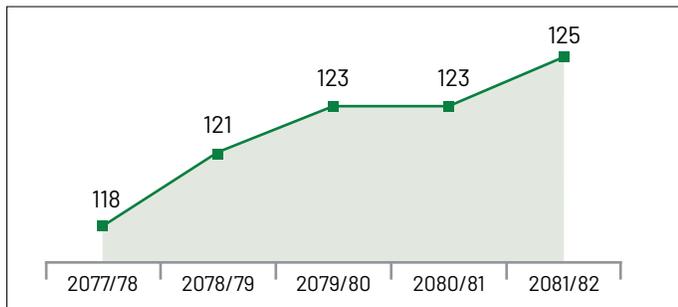
(In Number)

**RETURN ON TOTAL ASSETS**

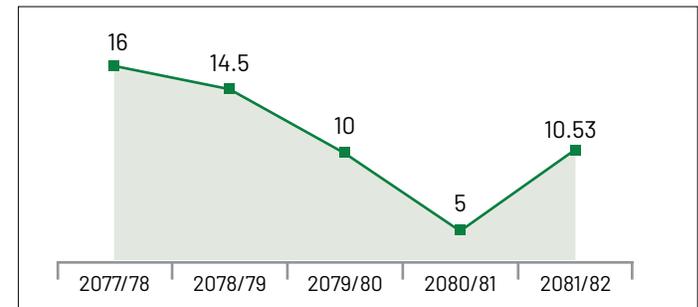
(In %)

**NUMBER OF BRANCHES**

(In Number)

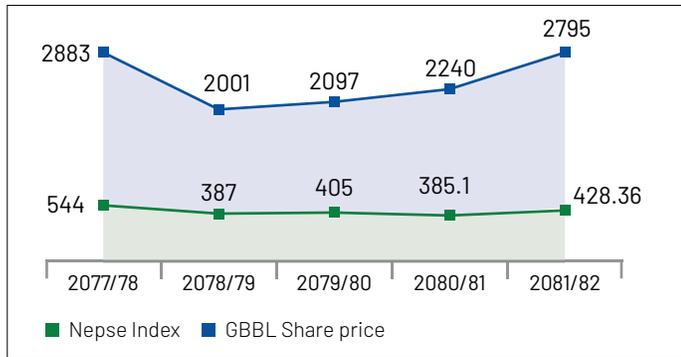
**DIVIDEND PAID**

(In %)



SHARE PRICE SENSITIVITY

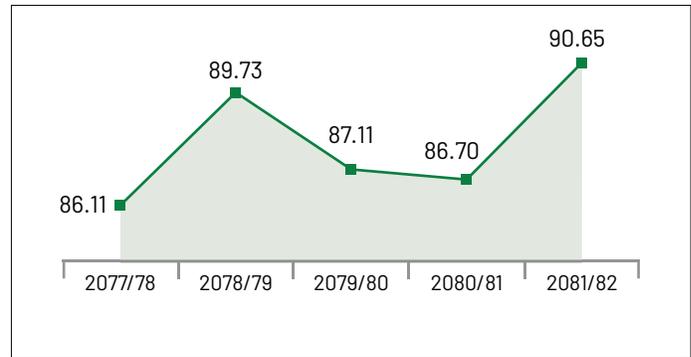
(In Rs.)



Despite market fluctuations, the GBBL share price demonstrated resilience, starting at NPR 544 in FY 2077-78 and adjusting to NPR 387 in FY 2078-79 during a market downturn. The share price gradually strengthened to NPR 405 in FY 2079-80 and, after a slight adjustment to NPR 385.1 in FY 2080-81, rebounded to NPR 428.36 in FY 2081-82. This trend indicates that GBBL's stock has recovered well even when the NEPSE index fluctuated. The data reflects investor confidence in the company's fundamentals.

CUSTOMER RETENTION RATIO

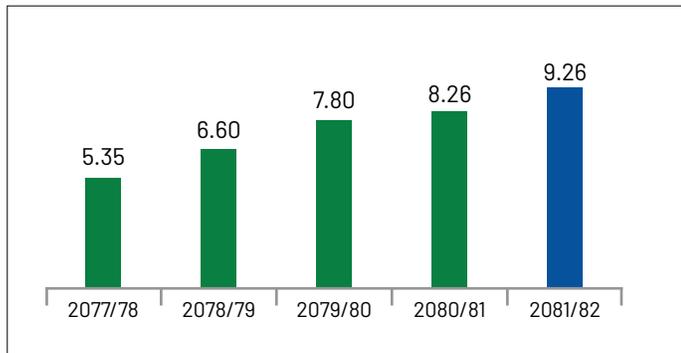
(In %)



Company's Customer Retention Ratio reflects its strong ability to maintain loyal clients over the years. Starting at 86.11% in FY 2077-78, the ratio improved to 89.73% in FY 2078-79, showing enhanced customer satisfaction. Although it slightly adjusted in FY 2079-80 and FY 2080-81 to 87.11% and 86.70%, the ratio rebounded impressively to 90.65% in FY 2081-82. This consistent performance highlights the company's commitment to quality service and strong client relationships. A high retention ratio indicates trust and satisfaction among customers.

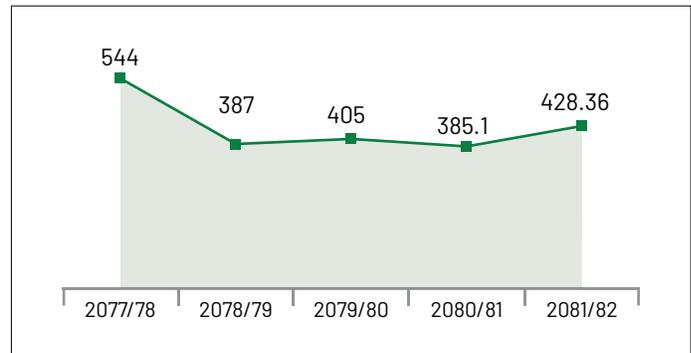
NET ASSETS

(Rs. in Billion)



Company's Net Assets have shown consistent growth over the five fiscal years, reflecting strong financial health. Starting at NPR 5.35 billion in FY 2077-78, net assets increased steadily to NPR 6.60 billion in FY 2078-79 and NPR 7.80 billion in FY 2079-80. The growth continued to NPR 8.26 billion in FY 2080-81 and reached NPR 9.26 billion in FY 2081-82. This upward trend indicates effective asset management and expanding business operations. The steady increase in net assets demonstrates the company's ability to generate value for shareholders.

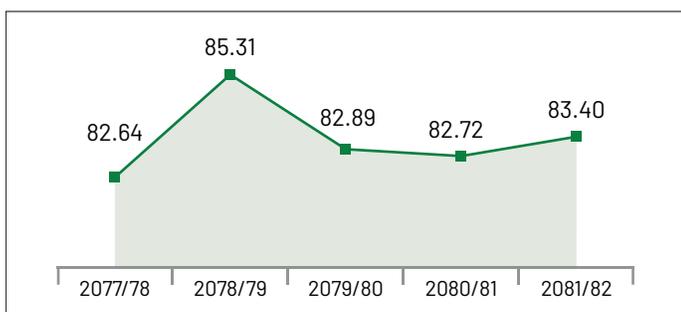
STOCK PERFORMANCE



Company's Last Traded Price (LTP) demonstrates a strong recovery over the five fiscal years. After starting at NPR 544 in FY 2077-78, the price adjusted to NPR 387 in FY 2078-79, showing market corrections. From FY 2079-80 onwards, the stock gradually strengthened, rising to NPR 405 and then slightly adjusting to NPR 385.1 in FY 2080-81. In FY 2081-82, the stock gained momentum, reaching NPR 428.36, reflecting renewed investor confidence. The upward trajectory highlights the company's resilience and growth potential. Overall, the trend indicates a positive outlook and increasing trust among investors.

CREDIT TO DEPOSIT RATIO

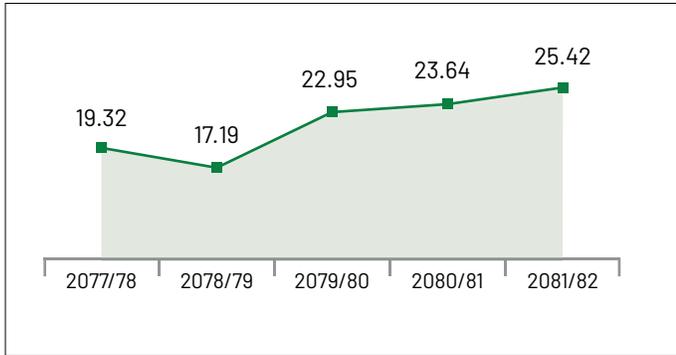
(In %)



Credit to Deposit Ratio (CD Ratio) indicates the proportion of total loans issued relative to total deposits collected. Nepal Rastra Bank mandates that banks maintain this ratio within a 90 percent limit to avoid over-lending beyond available deposits. By following this guideline, banks ensure sufficient liquidity to meet customer withdrawals while supporting credit growth. Maintaining an optimal CD ratio helps banks balance profitability with risk management. It also protects depositors and strengthens the bank's financial health. Therefore, the CD ratio regulation promotes sustainable banking operations and market confidence.

STATUTORY LIQUIDITY RATIO

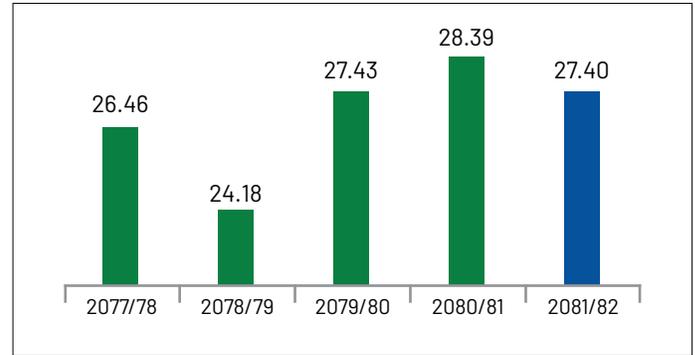
(In %)



Statutory Liquidity Ratio (SLR) measures the portion of deposits that must be maintained in liquid assets as mandated by Nepal Rastra Bank. Over the five fiscal years, the SLR showed an increasing trend from 19.32% in FY 2077-78 to 25.42% in FY 2081-82. This rise indicates the bank's growing emphasis on maintaining sufficient liquid reserves to meet withdrawal demands and regulatory requirements. Higher SLR levels improve the bank's liquidity position but may limit funds available for lending. Managing this balance is crucial for sustaining operations and profitability. Thus, adhering to SLR guidelines helps the bank ensure financial stability and depositor confidence.

LIQUIDITY RATIO

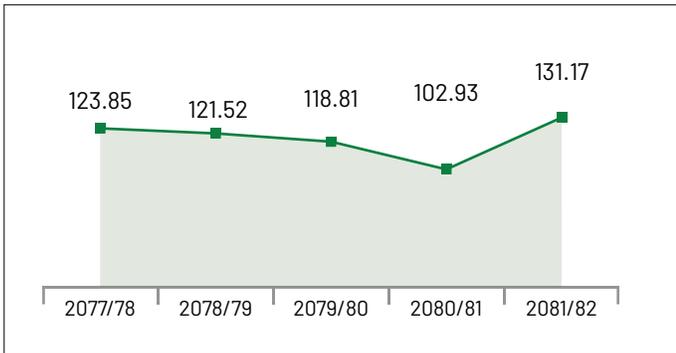
(In %)



Liquidity ratio measures the bank's ability to meet its short-term obligations using its liquid assets. It ensures that the bank has enough cash or easily convertible assets to handle customer withdrawals and other immediate payments. Nepal Rastra Bank sets minimum liquidity ratio requirements to promote financial stability. Maintaining an adequate liquidity ratio helps banks avoid cash shortages and build depositor confidence. It also supports smooth day-to-day operations and prevents forced asset sales. Thus, the liquidity ratio is essential for the bank's risk management and overall health.

OPERATING INCOME TO OPERATING COST RATIO (In %)

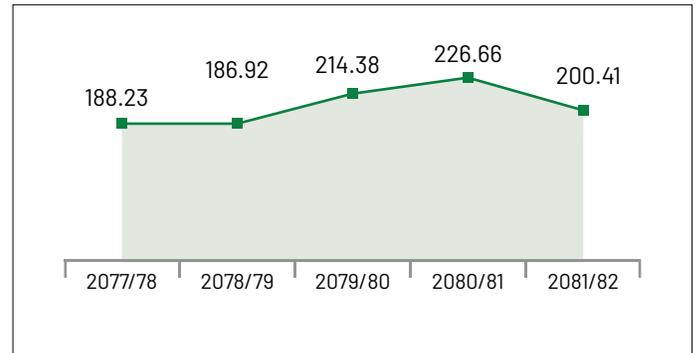
(In %)



Operating Income to Operating Cost Ratio reflects how effectively the bank generates income compared to its operating expenses. The ratio shows a fluctuating trend over the five years: it started at 123.85% in FY 2077-78, dipped to 102.93% in FY 2080-81, and then rose sharply to 131.17% in FY 2081-82. A higher ratio indicates improved efficiency and stronger profitability.

NII TO OPERATING EXPENSES

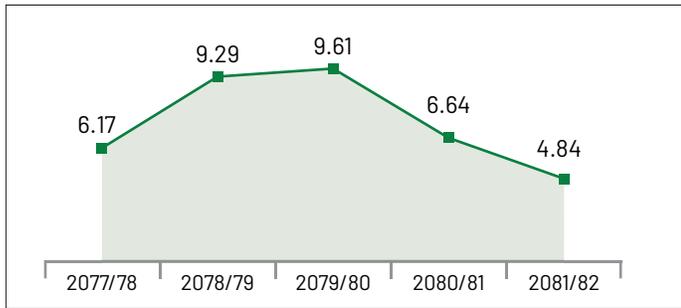
(In %)



Net Interest Income (NII) to Operating Expenses ratio indicates how well the bank's net interest income covers its operating costs. Over the five years, the ratio remained strong, starting at 188.23% in FY 2077-78 and peaking at 226.66% in FY 2080-81 before slightly declining to 200.41% in FY 2081-82. This consistent performance shows that the bank efficiently generates interest income to comfortably cover its expenses. Maintaining a high NII to operating expenses ratio helps ensure profitability and operational sustainability.

COST OF FUND

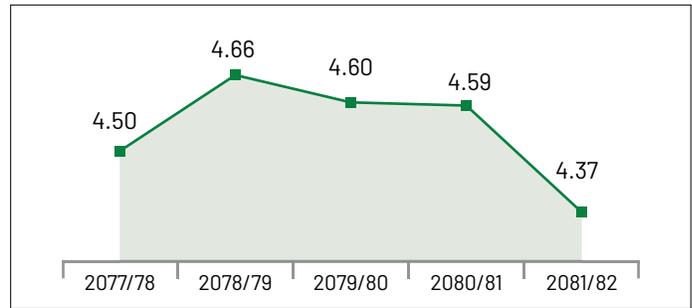
(In %)



Cost of funds refers to the total expense a bank incurs to acquire money, mainly through customer deposits, borrowings, and other sources. It includes interest paid to depositors and lenders. Managing the cost of funds efficiently is crucial for banks to maintain profitability. Lower cost of funds allows banks to offer competitive loan rates while preserving margins. Nepal Rastra Bank's regulations influence how banks balance cost and lending rates. Ultimately, controlling the cost of funds supports stable and sustainable banking operations.

SPREAD RATIO

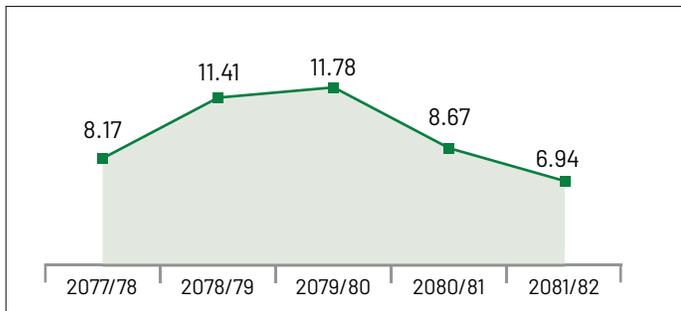
(In %)



Spread ratio represents the main source of interest income, as it shows the margin between lending rates and deposit rates. A reasonable spread ratio helps banks cover operating costs and credit risk. It supports profitability while maintaining financial sustainability. Nepal Rastra Bank sets limits to prevent excessive spreads. Banks must therefore balance income generation with regulatory compliance. Maintaining an optimal spread ratio ensures stable operations and long-term growth of banks.

BASE RATE

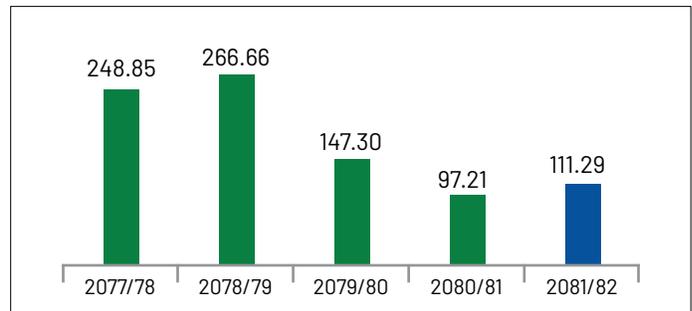
(In %)



Base rate is the minimum interest rate below which lending is not permitted, as prescribed by Nepal Rastra Bank. It represents the bank's cost of funds, operating expenses, and a reasonable profit margin. The base rate helps banks price loans systematically and avoid losses. Banks add an appropriate risk premium over the base rate while fixing lending rates for different borrowers. This system ensures consistency and transparency in interest rate determination. Thus, the base rate helps banks maintain profitability while complying with regulatory guidelines and ensuring financial stability.

PROVISION COVERAGE RATIO

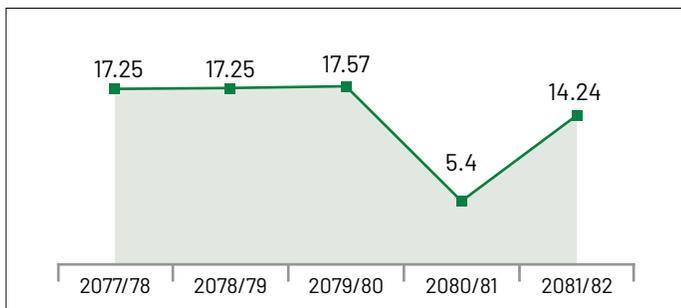
(In %)



It measures the proportion of non-performing assets (NPAs) that are covered by loan loss provisions. Provision Coverage Ratio = (Total Provisions / Gross NPAs) × 100. Higher Provision coverage ratio indicates better protection against bad loans and reflects a more conservative and safer financial position. Lower Provision coverage ratio indicates a smaller buffer against potential losses and reflects higher risk.

RETURN ON EQUITY

(In %)



SECTORWISE NON-PERFORMING LOANS

Figures '000

Loan Sector	NPA 25%			NPA 50%			NPA 100%		
	2082	2081	Change	2082	2081	Change	2082	2081	Change
Agriculture	65,079.87	27,683.43	37,396.44	45,114.00	164,965.56	(119,851.56)	556,409.10	381,076.89	175,332.21
Fishery	10,480.59	8,254.27	2,226.33	64,462.50	15,668.01	48,794.49	23,438.07	8,941.37	14,496.70
Mining	10,388.46	1,467.61	8,920.85	-	-	-	-	19,976.38	(19,976.38)
Agriculture, Forestry & Beverage Production Related	15,827.21	31,420.78	(15,593.57)	77,074.54	8,009.07	69,065.47	13,963.69	4,521.34	9,442.35
Non-food Production Related	32,767.24	10,899.11	21,868.12	3,228.98	65,244.20	(62,015.23)	346,572.20	187,657.01	158,915.19
Construction	24,786.06	1,324.61	23,461.45	8,613.41	8,866.79	(253.38)	38,827.15	25,796.73	13,030.42
Electricity, Gas and Water	-	-	-	-	1,650.46	(1,650.46)	10,851.85	4,996.00	5,855.85
Metal Production, Machinery and Electrical Tools	-	11,242.25	(11,242.25)	-	10,571.75	(10,571.75)	50,825.91	2,698.54	48,127.36
Transportation, Communications and Public Services	12,976.27	37,984.21	(25,007.94)	16,232.13	54,483.67	(38,251.54)	89,390.95	79,292.58	10,098.36
Wholesaler and Retailer	57,943.66	95,817.48	(37,873.82)	56,802.82	163,859.92	(107,057.10)	425,588.71	168,433.20	257,155.51
Finance, Insurance and Fixed Assets	34,977.70	24,862.96	10,114.74	14,307.15	167,759.77	(153,452.62)	66,619.52	24,700.15	41,919.38
Hotel or Restaurant	63,096.95	67,877.24	(4,780.30)	21,171.31	408,553.20	(387,381.89)	678,054.41	452,403.87	225,650.53
Other Service Industries	19,188.49	6,997.35	12,191.14	21,197.04	26,382.01	(5,184.97)	33,292.64	3,822.64	29,470.00
Consumable Loan	87,344.45	175,016.84	(87,672.40)	71,058.34	183,904.89	(112,846.55)	280,633.79	151,583.65	129,050.14
Local Government	-	-	-	-	-	-	-	-	-
Others	18,994.43	15,487.93	3,506.50	25,138.00	70,967.04	(45,829.04)	102,761.50	67,728.41	35,033.09
Total	453,851.37	516,336.07	(62,484.70)	424,400.22	1,350,886.35	(926,486.14)	2,717,229.48	1,583,628.77	1,133,600.72

Asset quality remains resilient despite balance sheet growth. While the absolute level of NPLs has increased in line with the expansion of the loan book, the NPL ratio has declined compared to the previous financial year. This reflects improved credit underwriting standards, effective risk management practices, and stronger recovery and monitoring mechanisms, resulting in healthier portfolio quality on a relative basis.

EBITDA STATEMENT

Figures '000

Particulars	Ashad 2078	Ashad 2079	Ashad 2080	Ashad 2081	Ashad 2082
Profit Before Tax	1,198,013.45	1,513,512.55	1,786,560.92	643,396.77	1,806,464.78
Add:-	-	-	-	-	-
Depreciation & Amortisation	88,902.71	148,360.15	160,439.62	157,625.52	227,880.80
Interest of Debernture	-	46,390.34	88,367.75	87,500.01	87,739.72
EBITDA	1,286,916.16	1,708,263.05	2,035,368.29	888,522.30	2,122,085.30

Company's EBITDA demonstrates strong operational performance over the five fiscal years. Starting at NPR 1.29 billion in Ashad 2078, it grew steadily to NPR 1.71 billion in Ashad 2079 and NPR 2.04 billion in Ashad 2080, reflecting efficient cost management and revenue growth. Although there was a temporary dip to NPR 888.52 million in Ashad 2081, the company bounced back impressively to NPR 2.12 billion in Ashad 2082. The consistent increase in EBITDA highlights the company's resilience and ability to generate strong earnings from operations. It also demonstrates effective management of depreciation and interest expenses.

MATURITY PATTERN OF KEY ASSETS & LIABILITIES

Figures '000

S.N.	Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
Assets							
1	Cash Balance	842,670.64	-	-	-	-	842,670.64
2	Balance with Banks & FIs	6,101,337.53	-	-	-	-	6,101,337.53
3	Investment in Foreign Banks	-	-	-	-	-	-
4	Call Money	-	-	-	-	-	-
5	Government Securities	5,819,150.00	100,000.00	500,000.00	2,344,550.00	9,997,675.00	18,761,375.00
6	Nepal Rastra Bank Bonds	-	-	-	-	-	-
7	Inter Bank & FI Lending	-	-	-	-	-	-
8	Loans & Advances	6,954,137.45	5,105,634.09	3,918,459.36	3,280,140.89	54,071,743.07	73,330,114.86
9	Interest Receivable	315,303.45	112,438.85	112,438.85	37,479.62	-	577,660.77
10	Reverse Repo	-	-	-	-	-	-
11	Receivables from other Institutions under Commitment	-	-	-	-	-	-
12	Payment to be made for facilities under s.no 20,21 & 22	-	-	-	-	-	-
13	Others	138,654.51	6,104.64	6,104.64	89,964.12	4,610,072.52	4,850,900.44
Total Assets (A)		20,171,253.58	5,324,177.58	4,537,002.86	5,752,134.63	68,679,490.59	104,464,059.24
Liabilities							
14	Current Deposits	5,328,651.16	1,184,144.70	1,184,144.70	1,184,144.70	2,960,361.75	11,841,447.01
15	Saving Deposits	8,016,869.47	6,012,652.10	6,012,652.10	6,012,652.10	14,029,521.57	40,084,347.33
16	Fixed Deposits	12,574,644.15	10,622,618.60	3,646,177.70	1,890,830.45	11,321,552.25	40,055,823.14
17	Debentures	-	-	-	-	997,062.99	997,062.99
18	Borrowings:	700,000.00	-	-	-	-	700,000.00
	(a) Call/Short Notice	-	-	-	-	-	-
	(b) Inter-bank/Financial Institutions	700,000.00	-	-	-	-	700,000.00
	(c) Refinance	-	-	-	-	-	-
	(d) Others	-	-	-	-	-	-
19	Other Liabilities and Provisions	366,726.77	-	-	234,117.92	921,280.14	1,522,124.84
	(a) Sundry Creditors	5,886.31	-	-	-	-	5,886.31
	(b) Bills Payable	56.70	-	-	-	-	56.70
	(c) Interest Payable	144,453.45	-	-	-	-	144,453.45
	(d) Provisions	-	-	-	-	-	-
	(e) Others	216,330.32	-	-	234,117.92	921,280.14	1,371,728.38
20	Payable to other institutions under Commitment	-	-	-	-	-	-
21	Unutilized Approved Facilities	-	-	-	-	-	-
22	Letter of Credit/Guarantee (Net of Margin)	-	-	-	-	-	-
23	Repo	-	-	-	-	-	-
24	Payment to be made for facilities under S.No 11	-	-	-	-	-	-
25	Others	-	-	-	-	9,263,253.92	9,263,253.92
Total Liabilities (B)		26,986,891.54	17,819,415.40	10,842,974.50	9,321,745.17	39,493,032.63	104,464,059.24
Net Financial Assets (A-B)		(6,815,637.96)	(12,495,237.81)	(6,305,971.64)	(3,569,610.55)	29,186,457.96	-
Cumulative Net Financial Assets		(6,815,637.96)	(19,310,875.77)	(25,616,847.42)	(29,186,457.96)	-	-

SHARED SUCCESS, SHARED HAPPINESS (DRIVEN BY RESILIENCE)



HAPPY CUSTOMER

THE HEART OF OUR JOURNEY TOWARDS RESILIENCE

In today's fast-changing financial landscape, resilience is not just a strategic necessity—it is a value that grows from trust, service excellence, and strong customer relationships. At Garima Bikas Bank Limited, our theme, "Towards Resilience," reflects a future-ready mindset rooted in the happiness and confidence of the customers we serve. Every product we innovate, every service we enhance, and every digital ecosystem we build is guided by a simple principle: a resilient bank is shaped by resilient, satisfied customers.

Over the years, Garima Bikas Bank has introduced a wide range of customer-centric products tailored to the diverse needs of individuals, families, entrepreneurs, and communities. From accessible savings schemes to flexible loan products, each offering is designed to deliver convenience, security, and financial empowerment. Our customers' evolving lifestyles inspire us to continuously refine our portfolio, ensuring that

every solution aligns with their aspirations while maintaining simplicity and transparency.

As a part of our commitment to resilience, we have invested significantly in building a seamless digital ecosystem. Through user-friendly Garima Digi Batuwa, web banking, virtual credit cards, VISA debit and credit cards, online fixed deposits, loans against fixed deposits, and real-time payment solutions, we bring banking to customers' fingertips, anytime, anywhere. These technologies not only enhance convenience but also strengthen financial inclusion by bridging barriers of distance and time. For our customers, digital transformation means faster service, reduced paperwork, and greater control over their financial activities.

Behind every digital innovation and product design lies our unwavering belief in service excellence. Our branches and frontline staff are trained to provide personalized support, ensuring that every customer feels heard, valued, and assisted. Whether guiding a first-time saver or advising a growing entrepreneur, we strive to create meaningful interactions that foster trust and loyalty.

A HAPPY CUSTOMER is the true measure of our progress. Their satisfaction fuels our commitment to building a stronger, more adaptive, and future-ready institution. As we move "Towards Resilience," Garima Bikas Bank Limited remains dedicated to enriching lives, strengthening communities, and delivering banking experiences that inspire lasting confidence and happiness.



HAPPY INVESTOR

THE CORNERSTONE OF RESILIENCE

At Garima Bikas Bank Limited, we recognize that our investors are integral to the strength and resilience of our institution. Our theme, "Towards Resilience," embodies the belief that a resilient bank is built on the trust, confidence, and satisfaction of its investors. Over the years, we have consistently prioritized their financial growth, ensuring not only stability but also sustainable returns.

FROM HUMBLE BEGINNINGS TO PROMINENT GROWTH

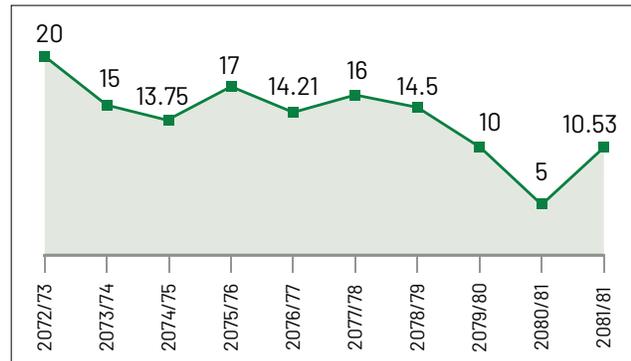
Garima Bikas Bank's journey is a remarkable success story. What began with operations in three districts, a paid-up capital of NPR 26.5 million, and just 65 promoter shareholders has grown into a major financial institution with a significantly expanded capital base and a broad investor community. This transformation reflects the trust and confidence our investors placed in us from the very beginning, support that continues to drive our progress today.

DIVIDEND HISTORY: A DECADE OF STABILITY AND GROWTH

Despite market fluctuations, we have maintained a consistent record of dividend payouts, ensuring reliable returns for our investors year after year. This steady approach has strengthened our relationship with shareholders and positioned Garima Bikas Bank as a dependable financial partner.

DIVIDEND HISTORY (PAST 10 YEARS)

(In %)



A COMMITMENT TO SUSTAINABLE RETURNS

At Garima Bikas Bank, our focus remains on delivering stable and predictable returns while ensuring long-term institutional growth. Through prudent financial management and continuous innovation, we aim to provide a reliable income stream for investors while strengthening the bank's future prospects. Our long-term strategy is grounded in the belief that true resilience lies in navigating challenges successfully and creating sustainable value for all stakeholders.

HAPPY EMPLOYEE

THE FOUNDATION OF RESILIENCE

At Garima Bikas Bank Limited, we recognize that our employees are fundamental to the strength and resilience of our institution. Our theme, "Towards Resilience," reflects not only our commitment to investors and customers but also to the dedicated employees who drive the bank's vision forward. We firmly believe that a resilient bank is built on the well-being, growth, and satisfaction of its workforce.

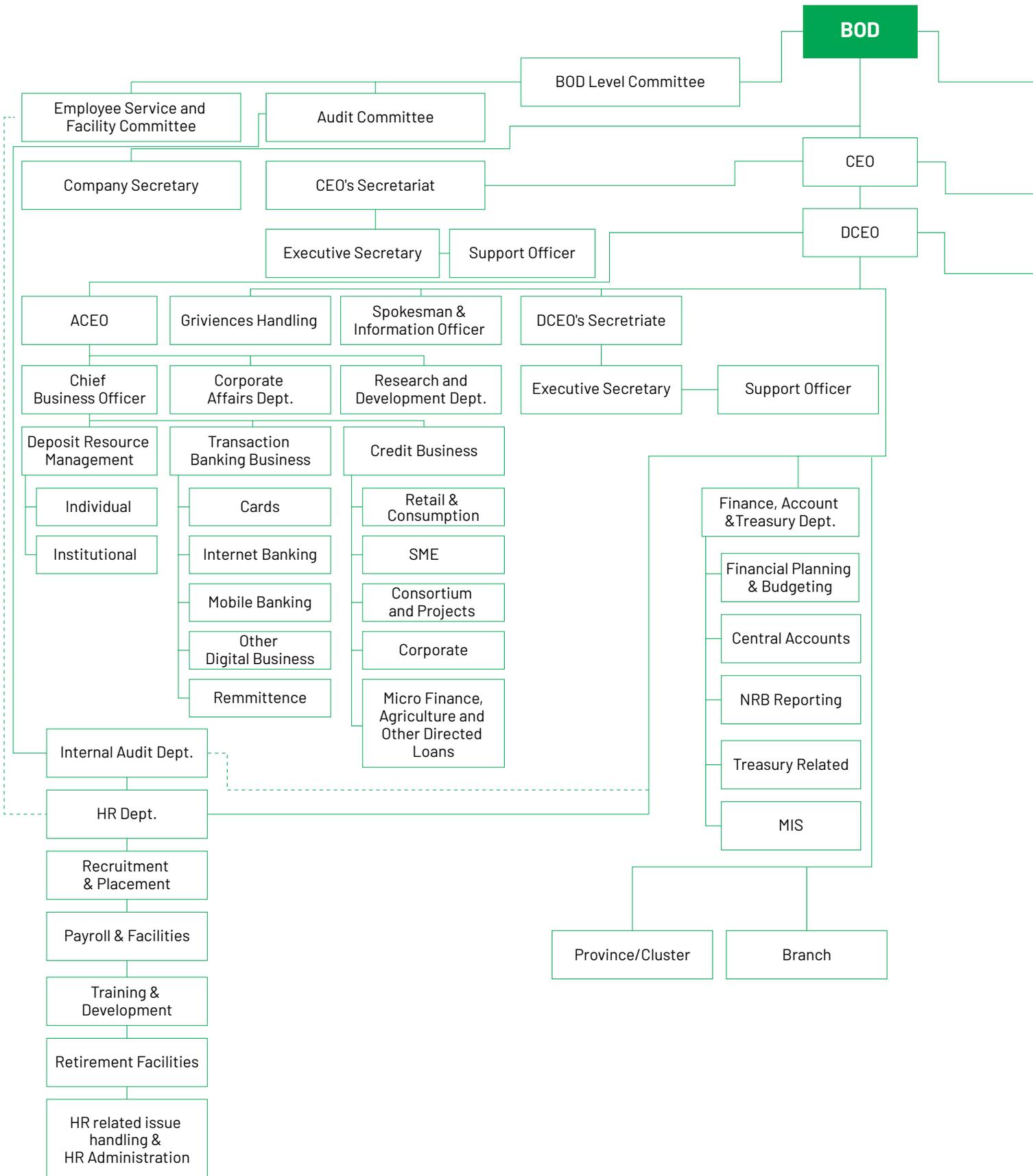
By providing timely recognition, a competitive salary structure, and a strong employee retention policy, we strive to create an environment where employees can thrive both professionally and personally. Recognizing and appreciating the hard work of our employees is deeply embedded in our organizational culture. We place immense value on their contributions, understanding that timely recognition plays a vital role in boosting morale, enhancing productivity, and fostering a positive work environment. Whether through formal awards or informal acknowledgments, we ensure

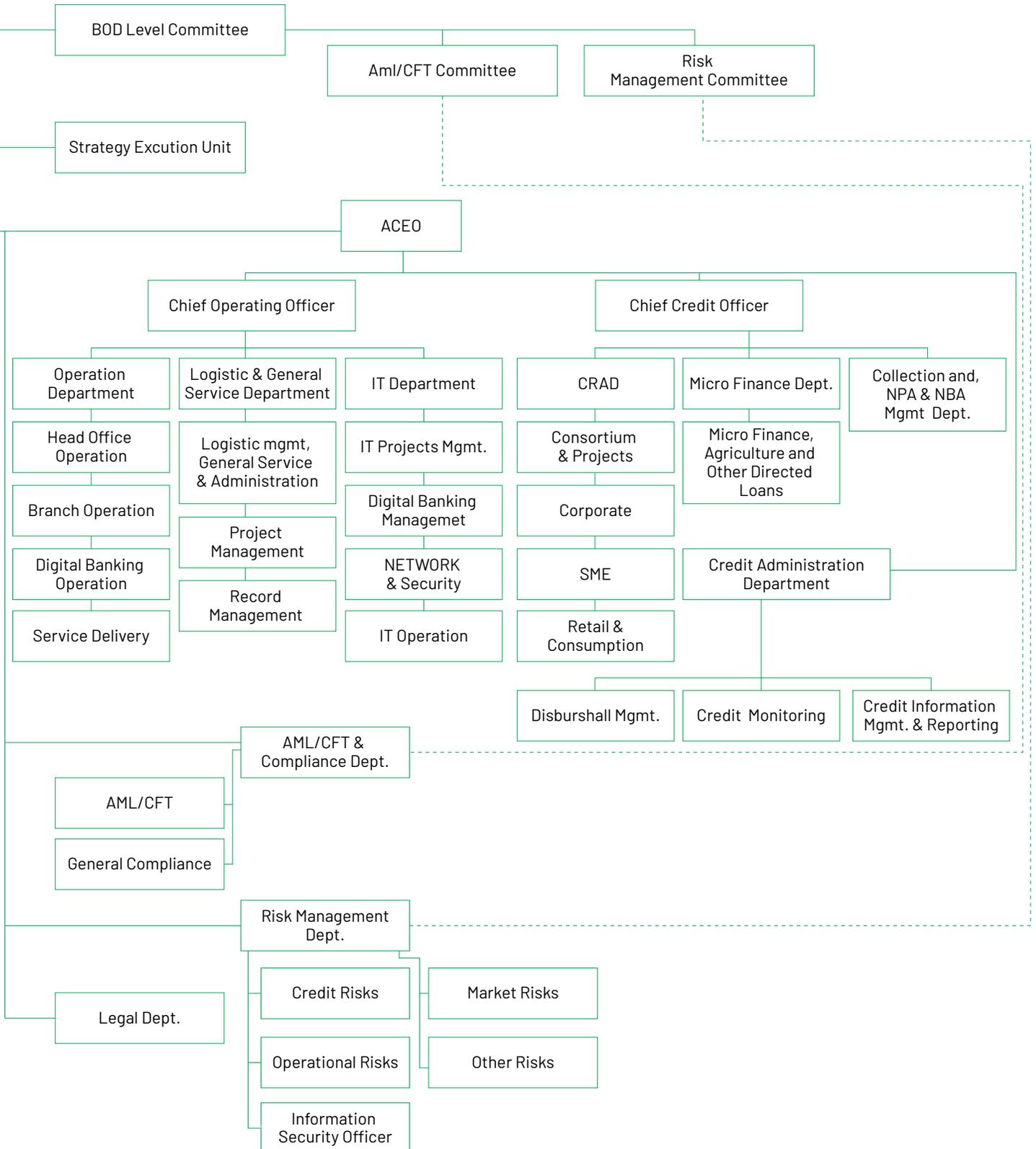
that employees feel valued for their efforts. Our recognition programs celebrate individual achievements while reinforcing the importance of collective success. This culture of appreciation has strengthened employee engagement and contributed to our strong long-term retention rates. A key pillar of employee satisfaction at Garima Bikas Bank is our competitive salary structure. We have consistently maintained a compensation framework that ranks among the most attractive in Nepal's Banking and Financial Institutions (BFI) sector.

Our remuneration package goes beyond competitive salaries to include healthcare benefits, loan facilities, leave provisions, and various incentives, ensuring that employees are well rewarded for their skills, dedication, and contributions. Employee retention remains a strong indicator of institutional resilience, and Garima Bikas Bank takes pride in its long-serving workforce. More than 50 employees have been with the bank for over 17 years, reflecting a supportive work environment, ample career growth opportunities, and a culture of mutual trust and respect. Our retention policy is designed to ensure that employees feel valued and supported throughout their professional journey. Through continuous training, career development programs, work-life balance initiatives, and internal promotion opportunities, we provide clear pathways for growth and advancement.

These efforts have not only minimized employee turnover but also fostered a rich base of institutional knowledge and expertise that strengthens operational efficiency and service quality.

Organizational Structure





AWARDS & RECOGNITION



WINNER

**Best Bank AI/ML Implementation
in Banking | Nepal**



WINNER

Best Bank | Nepal



RUNNER-UP

**Best Bank in
MSME Acceleration | Nepal**



RUNNER-UP

**Awards for
Corporate Excellence**



Garima Bikas Bank Limited: Rating reaffirmed

May 22, 2025

Summary of rating action

Facility	Rated Amount	Rating Action
Issuer Rating	NA	[ICRANP-IR] BBB-@*; reaffirmed with continuation of watch with negative implications

*The symbol '@' denotes rating on 'Watch with Negative Implications'. Please refer [here](#) for further details on rating watch and its implications.

Rating action

ICRA Nepal has reaffirmed the issuer rating of [ICRANP-IR] BBB-@ (pronounced ICRA NP issuer rating triple B minus) to Garima Bikas Bank Limited (GBBL), with continuation of the rating 'Watch with Negative Implications' (denoted by the symbol '@'). Issuers with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such issuers carry moderate credit risk. The sign of + (plus) or – (minus) appended to the rating symbol indicates their relative position within the rating categories concerned. The rating is only an opinion on the general creditworthiness of the rated entity and not specific to any debt instrument.

Rationale

The rating reaffirmation mainly factors in the bank's adequate track record (since 2007) along with its diverse presence across the country (123 branches as of mid-April 2025) and experienced management team. The rating also takes comfort from GBBL's adequate capitalization with CRAR of 13.09% and tier-I capital of 10.98% as mid-April 2025 (regulatory minimum of 11% and 8.5% respectively), which remains better among peers. The rating also takes note of the bank's moderate and controlled credit growth in recent years, remaining largely in line with the growth in the overall banking industry. GBBL's credit and deposit concentration also continues to remain low (~7% of credit and ~9% of deposit among top-20 customers as of mid-April 2025). Further, the bank's relatively better yields and net interest margins (NIMs), along with controlled operating expense has supported its profitability profile (with exception of FY2024, when asset quality stress led to spiked credit costs). Similarly, the bank has reported fair deposit profile with current and saving accounts (CASA) mix remaining largely comparable to the industry average, and hence leading to competitive cost of funds and low base rate among peers as of mid-April 2025.

Nonetheless, the continuation of rating watch with negative implications is mainly on account of the bank's elevated asset quality stress with gross non-performing loans (NPLs) of 4.78% and 0+days delinquency of ~27% as of mid-April 2025 (2.95% and ~30% respective as of mid-January 2024, when last rated). While majority of the reported NPLs are fully provided (net NPLs to net worth ratio of ~13%, as of mid-January 2024), the sizable proportion of watchlist accounts (~9% as of mid-April 2025) remains a major rating concern, as any further slippages of these borderline to NPL accounts will impact incremental asset quality and profitability/capitalisation profile. Further, the bank's credit to deposit (CD) ratio at ~88% as of mid-April 2025, also remains close to the regulatory ceiling of 90%, which raises concerns on liquidity in case of untoward movement of interest rates. However, the bank's net liquid assets (NLA) of ~24% during the same period (regulatory requirement of >20%) provides some comfort. ICRA Nepal also notes the regulatory restrictions on the class-B development banks in areas such as hypothecation loans, foreign currency-based transactions (such as import letter of credits), etc., which coupled with relatively weaker borrower profile and small scale of operations compared to class-A commercial banks offering wider range of services, remains a long-term credit negative for the industry. Going forward, the bank's ability to continue maintaining comfortable capitalisation profile, control incremental slippages, and improve asset quality indicators would remain the key monitorable.

Key rating drivers

Credit strengths

Adequate track record, diversified branch network, and experienced management team – The bank currently has 123 branches, making it one of the large class-B banks in terms of branch network as well as asset base. The bank has a market share of ~14% in terms of deposit and ~15% in terms of credit in the development bank industry as of mid-April 2025. Its adequate track record (since 2007) and experienced senior management also remain the positives.

Adequate capitalisation – GBBL's capitalisation profile remained adequate with tier-I capital 10.98% and CRAR of 13.09% as of mid-April 2025, which remained better among peers. Controlled growth of risk assets along with minimal dividend payouts has helped the bank to maintain adequate capitalisation vis-à-vis minimum regulatory required tier-I of 8.5% and CRAR of 11%. While the capital ratio is adequate at present, major slippages from delinquent portfolio can adversely impact the capitalisation profile given the challenges in internal capital generation. Hence, the bank's ability to maintain adequate capital cushion on a sustained basis will remain essential for its solvency profile and thus remains a key rating monitorable.

Granular credit and deposit portfolio; competitive funding profile – The bank has a granular portfolio base with the top-20 borrowers accounting for 6.8% of the total portfolio as of mid-April 2025 (7.5% as of mid-October 2023; last rating exercise) which diversifies the risk of large slippages. Also, the granular deposit profile with the top-20 depositors constituting 8.6% of the total portfolio (11.3% as of mid-October 2023) provides comfort regarding stability of the funding profile. This, along with fair CASA mix of ~42% as of mid-April 2025 (~39% for industry) has also led to competitive cost of funds and base rate among peers (5.64% and 6.92% respectively as of mid-April 2025).

Recent improvements in profitability profile – After absorbing the major impact of rise in NPLs in FY2024, the bank has reported fair profitability in 9MFY2025 with return on assets (RoA) of 1.01% and return on net worth (RoNW) of ~12% (0.47% and ~5% in FY2024 respectively). This was mainly supported by GBBL's relatively better NIMs of 3.67% and its controlled operating expenses ratio. However, its incremental profitability profile will depend upon its ability to control further slippages/credit cost.

Credit challenges

Elevated asset quality stress – GBBL has reported a sharp deterioration in asset quality with rise in reported gross NPLs to 4.78% as of mid-April 2025 (2.95% as of mid-January 2024; last rating exercise). The asset quality concerns are further exacerbated by the bank's high delinquency with 0+ days delinquent portfolio at ~27% (including NPLs) as of mid-April 2025 (~30% as of mid-January 2024), out of which ~9% were watchlist accounts (~12% as of mid-January 2024), from where the slippages to NPLs were seen higher in the past. The ongoing elongated slowdown in the economic activities and hence the likely impact on borrower's repayment capabilities, raises concerns on the incremental debt recovery despite the moderating interest rate outlook. Sustained stress on borrowers might impact the bank's asset quality thereby impacting its incremental profitability and capitalisation, thus remaining a major rating concern.

Modest liquidity profile – The bank's CD ratio has elevated to ~88% as of mid-April 2025 (~84% as of mid-October 2023 during last rating exercise), nearing the regulatory ceiling of 90%. While the liquidity position in terms of net liquid assets (NLA) was fairly comfortable at ~24% during the same period (regulatory minimum of 20%), unexpected movements in interest rates across the industry (from current low levels) could impact the bank's ability to maintain consistently adequate liquidity buffer.

Intense competition from larger commercial banks with a wider range of services – As per the regulatory provisions, class-B banks are restricted to undertake certain activities that are allowed only for class-A commercial banks, viz. credit solely secured against hypothecation of stock and receivables, opening of foreign currency denominated letter of credit/guarantees, etc. These provisions erode the competitive positioning of the development banks (such as GBBL) vis-à-vis the commercial banks with higher capital, stronger brand, larger customer base, wider range of services and finer lending rates.

Link to the previous rating rationale:

[Garima Bikas Bank Limited – Issuer Rating Surveillance – February 2024](#)

Analytical approach: For arriving at the rating, ICRA Nepal has applied its rating methodologies as indicated below.

Links to the applicable criteria:

[Bank Rating Methodology](#)

[Issuer Rating Methodology](#)

Company Profile

Established in October 2007 as a regional development bank, Garima Bikas Bank Limited (GBBL) underwent a merger with two regional class-B banks (Nilgiri Bikas Bank Limited on July 14, 2015, and Subhechha Bikas Bank Limited on September 20, 2016) to become a national level player. Upon upgradation into national level class-B bank, GBBL shifted its corporate office from Pokhara to Lazimpat, Kathmandu. Further the company also acquired Sahara Bikas Bank Limited in November 2021. The company's share capital is distributed among promoter and the public in the ratio of 49:51.

GBBL had a presence across the country through its 123 branches as of mid-April 2025. The bank had market share of ~14% in terms of deposit and ~15% in terms of credit portfolio of the development bank's industry (comprising of 17 players) as of mid-April 2025. GBBL reported a profit after tax (PAT) of NPR 434 million during FY2024 (~66% y-o-y degrowth) over an asset base of NPR 96,306 million as of mid-July 2024. Further, the bank reported PAT of NPR 733 million for 9MFY2025 over an asset base of NPR 97,940 million as of mid-April 2025. GBBL's CRAR was 13.09% (with tier-I capital of 10.98%) and gross NPLs stood at 4.78% as of mid-April 2025.

Key financial indicators

Year/period ending on	Mid-July 2022 (Audited)	Mid-July 2023 (Audited)	Mid-July 2024 (Audited)	Mid-April ¹ 2025 (Provisional)
Net Interest Income – NPR million	2,594	3,264	3,315	2,670
Profit before tax – NPR million	1,514	1,787	643	1,048
Profit after tax (PAT) – NPR million	1,030	1,265	434	733
Loan and advances – NPR million	61,474	65,543	71,170	76,618
Total assets – NPR million	80,031	89,163	96,306	97,940
OPERATING RATIOS				
Yield on average advances	12.56%	15.56%	13.44%	10.36%
Cost of deposits	7.72%	9.77%	8.10%	5.49%
Net Interest Margin/Avg. Total Assets	3.39%	3.86%	3.57%	3.67%
Non-interest Income/Avg. Total Assets	0.63%	0.54%	0.54%	0.55%
Operating Expenses/Avg. Total Assets	1.81%	1.80%	1.58%	1.79%
Credit Provisions / Avg. Total Assets	0.23%	0.49%	1.85%	0.98%
PAT / Avg. Total Assets	1.35%	1.49%	0.47%	1.01%
PAT / Net Worth	17.25%	17.57%	5.40%	11.52%
Gross NPLs	0.85%	1.70%	4.85%	4.78%
0+ days delinquencies	14.97%	20.75%	20.84%	26.61%
CAPITALISATION RATIOS				

¹ Ratios of 9MFY2025 have been annualized.

Year/period ending on	Mid-July 2022 (Audited)	Mid-July 2023 (Audited)	Mid-July 2024 (Audited)	Mid-April ¹ 2025 (Provisional)
Capital Adequacy Ratio	13.48%	13.69%	13.29%	13.09%
Tier I capital	10.24%	10.54%	11.16%	10.98%
Net NPLs/Net Worth	3.83%	6.45%	12.87%	6.99%
COVERAGE & LIQUIDITY RATIOS				
Total Liquid Assets/Total Liability	22.08%	25.43%	26.28%	22.97%
Total Advances/Total Deposits	87.26%	82.89%	82.72%	87.95%

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About ICRA Nepal Limited

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Our parent company, ICRA Limited, was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment information and credit rating agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies.

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SERVICES OF THE BANK



Deposit Schemes

The Bank offers a range of current, savings, and fixed deposit schemes. Among its popular products are Sunalo Bhawishya Bal Nikshep Yojana, Garima Swornim Nikshep Yojana, Garima Nari Bachat Khata, Mero Share Bachat Khata, Garima Surakshit Nikshep Yojana, Garima Dampati Khata, Garima Subhalav Bachat Khata, Garima 5-in-1 Bachat Khata, and Special Fixed Deposit schemes.

Loans and Advances

In line with economic needs and customer demand, the Bank provides loans in accordance with the guidelines of Nepal Rastra Bank. Priority is given to lending in productive sectors and small and medium enterprises through both fund-based and non-fund-based financing. Based on customer requirements, the Bank provides microfinance loans, share-collateral loans, gold and silver-collateral loans, and Garima Professional Loans through its branch network.

Remittance Services

The Bank operates its own remittance product, Garima Remit, and also provides remittance services as an agent for 22 other remittance service providers.

Any Branch Banking Service (ABBS)

The Bank allows customers to withdraw cheques from one branch and deposit funds into accounts at another branch without any charges. Through an agreement with Nepal Clearing House Limited, customers can transfer funds to accounts maintained at other banks and financial institutions and clear cheques issued by any member institution. Online and

mobile banking platforms also enable customers to transfer funds conveniently from home.

365-Days Banking Service

To better serve customers, selected branches remain open on Saturdays and public holidays to accept deposits, process cheque payments, and collect loan installments.

C-ASBA Facility

Customers can apply for shares during public or rights share issuances through the C-ASBA system, ensuring a convenient and efficient application process.

Locker Services

To meet customer demand and enhance convenience, the Bank provides locker services at its New Road Branch in Kathmandu; Suryabinayak Branch in Bhaktapur; Kumaripati Branch in Lalitpur; Sabhagrihachowk and Bagar Branches in Pokhara; Dharan Branch in Sunsari; and Narayangarh and Buddhachowk Branches in Chitwan. Plans are in place to expand this service to additional branches.

Debit Card / ATM Facility

In response to rapid technological advancement, increasing competition, and the Government's policy to discourage cash transactions, the Bank has introduced various digital banking tools. As a member of the Visa Network, the Bank issues Visa Debit Cards and Contactless Debit Cards. As of the end of Ashadh 2082, the Bank operated its own ATMs at 51 locations nationwide. Customers can withdraw cash from all ATMs within the Visa Network and make payments at merchant outlets using their debit cards.

SMS Banking / Mobile Banking

Customers can receive account transaction updates and balance information through SMS services. The Bank's Garima Smart Mobile Banking (Garima Digi Batuwa) platform allows customers to view statements, check balances, transfer funds within the Bank and to other financial institutions, transfer funds to eSewa, open fixed deposit accounts, and access various other services. These services enable customers to conduct transactions quickly and conveniently via mobile devices and computers. Garima Digi Batuwa can be accessed through both the mobile application and website using the same credentials.

Customers can receive account transaction updates and balance information through SMS services.



Online Account Opening System
The Bank provides an online account opening facility, enabling customers to open accounts from anywhere in the world and deposit funds directly. Customers can also open fixed deposit accounts independently through the 'Garima Digi Batuwa' mobile application.

Foreign Exchange Service

The Bank offers foreign exchange services through its Lazimpat, Thamel, New Baneshwor, Machhapokhari, and Lakeside Pokhara branches.

QR Code Payment Service

To promote cashless transactions, the Bank provides QR code payment services to both institutional and individual customers through unique and identifiable QR codes. Customers can make payments for goods and services using QR technology instead of cash. Merchants using Fonepay and NepalPay QR can conduct transactions more conveniently through this facility. Additionally, merchants can use advanced devices such as the Garima Voice Box, which provides voice notifications confirming payment receipt.

Credit Card Facility

The Bank has introduced the Garima Credit Card with an Equated Monthly Installment (EMI) facility. Customers can pay for goods and services using the card and repay the amount in easy monthly installments.

Virtual Credit Card Facility

In line with the rapid advancement of information technology, the Bank has introduced a Virtual Credit Card facility, enabling customers to access credit card services directly through the mobile banking application.

In collaboration with the Fonepay Network, customers can make payments for goods and services using the virtual credit card available within the mobile banking app instead of a physical card. Payments can be conveniently made through Fonepay QR codes and merchants within the Fonepay network. The Bank believes this service offers customers a more secure and innovative payment experience.

Making customer needs with innovation that matters, GBBL proudly introduces Nepal's first Virtual Credit Card by our Development Bank, Making payment instant, secure and effortlessly convenient.



Easy to apply



Smarter to use



Pay in style



Go fully digital

Bridging borders through Digital Innovation, GBBL introduces cross border QR Payment, empowering Indian Tourist & promoting seamless cashless transactions across Nepal.



Cross-Border QR Payment Facility

From the beginning of Fiscal Year 2081/82, in collaboration with NepalPay, the Bank launched a cross-border QR payment facility. Through this service, payments can be made by scanning the Bank's NepalPay QR using Indian mobile banking applications such as BHIM, PhonePe, and Google Pay.

This service has been introduced to promote digital transactions and is particularly targeted at Indian tourists visiting Nepal.

Smart Teller Facility

The Bank continues to adopt modern technology to enhance digital transactions by providing Smart Teller services. Through all branch offices, customers can withdraw cash quickly and conveniently by scanning a QR code at the cash counter using the Garima Mobile App, instead of using a cheque.

This facility eliminates the need to carry a cheque book or debit card for cash withdrawals and enables fast, simple, and hassle-free transactions.



MESSAGE FROM LEADERS

This section highlights the key achievements accomplished during the reporting period and provides insight into the Bank's strategic direction ahead. It outlines management's forward-looking roadmap for strengthening financial performance, enhancing institutional resilience, advancing digital innovation, and pursuing sustainable growth in the years to come.



In 2081/82, total capital fund of bank has increased from 8.70 billion to 9.34 billion.

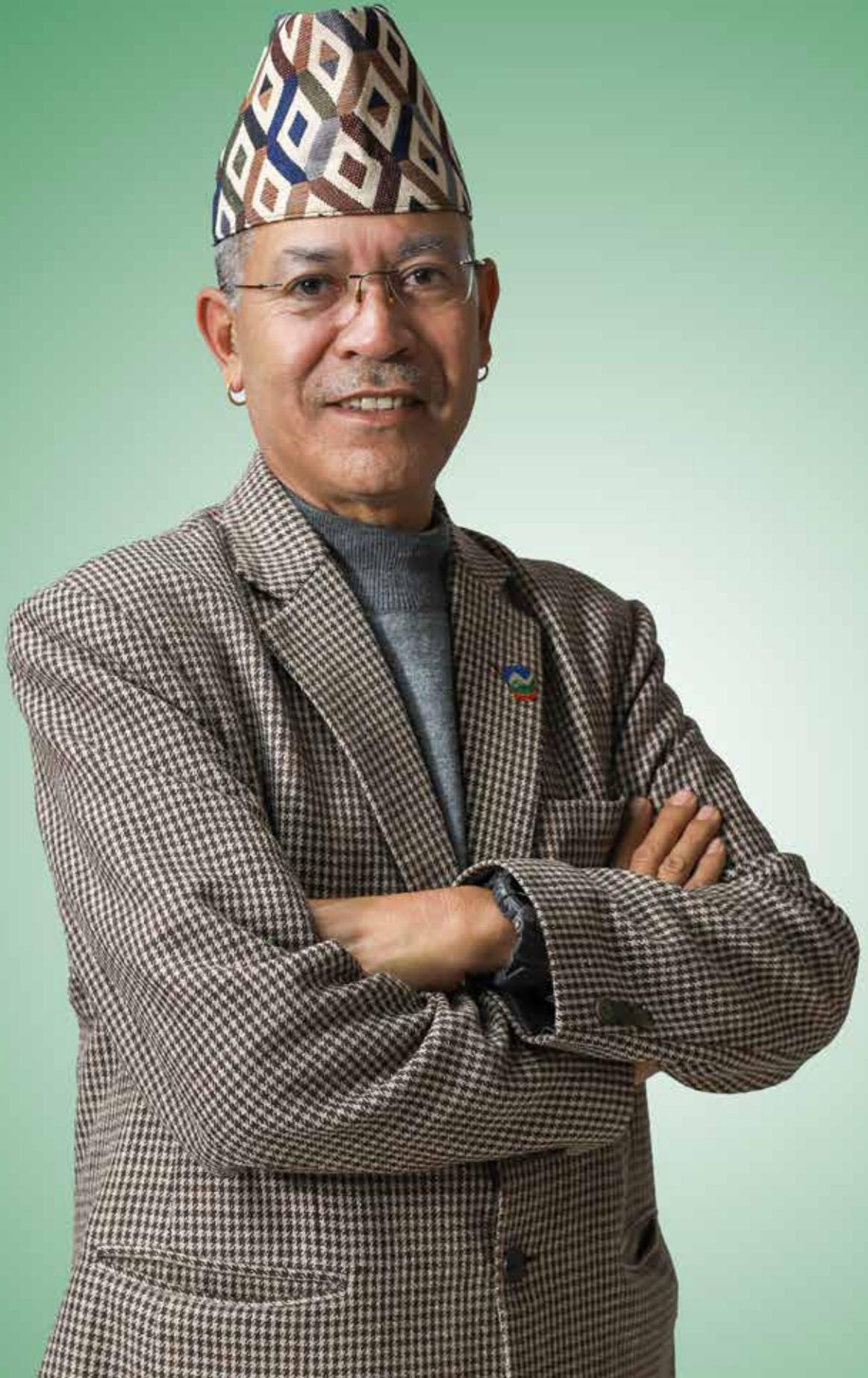


9.34

TOTAL CAPITAL FUND (RS. IN BILLION)

13.20

TOTAL CAPITAL FUND (IN %)



BUILDING SUSTAINABLE VALUE

Based on the accumulated profit at the end of Fiscal Year 2081/82, the Board has proposed a total dividend of 10.53 percent for approval by this meeting, comprising 6 percent bonus shares and a 4.53 percent cash dividend, including applicable taxes.



Respected Shareholders,
On the occasion of the 19th Annual General Meeting of Garima Bikas Bank Limited, I warmly welcome all distinguished guests, former Chairpersons and Directors, representatives of regulatory authorities, the External Auditor, media personalities, and our employees. I sincerely express my gratitude to our valued shareholders for your unwavering trust over the past 19 years. Your continued confidence has been the foundation of the Bank's steady progress and long-term resilience. Despite a challenging economic environment during the year, the Bank achieved stable and positive results. Total deposits increased by 7.72 percent to NPR 92.68 billion. Although the banking sector had sufficient liquidity, loan growth across the industry remained slow due to weaker economic activity and a rise in non-performing loans. In this context, the Bank recorded a 7.79 percent increase in credit investment, with total loans and advances reaching NPR 76.71 billion by the end of Ashadh 2082. The non-performing loan ratio also improved slightly, declining from 4.85 percent in Ashadh 2081 to 4.69 percent in Ashadh 2082.

Based on the accumulated profit at the end of Fiscal Year 2081/82, the Board has proposed a total dividend of 10.53 percent for approval by this meeting, comprising 6 percent bonus shares and

a 4.53 percent cash dividend, including applicable taxes.

The Bank's operational performance, key achievements, and strategic initiatives are presented in detail in the Annual Report.

Sound corporate governance remains a key focus of the Bank. During the year, we worked to further strengthen our systems and processes by strictly adhering to internal policies and all applicable laws, regulations, and directives issued by regulatory authorities, while maintaining high ethical and professional standards. To enhance internal control and supervision, the Bank has established 10 Regional Offices across the country. The Bank remains firmly committed to safeguarding stakeholder interests through robust risk management and internal control frameworks. With the aspiration of positioning itself as a leading institution among banks and financial institutions, the Bank continues to emphasize sustainable business growth, employee development, customer- and technology-friendly service delivery, strong governance, and prudent risk management.

In line with efforts to strengthen its capital base, the Bank issued a debenture worth NPR 1 billion in Fiscal Year 2078/79, which is currently being traded in the secondary market of the

Nepal Stock Exchange (NEPSE). Digital transformation has become a crucial element of modern banking. Recognizing this shift, the Bank has adopted a policy of progressively automating its internal operations and customer services, with the objective of modernizing service delivery, enhancing efficiency, and improving customer experience through technology-driven solutions.

Guided by its vision and the slogan "Access to All" the Bank has expanded its presence across all seven provinces of the country. At present, the Bank delivers modern banking services through 10 Regional Offices, 125 Branch Offices, 1 Extension Counter, and 51 ATM machines. The Bank currently serves more than 930,000 depositors, over 36,000 borrowers, more than 495,000 mobile banking users, over 180,000 debit card users, and more than 70,000 QR merchants. The Bank remains committed to further expanding its outreach and advancing financial inclusion nationwide.

As banking is a business of perpetual continuity, the Bank has embraced the concept of Resilient Banking to effectively navigate both internal and external challenges. In a rapidly evolving environment, institutional strength depends on the ability to adapt proactively. Resilient Banking reflects the combined strength of clear policies, capable leadership, and robust internal systems, supported by flexibility, the adoption of emerging best practices, technological readiness, responsiveness to evolving customer needs, and a consistently customer-centric approach. In

alignment with this philosophy, the Bank reaffirms its commitment to maintaining adequate capital buffers, strengthening risk management frameworks, advancing customer-friendly technology, ensuring business continuity and crisis preparedness, diversifying business and investments, promoting sustainable growth, and upholding transparency, strong governance, and timely adaptability.

The Bank continues to conduct its operations in full compliance with internal policies and regulatory directives issued from time to time. I would like to assure this distinguished gathering that the Bank remains firmly committed to corporate governance, a zero-tolerance approach to non-compliance, and proactive management of risks arising from rapid developments in information technology.

Lastly, I extend my sincere appreciation to our respected shareholders and all distinguished guests present at this 19th Annual General Meeting. I also convey my heartfelt thanks to regulatory authorities, customers, the media, members of the Board of Directors, employees, and all well-wishers who have directly or indirectly supported the Bank. I am confident that your continued support, cooperation, and guidance will enable us to move forward with renewed determination as we strive to deliver excellent, sustainable, and inclusive banking services.

Mr. Dilip Pratap Khand
Chairman

Built in Resilience,
Driven by
Innovation with
over 125 Branches,
51 ATM's & nearly a
Million Depositors,
GBBL continue
to strengthen it's
foundation while
embracing the
future of Banking.

”

"Access to All"



गरीमा विकास बैंक लिमिटेड

Garima Bikas Bank Limited

नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्रप्राप्त संस्था

आजको
बचत

भोलीको
आधार



SUSTAINING GROWTH IN A CHANGING LANDSCAPE

The Bank achieved significant improvement in profitability, with operating profit rising by 181.67 percent to NPR 1.81 billion and net profit increasing by 187.52 percent to NPR 1.25 billion compared to the previous fiscal year.



Respected Chairperson presiding over the 19th Annual General Meeting of Garima Bikas Bank Limited; Members of the Board of Directors; Former Chairpersons and Directors; Esteemed Shareholders; Representatives of Regulatory Authorities; External Auditor; invited guests; media personalities; employees; and distinguished attendees, I am pleased to extend my sincere greetings and warmly welcome you all to this 19th Annual General Meeting.

Fiscal Year 2081/82 remained a positive and encouraging year for the Bank in terms of business growth, profitability, and operational strength. During the year, deposits increased by 7.72 percent, reaching NPR 92.68 billion, while loans and advances grew by 7.79 percent to NPR 76.71 billion. The Bank also achieved significant improvement in profitability, with operating profit rising by 181.67 percent to NPR 1.81 billion and net profit increasing by 187.52 percent to NPR 1.25 billion compared to the previous fiscal year.

Despite these achievements, the overall economic environment remained challenging. The expected pace of recovery could not be fully realized due to a slowdown in economic activities. Although the banking sector had sufficient liquidity and lending rates declined to single digits, loan

growth across banks remained below expectations. In this context, the Bank recorded credit growth of 7.79 percent, compared to the industry average of 8.6 percent. During the year, net profit increased by 187.52 percent, reaching NPR 1.24 billion. Other key financial indicators and technology-based services, such as debit and credit cards, mobile banking, QR code services, and other digital platforms, also recorded significant growth.

The Bank's performance and innovations were recognized both nationally and internationally. On 29 August 2025, at the Third Emerging Asia Banking Conclave and Awards Program in New Delhi, the Bank received The Best Bank Award, The Best AI-ML Bank Award, and was Runner-up in MSME Acceleration. Likewise, at the Annual Awards Ceremony organized by Corporate Club Nepal on Falgun 13, 2081, the Bank received the Corporate Excellence Award 2024 in the Development Bank category. These recognitions motivate us to continue improving our services and working with even greater commitment.

Alongside business growth, the Bank has remained proactive in fulfilling its social responsibilities. During the year, the Bank actively engaged in initiatives related to education,

health, humanitarian assistance and relief, environmental protection, financial literacy, and the Sustainable Development Goals, thereby reinforcing its role as a responsible institution and strengthening its connection with society.

In addition to business expansion, the review year was marked by focused efforts to strengthen the Bank's corporate structure, enhance service quality, and maintain asset quality. Recognizing the critical role of small and medium enterprises, as well as sectors such as energy, agriculture, and infrastructure development in promoting production, employment, and economic growth, the Bank prioritized these productive sectors in its credit portfolio while ensuring balanced credit flow across the economy. By adopting modern banking tools and technologies, the Bank continued to deliver services in a simple, accessible, customer-centric, and technology-friendly manner, while remaining firmly committed to contributing to sustainable economic development. In a situation where investor confidence is low and economic activity remains slow, banks and financial institutions have an important role in restoring trust by maintaining financial discipline, promoting financial awareness, and supporting a stable business environment. The Bank remains committed to fulfilling this responsibility.

With a determination to operate the Central Office from its own building, on Jestha 16, 2082, the Bank acquired a seven-storey modern commercial building with a total area of 47,625.16 square feet, built on 2-5-1-1 ropani of land in Baluwatar, Kathmandu-3. Interior construction and furnishing

work to prepare the building for the Central Office are currently underway.

Recognizing human resources as the Bank's most valuable asset, the Bank has placed strong emphasis on employee recruitment, capacity building through internal and external training programs, seminars, and workshops, as well as career development and empowerment. From the review year onward, a performance-based career development framework has been introduced to enhance employees' knowledge, skills, and leadership capabilities.

Even amid challenging circumstances, guided by the visionary leadership of the Board of Directors and supported by the dedication and professionalism of our employees, the Bank remains committed to delivering sustained and balanced returns to investors while safeguarding the highest interests of all stakeholders.

At last, I express my sincere gratitude for the trust, support, guidance, and cooperation extended throughout the Bank's ongoing journey of progress. I extend heartfelt thanks to our respected Shareholders, Board of Directors, Regulatory Authorities, Customers, Media Personalities, Employees, and all Well-wishers who have directly or indirectly supported the Bank. We look forward to your continued support in the years ahead as we remain steadfast in our commitment to establishing the Bank as an excellent, resilient, and forward-looking financial institution.

Thank you.

Madhav Prasad Upadhaya
Chief Executive Officer

The bank earned national and international recognition for its performance and innovation in 2025. It won Best Bank and Best AI-ML Bank awards and was Runner-up in MSME Acceleration at the Emerging Asia Banking Conclave in New Delhi. It also received the Corporate Excellence Award 2024 in the Development Bank category from Corporate Club Nepal, encouraging it to further improve services and commitment.





गारिमा सुन कर्जा

भरोसाको अर्को नाम ।

आपतकालीन आवश्यकता वा नयाँ अवसर
गारिमासँग छ सजिलो समाधान ।



सजिलो प्रक्रियामा १ कार्य दिन भित्रै कर्जा स्वीकृत



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BOARD OF DIRECTORS' REPORT

This part presents an overview of the Bank's operational performance, key achievements, and management initiatives during the reporting period. It outlines how the Bank's leadership has implemented strategic priorities, strengthened risk management practices, enhanced service delivery, and ensured regulatory compliance while maintaining a strong focus on customer satisfaction, operational efficiency, and sustainable growth.



In 2081/82, net profit increased by 187.52 percent, reaching NPR 1.25 billion.



5.68

PAID-UP CAPITAL (RS. IN BILLION)

3.58

RESERVE (RS. IN BILLION)

19TH ANNUAL GENERAL MEETING

Annual Report Presented by the Chairperson on Behalf of the Board of Directors

Fiscal Year 2081/82

Respected Shareholders,

I am delighted to warmly welcome our esteemed shareholders, former Chairpersons and Directors, representatives of regulatory authorities, external auditors, employees, members of the media and all honored guests to the 19th Annual General Meeting of Garima Bikas Bank Limited.

On behalf of the Board of Directors, I am pleased to confirm that the 19th Annual Report and the accompanying Auditor's Report have been duly dispatched to all shareholders and are also published on the official website of the Bank. We are confident that you have reviewed these comprehensive documents.

To our respected shareholders, committed employees, regulatory authorities, loyal customers, well wishers and all stakeholders, it is your unwavering trust and invaluable contributions that have enabled Garima Bikas Bank to successfully conclude its 19th year of operation. I wish to convey our deepest gratitude for your unwavering support, cooperation and confidence, which are fundamental to our mission of establishing this institution as a leading development bank. We also eagerly anticipate your continued invaluable advice, suggestions and guidance in the days ahead.

On this special occasion, I hereby present to the Annual General Meeting, for approval, a detailed analytical overview of the Bank's performance for Fiscal Year 2081/82. This includes the financial position as of the end of Ashad 2082, the profit and loss statements, the proposed profit distribution, the cash flow statements and all related schedules and financial reports.

NATIONAL & INTERNATIONAL ECONOMIC OUTLOOK

International Economic Situation

According to the IMF, the global economy, which was gradually recovering post COVID-19 pandemic, is now facing renewed challenges due to rising geopolitical tensions and increasingly restrictive trade policies of major economies. As a result, the global economy, which grew by 3.3 percent in 2024, is expected to increase only by 2.8 percent in 2025. Advanced economies, which recorded a growth of 1.8 percent in 2024, are projected to grow by 1.4 percent in 2025. Similarly, emerging and developing economies, which expanded by 4.3 percent in 2024, are projected to grow by 3.7 percent in 2025. India and China, which grew by 6.5 percent and 5.0 percent, respectively in 2024, are projected to grow by 6.2 percent and 4.0 percent respectively in 2025.

Global inflation has been on disinflationary trend over the past three years. As per the IMF, global consumer inflation, which stood at 5.7 percent in 2024, will decrease to 4.3 percent in 2025. Inflation in advanced economies is projected to fall slightly from 2.6 percent in 2024 to 2.5 percent in 2025. In the emerging and developing economies, inflation is projected to decrease from 7.7 percent in 2024 to 5.5 percent in 2025. Although global inflation is declining, the IMF has cautioned upward risks to prices due to persistent geopolitical tensions and restrictive trade policies.



With inflation easing, most of the economies have adopted accommodative monetary policies. The European Central Bank (ECB) has reduced the deposit facility rate eight times since June 2024. Similarly, the Reserve Bank of India, which had maintained its policy rate at 6.5 percent since February 2023, has reduced it three times since February 2025, bringing it down to 5.5 percent by June 2025. Similarly, the People's Bank of China has reduced its one-year loan prime rate from 3.55 percent in June 2023 to 3.00 percent in June 2025. The U.S. Federal Reserve has lowered the federal funds rate three times from 5.25–5.50 percent range of September 2024 to 4.25–4.50 percent range by December 2024 and has continued this stance.

The Reserve Bank of India, which had maintained its policy rate at 6.5 percent since February 2023, has reduced it three times since February 2025, bringing it down to 5.5 percent by June 2025.



National Economy

ECONOMIC GROWTH

National Statistics Office (NSO) has estimated an economic growth of 4.61 percent for 2024/25. The economic growth rate stood at 3.67 percent in the previous fiscal year. The agriculture sector is expected to grow by 3.28 percent, industrial sector by 4.53 percent, and service sector by 4.21 percent in 2024/25. After two years of contraction in manufacturing, construction, and wholesale and retail sub-sectors, these sectors are expected to expand in 2024/25. As per the latest estimates of the NSO, the economy is estimated to have grown by 4.8 percent in the third quarter of 2024/25.

The timely arrival of monsoon is expected to have a positive impact on the production of paddy and other seasonal crops. The agricultural sector is expected to experience satisfactory growth, driven by government initiatives such as subsidies for improved seeds and easy availability of chemical fertilizers. Additionally, provisions for minimum support pricing announced prior to planting of crops such as paddy, maize, wheat, sugarcane, and coffee are also expected to contribute to the growth.

Among national pride and high-priority infrastructure projects under construction, projects such as the Nagdhunga tunnel, Kathmandu-Terai expressway, Pokhara-Mugling section of the Prithvi highway, BheriBabai multipurpose project, and Siddhababa tunnel are in the final stages of completion. The successful completion of these projects is anticipated to enhance industrial and service sector capacities, thereby fostering the economic activities. Similarly, hydropower construction is progressing with the target of adding at least 1,000 megawatts of installed capacity annually over the next five years. Electricity export to Bangladesh began from 15 June 2025, after the signing of the power purchase agreement.

Tourist arrivals have returned to pre-COVID-19 levels, and tourism infrastructure has also expanded. If both Pokhara and Lumbini international airports operate on full scale, domestic and international tourism will expand. This expansion is expected to boost production and employment in associated

Hydropower development is progressing with a target of adding at least 1,000 megawatts of installed capacity annually over the next five years.



sectors, as well as in the backward and forward linking sectors of the economy. The budget statement of 2025/26 has also introduced programs aimed at promoting small and medium enterprises and facilitating policy measures for the export of information technology (IT) services. These programs are expected to contribute to the expansion of service exports.

INFLATION

The annual average consumer price inflation stood at 4.06 percent in 2024/25 compared to 5.44 percent a year ago. The y-o-y consumer price inflation stood at 2.20 percent in mid-July 2025 compared to 3.57 percent a year ago. The annual average food and beverage category inflation stood at 4.69 percent in 2024/25 compared to 6.47 percent a year ago. The annual average non-food and services category inflation stood at 3.71 percent in 2024/25 compared to 4.64 percent a year ago. The annual average salary and wage rate index stood at 2.85 percent in 2024/25 compared to 5.03 percent a year ago. In the review quarter, the y-o-y salary and wage index in

Koshi Province increased 1.23 percent, Madhesh Province 2.14 percent, Bagmati Province 1.98 percent, Gandaki Province 2.74 percent, 3 Lumbini Province 3.72 percent, Karnali Province 3.09 percent, and Sudurpashchim Province 7.44 percent.

FOREIGN TRADE

During 2024/25, merchandise exports increased 81.8 percent to Rs. 277.03 billion against a decrease of 3.0 percent in the previous year. Destination-wise, exports to India, China, and other countries increased 117.8 percent, 1.6 percent, and 6.7 percent respectively.

Exports of soyabean oil, polyester yarn and thread, jute goods, tea, and shoes and sandals among others increased whereas exports of palm oil, zinc sheet, juice, ginger, and readymade garments among others decreased in the review year.

During 2024/25, merchandise imports increased 13.3 percent to Rs.1804.12 billion against a decline of 1.2 percent a year ago. Destination-wise, imports from India, China, and other countries increased 7.5 percent, 14.2 percent, and 31.7 percent respectively. Imports of crude soyabean oil, transport equipment, vehicle and spare parts, rice/paddy, edible oil, and sponge iron among others increased whereas imports of petroleum products, aircraft spareparts, gold, chemical fertilizer, and electrical equipment among others decreased in the review year.

Total trade deficit increased 6.0 percent to Rs.1527.09 billion in 2024/25. Such deficit had decreased 1.0 percent in the previous year. The export-import ratio increased to 15.4 percent in the review year from 9.6 percent in the previous year.

REMITTANCE INFLOWS

Remittance inflows increased 19.2 percent to Rs.1723.27 billion during 2024/25 compared to an increase of 16.5 percent in the previous year. During mid-June to mid-July 2025 (Asar

During FY 2024/25, merchandise exports increased by 81.8 percent to NPR 277.03 billion, compared to a decline of 3.0 percent in the previous year.



month), remittance inflows stood at Rs. 189.11 billion. In the same period, such inflows were Rs. 117.78 billion. In the US Dollar terms, remittance inflows increased 16.3 percent to 12.64 billion in the review year compared to an increase of 14.5 percent in the previous year. The number of Nepali workers, both institutional and individual, taking first-time approval for foreign employment stands at 505,957 and taking approval for renew entry stands at 333,309. In the previous year, such numbers were 460,102 and 281,195 respectively.

FOREIGN EXCHANGE RESERVES

Gross foreign exchange reserves increased 31.2 percent to Rs.2677.68 billion in mid-July 2025 from Rs.2041.10 billion in mid-July 2024. In the US dollar terms, the gross foreign exchange reserves increased 27.7 percent to 19.50 billion in mid-July 2025 from 15.27 billion in mid-July 2024. Of the total foreign exchange reserves, the reserves held by NRB increased 30.6 percent to Rs.2414.64 billion in mid-July 2025 from Rs.1848.55 billion in mid-July 2024. Reserves held by banks and financial institutions (except NRB) increased 36.6 percent to Rs.263.04 billion in mid-July 2025 from Rs.192.55 billion in mid-July 2024. The share of Indian currency in total reserves stood at 23.1 percent in mid-July 2025.

INTERNATIONAL INVESTMENT POSITION

Foreign assets and liabilities of the country stood at Rs.2929.69 billion and Rs.2146.43 billion respectively in mid-July 2025. Accordingly, net IIP remained at a surplus of Rs.783.26 billion in mid-July 2025. Net IIP was at surplus of Rs.305.84 billion in mid-July 2024.

EXCHANGE RATE

Nepalese currency vis-à-vis the US dollar depreciated 2.66 percent in mid-July 2025 from mid-July 2024. It had depreciated 1.64 percent in the previous year. The buying exchange rate per US dollar stood at Rs.137.00 in mid-July 2025 compared to Rs.133.36 in mid-July 2024.

DEPOSIT MOBILIZATION

Deposits at Banks and Financial Institutions (BFIs) increased 12.6 percent (Rs.811.49 billion) in the review year compared to an increase of 13.0 percent (Rs.742.37 billion) in the previous year. The share of demand, saving, and fixed deposits in total deposits stands at 7.1 percent, 36.8 percent and 48.3 percent respectively in mid-July 2025. Such shares were 5.8 percent, 30.3 percent and 56.4 percent respectively a year ago. The share of institutional deposits in total deposit of BFIs stands at 36.1 percent in mid-July 2025. Such a share was 36.2 percent in mid-July 2024.

CREDIT DISBURSEMENT

In the review year, private sector credit from commercial banks, development banks and finance companies increased 8.6 percent, 6.1 percent and 8.4 percent respectively. The shares of private sector credit from BFIs to non-financial corporation and household stand at 62.8 percent and 37.2 percent respectively in mid-July 2025. Such shares were 63.3 percent and 36.7 percent a year ago. Outstanding loan of BFIs to the industrial production sector increased 7.9 percent, transportation, communication and public sector increased 15.5 percent, wholesale and retail sector increased 3.4 percent and service industry sector increased 12.8 percent whereas agriculture sector decreased 0.2 percent in the review year.

LIQUIDITY MANAGEMENT

In the review year, NRB absorbed, a total liquidity of Rs.24651.35 billion including Rs.21508.40 billion through standing deposit facility(SDF) and Rs.3142.95 billion through deposit collection auction. Meanwhile, the NRB injected Rs.2.7 billion liquidity through Overnight Liquidity Facility (OLF). Consequently, Rs.24648.65 billion net amount of liquidity was absorbed through various instruments in the review year. In 2023/24, Rs.3868.84 billion net amount of liquidity was absorbed through various instruments. In the review year, NRB injected liquidity of Rs.787 billion through the net purchase of USD 5.83 billion from foreign exchange market. Liquidity of Rs.783.47 billion was injected through the net purchase of USD 5.89 billion in the previous year. The NRB purchased Indian currency (INR) equivalent to Rs.567.61 billion through the sale of USD 4.16 billion in the review year. INR equivalent to Rs. 535.07 billion was purchased through the sale of USD 4.02 billion in the previous year.

NRB absorbed a total liquidity of NPR 24,651.35 billion, including NPR 21,508.40 billion through the Standing Deposit Facility (SDF) and NPR 3,142.95 billion through deposit collection auctions.



INTEREST RATES

The weighted average 91-day treasury bills rate has remained 2.95 percent in the last month of 2024/25, which was 3.00 percent a year ago. The weighted average interbank transaction rate among BFIs stood 2.96 percent in the last month of 2024/25, which was 2.99 percent a year ago. The average base rate of commercial banks, development banks and finance companies stood 6.02 percent, 8.03 percent and 8.97 percent respectively in the last month of 2024/25. Such rates were 8.00 percent, 9.71 percent and 11.21 percent respectively in the corresponding month a year ago. Weighted average deposit rate of commercial banks, development banks and finance companies stood 4.19 percent, 4.88 percent and 6.01 percent respectively in the last month of 2024/25. Such rates were 5.77 percent, 6.63 percent and 7.93 percent respectively in the corresponding month a year ago. Weighted average lending rate of commercial banks, development banks and finance companies stood 7.85 percent, 8.95 percent and 10.22 percent respectively in the last month of 2024/25. Such rates were 9.93 percent, 11.34 percent and 12.55 percent respectively in the corresponding month a year ago.

FINANCIAL ACCESS

The total number of BFIs licensed by NRB remained 107 in mid-July 2025. As of mid-July 2025, 20 commercial banks, 17 development banks, 17 finance companies, 52 microfinance financial institutions and 1 infrastructure development bank are in operation. The number of BFIs branches remained 11,526 in mid-July 2025 from 11,530 in mid-July 2024 (Table 7). Population per branch remained 2530 in mid-July 2025 compared to 2529 a year ago.

DEPOSIT AND CREDIT GUARANTEE

Deposit and Credit Guarantee Fund (DCGF) has guaranteed current, call, saving and fixed deposits amounting Rs.1579.05 billion of 57.14 million accounts of individuals maintained at 55 banks and financial institutions (BFIs) as of mid-July 2025. In the previous year, Rs.1430.46 billion of 45.80 million account holders was guaranteed. DCFG has guaranteed micro and deprived sector loan, small and medium enterprises loan and agriculture loan (including concessional loan) of BFIs amounting to Rs.327.42 billion as of mid-July 2025 compared to Rs.296.45 billion a year ago.

CAPITAL MARKET

NEPSE index stood 2794.79 in mid-July 2025 compared to 2240.41 in mid-July 2024. Stock market capitalization in mid-July 2025 stood Rs.4656.99 billion compared to Rs.3553.68 billion in mid-July 2024. The ratio of market capitalization

to GDP stood 76.25 percent in mid-July 2025 compared to 62.25 percent in mid-July 2024. Number of companies listed at NEPSE 3,100 2,900 2,700 2,500 2,300 2,100 1,900 1,700 Chart 6: NEPSE Index reached 272 in mid-July 2025. Out of the total listing, 132 are Bank and Financial Institutions (BFIs) and insurance companies, 91 hydropower companies, 23 manufacturing and processing industries, 7 hotels, 7 investment companies, 4 trading companies and 8 others. The number of companies listed at NEPSE were 270 in mid-July 2024. Share of BFIs and insurance companies in stock market capitalization is 54.1 percent in mid-July 2025. Such a share for hydropower companies is 15.3 percent, investment companies 7.7 percent, manufacturing and processing industries 5.4 percent, trading companies 5.0 percent, hotels 2.7 percent and the share of other companies is 9.8 percent. The paid-up value of 8.82 billion shares listed at NEPSE stood Rs.869.86 billion in mid-July 2025. Securities worth Rs.83.19 billion were listed at NEPSE during 2024/25. Such securities comprise ordinary shares worth Rs.40.21 billion, bonus shares worth Rs.24.42 billion, right shares worth Rs.13.23 billion, mutual fund worth Rs.1.25 billion, FPO worth Rs.112.01 million, and others worth Rs.3.96 billion. Securities Board of Nepal approved the total public issuance of securities worth Rs.45.16 billion in the review period which includes right share worth Rs.15.41 billion, mutual fund worth Rs.15.20 billion, debenture worth Rs.10.62 billion and ordinary shares worth Rs.3.93 billion.

(Source: Nepal Rastra Bank)

The paid-up value of 8.82 billion shares listed at NEPSE stood at NPR 869.86 billion in mid-July 2025.



IMPACT OF LOCAL AND INTERNATIONAL ECONOMIC CONDITIONS ON THE BANK

Garima Bikas Bank's operations are closely affected by both national and global economic conditions. Important external factors such as the role of remittances, fluctuations in global commodity prices, rapid technological changes, evolving customer expectations, and evolving regulations have a direct or indirect impact on our strategies and operations. The Bank remains alert and proactive, continuously developing and implementing strong strategies to manage these challenges and minimize associated risks.

PERFORMANCE OVERVIEW OF THE LAST FISCAL YEAR

Fiscal Year 2081/82 has been a period of satisfactory progress and resilience for Garima Bikas Bank, marked by prudent business expansion and sustainable returns. We affirm that all financial statements for the fiscal year have been meticulously

prepared in full compliance with the Nepal Financial Reporting Standard (NFRS), ensuring the highest standards of transparency and accountability. The comparative financial position of the Bank for the last two fiscal years is summarized as follows:

Particulars	Ashad End 2081	Ashad End 2082	Increase /(Decrease)	
			NPR	Percentage (%)
Paid-up Capital	5,680,517,328	5,680,517,328	-	-
Accumulated Profit and Reserve Funds	2,577,546,547	3,582,736,592	1,005,190,045	39.00
Total Assets	96,305,601,665	104,464,059,239	8,158,457,573	8.47
Total Deposits	86,036,047,261	92,681,617,488	6,645,570,227	7.72
Total Loans and Advances	71,169,598,646	76,711,163,372	5,541,564,726	7.79
Total Investments	16,756,472,284	20,319,612,972	3,563,140,688	21.26
Total Interest Income	10,110,220,567	8,391,249,954	(1,718,970,613)	(17.00)
Total Interest Expenses	6,795,449,181	4,779,182,798	(2,016,266,383)	(29.67)
Net Interest Income	3,314,771,386	3,612,067,156	297,295,770	8.97
Total Operating Income	2,104,543,913	3,611,010,480	1,506,466,567	71.58
Total Operating Expenses	1,462,412,144	1,802,320,572	339,908,428	23.24
Operating Profit	642,131,769	1,808,689,908	1,166,558,139	181.67
Net Profit	433,951,860	1,247,692,141	813,740,281	187.52

FINANCIAL RATIOS

Particulars	Ashad End 2081	Ashad End 2082	Increase /(Decrease)
Capital Fund Ratio	13.29	13.20	-0.09
Earnings Per Share (NPR)	7.64	21.96	14.32
Net Assets per Share (Book Value per Share)(NPR)	145.38	163.07	17.70
Loan-to-Deposit Ratio (As per Nepal Rastra Bank Directive)	82.72	83.40	0.68
Non-Performing Loans (in percentage)	4.85	4.69	-0.16



PAID-UP CAPITAL AND CAPITAL ADEQUACY

At the end of fiscal year 2081/82, paid-up capital of the bank stood at NPR 5.68 billion. Following the approval and distribution of 6% bonus shares by the 19th Annual General Meeting, the bank's paid-up capital is set to increase to NPR 6.02 billion.

As per the capital adequacy framework prescribed by Nepal Rastra Bank for national-level development banks, the Bank is required to maintain a minimum Capital Adequacy Ratio of 11 percent. As of the end of Fiscal Year 2081/82, capital adequacy ratio of the bank stands at 13.20 percent, which is 2.20 percentage points above the minimum regulatory requirement set by Nepal Rastra Bank.

RETAINED EARNINGS AND RESERVE FUNDS

At the end of fiscal year 2080/081, retained earnings and reserve funds of the bank was amounted to NPR 2.58 billion. By the end of fiscal year 2081/82, these funds increased by 39%, reaching NPR 3.58 billion.

TOTAL ASSETS

At the end of fiscal year 2080/081, total assets of the bank were amounted to NPR 96.31 billion. By the end of fiscal year 2081/82, total assets increased by 8.47 percent, reaching NPR 104.46 billion.

TOTAL DEPOSITS

At the end of fiscal year 2080/081, total deposit of the bank was NPR 86.04 billion. During fiscal year 2081/82, as the Bank had sufficient funds for lending and loan demand was relatively low, it focused more on loan disbursement and recovery rather than deposit mobilization. As a result, total deposits grew by 7.72 percent, reaching NPR 92.68 billion at the end of the fiscal year. Of this, 76.09 percent was from individual deposits and 23.91 percent from institutional deposits.

TOTAL LOANS AND ADVANCES

Despite sufficient funds available for lending, the economic slowdown and lower-than-expected loan demand led the Bank to focus on quality loan investments. Consequently, loans and advances increased by 7.79 percent during fiscal year 2081/82, reaching NPR 76.71 billion.

INVESTMENTS

Since its inception, Garima Bikas Bank has strategically diversified its investment portfolio across various sectors of the economy. During the review period, the Bank's total investment increased significantly by 21.26 percent to reach NPR 20.32 billion. The portfolio is prudently allocated, with 93.90 percent invested in secure government bills and bonds and the remaining 6.10 percent in other permissible investment avenues.

INTEREST INCOME

In Fiscal Year 2081/82, total interest income of the bank stood at NPR 8.39 billion. This income stream comprised 88.28 percent from loans and advances and 11.72 percent from non-loan investments. Despite a 7.79 percent growth in the loan portfolio, the prevailing downward trend in lending interest rates resulted in a 17 percent decrease in total interest income compared to the previous fiscal year.

In Fiscal Year 2081/82, the Bank's total interest income stood at NPR 8.39 billion.



INTEREST EXPENSES

Interest expenses of the bank demonstrated a favorable trend, declining by 29.67 percent to NPR 4.78 billion during the review year. This reduction is directly attributed to a decrease in the average cost of deposits. This improved cost structure has created an opportunity to extend loans at more competitive rates, thereby enhancing market positioning. In light of this, the Bank will accord special priority to mobilizing low-cost deposits in the coming period.

NET INTEREST INCOME

Garima Bikas Bank achieved a net interest income of NPR 3.61 billion in FY 2081/82, marking a healthy increase of 8.97 percent over the previous year. To optimize the utilization of available funds, the Bank has adopted a focused strategy centered on the careful management of the loan-to-deposit ratio and net interest margin.

TOTAL OPERATING INCOME

Total operating income of the bank for FY 2081/82 reached NPR 3.61 billion, representing a substantial increase of 71.58 percent over the NPR 2.10 billion recorded in the previous year. This performance achieved 90.95 percent of the target set forth in the annual work plan and budget.

OPERATING EXPENSES

Total operating expenses, encompassing staff costs and other administrative expenditures, increased by 23.24 percent to NPR 1.80 billion in FY 2081/82. This increase of approximately NPR 33.99 million is primarily attributable to rising staff expenses and provisions for depreciation and write-offs.

OPERATING PROFIT

Demonstrating strong operational efficiency, operating profit of the bank increased by 181.67 percent to NPR 1.81 billion in

FY 2081/82 from NPR 642.13 million in the previous year. This robust performance significantly exceeded the annual target, achieving 115.64 percent of the set target.

NET PROFIT

The Bank recorded an outstanding financial performance with a net profit of NPR 1.25 billion for FY 2081/82. This represents a remarkable increase of 187.52 percent over the previous year's profit of NPR 43.40 million and exceeds the annual target by 131.01 percent.

NON-PERFORMING LOAN (NPL) RATIO

Within a climate of moderated economic activity that has impacted borrower repayment capacity across the banking sector, Garima Bikas Bank has successfully managed its asset quality. The Bank's NPL ratio improved slightly by 0.17 percentage points, decreasing from 4.85 percent to 4.69 percent by the end of FY 2081/82. Management remains under strict directive to implement proactive measures to maintain the NPL ratio at the lowest possible level.

LOAN-TO-DEPOSIT RATIO (LDR)

The Bank has maintained a balanced approach to deposit mobilization and credit disbursement, keeping the Loan-to-Deposit Ratio well within the regulatory limit prescribed by Nepal Rastra Bank. The LDR increased slightly by 0.68 percentage points from 82.72 percent to 83.40 percent during the review period. Given the Bank's comfortable liquidity position and investable surplus, strategic focus will be directed towards quality credit expansion and formulating a robust investment strategy for further loan growth.

EARNINGS PER SHARE (EPS)

Reflecting the significant improvement in profitability, the Bank's Earnings per Share rose substantially to NPR 21.96 at the end of FY 2081/82 compared to NPR 7.62 in the previous fiscal year.

NETWORK EXPANSION

As part of its strategic growth plan, the Bank expanded its physical presence during the review year by establishing a Regional Office in Beni, Myagdi, and opening new branch offices in Biruwa and Arjunchaupari, Syangja. The Bank will continue to assess the feasibility of expanding into the Kathmandu Valley and other commercially strategic locations.

MUTUAL FUND ISSUANCE

Garima Bikas Bank Limited as a fund sponsor and its subsidiary, Garima Capital Limited as a fund manager, the closed-end mutual fund 'Garima Samriddhi Yojana' was successfully issued on 7th Poush 2081 with an initial size of NPR 1 billion. Due to overwhelming investor participation, the scheme size was increased to NPR 1.25 billion. The scheme

was designed to provide attractive returns to investors and distributed a 5.10 percent dividend within six months of operation. Plans are underway to launch an open-end mutual fund worth NPR 1 billion in the near future.

PROCUREMENT OF CORPORATE BUILDING IN BALUWATAR

Having evolved from a three-district operation to a national-level development bank, Garima Bikas Bank has reached a significant milestone in its corporate journey. To secure a permanent and prestigious operational base, the Bank purchased a commercial building on 16 Jestha 2082. The property, located in Baluwatar, Kathmandu, comprises 1,184.88 sq. meters of land with a 47,625.16 sq. ft. built-up area. Interior decoration is currently underway and Head Office is expected to begin operations from this owned building at the start of the next year.

HUMAN CAPITAL DEVELOPMENT AND MANAGEMENT

Human resources represent the most invaluable asset of any organization. Firmly believing that a skilled and capable workforce is fundamental to institutional growth and expansion, Garima Bikas Bank accords top importance to the careful selection, appointment, capacity building and career progression of qualified personnel. As of Ashad 2082, the Bank employs a dedicated team of 1,034 professionals, comprising 497 women and 537 men.

Committed to fostering a culture of excellence, the Bank actively engages its staff in a comprehensive array of internal and external training programs, seminars and workshops. These initiatives are designed to cultivate a workforce that is dedicated to superior customer service, robust internal controls and strict regulatory compliance, thereby enhancing overall productivity and facilitating career advancement. During the review period, the Bank conducted 61 training sessions facilitated by subject matter experts, achieving a cumulative participation of 1,573 employee engagements.

In line with our talent development philosophy, the Bank prioritizes the internal promotion of experienced and qualified individuals to leadership roles. External recruitment is pursued only when specific expertise or experience is not available within the existing talent pool.

A structured and transparent performance management system has been institutionalized to ensure equitable career development opportunities. This system is designed to recognize merit, enhance theoretical knowledge and build leadership capabilities, thereby ensuring fairness and objectivity in all promotional decisions.

To govern human resources effectively, the Bank has implemented a robust framework of policies bylaws. These include Employee Service Bylaw, Staff Advance Facility policy, Promotion Policy, Learning & Development Manual, Know Your Employee (KYE) Manual and a comprehensive Employee Code of Ethics. The Bank also places special emphasis on employee health and safety, adhering to stringent standards to identify and mitigate workplace risks. Management is committed to providing a clean, hygienic, and well-ventilated work environment, alongside comprehensive health insurance, medical benefits and mandated leave provisions.

DIGITAL TRANSFORMATION AND TECHNOLOGICAL ADVANCEMENT

Garima Bikas Bank is committed to the continuous evolution and integration of innovative technology. Core banking operations are managed through the advanced "Pumori V" software. For human resource management, the "NIMBLE INFOSYS" platform is utilized, while "Go-AML" software ensures compliance with anti-money laundering regulations. To streamline credit processes, the Bank has implemented a "Document Management System (DMS)," and an "Expenses Management System" digitalizes approval workflows.

The Bank offers a comprehensive suite of digital banking solutions, including electronic fund transfers, bill payments, card services, mobile banking, and QR-based payments. Future strategy emphasizes a heightened focus on modern, technology-driven service delivery. To mitigate IT risks and ensure data security, robust infrastructure with primary servers in a secure data center and a fully operational disaster recovery site has been established.

Commitment to Anti-Money Laundering and Combating the Financing of Terrorism AML/CFT)

Garima Bikas Bank maintains an unwavering commitment to the strict implementation of all prevailing laws, regulations and directives issued by Nepal Rastra Bank concerning the prevention of money laundering and terrorist financing.

This commitment is operationalized through a dedicated AML/CFT Unit within the Compliance Department, supported by comprehensive policies, procedures and manuals.

A Board Level AML Committee, chaired by Non-Executive Director Mr. Bimal Pandey, oversees these efforts, regularly reviewing reports and providing strategic recommendations to the Board of Directors.

To ensure the integrity of our financial system, the Bank employs the sophisticated "iCare AML/CFT Software" for customer due diligence and transaction monitoring. All accounts are opened only after thorough verification of the concerned individuals and entities. Continuous staff training on AML/CFT matters is conducted to enhance vigilance and competency. The Bank reaffirms its dedication to full compliance with all regulatory mandates in this critical area.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Reflecting its role as a responsible corporate citizen, Garima Bikas Bank remained actively engaged in social stewardship during FY 2081/82. The Bank strategically directs its CSR efforts toward poverty alleviation, education, healthcare, financial literacy, entrepreneurship, cultural promotion and humanitarian aid.

A dedicated CSR Committee, chaired by the Chief Executive Officer and comprising senior management, oversees the planning and execution of these initiatives. During the review year, the Bank allocated NPR 10.94 million towards impactful CSR programs. Beyond financial contributions, the Bank fulfills its societal mandate by generating substantial direct and indirect employment. A summary of key CSR activities undertaken during the fiscal year is presented separately. Garima Bikas Bank remains committed to implementing impactful and meaningful social responsibility initiatives in the future.

During the review year,
the Bank allocated NPR
10.94 million toward
impactful CSR programs.



S.No.	Areas	Expenditure (NPR)	Weight %
1	Education	2,071,985	18.87%
2	Health	1,506,822	13.72%
3	Humanitarian Support & Relief	110,000	1.00%
4	Environmental Protection	572,401	5.21%
5	Financial Literacy	1,588,428	14.47%
6	Sustainable Development Goals	209,959	1.91%
7	Others (Community Support & Development)	4,920,723	44.82%
Total		10,979,918	100%

CONTRIBUTION TO THE ECONOMY

In Fiscal Year 2081/82, Garima Bikas Bank reaffirmed its commitment as a responsible corporate citizen by contributing a total of NPR 922.26 million in taxes, including NPR 589.74 million as an income tax to the Large Taxpayer Office. These substantial contributions underscore our role as a proud and conscientious contributor to the nation's exchequer.

Beyond our fiscal obligations, the Bank actively fuels national economic development. Through strategic investments in productive sectors, we facilitate job creation, foster entrepreneurship and contribute to elevating the living standards of communities thereby generating significant direct and indirect socioeconomic value.

CUSTOMER CENTRIC GRIEVANCE REDRESSAL MECHANISM

Bank is dedicated to upholding the highest standards of customer service. To ensure prompt and effective resolution of concerns a dedicated Grievance Redressal Desk operates at our Central Office. Customers may lodge complaints or suggestions through multiple accessible channels: physical suggestion boxes at all offices, our official website, dedicated email at gunaso@garimabank.com.np, or a dedicated helpline at 9851350881.

A streamlined process ensures all received complaints are addressed systematically and conveniently. Mr. Ishwari Prasad Dhakal, Senior Manager has been designated as the Grievance Handling Officer to oversee this process. During FY 2081/82, all 64 formal complaints received through these channels were resolved satisfactorily, demonstrating our commitment to accountability and continuous service improvement.

STAKEHOLDER ENGAGEMENT AND INSTITUTIONAL RELATIONS

The Bank maintains strong and cordial relationships with all key stakeholders integral to its ecosystem. This includes regulatory authorities such as Nepal Rastra Bank, Office of the Company Registrar, Securities Board of Nepal, Nepal Stock Exchange Limited, CDS and Clearing Limited as well as its share registrar, NIMB Ace Capital Limited.

We actively engage with industry forums, including the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), and maintain collaborative ties with business establishments, educational institutions, government agencies, NGOs, other financial institutions, cooperatives, and the broader community. The Bank holds memberships in relevant trade and professional associations across our operational areas and is committed to further strengthening these vital networks.

SHAREHOLDER RELATIONS

Fostering transparent and proactive communication with our shareholders is a top priority for Garima Bikas Bank. The Annual General Meeting serves as a key platform for direct dialogue and for receiving valuable guidance from shareholders.

We ensure timely dissemination of information through the publication of annual reports, quarterly financial statements, press releases, and updates via various media channels. All critical information is also made readily available on our official website www.garimabank.com.np. Upholding the highest standards of corporate governance to protect shareholder rights and interests remains a fundamental principle of our management.

BOARD OF DIRECTORS: COMPOSITION AND CHANGES

Until 29 Poush 2081, the Board of Directors consisted of seven members under the chairmanship of Mr. Shyam Prasad Basyal, including Dr. Anand Prasad Shrestha, Mr. Deependra Shrestha, Mr. Bimal Pandey, Mr. Sanjeev Dhakal, Ms. Saraswati Pathak and Mr. Mukunda Raj Acharya.

Following the 18th Annual General Meeting held on 29 Poush 2081, three directors from the promoter group and three from the public shareholder group were elected unanimously. Subsequently, in the board meeting convened on the same date, the newly elected board unanimously appointed Mr. Dilip Pratap Khand as the Chairman.

S.N.	Name	Address	Designation	Group
1.	Mr. Dilip Pratap Khand	Waling - 9, Syangja	Chairman	Promoter
2.	Mr. Shyam Prasad Basyal	Galyang - 3, Syangja	Director	Promoter
3.	Mr. Deependra Shrestha	Beni - 7, Myagdi	Director	Promoter
4.	Mr. Mukund Raj Acharya	Chapakot - 1, Syangja	Director	Independent
5.	Mr. Bimal Pandey	Bharatpur - 6, Chitwan	Director	Public
6.	Mr. Shovakanta Dhakal	Waling - 1, Syangja	Director	Public
7.	Ms. Ayushma Koirala	Pokhara - 5, Kaski	Director	Public

KEY FACTORS AFFECTING BUSINESS OPERATIONS

The key factors affecting the operations of the Bank are as follows:

- ❖ Impacts arising from changes in the country's economic, monetary and financial policies.
- ❖ Effects on business due to slowdown observed in economic activities.
- ❖ Impacts of fluctuations in liquidity and interest rates on deposit and loan interest rates.
- ❖ Effects resulting from changes in deposit mobilization and deposit composition.
- ❖ Impact on income due to contraction in the investment sector.
- ❖ Risks arising from rapid development in information technology.
- ❖ Risks due to changes in foreign exchange rates.
- ❖ Effects on the Nepalese market resulting from global market downturns.
- ❖ Impacts of potential volatility in the capital market.
- ❖ Risks arising from political instability and social unrest in the country.
- ❖ Effects due to the lack of alternative investment opportunities.
- ❖ Risks emerging from a shortage of skilled personnel.
- ❖ Impacts related to activities addressing anti-money laundering and national/international policies.
- ❖ Risks to the economy arising from fluctuations in remittance income.
- ❖ Risks arising from unhealthy competition in the banking sector.
- ❖ Risks and impacts arising from the development of artificial intelligence.

APPOINTMENT OF AUDITOR

As per the recommendation of the Audit Committee, the 18th Annual General Meeting held on 29 Poush 2081 appointed P.L.R.G. Associates, Chartered Accountants, Kathmandu, as the external auditor of the Bank to conduct the statutory audit for the fiscal year 2081/82. The Bank extends its sincere appreciation to the entire audit team for the timely and professional completion of the audit for FY 2081/82.

For the audit of the current fiscal year, based on the recommendation of Audit Committee, a proposal for the appointment of the auditor is presented before this honorable assembly for your approval.

BOARD'S RESPONSE TO THE AUDIT REPORT

The audit report for FY 2081/82 contains no serious remarks regarding violations of Nepal Rastra Bank directives or prevailing laws, aside from normal, minor operational

observations. Management has been duly instructed to implement all recommendations provided by the internal and external auditors and we are informed that the majority of these recommendations have already been resolved.

PROPOSED DIVIDEND

From the retained earnings of FY 2081/82, after regulatory adjustments and with the preliminary approval of Nepal Rastra Bank, the Board is pleased to propose a total dividend of 10.53% on the paid-up capital of NPR 5.68 billion, as detailed below.

Stock Dividend: 6 %, amounting to NPR 340.83 million

Cash Dividend: 4.53%, amounting to NPR 257.33 million

This aggregates to a total distribution of 10.53%, equivalent to NPR 598.16 million. The distribution will be executed upon final regulatory approval from Nepal Rastra Bank and following approval by this 19th Annual General Meeting. We recommend the unanimous approval of this proposal by this esteemed assembly.

DESCRIPTION OF INTERNAL CONTROL SYSTEM

To maintain an effective internal control system, the Bank has formulated and implemented various policies, rules and guidelines, which are reviewed and amended as required. To strengthen internal audit functions, monitor overall operations and minimize risks, regular internal audits are conducted. Observations and comments raised by both internal and external auditors are discussed in the Audit Committee and based on its recommendations, necessary corrective actions are directed to management through the Board of Directors.

To assess the overall risk profile of the bank and review the effectiveness of the risk management system, a Risk Management Committee has been formed. Likewise, a Staff Service and Facilities Committee has been established to formulate human resource related policies and determine employee benefits. For effective customer identification and to manage anti money laundering activities, an Anti Money Laundering Committee is in place.

An Audit Committee is responsible for monitoring financial reporting, facilitating audit processes, recommending the appointment of auditors, strengthening internal control systems and submitting recommendations to the Board of Directors.

In addition to the four Board-level sub-committees, several management-level committees are actively functioning to enhance the effectiveness of day-to-day operations of the bank. These include an Financial Direction Committee chaired

by the Chief Executive Officer to ensure transparency and efficiency in procurement activities, a Procurement Committee led by the Deputy Chief Executive Officer, an Asset-Liability Committee for effective asset and liability management, a Credit Recovery Committee for loan recovery management, a Staff Recruitment and Selection Committee, an Information Technology Monitoring Committee, an Information Technology Committee, a Corporate Social Responsibility Committee, and an Auction Committee for the disposal of saleable assets.

The Bank has developed a system under which the management regularly reports the implementation status of decisions made by the Board of Directors and its sub-committees on a quarterly basis. This ensures that the Board remains regularly informed about all key activities of the Bank.

To further strengthen the internal control system, Information System Audits and Labor Audits are conducted and issues identified by auditors are addressed while implementing their recommendations. To minimize information technology related risks and ensure data security, the Bank has established a data center with servers and implemented a Disaster Recovery Site. The Bank follows a dual control mechanism whereby routine and daily transactions are processed by junior staff and approved by officer and managerial level employees.

A brief description of the various committees formed in the Bank and their functions is presented below.

AUDIT COMMITTEE

Bank has an Audit Committee chaired by Director Mr. Mukund Raj Acharya, with Director Mr. Shovakanta Dhakal as member and Head of the Internal Audit Department, Mr. Ganesh Paudel as Member Secretary.

The Committee prepares the annual audit plan, reviews observations and issues raised in internal and external audit reports and directs management to take corrective actions. It reviews the status of implementation of issues identified by Nepal Rastra Bank during inspection and supervision and reports the same to the Board of Directors. The Committee also assists management in ensuring that the annual and quarterly financial statements are accurate and reliable and provides recommendations to the Board on regularity, economy, efficiency and effectiveness of the Bank's operation. The Audit Committee meetings were held six times during FY 2081/82.

RISK MANAGEMENT COMMITTEE

Risk Management Committee is chaired by Director Mr. Deependra Shrestha, with Director Mr. Mukund Raj Acharya and Head of Operations Department Mr. Roshan Timilsina

as Members, and Head of Risk Management Department Mr. Laxman Nepal as Member Secretary.

The Committee operates in line with Nepal Rastra Bank's Unified Directives and is responsible for identifying, assessing, and monitoring key risks such as credit risk, operational risk, liquidity risk, interest rate risk and other risks. It reviews periodic risk management reports, audit reports and other relevant risk-related documents and provides necessary guidance and recommendations to the Board of Directors. Risk Management Committee meetings were held five times during FY 2081/82.

STAFF SERVICE AND FACILITIES COMMITTEE

Staff Service and Facilities Committee is chaired by Director Mr. Shyam Prasad Basyal, with the Chief Executive Officer Mr. Madhav Prasad Upadhyay, Head of Finance, Accounts and Treasury Department Mr. Keshav Timilsina as Members and Head of Human Resource Management Department Mr. Sanju Prasad Jaiswal as Member Secretary.

The Committee formulates Staff Service Bylaws, reviews organizational structure, prepares employee career development plans, and analyzes employee benefits and facilities before submitting recommendations to the Board of Directors. Staff Service and Facilities Committee meeting were held four times during FY 2081/82.

ANTI MONEY LAUNDERING COMMITTEE

Anti Money Laundering Committee is chaired by Director Mr. Bimal Pandey, with Director Ms. Iushma Koirala and Head of Risk Management Department Mr. Laxman Nepal as Members and Head of Compliance and AML Department Mr. Min Prasad Subedi as Member Secretary.

The Committee monitors customer identification procedures, reviews AML-related risks, ensures compliance with the Anti Money Laundering Act, Rules, and Nepal Rastra Bank directives and assesses the adequacy of internal AML policies and procedures. Necessary recommendations are submitted to the Board of Directors. Anti Money Laundering Committee meeting were held seven times during FY 2081/82.

RISK MANAGEMENT STRUCTURE

The primary authority for ensuring the effective implementation of risk management policies and procedures lies with the Board of Directors of the Bank. Through the Board-level Risk Management Committee and Audit Committee, as well as management-level committees such as the Asset and Liability Management Committee and the Credit Recovery Committee, the Bank has established a strong risk management system.

Through these committees, the Bank strengthens risk management policies, procedures, and frameworks, formulates new and revised policies and procedures and reviews risk management reports, portfolio analysis, stress testing, investment, liquidity, capital adequacy ratios, market analysis and other key risk related issues for review and decision making by the Risk Management Committee.

CREDIT RISK MANAGEMENT

Credit risk refers to the potential loss arising from a borrower's failure to meet contractual obligations. The Bank has implemented credit policy, risk management policy, credit recovery policy and other relevant guidelines to manage credit risk effectively.

Credit risk is managed through proper borrower assessment, credit concentration limits, internal credit rating, portfolio analysis and continuous monitoring by the Credit, Risk Management, Recovery, and Legal Departments.

OPERATIONAL RISK MANAGEMENT

Operational risk arises from inadequate or failed internal processes, people, systems or external events. The Bank manages operational risk through strong internal controls, effective policies, compliance with regulatory requirements, secure information technology systems, ethical standards and a sound organizational culture.

MARKET RISK

Market risk arises from fluctuations in interest rates, foreign exchange rates and investment values. The Board has approved market risk policies and frameworks. The Asset and Liability Management Committee regularly reviews the Bank's asset and liability position, interest rate movements, foreign exchange exposure, and investment strategies.

LIQUIDITY RISK

Liquidity risk refers to the possibility that the Bank may not have sufficient liquid resources to meet its obligations as they fall due. Liquidity risk is managed by senior management with a key role played by the Asset and Liability Management Committee.

The Treasury Unit under the Finance, Accounts, and Treasury Department monitors liquidity positions and ensures compliance with liquidity ratios prescribed by Nepal Rastra Bank, reporting regularly to senior management.

OTHER RISKS

The Bank also manages other risks such as reputational risk, legal and compliance risk and human resource risk. These risks

are managed through the respective departments and Board-level committees. Responsibilities are clearly assigned to departmental heads and staff to ensure effective identification and management of such risks.

SUBSIDIARY COMPANY

In line with the strategy of the bank for service expansion and business diversification, Garima Capital Limited, a subsidiary with 51.20% shareholding by the Bank, has been operating with licenses from the Nepal Securities Board for portfolio management, underwriting, mutual fund scheme management and depository management.

Garima Capital Limited, with its office located in Kamalpokhari, Kathmandu Metropolitan City, had the following brief financial highlights as of Ashad 2082. In addition, the audited financial statements and audit report of the subsidiary for FY 2081/82 are also attached to this report.

S.No.	Description	Ashadh End 2082
1.	Total Paid-up Capital	NPR 242,000,000.00
2.	Net Worth	NPR 247,218,667.24
3.	Net Profit	NPR 36,933,223.71
4.	Earnings per Share (NPR)	NPR 15.26
5.	Number of Employees	32

CORPORATE GOVERNANCE AND COMPLIANCE

Garima Bikas Bank has always prioritized corporate governance and compliance since its establishment. The Bank strictly adheres to directives and circulars issued by regulatory authorities, including Nepal Rastra Bank, Securities Board of Nepal, Nepal Stock Exchange Limited and has developed its internal structure accordingly.

All employees follow a Code of Conduct and various Board-level and management-level committees and sub-committees are actively operational to support sound corporate governance. A dedicated Compliance Department monitors adherence to regulations, analyzes compliance status and addresses any emerging issues appropriately.

The Bank conducts all operations transparently, strengthening corporate governance and safeguarding the interests of the Board, employees, shareholders, depositors and other stakeholders. Garima Bikas Bank remains committed to further enhancing governance and transparency in the days ahead.

BOARD OF DIRECTORS' PERSPECTIVE ON CURRENT YEAR'S ACHIEVEMENT AND FUTURE STRATEGY

During the first three months of the current fiscal year, there has been sufficient investable funds available in the country's

banking and financial institutions. Nepal Rastra Bank has been injecting liquidity into the banking sector through various instruments during this period. Garima Bikas Bank also has adequate investable funds and has prioritized loan disbursement and recovery over deposit mobilization. We wish to inform our esteemed shareholders about this approach.

Due to the economic slowdown and reduced confidence among businesses and entrepreneurs, loan demand has not been very strong. Considering this situation, the bank has focused on quality loan disbursement.

AS OF THE END OF THE FIRST QUARTER OF THE CURRENT FISCAL YEAR

Deposit operations increased by only 0.22%, reaching NPR 92.89 billion.

Loan investments decreased by 1.04%, totaling NPR 75.91 billion.

The bank is also in the process of relocating its central office to its own building at Baluwatar, Ward No. 3, Kathmandu Metropolitan City, with internal structuring and decoration work underway. In addition, feasibility studies for establishing branch offices in potential locations across the country are also ongoing.

To diversify investments, the bank, bank as a fund sponsor and its subsidiary Garima Capital Limited as a fund manager are moving forward with the issuance of NPR 1 billion open-ended mutual fund.

Despite increasing competition in the banking sector, this bank remains committed to corporate governance and transparency and continues to provide banking services in a sustainable and healthy manner. In this context, the bank has initiated modifications to its existing organizational structure.

To strengthen the bank's growth, reputation, and operational efficiency, the following plans and programs have been set for the near future:

- ❖ Relocate the central office to the bank's own building and begin operations from there.
- ❖ Strengthen risk management systems further.
- ❖ Maintain corporate governance while ensuring balanced growth in deposits and loan investments.
- ❖ Increase business in non-fund based income-generating transactions.
- ❖ Expand foreign currency operations and locker facilities in potential branches to diversify income sources and identify profitable areas.

- ❖ Continue regular business activities and corporate social responsibility programs in coordination with Nepal Government's sustainable development goals.
- ❖ Strengthen marketing of Garima debit card, credit card, mobile banking and QR code services, while diversifying investments based on risk and profitability to increase income.
- ❖ Give priority to digital banking expansion and strengthen operational efficiency.
- ❖ Implement measures to reduce fund costs, make base rate of the bank competitive and increase savings deposits.
- ❖ Strengthen marketing of the bank's products and services, enhance branding and increase institutional reputation through effective promotional strategies.
- ❖ Update policies, procedures and guidelines in a timely manner, streamline internal processes and focus on operational cost efficiency.
- ❖ Formulate and implement short-term plans and policies to achieve the objectives of the strategic plan.
- ❖ Promote banking education and financial literacy and conduct special programs in rural and urban areas to increase customer base and brand awareness.
- ❖ Strengthen the loan recovery process and maintain the quality of assets.

GRATITUDE NOTE

On behalf of the Board of Directors, I would like to express our sincere gratitude to all our shareholders, customers and the Government of Nepal, as well as the regulatory authorities including Nepal Rastra Bank, Office of the Company Registrar, Securities Board of Nepal, Nepal Stock Exchange Limited and CDS & Clearing Limited for their support in helping the bank achieve its objectives.

We would also like to extend our heartfelt thanks to the Chief Executive Officer and all employees of the Bank for their dedication and hard work. Our internal and external auditors are appreciated for completing audits on time and providing valuable guidance and recommendations.

Special thanks goes to NIMB Ace Capital for effective service as the share registrar, media houses who have positively represented activities of the bank to the public and to all well-wishers who have directly or indirectly supported the bank.

Thank you!

Dilip Pratap Khand

Chairperson

Date: 27th Kartik 2082

ADDITIONAL DISCLOSURE AS PER THE SECTION 109 OF THE COMPANY ACT, 2063

1. DETAILS REGARDING SEIZURE OF SHARES OF THE BANK:

No such seizure of shares in the FY 2081/82.

Its subsidiary, Garima Capital Limited, conducted regular business within the legal framework, and no other significant changes occurred except as stated in the annual report.

2. DETAILS REGARDING TRANSACTIONS PROGRESS OF THE BANK AND ITS SUBSIDIARY COMPANIES:

The progress made by the bank and its subsidiary company Garima Capital Limited has been presented under various clauses of this annual report.

4. INFORMATION PROVIDED TO THE COMPANY BY THE SHAREHOLDERS DURING THE PERIOD:

None

3. MAJOR TRANSACTIONS AND CHANGES IN THE MAJOR TRANSACTIONS OF THE BANK AND ITS SUBSIDIARY COMPANIES IN THE REVIEW PERIOD:

During FY 2081/082, the bank operated as a B class financial institution under the Bank and Financial Institutions Act, 2073.

5. DETAILS REGARDING THE SHARE OWNERSHIP TAKEN BY THE BOARD OF DIRECTORS AND OFFICIALS OF THE BANK:

The details of shares ownership taken by the Chairman and Directors of the Development Bank are as follows. There is no information that the Directors and officials of the bank were involved in the trading of the bank's shares.

S.No.	Name of Director	Position	Group	Founder Shares	Ordinary Shares	Total
1.	Mr. Dilip Pratap Khand	Chairman	Promoter	111,440.94	6,205.33	117,646.27
2.	Mr. Shyam Prasad Basyal	Director	Promoter	893,586.51	35,059.90	928,646.41
3.	Mr. Deependra Shrestha	Director	Promoter	389,574.40	131,218.10	520,792.50
4.	Mr. Mukunda Raj Acharya	Director	Independent	-	-	-
5.	Mr. Bimal Pandey	Director	Public	-	27,566.19	27,566.19
6.	Mr. Shovakanta Dhakal	Director	Public	-	1,249.72	1,249.72
7.	Ms. Ayushma Koirala	Director	Public	-	1,054	1,054

(Note: Due to the conversion of the promoter shares into public shares, the above-mentioned Directors hold shares of both promoters and public groups.)

6. DETAILS REGARDING PERSONAL INTERESTS OF THE DIRECTORS OR THEIR IMMEDIATE FAMILY MEMBERS IN CASE OF ANY AGREEMENTS/CONTRACTS WITH THE BANK:

None

Detailed information regarding the internal control system has been included in the annual report.

7. DETAILS IF THE BANK HAS BOUGHT ITS OWN SHARES:

None

9. DETAILS REGARDING TOTAL OPERATING EXPENSES IN THE FY 2081/82.

Total operating expenses (including employee bonus) of the fiscal year 2081/82 are as follows:

Employee Expenses:	NPR 1,110,598,014.00
Operating Expenses:	NPR 463,841,760.00
Depreciation and	NPR 227,880,797.00
Amortization Expenses:	
Total Operating Expenses:	NPR 1,802,320,572.00

8. WHETHER AN INTERNAL CONTROL SYSTEM EXISTS OR NOT, AND IF IT EXISTS, DETAILED DESCRIPTION THEREOF:

10. DETAILS REGARDING MEMBERS OF AUDIT COMMITTEE AND REMUNERATION, ALLOWANCES AND BENEFITS PROVIDED TO MEMBERS:

Pursuant to Section 164 of the Companies Act, 2063, and the provisions of the Unified Directives issued by Nepal Rastra Bank for banks and financial institutions, the Bank has established an Audit Committee comprising three members. The Committee periodically reviews and discusses internal audit reports, annual audit reports, and on-site inspection reports issued by Nepal Rastra Bank. It submits its observations and reports to the Board of Directors, provides directions to management, and makes necessary recommendations and disclosures to the Board regarding the Bank's financial position, internal control system, and risk mitigation measures. These functions are carried out in accordance with Section 164 of the Companies Act, 2063, the Bank and Financial Institutions Act, 2073, and the Unified Directives issued by Nepal Rastra Bank.

Up to Poush 29, 2081, the Audit Committee was consisted under the chairmanship of Director Mr. Deependra Shrestha, with Director Mr. Bimal Pandey as member and Head of Internal Audit Department Mr. Ganesh Poudel as Member Secretary. Thereafter, under the coordination of Director Mr. Mukunda Raj Acharya, the Internal Audit Committee has been formed as follows:

Director Mr. Mukunda Raj Acharya	- Coordinator
Director Mr. Shovakanta Dhakal	- Member
Head of Internal Audit Department	- Member Secretary

During the review period, the committee held a total of 6 meetings. Meeting allowance of NPR 9,000 per meeting is provided to the Coordinator and NPR 8,000 per meeting to other Director members. No meeting allowance or other facilities are provided to the Member Secretary of the committee.

11. DETAILS REGARDING ANY AMOUNT YET TO BE PAID TO THE DIRECTORS, CHIEF EXECUTIVE OFFICER, PROMOTER SHAREHOLDER OR THEIR IMMEDIATE FAMILY MEMBERS:

None

12. DETAILS REGARDING REMUNERATION, ALLOWANCE AND BENEFITS PAID TO DIRECTORS AND CHIEF EXECUTIVE OFFICER AND OTHER OFFICIALS OF THE BANK:

a. Meeting Allowance of Chairperson and Directors:

The review period, meeting allowance of NPR 10,000 per meeting to the Chairperson and NPR 9,000 per meeting to Directors has been provided. For Director-level committees (Audit Committee, Employee Service and Facilities Committee, Risk Management Committee, and Anti-Money Laundering Committee), allowance of NPR 9,000 per meeting to Coordinators and NPR 8,000 per meeting to Director members is provided. During the review period, meeting of the Board of Directors held 21 times. The details of meeting allowances and other payments made to the Chairman and Directors including committee meetings are as follows. Additionally, a monthly amount of NPR 4,000 is provided to the Chairman and Directors for telephone and newspaper expenses.

S. No.	Name	Designation	Allowance (NPR)	Telephone & Newspaper (NPR)	Total (NPR)
1.	Mr. Dilip Pratap Khand	Chairperson	100,000.00	24,000.00	124,000.00
2.	Mr. Shyam Prasad Basyal	Director	218,000.00	48,000.00	266,000.00
3.	Mr. Deependra Shrestha	Director	268,000.00	48,000.00	316,000.00
4.	Mr. Mukunda Raj Acharya	Director	231,000.00	48,000.00	279,000.00
5.	Mr. Bimal Pandey	Director	257,000.00	48,000.00	305,000.00
6.	Mr. Shovakanta Dhakal	Director	106,000.00	24,000.00	130,000.00
7.	Ms. Ayushma Koirala	Director	95,000.00	24,000.00	119,000.00
Total			1,275,000.00	264,000.00	1,539,000.00

Since a new Board of Directors was formed after the Eighteenth Annual General Meeting of the Bank held on Poush 29, 2081, the details of meeting allowances and other payments made to Directors who were members of the previous Board but are not members of the current Board are as follows:

S.No.	Name	Position	Allowance (NPR)	Telephone & Newspaper (NPR)	Total (NPR)
1.	Dr. Anand Prasad Shrestha	Director	117,000	24,000	141,000
2.	Mr. Sanjeev Dhakal	Director	117,000	24,000	141,000
3.	Ms. Saraswati Pathak	Director	115,000	24,000	139,000
Total			349,000	72,000	421,000

(b) Details of remuneration, allowances, and other facilities provided to the Chief Executive Officer, Deputy Chief Executive Officer, Company Secretary, and Assistant Chief Executive Officer in fiscal year 2081/082:

In the fiscal year 2081/082, the Chief Executive Officer, Deputy Chief Executive Officer, and Managers of the bank have been provided salaries, allowances and other facilities (including employee bonus as per the Bonus Act, 2030) as per the following details. In addition, residential accommodation has been rented and provided to the Chief Executive Officer.

S.N.	Position	Remuneration, Allowances & Other Facilities (NPR)
1.	Chief Executive Officer Mr. Madhav Prasad Upadhaya	13,360,247.50
2.	Deputy Chief Executive Officer and other Managerial Level Staffs	72,468,868.51

13. DETAILS REGARDING UNCLAIMED DIVIDEND:

As of the end of fiscal year 2081/082, the amount of cash dividends remaining unclaimed by shareholders with the bank and share registrar, NIMB Ace Capital Limited, total NPR 33,399,614.00 (In words: Rupees Thirty-Three Million Three Hundred Thirty-Nine Thousand Six Hundred Fourteen only).

14. DETAILS REGARDING PURCHASE OR SALES OF ASSETS AS PER SECTION 141:

1. Details of purchase and sale of assets required by the bank, along with balance sheet information, are mentioned in Schedule 4.14 of the attached financial statements.
2. While purchasing and selling assets, the procedures

prescribed by the Financial Administration Bylaws of the bank have been followed.

15. DETAILS REGARDING TRANSACTIONS CONDUCTED BETWEEN RELATED COMPANIES AS PER SECTION 175:
None.

16. ANY OTHER MATTER REQUIRED TO BE DISCLOSED IN THE REPORT PURSUANT TO THIS ACT AND PREVAILING LAWS:

None.

17. OTHER DETAILS:

None.

DISCLOSURE RELATED TO SUB-RULE (2) OF RULE 26 OF THE SECURITIES REGISTRATION AND ISSUANCE REGULATIONS, 2073

1. BOARD OF DIRECTORS REPORT:

Attached along with this Report

2. AUDITOR'S REPORT:

Attached along with this Report

3. AUDITED FINANCIAL STATEMENTS:

Attached along with this Report

4. DETAILS REGARDING LEGAL ACTIONS:

- 4.1 If any case has been filed by or against the organized institution
- Except in the context of regular banking transactions during the review fiscal year, no case has been filed by or against the bank.
- 4.2 If any case has been filed by or against the promoter or director of the organized institution in relation to

violation of prevailing laws or commission of criminal offenses

- No information has been received in this regard.
- 4.3 If any case has been filed against any promoter or director in relation to financial crimes
- No information has been received in this regard.

5. DETAILS REGARDING SHARE TRANSACTIONS AND GROWTH OF THE BANK:

- 5.1 Management's view regarding the trading of shares of the organized institution in the securities market
- The Bank's shares have been listed in the Nepal Stock Exchange and are being traded based on the open market dynamics and under the close supervision of Securities Exchange Board of Nepal.
- 5.2 Maximum, minimum and closing price of the Bank's shares in FY 2081/82 along with total number of traded shares and trading days

Quarter	Maximum Share Price (NPR)	Minimum Share Price (NPR)	Closing Share Price (NPR)	Total Traded Shares	Total Trading Days
First Quarter	531.40	384	470	7,910,662	57
Second Quarter	477	385.10	389	2,040,154	55
Third Quarter	426.40	378.70	395.86	2,135,656	56
Fourth Quarter	431.40	383.10	428.36	2,103,921	63

6. PROBLEMS AND CHALLENGES

6.1 Problems and Challenges

Internal

- Increasing operating costs
- Lack of availability of skilled human resources in comparison to the rapidly expanding banking network in the country
- Increase in non-performing loans
- Continuous increase in regular operating expenses even in adverse circumstances where income has contracted
- With the increase in transactions and branches, operational risk management becoming increasingly challenging

External

- Competitive banking sector
- Fluctuations in liquidity and the current condition of the country
- Increasing non-performing loans in the banking sector
- Unhealthy competition observed in the banking market
- Risks that may arise from fluctuations in real estate transactions and prices
- Inherent risks introduced along with technological development
- Changes in customers' perceptions towards banks and financial institutions

6.2 Strategies adopted by the management to address such problems and challenges

- An effective monitoring system has been developed to reduce operating expenses.
- Emphasis has been placed on identifying various new areas for credit investment as well as identifying excellent customers and extending quality credit.
- Arrangements for internal and external training are being made to enhance employee efficiency.
- Emphasis has been placed on identifying and utilizing technology-based services in line with the times.
- Continuous efforts have been made to maintain good and cordial relationships with customers.
- Credit is extended only after analyzing situations that may lead to an increase in non-performing - loans and assessing customers' loan repayment capacity, with emphasis placed on credit quality.

7. CORPORATE GOVERNANCE

With regard to corporate governance, the Bank has carried out its activities in compliance with the circulars and directives issued by Nepal Rastra Bank, the Securities Board of Nepal, and other regulatory authorities.

Regular meetings of departmental heads, regional managers, and branch managers are conducted to issue directives for implementing observations and recommendations arising from internal and external audit reports, on-site inspection

reports of Nepal Rastra Bank, and internal monitoring reviews. These meetings also monitor the status of implementation of such directives.

Meetings of the Board of Directors and its committees are held regularly, and instructions and decisions issued by these bodies are duly implemented. Meetings of the Assets and Liabilities Committee (ALCO) and the Risk Management Committee are also conducted on a regular basis. The Board of Directors and management remain fully committed to maintaining strong corporate governance standards.

To further strengthen the internal control system, regional offices are currently in operation at Itahari (Sunsari), Lalbandi (Sarlahi), Narayangadh (Chitwan), Lazimpat and Kamalpokhari (Kathmandu), Pokhara (Kaski), Beni (Myagdi), Waling (Syangja), Butwal (Rupandehi), and Kohalpur (Banke). Additional regional offices will be established in other locations as required, following further study.

I hereby declare that all information provided in this document is true, complete, and accurate, and that I take personal responsibility for any deviation thereof. I also declare that no information or data of the Bank that may assist investors in making investment decisions has been concealed in any manner.

MADHAV PRASAD UPADHAYA
Chief Executive Officer



शनिबार

बिदाको दिन पनि सजिलै इन्टरनेट
 भुक्तानी गर्न प्रयोग गर्नुहोस ।



Internet Bill

Internet Bill Paid Successfully



+977 01 5970179



info@garimabank.com.np

COMMITTED TO EXCELLENCE

SUSTAINING INTO MARKET AS LEADING DEVELOPMENT BANK

Garima Bikas Bank Ltd. continues to strengthen its position in Nepal's financial sector through product innovation, service excellence, and responsible banking practices. By leveraging its strong brand equity, sustainable investment approach, and extensive network, the Bank aims to deepen customer relationships, capture emerging opportunities, and reinforce its leadership across corporate, retail, and SME banking segments, with a strong focus on customer-based lending.

With sustainability at its core, the Bank is embedding environmental, social, and governance (ESG) considerations into its financial services by expanding access to green financing, sustainable housing loans, and impact-driven investments, while ensuring financial inclusion for underserved communities, SMEs, and women-led enterprises. The continued expansion of digital banking solutions is expected to enhance customer convenience, reduce paper dependency, and optimize operations, thereby contributing to a lower environmental footprint.

As part of its commitment to responsible banking, the Bank is also integrating ESG risk assessments into lending and investment decisions to support long-term financial and environmental sustainability. By incorporating sustainable banking principles into its market leadership strategy, Garima Bikas Bank Ltd. is not only driving financial success but also creating lasting positive impact for Nepal's economy, society, and environment.

STRENGTHENING RISK MANAGEMENT & COMPLIANCE

A comprehensive risk governance framework has been implemented to proactively address macroeconomic, operational, and cybersecurity risks. Advanced risk assessment methodologies, real-time monitoring, and predictive analytics enhance resilience against market volatility and external disruptions. Investments in technology, automated compliance reporting, and

robust cybersecurity measures ensure adherence to global standards while safeguarding stakeholder interests. Continuous regulatory monitoring and strengthened data protection strategies further reinforce governance, transparency, and long-term stakeholder confidence.

ELEVATING OPERATIONAL & SERVICE EXCELLENCE

Garima Bikas Bank Ltd. is in the process of optimizing operational efficiency through process automation, workflow enhancement, and talent development. By streamlining internal processes and leveraging advanced technologies, the Bank aims to improve agility, reduce operational costs, and enhance service delivery across all customer touchpoints. A strong focus on service innovation drives initiatives such as improved customer support systems, workforce upskilling programs, and seamless cross-channel integration. These enhancements enable personalized customer interactions, faster response times, and a superior banking experience, thereby reinforcing customer satisfaction and long-term loyalty.

ACCELERATING DIGITAL TRANSFORMATION

Garima Bikas Bank Ltd. has accelerated its digital transformation initiatives to enhance customer experience, improve operational efficiency, and strengthen its competitive position in Nepal's evolving banking sector. Recognizing the growing demand for fast, secure, and convenient financial services, the Bank has prioritized technology-driven solutions across its service delivery channels.

The Bank has expanded its digital banking platforms, including mobile and internet banking, enabling customers to access accounts, make payments, transfer funds, and monitor transactions anytime and anywhere. It is also actively promoting digital payments, QR-based transactions, and card services to support a cash-lite economy. These initiatives reduce transaction time, improve transparency, and enhance overall customer satisfaction.

STRATEGIC EXECUTION & FUTURE READINESS

Garima Bikas Bank Ltd.'s vision is underpinned by a robust roadmap to harness emerging technologies, cultivate strategic alliances, and build agile, future-ready capabilities. With a strong legacy of trust, innovation, and resilience, the Bank is well positioned to help redefine Nepal's financial landscape. By balancing technological advancement with operational stability, the Bank remains committed to creating long-term value for shareholders, empowering customers with intuitive next-generation banking solutions, and contributing meaningfully to the nation's economic growth.

As it advances on this transformative journey, Garima Bikas Bank Ltd. continues to uphold its role not only as a financial institution but also as a trusted partner in progress, empowering individuals, businesses, and communities today, tomorrow, and for generations to come.



SWOT ANALYSIS

A SWOT analysis provides a clear understanding of the Bank's Strengths (S), Weaknesses (W), Opportunities (O), and Threats (T). Strengths need to be further reinforced and effectively leveraged, while weaknesses should be addressed and transformed into areas of improvement. Opportunities should be actively capitalized upon, and appropriate measures must be implemented to manage potential threats and minimize their impact. Accordingly, a comprehensive SWOT analysis of the Bank has been conducted to support the formulation of appropriate strategic plans.



STRENGTHS

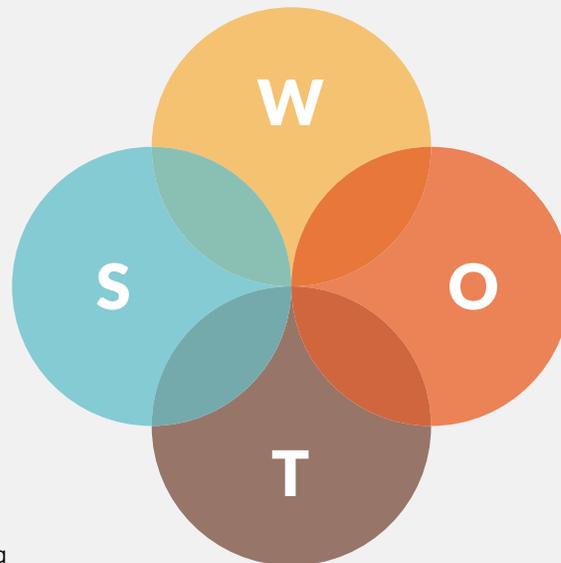
The Bank has the following strengths:

- Good Corporate Governance,
- Dynamic Leadership,
- Diversified Deposits and Loans,
- Nationwide Networks,
- Energetic Human Resources,
- Branches located at Urban, Semi-urban and Rural Areas,



WEAKNESSES/AREAS FOR IMPROVEMENT

- Local Core Banking Software,
- Traditional Risk Management System,
- Fee Income Concentrated heavily on Loan,
- Higher Operating Cost,
- Low level of Research & Development,
- Higher NPL Ratio,



THREATS

- Enactment of New Act and Rules and/or Amendment in the Existing Ones.
- Frequent Amendment and Issuance of New Directives by Nepal Rastra Bank,
- Merger and Acquisition Policy of Nepal Rastra Bank,
- Political Instability & Low Business Confidence,
- Irregular Pattern of Capital Expenditure by the Government Thereby Impacting on Liquidity,
- Degradation of Quality of Assets,
- Market Volatility and Non-Accelerated Economic Growth, etc.



OPPORTUNITIES

- Being the Market Leader among the Development Banks,
- Innovating New and Fintech Products and Services,
- Process Automation and Adaptation of Cutting Edge Technologies,
- Promoting Digital Banking Products,
- Enhancing Fee Income,
- Upgrading Risk Management System,
- Expanding Micro and SME Loans,
- Upgrading Management Information System, etc.

PESTEL ANALYSIS



POLITICAL FACTORS

STABILITY AND GOVERNANCE:

The banking sector in Nepal is sensitive to political changes. Frequent shifts in government can introduce policy uncertainty, affecting long-term planning, investment decisions and credit availability.

FISCAL AND MONETARY OVERSIGHT:

Government fiscal measures, such as spending and debt management, influence liquidity in the market. Monetary policies issued by Nepal Rastra Bank including capital requirements and lending directives, determine banks' operational flexibility.

FOREIGN INVESTMENT GUIDELINES:

Policies governing foreign investment in the banking sector shape competition and encourage innovation. Clear regulations can attract technologically advanced entrants, increasing competitive pressure.



ECONOMIC FACTORS

DEPENDENCE ON REMITTANCES:

Nepal's economy relies heavily on remittance inflows, which boost the banking sector's liquidity and foreign exchange reserves. Banks benefit from this steady inflow, but fluctuations can impact lending capacity.

INFLATION AND BORROWING COSTS:

Central bank interest rate policies directly influence lending rates, borrowing costs and overall bank profitability. High inflation reduces consumer purchasing power, while volatile interest rates can affect loan demand. Credit Expansion vs.

ECONOMIC GROWTH: Rapid credit growth can support economic expansion but may also heighten the risk of non-performing loans. Banks must balance growth with prudent risk management. Pandemic and Economic Shocks: Events like COVID-19 can disrupt loan repayment patterns, increase default risks and require banks to strengthen risk monitoring and liquidity buffers.



SOCIAL FACTORS

FINANCIAL INCLUSION AND REACH:

Nepal has a mix of urban and rural populations with varying access to banking services. While urban areas adopt banking quickly, rural populations still face barriers, highlighting opportunities for inclusive banking.

CUSTOMER AWARENESS AND EDUCATION: A significant portion of the population lacks comprehensive knowledge of banking products. Banks must invest in financial literacy initiatives to increase adoption of advanced services.

CORPORATE CITIZENSHIP: Banks are expected to engage in socially responsible activities. Directives from NRB encourage investment in community development and CSR initiatives, enhancing trust and reputation.



TECHNOLOGICAL FACTORS

DIGITAL BANKING ADOPTION:

Mobile and internet banking are increasingly important, with customers seeking convenient, quick, and reliable services. This trend drives banks to innovate in fintech solutions and digital payments.

CYBERSECURITY AND RISK MANAGEMENT:

Reliance on technology introduces vulnerabilities, including hacking and fraud. Banks must strengthen cybersecurity frameworks to maintain customer trust.

INNOVATION AND TECHNOLOGICAL GAP:

While private and joint-venture banks often implement new technologies faster, some state-owned or smaller banks lag behind, affecting operational efficiency and competitiveness.



ENVIRONMENTAL FACTORS

SUSTAINABLE FINANCING:

BANKS ARE encouraged to fund environmentally responsible projects, such as renewable energy and climate-resilient agriculture.

RISK FROM NATURAL DISASTERS:

Environmental factors, including floods and earthquakes, can impact credit portfolios, particularly in agriculture and SME sectors.

CSR AND COMMUNITY ENGAGEMENT:

Initiatives like tree plantations and eco-friendly projects improve public perception and strengthen the bank's social license to operate.



LEGAL & COMPLIANCE FACTORS

REGULATORY COMPLIANCE:

Nepalese banks must adhere to NRB rules covering capital adequacy, loan provisioning, AML/CFT, etc. Non-compliance carries legal and financial penalties.

GOVERNANCE STANDARDS:

Strong corporate governance frameworks enhance operational efficiency, transparency and trust among stakeholders.

SECTOR-WIDE LEGAL RISKS:

Laws related to digital transactions, privacy, and contract enforcement shape the operational environment and define risk exposure.

VALUE CREATION MODEL

The part illustrates how the Bank utilizes its diverse forms of capital to generate sustainable value for stakeholders over the short, medium, and long term. It highlights the Bank's integrated approach to transforming financial, human, intellectual, social, manufactured, and natural resources into meaningful outcomes through responsible banking practices, innovation, risk management, and customer-centric services. This model demonstrates how the Bank aligns its strategy, operations, and sustainability commitments to drive inclusive growth, strengthen stakeholder trust, and contribute to the nation's economic and social development.



Garima Bikas Bank Limited is deeply committed to driving economic growth by empowering Small and Medium Enterprises (SMEs)



104.46

TOTAL ASSETS (RS. IN BILLION)

599.21

DISTRIBUTABLE PROFIT (RS. IN MILLION)

FEATURES OF SOME POPULAR PRODUCTS

DEPOSIT PRODUCTS

A. 5 in 1 Saving Account

Garima 5-in-1 Bachat Khata is a versatile savings account designed to provide maximum convenience and benefits. With this account, customers can enjoy hassle-free management, as the bank handles the opening of DEMAT, Mero Share, TMS accounts, and C-ASBA registration on their behalf. This eliminates the need for customers to go through multiple processes, offering a seamless banking experience.

Features:

- Debit Card : 100% cashback on ATM registration (1st Year Charge) if 3 transactions perform in ATM or POS within one Year
- Mobile Banking : 100% cashback on registration charge if 3 transactions perform within one year
- Free ABBS (No Limit)
- Free Cheque book on demand
- 50% discount in Annual Charges for first year of Locker Facility (Subject to Availability)
- Free Account Statement
- Free Balance Certificate



B. Sunaulo Bhabishya Bal Nichhyap Yojana

Sunaulo Bhabishya Bal Nichhyap Yojana is a special savings program introduced by Garima Bikas Bank Ltd. This product aims to encourage children and minors under the age of 18 to develop the habit of saving money. It also aims to promote the savings habits of their parents, fostering a better future for their children. This program offers a recurring deposit facility, allowing individuals to regularly deposit a flexible amount of money over a specific period. By participating in this scheme, families can cultivate a culture of savings, ensuring a brighter tomorrow for their children.

Features:

- Children and minor below 18 years can open this account.
- Interest rate for this account always changes as per published
- Interest rate is high and equivalent to 1 year's Fixed Deposit rate compared to the other savings deposit due to its long term nature.
- The account shall be opened in the name of the minor but can be operated by any of the parents and legal guardian.
- The initial deposit shall be NPR 100.00 and withdrawal is not allowed till the minor becomes major. However, Premature withdrawals are allowed in exceptional cases like:
- For the education of child. The documentary evidence should be produced
- Interest is accrued on daily basis and payment will be made in quarterly basis & capitalized to same account.

- Debit Instrument are not issued.
- When the child reaches 18 years of age the account is closed and balance transferred to saving account opened by the minor turned adult.
- 80% loan is available against deposited amount.

C. Green Saver Savings Account

Green Saver Savings Account is a unique financial product tailored for environmentally conscious individuals who wish to make a positive impact while enjoying the benefits of modern banking. With every rupee customer save, the bank invests in green financing initiatives supporting renewable energy, eco-friendly infrastructure, sustainable agriculture, and other environmentally responsible projects.

But it doesn't stop there. To deepen its commitment to sustainability, the bank plants a tree on behalf of every customer who opens a Green Saver Account. Partnering with local governments, the bank secures land for reforestation efforts, helping to restore natural ecosystems and combat climate change.

Features:

- Contribute to Sustainability
- Access to Digital Channels
- Ethical Banking
- Financial Growth
- Tree Planting Initiatives
- 50% discount on annual charge for first year on Locker Facility
- 50% discount on credit card issuance.

LOAN PRODUCTS



A. Small & Medium Enterprises (SME) Loan

Garima Bikas Bank Limited is deeply committed to driving economic growth by empowering Small and Medium Enterprises (SMEs), the backbone of the national economy. Through our tailored SME Loan Facilities, we provide convenient and flexible financial solutions designed to support the evolving needs of small and medium-sized businesses across the country.

Our SME loans help businesses thrive by offering timely financial support for launching new product lines, expanding operations, upgrading infrastructure, acquiring new equipment, and meeting both short-term and long-term working capital requirements. By enabling SMEs to grow and succeed, Garima Bikas Bank plays a vital role in generating employment, fostering innovation, and contributing to the sustainable economic development of the nation.

B. Home Loan

Garima Bikas Bank Limited offers the Home Loan under the inspiring theme 'Mero Aafnai Ghar', specially designed to help individuals fulfill their dream of owning a home. Whether you're planning to purchase land, buy a house, or construct your own residence, this loan is tailored to support your journey.

C. Garima Auto Loan

Garima Bikas Bank Limited offers a dedicated Vehicle Loan facility under the inspiring theme 'Mero Aafnai Gadi', designed to support the ownership of a long-desired vehicle. Whether intended for personal use or business purposes, this loan provides flexible financing solutions aligned with income stability and specific requirements.

With competitive interest rates, simplified documentation, and fast processing, vehicle ownership has never been more accessible or convenient.





D. Low-Cost Housing Loan

The purpose of this loan is to buy land and building/construction/maintenance of house for low income people, deprived community, people with no land and building. This product main aim is to make livable for deprived community.

- This product aims on purchase/construction/maintenance of a residential building, land and building for deprived people as per NRB and Products Purposed should be align with NRB Directives No. 17



E. Women Entrepreneurship Loan

The purpose of this loan is to enhance women's economic participation and promote their financial and economic empowerment. The primary objective of the product is to support self-employed women and strengthen financial discipline among them. It is designed for self-employed women and other individuals with stable income, primarily targeting the middle- and upper-middle-income segments.



EXchange

Foreign Currency with Ease at

"Access to All"



गरिमा विकास बैंक लिमिटेड
Garima Bikas Bank Limited

नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्रप्राप्त संस्था



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Know More



DIGITAL PRODUCT & SERVICES

Technology Driven

Garima Bikas Bank Limited is committed to delivering secure, innovative, and customer-centric digital banking solutions across Nepal. The Bank continues to strengthen its technological foundation to ensure seamless banking experiences, enhanced security standards, and efficient service delivery. By integrating advanced systems and digital platforms, the Bank is steadily progressing toward becoming a fully digital financial institution while maintaining strong governance and compliance standards.

Core Banking System (CBS)

The Bank operates a robust and secure Core Banking System (CBS) that enables real-time, 24/7 banking services across all branches and digital channels. CBS serves as the backbone of the Bank's operations, supporting customer record management, transaction processing, and integrated financial reporting with high accuracy and efficiency.

Online Account Opening

The Bank provides Online Account Opening services, enabling customers to initiate and complete the account opening process digitally through its website. This service significantly reduces the need for branch visits and simplifies customer onboarding through secure digital verification processes. The Bank also offers a range of account products tailored for customers who prefer digital channels, ensuring convenience, accessibility, and a seamless onboarding experience.





Garima Digi Batuwa

Garima Bikas Bank Limited's Garima Digi Batuwa is an innovative digital banking platform that offers a seamless and unified banking experience across mobile devices and web browsers. With a single login credential, users can access a wide range of services, including balance inquiries, interbank fund transfers, utility bill payments, mobile top-ups, and travel ticket bookings for buses, airplanes, and cable cars.

Designed for convenience, security, and efficiency, Garima Digi Batuwa supports both online (web-based) and offline

(SMS-based) banking. The application is available for download on the Play Store and App Store, making modern banking easily accessible across multiple devices.

Web Banking

The Bank provides a secure web banking platform that allows customers to access services anytime and anywhere. Through a user-friendly interface supported by multi-layer authentication, customers can perform fund transfers, utility bill payments, account monitoring, statement downloads, and other financial transactions. The platform is designed for both corporate and individual customers, ensuring a seamless omnichannel banking experience.

Real Time Fixed Deposit & Loan Against Fixed Deposit

The Bank offers a real-time Fixed Deposit (FD) facility that enables customers to open and manage deposits instantly through digital channels without visiting a branch.







Card Services

The Bank provides a wide range of debit and credit cards equipped with EMV-compliant chip technology to ensure secure and reliable transactions. Customers benefit from access to a nationwide ATM and POS network, along with secure online payment platforms supported by 3D Secure verification. Credit card services offer flexible repayment options, enhanced transaction monitoring, and strong security features. Additionally, the Bank offers easy EMI facilities to credit cardholders and is recognized as the first development bank in Nepal to introduce EMI services, reinforcing its commitment to innovation and customer convenience.

QR Merchant

The Bank provides QR merchant services to enable secure, fast, and contactless digital payments for businesses nationwide. It has deployed QR code services in collaboration with Fonepay and NepalPay to more than 70,000 merchants, allowing them to accept payments from mobile banking applications, digital wallets, and other licensed payment service providers.

Garima Voice Box

The Bank offers the Garima Voice Box, an innovative payment confirmation device designed to enhance convenience, efficiency, and trust for merchants. Deployed to more than 1,500 active merchants nationwide, the device provides instant voice notifications for successful QR transactions, enabling real-time payment verification without manual checking. Fully integrated with QR merchant services, it ensures secure, fast, and seamless transaction confirmation while reducing fraud risks.

QR Cross Border payment Acceptance

The Bank facilitates QR cross-border payment acceptance, enabling merchants to receive digital payments from international customers. Merchants can accept payments from Indian customers through National Payments Corporation of India networks, as well as from users of Alipay+-supported countries. This service enhances payment convenience for tourists while expanding business opportunities for local merchants.

Garima Virtual Credit Card

The Bank offers the Garima Virtual Credit Card, a fully digital solution designed to provide a seamless and secure payment experience. The card is directly integrated with the mobile banking application, enabling digital payments without a physical card. Customers can use it across more than 1.8 million Fonepay merchant networks nationwide. With simplified digital issuance, easy credit facilities, and strong security features, the virtual card enhances financial accessibility and supports inclusive digital credit services. Call Center & Customer Support

The Bank operates a dedicated Customer Service Center to handle inquiries, complaints, card-related services, digital banking support, and product information. The call center strengthens customer engagement by providing timely assistance and improving the overall service experience.

DIGITIZATION IN WORKING CULTURE

In line with global digitization trends, the Bank has successfully transformed several traditional paper-based processes into digital platforms. Over the past few years, online systems have been introduced for internal memos, loan processing, and CICL operations, significantly improving efficiency, transparency, and operational convenience.

These digital innovations have simplified daily operations, empowered employees to work more efficiently, reduced overall workloads, accelerated loan processing, and enhanced customer convenience through improved service delivery.

ARTIFICIAL INTELLIGENCE (AI) AND MACHINE LEARNING (ML)

Alongside ongoing digitization efforts, the Bank is laying the foundation for adopting emerging technologies such as Artificial Intelligence (AI) and Machine Learning (ML) within its banking ecosystem.

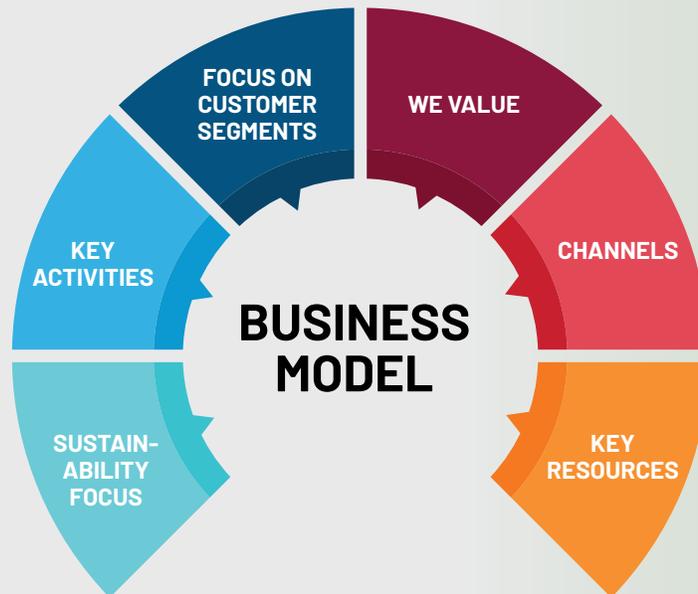
In the near future, the Bank aims to leverage AI and ML to strengthen data-driven decision-making, automate routine processes, enhance credit risk assessment, and deliver more personalized products and services. This strategic direction will improve operational efficiency while elevating customer experience, enabling the Bank to remain agile, innovative, and competitive in the evolving digital landscape.



BUSINESS MODEL

Garima Bikas Bank Ltd.'s business model focuses on inclusive, sustainable, and relationship-based banking in Nepal. The Bank's key products and services include deposits, retail and SME loans, agricultural financing, remittance services, and digital banking platforms. Key resources comprise an extensive branch network, skilled human capital, a strong risk and compliance management system, and robust core banking technology.

Its service channels include physical branches, digital platforms, mobile banking, and partnerships with payment and remittance service providers. Revenue streams are generated primarily from interest income, service fees, commissions, and transaction charges, while the cost structure consists mainly of interest expenses, operational costs, technology investments, and regulatory compliance costs. Overall, the Bank's business model emphasizes prudent lending, customer trust, digital transformation, and long-term profitability. The major focus by GBBL are as follows.



1. MORE FOCUSED

ON CUSTOMER SEGMENTS

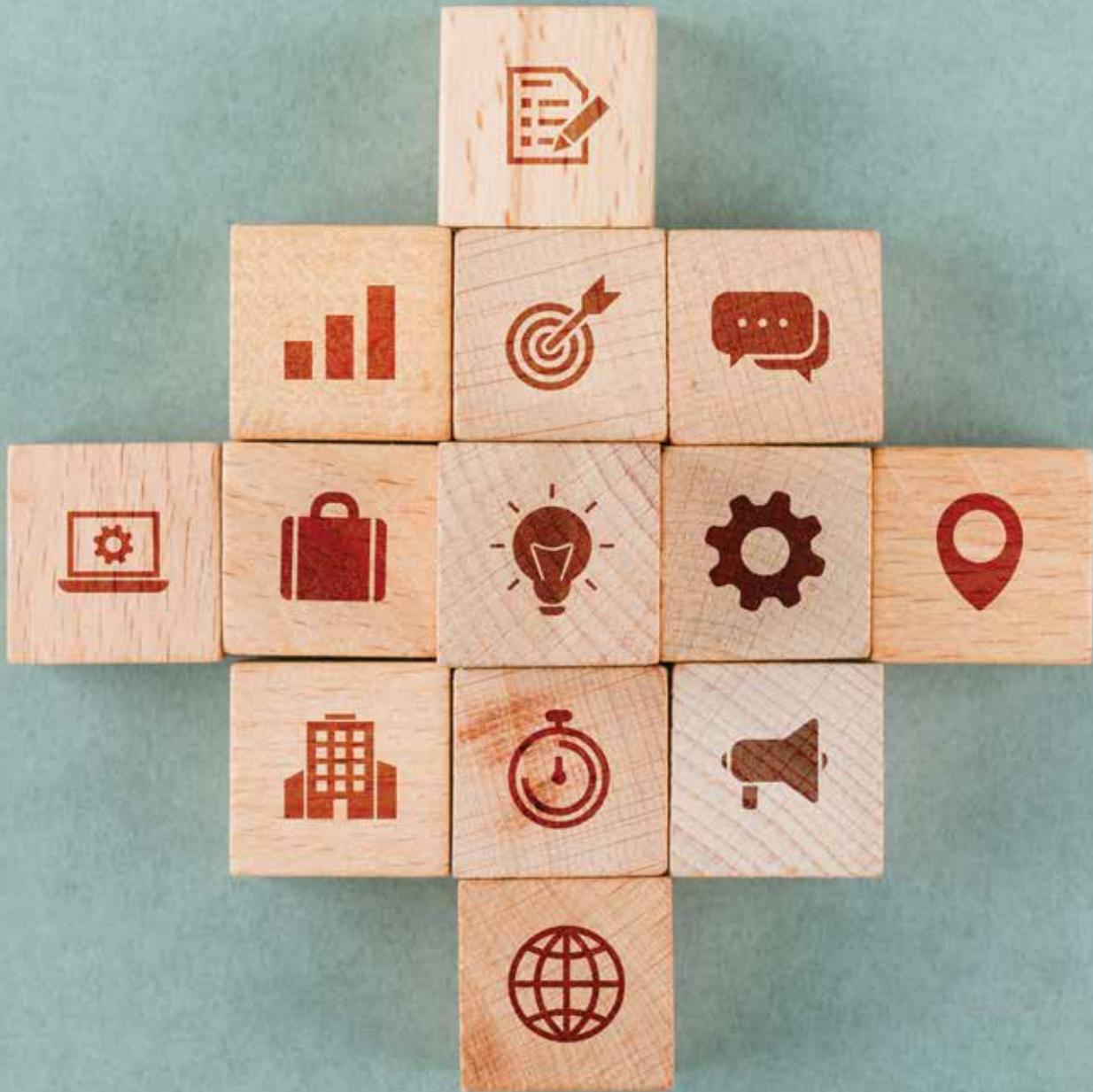
- Retail customer (salaried earned customer, single individual, families),
- MSMEs and SMEs (medium traders, manufacturers,
- Agriculture and value chain sectors (Krishi and khadaniya and green financing),
- Remittance recipients and migrant worker's families.

2. WE VALUE

- Accessible and affordable credit product (Retail, SME, Agriculture, Lagu Green financing),
- Relationship based banking with local presence,
- Duty of care to every customer,
- Digital banking convenience
Tailor-made products for specific segments (For eg: payroll A/c easy SME, Garima Awas Karja with slogan "Aba Afnai Ghar").

3. CHANNELS

- Head Office to Regional Office to Branch office,
- Remittance partners and bank agents,
- Corporate-tie up, association and MOUs.



4. CUSTOMER RELATIONSHIP

- Long Term relationship with banking model,
- Digital first Customer engagement and self service,
- Dedicated staff for business and institutional clients.

5. KEY RESOURCES

- Strong capital base and liquidity position,
- Advanced technology platforms and proprietary data,
- Skilled workforce and leadership,
- Brand strength and customer trust.

6. SUSTAINABILITY FOCUS

- Strong credit, market and operational risk control,
- Regulatory compliance with NRB requirement,
- Long term shareholder value and financial resilience.

7. KEY ACTIVITIES

- Deposit Mobilization,
- Credit Appraisals,
- Risk Management,
- Service delivery,
- Customer care ,
- Compliance.

OVERVIEW OF MAJOR CAPITALS



Financial Capital

Our financial capital represents the pool of funds comprising monetary resources mobilized from valued depositors and shareholders in the form of deposits, equity, and reinvested earnings. These resources are utilized for lending, advances, and investments. Our strong financial resilience drives growth, supports responsible lending, and fosters customer-centric initiatives, ensuring sustainable profitability and long-term value creation.

Garima Bikas Bank uses its financial capital to maintain capital adequacy, meet loan provisioning requirements, and comply with regulatory directives while extending loans and making investments. Financial capital also serves as a protective buffer that absorbs potential losses and ensures solvency, making it a cornerstone of banking regulation and overall financial stability.

INPUTS

- Equity
- Reserve
- Deposits & Borrowings
- Capital adequacy

VALUE CREATED

- Return of equity of **14.24%**
- Capital adequacy ratio **13.20%**
- Operating Profit of **NPR 1.81 Billion**
- Net profit of **NPR 1.25 Billion**

Human Capital

Our human capital represents the collective knowledge, skills, competencies, capabilities, and experience of our employees, enabling us to execute strategies effectively and deliver superior services that create value for our stakeholders. Garima Bikas Bank invests in nurturing talent, fostering inclusivity, and developing a future-ready workforce driven by collaboration, agility, and excellence.

The Bank views human capital as a strategic investment to drive sustainable growth, deepen customer trust, and foster innovation. While investments in human capital may reduce financial capital in the short term, they contribute significantly to strengthening our human, financial, social, and relationship capital over the long term.

INPUTS

- Experienced and competent human resources
- Technical and managerial skills
- Diversity and equality
- Learning and development

VALUE CREATED

- No. of employees: **1,034**
- **51.93%** of male employees
- **48.07%** of female employees
- Amount of employee related expenditure: **NPR. 1.11 Billion**



Manufacturing Capital

Our manufacturing capital encompasses all infrastructure created and utilized within our integrated business model. This includes our regional banking operations, business processes, and technological platforms, which together enable us to deliver efficient, effective, and innovative services to our customers. Our extensive branch network and digital banking ecosystem provide a secure, accessible, and convenient banking experience anytime, anywhere. Garima Bikas Bank Ltd. emphasizes a robust internal business process platform supported by output-driven infrastructure in all branches, strengthened through continuous technological innovation.

INPUT

- Branches
- ATMs Digital
- Payment solutions

VALUE CREATED

- 125 branches
- 1 Extension Counter
- 180K Debit cards
- 1500 Physical Credit Card
- 900 Virtual Credit Card
- 495K Mobile banking users
- Better service delivery
- Improvement and expansion of digital banking.

Intellectual Capital

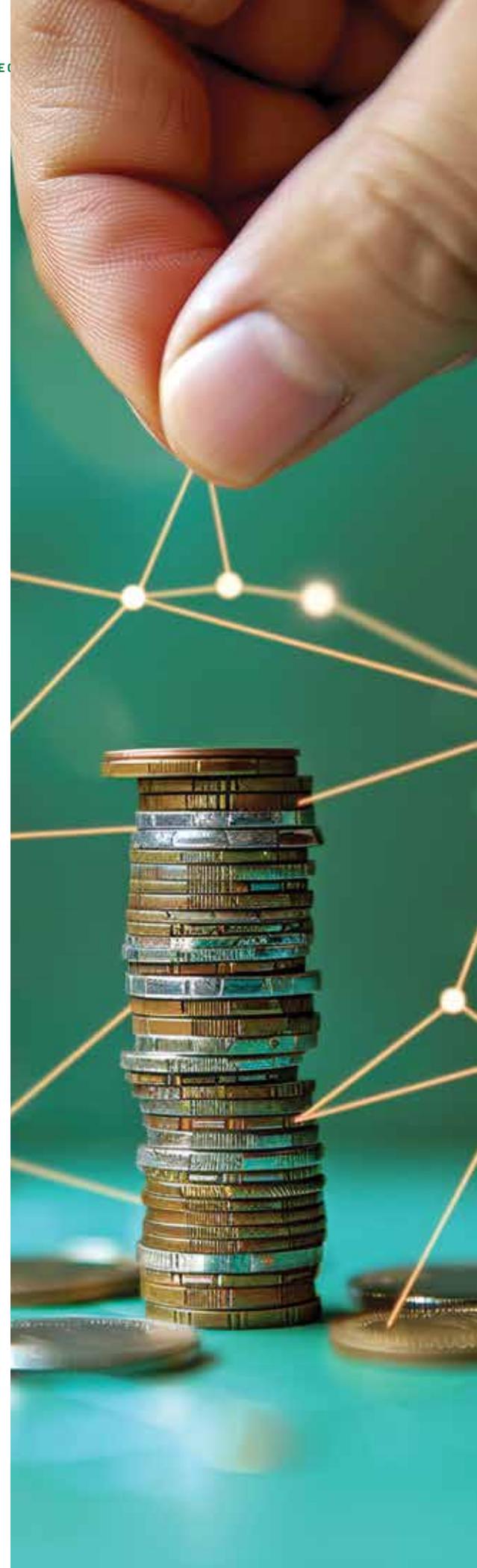
Our intellectual capital comprises both tangible and intangible resources that provide a competitive edge for Garima Bikas Bank Ltd. This includes brand reputation, knowledge-based assets such as employee skills and competencies, innovation and research & development capabilities, and overall market recognition. The bank also leverages structured networks, qualitative databases, advanced software, and robust security systems to enhance operational efficiency. Intellectual capital is a key driver of success and enables the bank to thrive in a competitive environment. By harnessing technology, automation, and employee expertise, the bank improves efficiency, strengthens security, and elevates the customer experience in the digital era. Market reputation is further reinforced by expanding and diversifying the product portfolio, reducing service wait times, and conducting regular customer service quality surveys.

INPUT

- Technological Capabilities
- Integrated risk management
- Management and control system
- Culture and process
- Knowledge base

VALUE CREATED

- 495K Mobile banking users
- 70K QR customers



Social and Relationship Capital

Our social and relationship capital refers to the long-term relationships we have cultivated with stakeholders such as business partners, regulators, customers, and voluntary organizations, which help strengthen our social reputation and build trust. Garima Bikas Bank Ltd. fosters financial inclusion, community engagement, and meaningful partnerships, reinforcing confidence among customers, investors, regulators, and society. Developing social and relationship capital is crucial for the bank's sustainable value creation. We take a holistic approach by nurturing long-standing relationships with customers, trade partners, merchants, and communities. Through our CSR initiatives, we actively collaborate with communities to enhance their livelihoods, promote social well-being, and create lasting positive impact.

INPUT

- Relationship with stakeholders
- CSR activities
- Quality service to customers
- Trade partners and merchants

Natural Capital

The natural resources we utilize to conduct our business and deliver our products and services constitute our natural capital. Garima Bikas Bank Ltd. is committed to promoting a greener and more resilient financial system through responsible resource management and climate action. All large loan proposals are screened for environmental and social risks to ensure sustainable financing. The bank also actively raises public awareness on preserving natural capital, reducing resource wastage, and minimizing environmental pollution through its operational activities.

INPUT

- Introduced E-products such as SMS banking, mobile banking and payment solution, Virtual Credit Card.
- Digital process for paperless transactions as per request.
- Lending to agricultural sector and electric vehicles.
- Introducing environmental related green saver saving account.
- Prioritize financing into any eco-friendly project.
- Save plant with paperless initiation.



HUMAN RESOURCE MANAGEMENT



Digital HR and Ethical Governance

POWERING COLLABORATIVE TRANSFORMATION AT GARIMA

At Garima Bikas Bank Limited, the Human Resources function operates as a strategic partner driving organizational excellence. Through digital enablement, ethical governance, and employee-centric practices, HR strengthens workforce capability, regulatory compliance, and engagement, ensuring sustainable performance and long-term institutional resilience. The Bank follows a collaborative approach in all HR initiatives.

The Leaders of GBBL

Guided by the Labour Act, approved HR policies, and oversight from the Recruitment Committee and the Service & Facilities Committee, GBBL promotes a culture of continuous learning. Structured mentoring and reverse-mentoring practices support leadership development, knowledge exchange, and cross-generational collaboration.

HR Insights

As of FY 2081/82, Garima Bikas Bank's total workforce stands at 1,034 employees, comprising 871 permanent and 163 contract staff. This diverse and dedicated team forms the backbone of the Bank's operations and growth.

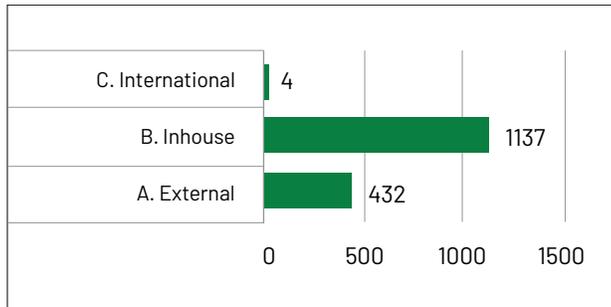
Workforce Details

Details	Count
Permanent	871
Contract	163
Total Workforce	1034

Training Status 2081/82

GBBL has actively invested in upskilling all employees across the organization, enhancing their capabilities and driving sustainable growth.

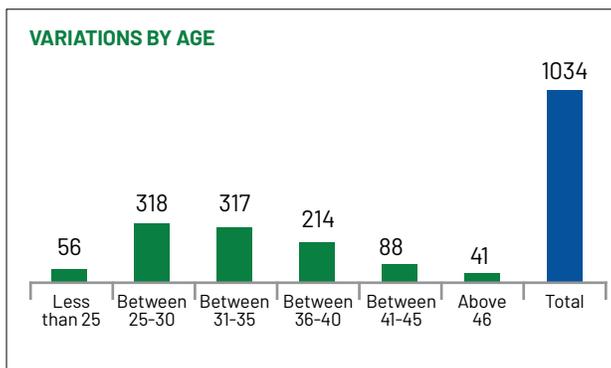
Training Conducted Modality



Gender Diversity

Gender	Count of Gender
Female	497
Male	537
Total	1034

Workforce Generation Mix



Promotion

A total of 295 employees were promoted during the reporting period.

Turnover

Turnover	No
Managerial Level	1
Officer Level	11
Assistant Level	50
Support/Auxiliary Level	9
Total	71

EMPOWERED BY HR

GARIMA'S JOURNEY IN DIGITAL, ETHICAL AND ENGAGED TRANSFORMATION

Garima Bikas Bank recognizes that sustainable growth requires empowered employees, ethical conduct, and technology-enabled efficiency. HR has evolved from an administrative function into a strategic partner driving institutional resilience and long-term value creation through three key initiatives:

Digital HR Transformation

DRIVING EFFICIENCY AND TRANSPARENCY

The Bank has implemented a global-standard Human Resource Information System (HRIS) that manages the entire employee lifecycle, including recruitment, onboarding, performance management, learning, and separation, through a centralized platform.

Core processes such as attendance, leave management, and performance appraisal are fully automated, significantly reducing manual intervention. Real-time dashboards support data-driven workforce optimization, succession planning, and productivity analysis. This transformation has elevated HR from transactional operations to strategic capability building. Governance and Compliance Culture "Institutionalizing Ethical Excellence"

HR Governance & Compliance

Strong governance foundations are critical to banking credibility. The Bank has established a comprehensive Code of Conduct supported by regular awareness programs and introduced a secure Whistleblowing Platform for confidential reporting of misconduct or violations.

This platform protects whistleblowers from retaliation while strengthening internal controls. HR ensures objective case handling through due process and strict confidentiality, reinforcing organizational justice and trust. These measures have significantly increased compliance awareness (i.e. by 85%) and demonstrate the Bank's zero-tolerance approach toward ethical breaches.

Employee Centric Innovation

INNOVATION THROUGH COLLABORATION

The Garima Innovators' Den Feedback Platform institutionalizes employee participation in decision-making. This anonymous channel enables staff to share ideas and suggestions, fostering psychological safety, ownership, and innovation.

Since its launch, the platform has generated numerous actionable suggestions, many of which have been implemented across operations, resulting in measurable process improvements and cost savings. Employee engagement scores have increased, reflecting enhanced motivation, cross-functional collaboration, and a stronger culture of innovation.

Measurable Impact

- Reduction in HR processing time
- Increase in compliance awareness
- Improvement in employee engagement
- Pool of innovation ideas submitted
- Enhanced talent retention and organizational capability

Garima Bikas Bank's strategic HR initiatives demonstrate how technology, ethical governance, and employee empowerment can create a sustainable competitive advantage. By aligning people, processes, and purpose, the Bank has established itself as a progressive benchmark for HR excellence in Nepal's financial sector.

Organizational Responsibility Towards Staff

Garima Bikas Bank believes sustainable growth is built on empowered employees, ethical conduct, and enabling work environments. The Bank invests comprehensively in staff wellbeing, safety and workplace culture.

HEALTH AND FINANCIAL SECURITY

All employees receive life and medical insurance coverage, extended to their families, along with access to mental wellness support and confidential counseling services.

SAFETY AND WORK ENVIRONMENT

Ergonomic workstations, fire safety systems, emergency drills, and climate-controlled branches ensure comfort, wellbeing and productivity, exceeding regulatory standards.

ETHICAL GOVERNANCE AND CULTURE

A robust Code of Conduct, regular awareness programs and a secure Whistleblowing Platform reinforce ethics, fairness and internal accountability.

EMPLOYEE-CENTRIC CULTURE

The Bank fosters a professional yet familial environment that promotes a strong sense of belonging.

By prioritizing employee wellbeing and maintaining a safe, supportive workplace, Garima Bikas Bank transforms its people into its greatest asset. Together, the Bank builds not only careers but also a culture where employees thrive and the organization excels.



SUSTAINABILITY REPORTING

Sustainability reporting reflects Garima Bikas Bank Ltd.'s commitment to responsible banking, transparency, and long-term value creation. It presents the Bank's approach to integrating Environmental, Social, and Governance (ESG) principles into its strategy, operations, and decision-making processes. Through this report, the Bank highlights its efforts to promote green financing, financial inclusion, ethical governance, and resource efficiency while managing environmental and social risks.



Garima Bikas Bank Limited remains firmly committed to expanding the scope, effectiveness, and impact of its CSR initiatives.



76.71

LOAN AND ADVANCES (RS. IN BILLION)

1.25

NET PROFIT (RS. IN BILLION)

DRIVING SUSTAINABLE VALUE

CUSTOMER-CENTRIC VALUE

Garima Bikas Bank Ltd. has consistently placed customers at the center of its operations, fostering trust and loyalty by providing tailored financial solutions and responsive service delivery. Over the past year, the Bank introduced several innovative products and services to meet evolving customer needs, including enhanced digital banking platforms and customized financial products for various customer segments. This commitment to excellence has resulted in notable growth in the customer base, particularly within underserved and emerging market segments. By embracing digitization and strengthening customer-centric strategies, the Bank continues to build enduring relationships, expand its reach, and promote financial inclusion and empowerment across diverse communities. The Bank has also enhanced customer accessibility by expanding its branch network, improving service delivery infrastructure, and strengthening digital platforms. It offers tailored products and services to address specific customer needs while leveraging technology to provide secure, convenient, and innovative solutions that enhance customer satisfaction.

ECONOMIC VALUE CREATION

Economic value added represents a comprehensive measure of the Bank's contribution to organizational growth and the national economy across various operational areas. It focuses on the value created for employees, government, investors, financiers, and other stakeholders through efficient business operations, regulatory compliance, and adherence to technical standards. The Bank also emphasizes reinvesting created value by enhancing infrastructure and technological capabilities, providing competitive returns to shareholders, supporting growth opportunities, and contributing to community and environmental initiatives through responsible resource allocation. This focus on economic value creation reflects the Bank's holistic approach, ensuring that financial performance supports sustained, long-term impact. In this section, the Bank presents the economic value generated for the national economy through its operations. Economic value added serves as a financial tool to evaluate such contributions.

VALUE ADDED STATEMENT

Particulars	Ashad 2082	Ashad 2081	Changes
Interest Earned	8,391,249.95	10,110,220.57	(1,718,970.61)
Other Income	646,539.06	502,079.81	144,459.25
Interest Expenses	4,779,182.80	6,795,449.18	(2,016,266.38)
Other Operating Expenses	466,606.89	481,527.14	(14,920.25)
Value Added by Banking Services	3,791,999.32	3,335,324.05	456,675.27
Impairment	647,055.74	1,711,042.28	(1,063,986.55)
Gross Value Added	3,144,943.59	1,624,281.77	1,520,661.82
Application Statement			
To Employees			
Salaries and other benefits	1,110,598.01	823,259.47	287,338.54
To Government	-	-	
Income Taxes	589,742.34	215,890.30	373,852.04
To Community	-	-	
Corporate Social Responsibility	10,979.92	10,243.73	736.19
To Share Holders	-	-	
Dividend and Bonus Share	596,836.90	283,097.65	313,739.25
To Expansion and Growth	-	-	
Reserve and Surplus	639,875.32	140,610.48	499,264.85
Depreciation and Amortization	227,880.80	157,625.52	70,255.27
Deferred Tax	(30,969.71)	(6,445.39)	(24,524.32)
Total Value Added - Allocation	3,144,943.59	1,624,281.77	1,520,661.82

The value-added statement shows how much value (wealth) has been created by the bank through the utilization of its capacity, capital, manpower and other resources and allocated the same to the stakeholders, employees, government, community, shareholder and expansion and growth of the Bank.



GOOD CORPORATE GOVERNANCE

Good corporate governance guides all stakeholders toward transparency, accountability, and responsible decision-making in the best interests of the organization. The Bank conducts all activities in compliance with national laws and regulations while remaining accountable to shareholders and society. Strong adherence to governance principles remains a core strength of the Bank, and it continues to prioritize further strengthening its governance framework.

OPERATIONAL EXCELLENCE

The Bank has made significant progress in enhancing operational efficiency and strengthening risk management, reflecting its commitment to delivering seamless and reliable banking services. Continuous improvements in internal processes have enabled the Bank to provide timely and effective solutions to customers. Streamlined workflows and the adoption of advanced technologies have reduced operational inefficiencies while ensuring strong risk management and regulatory compliance. These efforts enhance service quality, reinforce resilience, and support adaptability in an evolving financial environment. By fostering a culture of operational excellence, the Bank has established a strong foundation for sustainable growth and stakeholder confidence.

VALUE FOR STAKEHOLDERS

By integrating Environmental, Social, and Governance (ESG) principles into its business strategy, Garima Bikas Bank Ltd. strengthens risk management, regulatory compliance, and long-term financial resilience. Investors benefit from greater transparency and sustainable value creation, while regulators can assess the Bank's adherence to evolving ESG standards and ethical banking practices. Customers and communities gain from responsible banking initiatives, inclusive financial solutions, and innovative digital products that improve financial access and sustainability. Employees benefit from a workplace that promotes ethical leadership, diversity, and

corporate responsibility, fostering a culture of integrity, innovation, and long-term growth.

CREATING SHARED VALUES: GARIMA CORPORATE SOCIAL RESPONSIBILITY

Garima Bikas Bank Ltd. has consistently emphasized creating shared value by generating positive societal impact alongside business growth. As a responsible financial institution, the Bank recognizes that its operations affect the environment, economy, and society, and it proactively ensures that its progress benefits the communities it serves. CSR at Garima extends beyond philanthropy and represents a strategic approach to integrating social responsibility into core business operations, ensuring long-term sustainability and stakeholder value creation. Guided by its vision of sustainable and responsible banking, the Bank actively supports environmental protection, socioeconomic development, and inclusive financial growth. Its CSR programs are implemented in alignment with the guidelines and directives of Nepal Rastra Bank.



ENVIRONMENT AND SOCIAL RISK

The Bank's Environmental and Social Risk Management (ESRM) Policy reflects its commitment to proactively identifying, assessing, and mitigating environmental and social risks associated with its financial activities. The policy demonstrates the Bank's dedication to promoting sustainable practices and social responsibility across its operations, recognizing the importance of generating long-term positive impact.

A key element of this approach is compliance with applicable environmental and social regulations and standards, supported by continuous monitoring to address evolving regulatory requirements. By integrating sustainability considerations into its risk management framework, the Bank enhances operational resilience, strengthens accountability, and reinforces its commitment to responsible and sustainable banking practices.

THE SUMMARY OF ESRM REPORT FOR FY 2081/82 IS PROVIDED AS UNDER:

S.NO.	Particulars	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
1	No. of loan requests rejected due to the Exclusion List	-	-	-	-	-
2	No. of transactions subject to Environmental & Social Due Diligence (ESDD)	20	20	25	36	101
3	Share (% total loan value) of the transactions subject to ESDD in the total disbursed commercial (business purpose) loan portfolio	1.29%	1.15%	2.68%	2.58%	7.69%
4	Total No. of disbursed transactions by E&S Risk Rating:					
	Low	11	14	17	22	64
	Medium	9	6	8	14	37
	High	-	-	-	-	-
5	Total amount in disbursed transactions by E&S Risk Rating:					
	Low	263,940,000	181,700,000	529,950,000	435,222,400	1,410,812,400
	Medium	169,744,020	204,630,000	372,000,000	432,778,076	1,179,152,095
	High	-	-	-	-	-
	Total	433,684,020	386,330,000	901,950,000	868,000,476	2,589,964,495
6	No. transactions with specific E&S Action Plan:	1		-		1
7	No. of transactions beneficial to E&S improvements:					
	renewable energy projects (e.g. hydro power plants, solar panels, biogas plants, wind power)	-	1	-	1	2

INFORMATION AND CYBER SECURITY RISK

At Garima Bikas Bank, IT risk management is a key pillar of operational resilience, focused on protecting information assets and defending against cyber threats. The Bank has established a comprehensive, multi-layered cybersecurity framework to proactively identify, assess, and mitigate risks that could compromise the confidentiality, integrity, or availability of systems and data.

This framework includes continuous monitoring, advanced threat detection systems, incident response protocols, strict access controls, and periodic security audits. By fostering a strong culture of cybersecurity awareness and leveraging modern technologies, the Bank maintains high standards of information security, safeguards customer assets, and sustains trust in an increasingly digital banking environment.

The following section outlines the Key Risk Indicators (KRIs), risk mitigating measures, and governance and oversight mechanisms established to manage IT and information security risks effectively.

Key Risk Indicator

- CBS uptime and frequency of major system downtime incidents.
- Number of cybersecurity incidents, including malware, phishing, and unauthorized access.
- Percentage of critical systems with overdue security patches or unresolved vulnerabilities.
- Backup failures, DR/BCP testing gaps, and RPO/RTO breaches during disruptions.
- Access control and change management exceptions, including privileged access without review and unauthorized/emergency changes.
- Outstanding high-risk IT audit issues and non-compliance of critical IT vendors with SLAs or security requirements.

Mitigating Factors/Controls

- Redundant, high-availability IT infrastructure supported by real-time system and network monitoring with defined

escalation procedures

- Multi-layered cybersecurity framework, including firewalls, SIEM, endpoint protection, data encryption, DLP controls, and information security policies
- Centralized patch and vulnerability management supported by periodic security assessments and timely remediation
- Automated backup mechanisms supported by documented BCP and DR plans, regular drills, restoration testing, and periodic failover exercises in line with approved RPO/RTO
- Strong IT governance through role-based access control, periodic user access reviews, and formal change management and approval processes
- Effective oversight through vendor due diligence and SLAs, periodic third-party risk assessments, timely closure of IT audit observations, and continuous staff cybersecurity awareness programs.
- All Requests for Proposal (RFPs) shall be thoroughly reviewed and approved by all relevant departments prior to issuance.
- Any third-party application must have a documented security plan and submit a Vulnerability Assessment and Penetration Testing (VAPT) report before deployment

Governance and Oversight

- Information Technology Committee: A management-level committee overseeing IT strategy, projects, and risk management initiatives.
- Information Technology Supervision Committee: Provides independent supervision of IT operations, compliance, and controls.
- Information Systems Audit: Conducted periodically, including penetration testing, to assess effectiveness of IT controls.
- Chief Risk Officer (CRO): Monitors IT and operational risks, reviews KRIs, and ensures timely escalation of significant IT risk issues to senior management and the Board.

CORPORATE SOCIAL RESPONSIBILITY

Creating Measurable Impact,
Strengthening Communities



Corporate Social Responsibility (CSR) is an integral part of the institutional values of Garima Bikas Bank Limited. As a responsible financial institution, the Bank believes that sustainable growth must go hand in hand with meaningful contributions to society. Guided by its commitment to ethical banking, inclusive growth, and long-term sustainability, the Bank undertook structured and impactful CSR initiatives during Fiscal Year 2081-82.

The Bank's CSR focus areas included education, healthcare, financial literacy, environmental sustainability, humanitarian assistance, and community empowerment. All activities were implemented in full compliance with the regulatory framework and directives of Nepal Rastra Bank and aligned with national development priorities as well as global sustainability principles.

During the fiscal year, the Bank incurred NPR 10.98 million on CSR initiatives, directly and indirectly benefiting students, healthcare institutions, vulnerable groups, and communities across its operational footprint.

CSR INVESTMENT AND SECTORAL ALLOCATION:

To maximize impact and ensure responsible utilization of resources, CSR funds were strategically allocated across high-priority sectors:

SN	Sector	Amount (NPR)	Percentage (%)
1	Education	2,071,985	18.87%
2	Health	1,506,822	13.72%
3	Humanitarian Support & Relief	110,000	1.00%
4	Environmental Protection	572,401	5.21%
5	Financial Literacy	1,588,428	14.47%
6	Sustainable Development Goals	209,959	1.91%
7	Others (Community Support & Development)	4,920,723	44.82%
Total		10,979,918	100%

This diversified allocation reflects our balanced approach toward addressing immediate social needs while also supporting long-term development priorities.

ADVANCING EDUCATION AND EMPOWERING FUTURE GENERATIONS

Education remained a key priority during the year. The Bank supported schools and students through scholarships, educational materials, uniforms, and digital learning assistance. These initiatives helped improve learning environments and ensured continuity of education for students from economically disadvantaged backgrounds. Through these efforts, the Bank contributed to strengthening human capital and building a foundation for sustainable economic growth.

STRENGTHENING HEALTHCARE ACCESS

The Bank's healthcare initiatives focused on improving access to essential services and enhancing institutional capacity. It supported blood donation programs, assisted healthcare institutions with necessary resources, and contributed to community health initiatives. These interventions strengthened public health systems and supported life-saving efforts at the community level.

PROMOTING FINANCIAL LITERACY AND INCLUSION

Financial literacy continued to be a strategic priority for the Bank in advancing inclusive banking. Through its nationwide branch network, the Bank conducted awareness programs targeting students, youth, and community members. Key focus areas included:

- Digital banking awareness
- Fraud risk prevention and safe banking practices
- Savings and financial planning
- Responsible borrowing and credit discipline

These initiatives enhanced public confidence in formal banking systems and supported national financial inclusion objectives.

SUPPORTING ENVIRONMENTAL SUSTAINABILITY:

Recognizing the importance of environmental stewardship, the Bank supported environmental protection initiatives and awareness programs during the year. These efforts promoted responsible practices and strengthened community awareness of sustainability. Environmental responsibility remains a core component of the Bank's long-term commitment to responsible banking.

HUMANITARIAN ASSISTANCE AND COMMUNITY SUPPORT

The Bank extended support to vulnerable and marginalized groups through humanitarian and community assistance initiatives. These interventions provided direct support to individuals and institutions in need and reflected the Bank's commitment to social equity and responsible corporate citizenship.

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

Our CSR initiatives contributed toward national development priorities and aligned with key global Sustainable Development Goals, particularly:

- Quality Education
- Good Health and Well-being
- Reduced Inequalities
- Financial Inclusion
- Sustainable Communities

Through these efforts, sustainability continues to be integrated into both our operational and social responsibility frameworks.



GOVERNANCE AND COMPLIANCE

We strictly follow the guidelines of Nepal Rastra Bank in all our activities. By complying with regulatory directives, we ensure that our CSR efforts remain transparent, responsible, and aligned with national priorities, reflecting our integrity and accountability as a financial institution. Proper monitoring and documentation mechanisms were maintained to ensure the responsible utilization of funds and measurable social impact. Impact at a Glance – FY 2081/82:

During the fiscal year, the Bank:

- Incurred NPR 10.98 million in social development initiatives
- Supported multiple educational institutions and students
- Strengthened healthcare institutions and community health efforts
- Conducted financial literacy programs across various regions
- Supported environmental and sustainability initiatives
- Provided assistance to vulnerable individuals and organizations
- Implemented CSR activities across multiple provinces through branch-level engagement

Collectively, these initiatives contributed to improving quality of life, strengthening institutions, and promoting inclusive development.

COMMITMENT AHEAD:

Garima Bikas Bank Limited remains firmly committed to expanding the scope, effectiveness, and impact of its CSR initiatives. Going forward, we will continue to prioritize programs that promote education, healthcare, financial inclusion, environmental sustainability, and community development.

CSR will remain a key pillar of our vision to create long-term value for society while maintaining responsible and sustainable banking practices.



CSR ACTIVITIES



Garima Road Race Competition-2081 organized on the Occasion of 18th Anniversary



Garima Road Race Competition-2081 organized on the Occasion of 18th Anniversary



Plantation Program organized by Garima Bikas Bank



Financial Literacy Program organized by Garima Bikas Bank

CORPORATE GOVERNANCE

Corporate governance forms the foundation of Garima Bikas Bank Ltd.'s commitment to transparency, accountability, and ethical business conduct. The Bank adheres to strong governance principles that ensure effective oversight, prudent risk management, and compliance with regulatory requirements. Guided by a well-defined governance framework, the Board of Directors and management work collaboratively to safeguard stakeholder interests, uphold integrity in decision-making, and promote sustainable business practices.

During the fiscal year 2081/82, the Audit Committee held a total of 6 meetings.



4.69

NON PERFORMING LOANS (IN %)

1.24

RETURN ON TOTAL ASSETS (IN %)

CORE PILLARS OF CORPORATE VALUE

1. BOARD & MANAGEMENT OVERSIGHT

Garima Bikas Bank Limited ensures effective oversight through a competent and independent Board of Directors that sets strategic direction, approves policies, monitors performance, and supervises senior management to safeguard stakeholder interests.

2. STRONG RISK MANAGEMENT

The Bank maintains a robust risk governance framework covering credit, liquidity, market, operational, legal and compliance risks. Risk appetite is clearly defined, monitored, and aligned with regulatory standards.

3. TRANSPARENCY & DISCLOSURE

The Bank promotes transparent financial reporting, clear disclosure of interest rates and service charges, and timely publication of material information to maintain public trust and regulatory compliance.

4. ETHICAL CONDUCT

Garima Bikas Bank Limited upholds high ethical standards through a Code of Conduct, conflict of interest management and a culture of integrity at all levels.

5. INTERNAL CONTROL & AUDIT

The Bank maintains strong internal control systems supported by independent Internal Audit and Board-level Audit Committee oversight to ensure operational efficiency and regulatory compliance.

6. ACCOUNTABILITY

Clear reporting lines, defined roles, and performance evaluation mechanisms ensure accountability from management to the Board and across all operational levels.

7. REGULATORY COMPLIANCE

The Bank strictly adheres to directives and guidelines issued by Nepal Rastra Bank, including prudential norms, AML/CFT requirements, and consumer protection standards.

8. STAKEHOLDER PROTECTION

Garima Bikas Bank Limited prioritizes the protection of depositors, shareholders, customers, employees, and the community by ensuring fair treatment, responsible banking practices and sustainable growth.



CORPORATE GOVERNANCE REPORT

(as per Corporate Governance Directives, 2074)

Name of the Listed Organized Institution	Garima Bikas Bank Limited
Including Address, Email, Website	Kathmandu Metropolitan City Ward No. 2, Lazimpat, Kathmandu
Email	info@garimabank.com.np
Website:	www.garimabank.com.np
Phone No.	01-5454424/25/26/27/28/30
Report for the Fiscal Year	2081/82

1. Board of Directors Details

1.1 NAME OF THE CHAIRMAN AND APPOINTED DATE:

Particulars	Details
Name	Mr. Dilip Pratap Khand
Appointment Date	2081 Poush 29

1.2 SHARE STRUCTURE

(PROMOTER, ORDINARY AND OTHERS):

Group	Number of Shares	Percentage
Promoter Group	289,706,638.95	51%
General Public Group	278,345,534.33	49%
Total	568,052,173.28	100%

1.3 DETAILS OF THE BOARD OF DIRECTORS

Prior to the 18th Annual General Meeting held on Poush 29, 2081, the Board of Directors of the bank consisted of 3 members from the promoters' shareholders, namely Chairperson Mr. Shyam Prasad Basyal, Dr. Anand Prasad Shrestha and Mr. Deependra Shrestha, 3 members from the public shareholders, namely Mr. Bimal Pandey, Mr. Sanjeev Dhakal, and Ms. Saraswati Pathak, and Mr. Mukund Raj Acharya as an Independent Director. After the 18th Annual General Meeting held on Poush 29, 2081, the Bank has the Board of Directors as per the details stated below.

S.N.	Name and Address	Represented Group	Shareholding Details	Date of Appointment	Date of Oath	Method of Appointment
1	Mr. Dilip Pratap Khand Waling 9, Syangja	Promoter	Promoter:111,440.94 Public: 6,205.33 Total: 117,646.27	2081 Poush 29	2081 Magh 3	Unanimously elected from 18th AGM
2	Mr. Shyam Prasad Basyal, Galyang 3, Syangja	Promoter	Promoter:893,586.51 Public: 35,059.90 Total: 928,646.41	2081 Poush 29	2081 Magh 3	Unanimously elected from 18th AGM
3	Mr. Deependra Shrestha, Beni 7, Myagdi	Promoter	Promoter:389,574.40 Public: 131,217.10 Total: 520,792.50	2081 Poush 29	2081 Magh 3	Unanimously elected from 18th AGM
4	Mr. Mukund Raj Acharya, Chapakot 1, Syangja	Independent	Not Applicable	2079 Chaitra 10	2079 Chaitra 10	Nominated by Board Meeting No. 286
5	Mr. Bimal Pandey, Gitanagar 6, Chitwan	General Public	27,566.19	2081 Poush 29	2081 Magh 3	Unanimously elected from 18th AGM
6	Mr. Shovakanta Dhakal, Waling 1, Syangja	General Public	1,249.72	2081 Poush 29	2081 Magh 3	Unanimously elected from 18th AGM
7	Ms. Ayushma Koirala, Pokhara 5, Kaski	General Public	1,054	2081 Poush 29	2081 Magh 3	Unanimously elected from 18th AGM

No directors were appointed after the last Annual General Meeting.

1.4 BOARD MEETINGS

Details of the meeting held are as follows:

S.N.	Details of Board of Directors' Meetings Held During the Review Year			Number of Directors Signing with Dissenting Opinion	Details of Meetings Held in the Previous Fiscal Year	
	Meeting No.	Date of Meeting Held	Number of Directors Present		Meeting No. (Previous FY)	Date of Meeting Held (Previous FY)
1	310	Shrawan 25, 2081	7	No dissenting opinion	291	Shrawan 24, 2080
2	311	Bhadra 19, 2081	7	No dissenting opinion	292	Bhadra 8, 2080
3	312	Bhadra 31, 2081	7	No dissenting opinion	293	Ashwin 12, 2080
4	313	Ashwin 23, 2081	7	No dissenting opinion	294	Ashwin 26, 2080
5	314	Kartik 9, 2081	7	No dissenting opinion	295	Kartik 15, 2080
6	315	Mangsir 9, 2081	7	No dissenting opinion	296	Mangsir 8, 2080
7	316	Poush 5, 2081	7	No dissenting opinion	297	Poush 4, 2080
8	317	Poush 7, 2081	7	No dissenting opinion	298	Poush 6, 2080
9	318	Poush 8, 2081	7	No dissenting opinion	299	Poush 19, 2080
10	319	Poush 19, 2081	7	No dissenting opinion	300	Poush 28, 2080
11	320	Poush 28, 2081	7	No dissenting opinion	301	Magh 12, 2080
12	321	Magh 3, 2081	7	No dissenting opinion	302	Falgun 18, 2080
13	322	Magh 27, 2081	7	No dissenting opinion	303	Chaitra 13, 2080
14	323	Falgun 21, 2081	6	No dissenting opinion	304	Chaitra 14, 2080
15	324	Chaitra 8, 2081	6	No dissenting opinion	305	Baisakh 14, 2081
16	325	Baisakh 12, 2082	6	No dissenting opinion	306	Jestha 11, 2081
17	326	Jestha 6, 2082	6	No dissenting opinion	307	Jestha 27, 2081
18	327	Jestha 7, 2082	6	No dissenting opinion	308	Ashadh 21, 2081
19	328	Jestha 22, 2082	7	No dissenting opinion	309	Ashadh 30, 2081
20	329	Ashadh 9, 2082	7	-	-	-
21	330	Ashadh 29, 2082	7	-	-	-

No Board meeting was postponed due to lack of quorum.

OTHER DETAILS REGARDING BOARD OF DIRECTORS' MEETINGS

Whether the Board of Directors' or Alternate Directors were present in the meeting (if not, provide the date and reason for absence)	There were no alternate directors in the Board of Directors. Due to personal reasons, Director Mr. Bimal Pandey was absent in Meetings Nos. 323 and 325, and Director Ms. Ayushma Koirala was absent in Meetings Nos. 324, 326, and 327.
Whether separate records of attending directors, discussed topics, and related decisions (minutes) were maintained	Maintained
Maximum gap between two consecutive board meetings (in days)	Maximum of 34 days
Date of the annual general meeting regarding determination of board meeting allowance	27 Mangsir 2076 (B.S.)
Per meeting allowance for board of directors	Chairman: NPR 10,000.00 Director: NPR 9,000.00
Total board meeting expenses for the fiscal year (including meeting allowance and other expenses)	NPR 5,196,321.00 (NPR Five million One Ninety Six Thousand Three Hundred Twenty One Only)

2. Code of Conduct of Directors and Other Details

Whether the related institution has a code of conduct for directors	The Bank does not have a separate code of conduct. Compliance with conduct arrangements as provided in the Bank and Financial Institution Act, Unified Directives, Company Act, Securities Act, and the Bank's regulations has been followed.
Whether more than one director is from the same immediate family members	None
<p>Details of Annual learning and refreshment program for directors: On 28 Magh 2081, a training on Good Corporate Governance and AML/CFT was conducted at Hotel Siraichuli, Chitwan, with the participation of 7 directors.</p>	
Written information submitted by each director within fifteen days of their appointment or nomination (if not submitted, provide details)	Provided
<ul style="list-style-type: none"> ■ If the director or any member of their immediate family members has entered into or is intending to enter into any contract with the institution 	

- If the director or any member of their immediate family members holds shares or debentures in the institution or its subsidiary
- If the director is a fundamental shareholder or director of any other organized institution
- If any member of the director's immediate family members is working as an officer or employee of the institution
- If the director holds a position as director, salaried officer, executive Chief, or employee in any other listed institution with similar objectives
- If the director has been subjected to any action by regulatory or other authorities

3. Details regarding the risk management and internal control system

3.1 WHETHER ANY COMMITTEE WAS FORMED FOR RISK MANAGEMENT, OR IF NOT, THE REASON: FORMED

3.2 INFORMATION REGARDING THE RISK MANAGEMENT COMMITTEE:

(i) Structure of the committee

Names and positions of the coordinator and other members as of Ashad end, 2082

Director Mr. Deependra Shrestha – Coordinator

Director Mr. Mukunda Raj Acharya – Member

Head of Operations Department Mr. Roshan Timilsina – Member

Head of Risk Management Department Mr. Laxman Nepal – Member Secretary

(ii) Number of committee meetings – 5

(iii) Brief description of the committee's work

This committee monitors quarterly internal analysis related to capital adequacy, sets and enforces sectoral limits, stress testing, presents quarterly reports to the Board of Directors, gathers information on overall risks of Garima Bikas Bank, provides suggestions and recommendations to the Board, among other activities performed by the committee.

3.3 WHETHER AN INTERNAL CONTROL PROCEDURE EXISTS:

Bank has developed and implemented various internal procedures to make the internal control system effective.

3.4 WHETHER ANY COMMITTEE WAS FORMED FOR THE INTERNAL CONTROL SYSTEM, OR IF NOT, THE REASON:

Details regarding committees formed for Internal Control System: For the effective functioning of the internal control system, various committees at director and management levels were formed and are active during the review year as per the following:

Committee Name	Committee Structure	Number of Meetings	Brief Description of Work
Audit Committee	Coordinator: Mr. Mukunda Raj Acharya – Director Member: Mr. Shovakanta Dhakal – Director Member Secretary: Mr. Ganesh Paudel – Head of Internal Audit Department	6	Monitoring financial reporting, facilitating the audit process, recommending appointment of auditors, making internal control effective and presenting recommendations to the Board of Directors.
Employee Service & Benefits Committee	Coordinator: Mr. Shyam Prasad Basyal – Director Member: Mr. Madhav Prasad Upadhaya – Chief Executive Officer Member: Mr. Keshav Timilsina – Head of Finance, Accounts & Treasury Department Member Secretary: Mr. Sanju Prasad Jaiswal – Head of Human Resource Department	4	Determining employee-related service benefits, presenting suggestions to the Board of Directors for timely modifications and revisions.
Risk Management Committee	Coordinator: Mr. Deependra Shrestha – Director Member: Mr. Mukundraj Acharya – Director Member: Mr. Roshan Timilsina – Head of Operations Department Member Secretary: Mr. Laxman Nepal – Head of Risk Management Department	5	Preparing strategies to minimize financial and non-financial risks arising during business operations and providing suggestions to the Board of Directors.
Asset Laundering Prevention Committee	Coordinator: Mr. Bimal Pande – Director Member: Ms. Ayushma Koirala – Director Member: Mr. Laxman Nepal – Head of Risk Management Department Member Secretary: Mr. Min Prasad Subedi – Head of AML, CFT & Compliance Department	7	Preparing strategies to control asset laundering and discourage financial investment in terrorist activities, and providing suggestions and recommendations to the Board of Directors.
Financial Direction Committee	Coordinator: Mr. Madhav Prasad Upadhaya – Chief Executive Officer Member: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Roshan Timilsina – Head of Operations Department Member: Mr. Keshav Timilsina – Head of Finance, Accounts & Treasury Department Member Secretary: Mr. Anuman Shrestha – Head of Logistics & General Services Department	56	Making decisions on the purchase of goods and services under the financial administration bylaws and presenting recommendations to the Board of Directors if needed.
Procurement Committee	Coordinator: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Keshav Timilsina – Head of Finance, Accounts & Treasury Department Member Secretary: Mr. Anuman Shrestha – Head of Logistics & General Services Department	44	Making decisions on the purchase of goods and services under the financial administration bylaws and presenting recommendations to the Financial Direction Committee and Board of Directors.

Committee Name	Committee Structure	Number of Meetings	Brief Description of Work
Staff Recruitment & Selection Committee	Coordinator: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Roshan Timilsina – Head of Operations Department Member Secretary: Mr. Sanju Prasad Jaiswal – Head of Human Resource Department	18	Responsible for employee selection, recruitment, and promotion-related activities in the Bank.
Asset Liability Management Committee	Coordinator: Mr. Madhav Prasad Upadhaya – Chief Executive Officer Member: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Bhakta Bahadur K.C – Head of Deposit Source Management Department Member: Mr. Roshan Timilsina – Head of Operations Department Member: Mr. Dipak Raj Bhandari – Head of Credit Risk Assessment Department Member: Mr. Laxman Nepal – Head of Risk Management Department Member Secretary: Mr. Keshav Timilsina – Head of Finance, Accounts & Treasury Department	13	Maintaining the balance of short-term and long-term assets and liabilities in the bank.
Information Technology Committee	Coordinator: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Anuman Shrestha – Head of Logistics & General Services Department Member: Mr. Roshan Timilsina – Head of Operations Department Member: Mr. Nakul Paudel – Head of Transaction Banking Unit Member Secretary: Mr. Kamal Aryal – Head of Information Technology Department	2	Analyzing structure, procedures and physical adequacy related to information technology in the bank and providing recommendations.
IT Monitoring Committee	Coordinator: Mr. Madhav Prasad Upadhaya – Chief Executive Officer Member: Mr. Laxman Nepal – Head of Risk Management Department Member: Mr. Ganesh Paudel – Head of Internal Audit Department Member Secretary: Mr. Min Prasad Subedi – Head of AML, CFT & Compliance Department	2	Monitoring activities, structure and procedures related to information technology in the bank.
Corporate Social Responsibility Committee	Coordinator: Mr. Madhav Prasad Upadhaya – Chief Executive Officer Member: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Keshav Timilsina – Head of Finance, Accounts & Treasury Department Member Secretary: Mr. Anuman Shrestha – Head of Logistics & General Services Department	27	Planning and facilitating execution of activities under corporate social responsibility and monitoring their implementation in the bank.

Committee Name	Committee Structure	Number of Meetings	Brief Description of Work
Loan Recovery Committee	Coordinator: Mr. Anil Regmi – Deputy Chief Executive Officer Member: Mr. Ishwari Prasad Dhakal – Head of Loan Administration Department Member: Mr. Dipak Raj Bhandari – Head of Credit Risk Assessment Department Member: Mr. Laxman Nepal – Head of Risk Management Department Member Secretary: Mr. Krishna Shrestha – Head of Loan Recovery, Non-Performing Loan Management & Non-Banking Asset Management Department	74	Work related to the loan recovery of the bank.
Auction Committee	Coordinator: Mr. Madhav Prasad Upadhaya – Chief Executive Officer Member: Mr. Roshan Timilsina – Head of Operations Department Member: Mr. Keshav Timilsina – Head of Finance, Accounts & Treasury Department Member Secretary: Mr. Anuman Shrestha – Head of Logistics & General Services Department	2	Performing tasks related to the auction of the assets of the bank.

3.5 WHETHER A FINANCIAL ADMINISTRATION REGULATION EXISTS:

Yes

4. Details regarding Information and Communication Flow

4.1 DETAILS OF INFORMATION AND COMMUNICATION FLOW DISCLOSED BY THE INSTITUTION:

Subject	Medium	Date of Publication
Notice of the 18th Annual General Meeting	National Daily	Poush 8, 2081 – Nagarik National Daily – First time and Poush 21, 2081 – Annapurna Post National Daily – Second time
Notice of Special General Meeting	No Special General Meeting conducted	-
Annual Report (FY 2080/81)	Report booklet published as well as uploaded on Bank's website	-
Quarterly Report (FY 2081/82)	First Quarter – Arthik Abhiyan National Daily Second Quarter – Karobar National Daily Third Quarter – Arthik Abhiyan National Daily Fourth Quarter – Nagarik National Daily	First Quarter – 7 Kartik 2081 Second Quarter – 7 Magh 2081 Third Quarter – 7 Baishakh 2082 Fourth Quarter – 30 Shrawan 2082
Price-sensitive information affecting securities price	Correspondence (Nepal Stock Exchange, Nepal Securities Board, C.D.S. & Clearing Ltd.)	2081/05/31 2081/09/05 2081/10/02 2081/09/08 2082/02/19
Others	-	-

4.2 IF INFORMATION WAS NOT DISCLOSED OR IF ANY ACTION WAS TAKEN BY THE SECURITIES BOARD OF NEPAL OR OTHER AUTHORITIES FOR ANY OTHER REASON, INFORMATION REGARDING THE SAME:

No action was taken.

4.3 DATE OF THE MOST RECENT ANNUAL AND SPECIAL GENERAL MEETINGS: 2081 Poush 29 (18TH ANNUAL GENERAL MEETING)

5. Details regarding Organizational Structure and Employees

5.1 WHETHER, THERE IS A STAFF SERVICE REGULATION/SYSTEM COVERING STAFF STRUCTURE, RECRUITMENT, CAREER DEVELOPMENT, TRAINING, SALARY, ALLOWANCES, OTHER BENEFITS, ATTENDANCE AND LEAVE, CODE OF CONDUCT, AND RELATED MATTERS:

Yes.

5.2 WHETHER ORGANIZATIONAL STRUCTURE IS ATTACHED:

Attached.

5.3 DETAILS REGARDING NAMES, EDUCATIONAL QUALIFICATIONS, AND EXPERIENCE OF SENIOR MANAGEMENT EMPLOYEES:

S.No.	Name	Position	Educational Qualification	Experience
1	Mr. Madhav Prasad Upadhaya	Chief Executive Officer	Master's Degree in Management	<ul style="list-style-type: none"> - Approximately 17 years of teaching/academic experience - 17 years of experience in senior management in the financial sector - Serving as Chief Executive Officer since 2081 Baisakh
2	Mr. Anil Regmi	Deputy Chief Executive Officer	Chartered Accountancy	<ul style="list-style-type: none"> - Approximately 4 years of experience in the auditing profession - Approximately 6 years of experience at Janata Bank Nepal Limited as Head of Internal Audit Department, Head of Finance Department and Head of Operations Department - Approximately 4 years of experience at Century Commercial Bank Limited as Chief Financial Officer - 2 years of experience at Garima Bikas Bank Limited as Assistant Chief Executive Officer - Serving as Deputy Chief Executive Officer at Garima Bikas Bank Limited for the past 1 year

5.4 OTHER DETAILS RELATED TO EMPLOYEES

Topic	Details
Whether employee positions were filled according to the structure	Filled as per structure
Process adopted while filling new employee positions	Advertisement published in national-level newspapers and positions filled through either written examination, oral interview or both as per requirement. For talent-hunted and trained employees, positions were also filled through only oral interview.
Number of employees at the executive level (as of 2082 Ashad end)	2
Number of employees at management level (as of 2082 Ashad end)	32
Total number of employees (as of 2082 Ashad end)	1034
Whether succession plan for employees exists	Exists
Number of trainings provided to employees and number of participants during the fiscal year	61 trainings with participation of 1,573 employees
Employee training expense for the fiscal year (thousand eleven only)	NPR 9,648,011 (NPR Nine million six hundred forty-eight thousand eleven only)
Percentage of employee expenses in total operating expenses (excluding interest expense)	61.92%
Percentage of employee training expense in total employee expenses	0.86%

6. Details Related to the Organization's Accounting and Auditing

6.1 DETAILS RELATED TO ACCOUNTING

Description	Details
Whether the financial statements of the Bank for the last fiscal year were prepared according to standards; if not, the reason	Prepared
Date of approval of the last fiscal year (FY 2081/082) financial statements by the Board of Directors	27 Ashwin 2082
Date of publication of quarterly financial statements	Presented in point no. 4
Date of completion of final audit (FY 2081/082)	28 Ashwin 2082
Date of approval of financial statements by the General Assembly (FY 2080/081)	29 Poush 2081
Details regarding internal audit	
(a) Whether internal auditing is conducted internally or by appointing external experts	External experts appointed
(b) If external experts were appointed, details thereof	SAR Associates, Chartered Accountants Bishal Nagar, Kathmandu
(c) Periodicity of internal audit (quarterly, four-monthly, or half-yearly)	Quarterly

6.2 DETAILS RELATED TO AUDIT COMMITTEE

Before the 18th Annual General Meeting of the bank held on 29 Poush 2081, the Audit Committee consisted of Director Mr. Deependra Shrestha as Coordinator, Director Mr. Bimal Pandey as Member and Head of Internal Audit Department Mr. Ganesh Paudel as Member Secretary. As per the decision of the Board of Directors' meeting no. 322 held on 27 Magh 2081, the structure and details of the Audit Committee currently in place are as follows:

Details of Coordinator and Members (Names, Positions, and Qualifications)

Name	Position	Qualification
Coordinator Mr. Mukund Raj Acharya	Director	Master's Degree
Member Mr. Shovakanta Dhakal	Director	Bachelor's Degree
Member-Secretary Mr. Ganesh Paudel	Head of Department – Internal Audit	C.A., Master's Degree

Date of Meetings and Number of Members Present

Meeting Date	Meeting No.	Number of Members Present
27 Shrawan 2081	102	3 Members (100%)
31 Bhadra 2081	103	3 Members (100%)
22 Kartik 2081	104	3 Members (100%)
05 Poush 2081	105	3 Members (100%)
20 Falgun 2081	106	3 Members (100%)
05 Baisakh 2082	107	3 Members (100%)

Per Meeting Allowance (Rs.)

Coordinator: NPR 9,000 per meeting, Other Director Members: NPR 8,000 per meeting

Date on which the Audit Committee submitted its report on activities to the Board of Directors:

The report of the Audit Committee's activities is submitted in the Board of Directors' meeting immediately following the Audit Committee meeting.

Subject / Matter	Status / Details
Whether the institution or any person having financial interest in the director or their immediate family members has taken any loan, advance or other facilities from the bank or financial institution	Not taken
Whether any person, firm, company, employee, advisor or consultant having financial interest in any listed organized institution, except for facilities or benefits received in the capacity of director, shareholder, employee, advisor or consultant under prevailing law, has used any assets of the institution in any manner	Not used
Whether conditions set by the regulatory body at the time of issuing the license were complied with	Complied
Whether instructions given by the regulatory body during regulatory inspection or supervision of the institution were complied with	Complied
Whether there is any case pending in court against the institution or director regarding the same other than regular course of business	No information obtained

Name of Compliance Officer	: Mr. Min Prasad Subedi
Position	: Manager
Date	: 2 Kartik 2082
Date of Report Approval by Board of Directors	: 2 Kartik 2082
Date of Report Certification by Auditor	: 2 Kartik 2082

RISK MANAGEMENT

Risk management is a core component of the Bank's operations, ensuring stability, resilience, and sustainable growth. The Bank adopts a proactive approach to identify, assess, and mitigate financial, operational, and strategic risks through robust policies, strong internal controls, regulatory compliance, and continuous monitoring to safeguard stakeholder interests.



To safeguard information assets, the Bank engages specialized external firms to conduct Information System Audits.



428.36

MARKET PRICE PER SHARE (IN RS.)

163.07

NET WORTH PER SHARE (IN RS.)

APPROACH TO RISK MANAGEMENT FRAMEWORK

In today's dynamic and uncertain financial environment, effective risk management remains fundamental to the Bank's stability, sustainable growth, and long-term viability. The Board of Directors and senior management of Garima Bikas Bank Limited are firmly committed to maintaining a robust risk governance framework in line with the directives of Nepal Rastra Bank (NRB) and applicable Basel standards, with the objective of safeguarding the interests of shareholders, depositors, and other stakeholders.

Risk management is embedded across the Bank's operations as a key control function and plays a central role in identifying, measuring, monitoring, and mitigating material risks. Through a structured and forward-looking approach, the function supports prudent decision-making, ensures regulatory compliance, strengthens capital and liquidity adequacy, and enables the Bank to proactively address emerging risks while pursuing sustainable business opportunities.

Through a strong governance structure, regular risk identification and assessment processes, and adaptive risk management strategies, the Bank continuously enhances its practices to respond effectively to evolving macroeconomic and market conditions. These efforts reinforce institutional resilience, ensure compliance with regulatory and prudential requirements, and support sustainable performance in an increasingly complex financial landscape.

Accordingly, the Bank has established an Integrated Risk Management Framework aligned with NRB directives and Basel principles, providing a structured and comprehensive approach to enterprise-wide risk management. The framework promotes prudent risk-taking while safeguarding operational activities and strategic initiatives.



The framework encompasses key risk domains, with credit risk at the forefront, focusing on systematic evaluation of borrower creditworthiness, portfolio diversification, and exposure limits to minimize potential losses. Risk controls are regularly reviewed in the context of external developments, enabling timely identification of emerging vulnerabilities and implementation of preventive or corrective measures. This structured approach aligns with NRB guidelines and Basel principles, strengthening the Bank's resilience in a volatile macroeconomic environment.

Risk Management Process

The Bank demonstrates active Board engagement and strong senior management oversight, with a continued focus on proactive decision-making and timely identification and resolution of risk issues. The Board has established a dedicated Risk Management Committee, responsible for overseeing risks across the Bank and reporting directly to the Board of Directors.

The Bank's Risk Management Policy is implemented through a clearly defined organizational structure to ensure effective governance. Risk oversight is centrally coordinated by the Risk Management Department, which works closely with all departmental heads, including the Asset-Liability Committee (ALCO). The Board conducts a comprehensive quarterly review of the Bank's risk profile and the effectiveness of the risk management framework through the Audit and Risk Management Committees, reflecting a strong commitment to proactive risk governance and robust internal control. At the management level, the Risk Management Committee, comprising the CEO, DCEO, CRO, and key department heads, is responsible for day-to-day risk oversight in line with NRB guidelines. The Committee monitors credit, liquidity (including the CD ratio), and operational risks against the Board-approved Risk Appetite and reviews reports from the Risk Management Department to ensure timely mitigation of emerging risks and regulatory compliance.

The Bank's individual departments constitute the First Line of Defense and are responsible for implementing the risk management framework, policies, systems, and methodologies approved by the Board. Department heads must ensure that their branches and units operate strictly within defined risk tolerance levels.

Departments are also responsible for continuous identification and management of emerging risks within their respective areas, recognizing that risk exposures evolve in response to changing business conditions. While departments focus on

their specialized functions, the Risk Management Department collaborates across the Bank to consolidate critical risk information and ensure alignment with the Bank's defined risk appetite.

In accordance with the audit plan approved by the Audit Committee, the Internal Audit Department regularly assesses process effectiveness and compliance with applicable policies and procedures. Audit findings and recommendations are reported to management and the Audit Committee to support sound governance and continuous improvement.

To further safeguard information assets, the Bank also engages specialized external firms to conduct Information System Audits. These audits evaluate the effectiveness of information systems and related controls, ensuring the confidentiality, integrity, and availability of data.

The core processes of the risk management framework are described in the following sections:

IDENTIFYING

Risk identification refers to the ongoing and systematic process of recognizing all material risks inherent in the Bank's operations, products, processes, and external environment. Garima Bikas Bank Limited identifies risks across all major categories, including credit, operational, and other risks.

Risk identification is conducted through periodic risk assessments, reviews of business activities, analysis of internal and external events, and continuous monitoring of regulatory and economic developments. Timely identification enables the Bank to take appropriate measures for effective risk assessment, control, and mitigation.

ASSESSING AND MEASURING

Risk assessment and measurement involve the systematic evaluation and quantification of identified risks to determine their potential impact and likelihood. The Bank employs appropriate qualitative and quantitative tools, models, and methodologies to measure risks across all material categories, including credit, market, liquidity, operational, and other non-financial risks.

Risk assessment is carried out through key risk indicators, stress testing, scenario analysis, risk-rating systems, and periodic reviews, in line with regulatory guidelines. This process enables the Bank to evaluate risk severity, prioritize responses, and ensure that exposures remain within approved risk appetite and tolerance levels.

REPORTING AND MONITORING

Risk reporting and monitoring is a continuous process through which the Bank tracks risk exposures against approved risk appetite, limits, and regulatory thresholds. Risks are monitored using key risk indicators, limit monitoring, exception reporting, and periodic compliance reviews.

The Bank maintains robust internal control mechanisms, including segregation of duties, authorization controls, and corrective action plans, to ensure timely mitigation of risk exposures. Regular risk reports are submitted to senior management and the Board to support effective oversight and prompt management action.

Risk Governance Structure

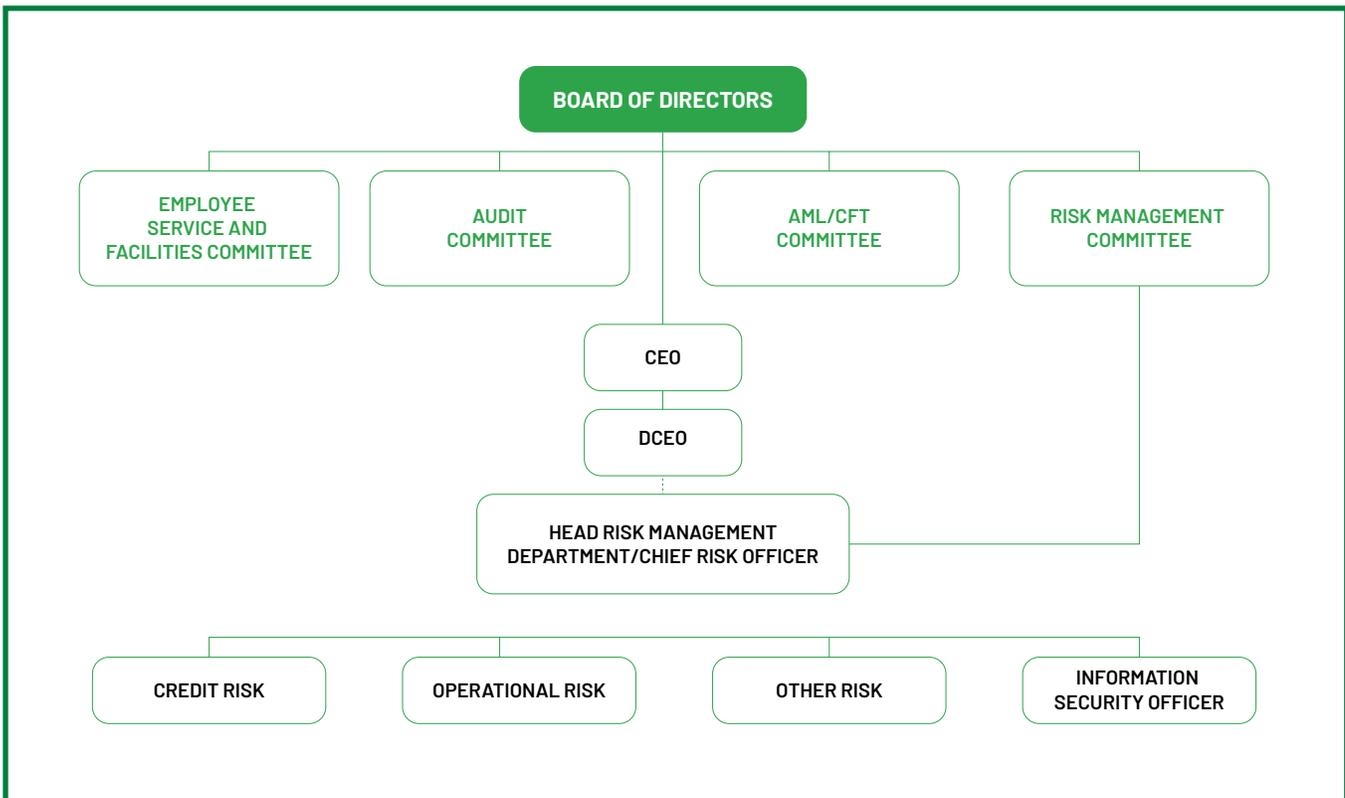
The Board of Directors holds ultimate responsibility for overseeing the Bank's risk management framework and approving policies, strategies, and guiding principles governing risk management practices. In this regard, the Board-

approved Risk Management Policy provides a comprehensive governance structure to ensure effective risk oversight across the institution.

This framework facilitates consistent identification, evaluation, monitoring, reporting, and mitigation of risks, supported by appropriate systems, processes, and control mechanisms. Such an approach enables timely risk assessment and proactive management of potential vulnerabilities affecting the Bank's operations and strategic objectives.

The overarching objective of the Bank's risk management framework is to embed a strong risk-aware culture throughout the organization, ensuring that risk considerations are integrated into decision-making while maintaining regulatory compliance and financial soundness.

The risk management governance structure has been illustrated as under:



Internal Controls and Limits

The Board of Directors (BOD) ensures the effectiveness of the Bank's internal control mechanisms through a well-defined organizational structure, clear lines of authority, approved policies and procedures, risk appetite frameworks, and appropriate delegation of authority.

The Bank's enterprise-level decisions and day-to-day executive management are overseen by the Chief Executive Officer, supported by the senior management team. This management structure is responsible for the effective implementation of Board decisions and for ensuring compliance with applicable laws, regulations, internal policies, and ethical standards across all business units and functional areas.

Similarly, the Audit Committee regularly reviews the adequacy of internal control systems and provides guidance to management for addressing any identified shortcomings.

POLICIES

The Bank maintains a robust and comprehensive framework of Board-approved policies, guidelines, and operational manuals to manage material risks arising from its business activities and to ensure sound governance and regulatory compliance.

This framework includes, among others, the Corporate Governance Policy, Disclosure Policy, Dividend Policy, Credit Risk Management Policy, Investment Policy, Financial Resource Mobilization Policy, Non-Banking Assets Policy, Information Technology Policy, Internal Audit Policy, and Whistleblowing Policy. These are further supported by product guidelines for credit and deposit products and detailed operational manuals.

All significant policies, guidelines, and manuals are reviewed at least annually and approved by the Board of Directors, taking into account changes in the business environment, regulatory requirements, legal developments, and industry best practices.



The Bank's risk management framework follows a structured process for the identification, assessment, measurement, monitoring, reporting, and mitigation of risks. Effective implementation is supported through standardized tools and mechanisms, including credit, operational, and other risk assessments at branch and regional office levels, along with clearly defined reporting and escalation procedures. Collectively, these measures ensure a systematic, consistent, and proactive approach to managing the Bank's overall risk profile.

Three Lines of Defense

The Bank has adopted three lines of defense mechanism for better internal control:

FIRST LINE OF DEFENSE

The First Line of Defense comprises the Bank's business units, support units, and branch offices, which serve as the primary risk owners and risk takers. These functions are responsible for identifying, assessing, and managing risks within the Bank's defined risk appetite on a day-to-day basis.

Controls at this level are granular and transaction-based, as staff are directly involved in operational processes and are best positioned to identify workflow risks and potential control weaknesses.

Business functions actively manage risks inherent in daily banking activities, including transactions, fund movements, and customer interactions, while ensuring compliance with internal policies. Support and control functions, such as operations, IT support, and back-office teams, implement process-level controls, conduct reconciliations, and validate transactions to ensure accuracy, reliability, and compliance.

Together, these functions embed strong operational controls and enable early detection of errors, irregularities, or emerging risks.

SECOND LINE OF DEFENSE

The Second Line of Defense consists of independent oversight functions, including the Risk Management Department, Compliance Department, AML/CFT Department, Information Security Department, and Treasury Mid-Office. These units monitor risk practices, oversee compliance, and ensure that preventive and detective controls are effectively implemented.

- The Risk Management Department, which functionally reports to the Board's Risk Management Committee and administratively to the Deputy CEO, provides independent oversight of the Bank's risk profile and ensures that the First Line effectively implements risk policies and controls.

- The Compliance and AML/CFT functions operate independently to ensure adherence to Nepal Rastra Bank directives, applicable laws, and internal policies. Compliance focuses on overall regulatory adherence, while AML/CFT specifically addresses risks related to money laundering through robust monitoring and control measures.

THIRD LINE OF DEFENSE

The Internal Audit Department serves as the Third Line of Defense and operates as an independent unit reporting directly to the Board's Audit Committee. It provides independent assurance on the effectiveness of the Bank's risk management framework, internal controls, processes, and governance practices.

The department conducts periodic audits of both the First and Second Lines of Defense, evaluates compliance with internal policies, Basel standards, and regulatory guidelines, and identifies strengths as well as areas for improvement. Through comprehensive audit reviews across operational areas, it provides recommendations to further strengthen the Bank's internal control and risk management systems.

Segregation of Duties

Segregation of Duties at Garima Bikas Bank Ltd. is a cornerstone of the Bank's internal control framework, designed to mitigate operational and credit risks while strengthening governance across critical banking functions. The Bank ensures clear separation between business, support, and control functions, with distinct roles assigned for transaction initiation, authorization and approval, execution, recording, and monitoring.

This principle is consistently enforced across key areas, including credit operations, treasury, IT system administration, vendor and third-party management, and regulatory reporting. Such measures ensure that no single individual exercises end-to-end control over high-risk or sensitive activities.

Segregation of Duties is implemented through role-based access controls, defined approval workflows, periodic user access reviews, and internal audits, thereby reinforcing operational integrity, regulatory compliance, and effective risk governance.

Management Information System

In response to evolving information needs of regulators, branches, and internal departments, the Bank's Management Information System (MIS) is continuously evaluated, upgraded, and optimized. All branches are fully integrated through the Core Banking Solution (CBS), which generates regular reports

for operational and management purposes. These reports enable branches and controllers to effectively monitor, analyze, and manage risks across banking operations.

Risk Appetite & Tolerance

The Bank establishes and documents a Risk Appetite and Tolerance Framework to define the nature and level of risks it is willing to assume while pursuing its strategic objectives. The Board of Directors holds primary responsibility for setting risk policies, strategies, appetite levels, tolerance thresholds, and mitigation frameworks, ensuring alignment with capital adequacy, liquidity position, regulatory requirements, and overall risk-bearing capacity.

The framework is approved by the Board and communicated across the organization to support effective implementation and adherence. The Board regularly monitors the Bank's risk profile and provides strategic direction to the Risk Management Committee, senior management, and relevant departments responsible for day-to-day risk oversight. The Risk Management Department periodically reviews the framework and recommends revisions in response to changes in business strategy, risk environment, or regulatory requirements. All updates are submitted to the Board for approval. Continuous monitoring through Key Risk Indicators (KRIs) and management reports ensures that risk exposures remain within approved tolerance levels, supported by clear escalation mechanisms for any breaches.

Risk Culture

The Bank fosters a strong and embedded risk culture supported by a structured Three Lines of Defense approach, promoting integrity, sound governance, and clarity in decision-making. Leadership from the Board and senior management plays a critical role in embedding risk awareness and accountability throughout the organization.

Risk management is integrated into routine business operations, ensuring that risk ownership is shared across all functional units rather than confined to a single department. Operating units manage risks within approved appetite levels, guided by the Risk Management function through established frameworks, tools, and oversight mechanisms that enable early detection and effective mitigation of risks.

This culture is further reinforced through continuous awareness programs, role-specific training, and technology-driven risk management and fraud monitoring systems. Ethical standards are strengthened through comprehensive policies, whistleblowing mechanisms, and a strong commitment to regulatory compliance and sustainable operations, supporting the Bank's long-term stability and strategic direction.

Core Risk Areas and Assessment Framework

CREDIT RISK

Credit risk arises when customers or counterparties fail to meet their financial obligations, potentially resulting in losses for the Bank. Changes in economic or market conditions, as well as deterioration in the credit quality or repayment behavior of customers and counterparties, can reduce asset values and increase impairment provisions, thereby affecting profitability.

CREDIT RISK MANAGEMENT

The Bank's Credit Risk Management framework provides a robust and flexible platform to measure, monitor, and report regulatory credit risk metrics across its portfolio. It supports accurate assessment of credit exposures, configurable regulatory parameters, and evolving business requirements, enabling the Bank to optimize risk mitigation strategies.

Credit risk is actively managed across a broad range of financial and non-financial activities, including lending, trade finance, foreign exchange transactions, guarantees, and interbank dealings. Through continuous identification, measurement, monitoring, and control of credit exposures, the Bank ensures financial resilience and maintains sound asset quality in a dynamic and evolving financial environment. The principal approach includes:

Credit Appraisal

A structured and comprehensive assessment of the borrower's financial condition, repayment capacity, credit history, and collateral quality is conducted prior to loan approval to ensure prudent credit decision-making.



Credit Scoring/Risk Rating System

A standardized credit scoring and risk rating framework is used to assign risk grades to borrowers and exposures, enabling assessment of probability of default and supporting informed credit approval, pricing, and portfolio management decisions.

Risk Based Pricing

Risk-Based Pricing is a credit risk management approach where the interest rate or lending terms offered to a borrower are aligned with the credit risk posed by the borrower. Essentially, borrowers with higher credit risk pay higher interest rates, while low-risk borrowers enjoy lower rates.

Stress Testing & Scenario Analysis

Periodic stress testing and scenario analysis are conducted to assess the impact of adverse economic, market, or sector-specific conditions on the loan portfolio and the Bank's credit risk profile.

SEGREGATION OF DUTIES

Segregation of Duties in Credit risk ensures that the lending process is structured so that no single individual controls all critical steps, promoting independent evaluation, reducing potential conflicts of interest, and safeguarding the bank's credit quality.

Key credit functions with segregation of duties include:

Loan Origination

The Bank has designated a dedicated Credit Unit/In-charge at branch level responsible for loan origination activities. This unit independently obtains required information and documents from the client, assesses the purpose of borrowing and preliminary creditworthiness, and prepares the credit proposal. The completed proposal is then submitted to the competent sanctioning authority for review and approval, ensuring clear segregation between origination and approval functions.

Credit Assessment:

There is a dedicated team of Credit Reviewers at the Regional and Central levels that reviews credit proposals submitted by branches. Further, the Risk Management Department independently assesses the creditworthiness and risk of borrowers through a separate credit risk assessment team. Based on the approved lending authority and limit of the credit facility, the proposals are further reviewed by the appropriate executive-level authority. Credit proposals are approved only after completion of all such reviews and independent assessments, ensuring effective segregation of duties.

Sanctioning/Approval

The Bank has designated Credit Authority Discretion responsible for sanctioning and approving of loans, ensuring independent authorization and adherence to credit policies.

Disbursement

Loan disbursements are executed by an independent Credit Administration Department, ensuring compliance with approved credit terms, policies, and internal control requirements.

Ongoing Monitoring

The Bank has a dedicated Credit Monitoring Department responsible for overseeing and monitoring all credit exposures, tracking borrower performance, detecting early warning signals, and ensuring compliance with credit policies and regulatory requirements.

Recovery

The Bank has Collection and NPA Departments responsible for managing overdue loans and non-performing assets. These departments handle recovery actions, coordinate with borrowers for settlements, enforce legal measures when required, and ensure timely recovery in compliance with regulatory and internal policies.

Key Risk and Corrective Measures of Credit Risk

Lending Risk

Lending risk arises when borrowers are unable to fulfill their credit obligations, potentially leading to financial losses. It is inherent across all loan exposures, including retail, corporate, trade finance, and project financing. The Bank manages this risk in accordance with Nepal Rastra Bank guidelines through robust credit appraisal, risk-based pricing, exposure limits, collateral management, and post disbursement monitoring. Portfolio reviews and early-warning systems ensure proactive mitigation, maintaining asset quality and safeguarding financial stability.

Counterparty Risk

Counterparty risk occurs when financial or business counterparties fail to meet their contractual obligations. This risk arises in interbank transactions, trade finance, foreign exchange, and derivatives. The Bank mitigates counterparty risk through stringent credit assessments, exposure limits, and continuous monitoring of counterparty creditworthiness, in line with regulatory standards, reducing potential financial losses and supporting operational stability.

Concentration Risk

Concentration risk arises from excessive exposure to a single borrower, sector, product or geographic region. High concentrations can amplify potential losses if adverse events occur. The Bank manages this risk through diversification strategies, sectoral and borrower limits, and continuous monitoring of exposures, ensuring balanced portfolio allocation and compliance with NRB directives.

Single Obligor Limit

The Bank addresses concentration risk by ensuring full compliance with the Single Obligor Limit set by Nepal Rastra Bank. All credit exposures, encompassing both fund-based and non-fund-based facilities, are systematically reviewed to remain within prescribed limits applicable to individual borrowers and related borrower groups. Ongoing monitoring and structured reporting processes enable early detection of any emerging excesses and facilitate timely corrective action.

The table below summarizes the Bank's borrower concentration measured against core capital and total credit exposure, to assess the level of concentration risk across major borrower segments:

TOP BORROWER CONCENTRATION

(NPR in '000)

Particulars	2081/82 (Year End)	Percentage
Single Exposure to Core Capital of Previous Quarter End	527,221.10	6.95%
Top 50 Borrowers to Total Exposure	9,387,216.31	12.24%
Top 10 Microfinance Institutions to Total Exposure	2,795,581.69	3.64%

Product wise Concentration

High levels of credit concentration have often played a critical role in triggering stress events and failures within the banking sector. A bank's diverse range of products and services can give rise to multiple forms of risk, many of which may be interconnected and exhibit varying degrees of correlation, either reinforcing or offsetting one another.

Accordingly, the Bank places strong emphasis on identifying and evaluating these risk interdependencies as part of its overall risk assessment process. Particular vigilance is maintained over concentrations that have the potential to materially amplify the Bank's overall risk exposure. Such concentrations may arise within individual products as well as across different business segments and operational areas.

Furthermore, exposures stemming from products that share similar risk characteristics but are structured differently, such as off-balance-sheet arrangements or complex financial instruments, may conceal underlying risks if they are not properly identified, measured, and monitored.

Concentration risk on total credit exposure by product category is outlined below:

(NPR in '000)

S.No.	Loan Type	2081/82 (Year End)	Percentage
1	Term Loan	2,60,25,116.65	33.93%
2	Overdraft	24,89,241.03	3.24%
3	Cash Credit Loan	88,19,907.71	11.50%
4	Trust Receipt Loan/Import Loan	-	0.00%
5	Short-Term Working Capital/Demand Loan	18,10,682.89	2.36%
6	Residential Personal Home Loan (Up to Rs. 20 million)	1,20,29,614.74	15.68%
7	Real Estate Loan	75,71,548.61	9.87%
8	Margin Nature Loan	30,51,403.66	3.98%
9	Hire Purchase Loan	21,89,855.41	2.85%
10	Deprived Sector Loan	44,33,465.65	5.78%
11	Bills Purchased	-	0.00%
12	Other Product	82,90,327.03	10.81%
	Total	7,67,11,163.37	100.00%

Sector wise Concentration

Sector-wise concentration measures the distribution of a bank's credit portfolio across different economic sectors, such as agriculture, trade, and services. In line with NRB directives, banks are required to avoid excessive exposure to any single sector to minimize credit risk. Monitoring sectoral exposure helps ensure portfolio diversification, identify vulnerable sectors, and maintain compliance with regulatory limits, thereby strengthening the bank's overall risk management framework.

Concentration risk on total credit exposure by sector category is outlined below:

(NPR in '000)

S.No	Sector	Outstanding Loan Amount (Rs.)	Weighted Based on Core Capital	Weighted Based on Total Loan
1.	Agricultural and Forest Sector	3,677,597.89	48.45%	4.79%
2.	Fishery	354,291.28	4.67%	0.46%
3.	Mining Related	146,389.00	1.93%	0.19%
4.	Agriculture, Forestry, Beverage production Related	1,054,800.34	13.90%	1.38%
5.	Non-food Production Related	2,418,587.53	31.86%	3.15%
6.	Construction	6,952,492.43	91.59%	9.06%
7.	Electricity Gas & Water	499,339.11	6.58%	0.65%
8.	Metal Products, Machinery & Electronic Equipment & Assemblage	327,847.52	4.32%	0.43%
9.	Transport, Communication and Public Utilities	1,482,656.27	19.53%	1.93%
10.	Wholesaler & Retailer	8,752,468.48	115.31%	11.41%
11.	Finance, Insurance and Real Estate	12,459,856.73	164.15%	16.24%
12.	Tourism Service	4,255,991.70	56.07%	5.55%
13.	Other Services	2,605,147.20	34.32%	3.40%
14.	Consumption Loans	23,964,341.96	315.71%	31.24%
15.	Local Government	-	0.00%	0.00%
16.	Others	7,759,355.93	102.22%	10.12%
	Total	76,711,163.37	1011%	100%

COLLATERAL AND SECURITY RISK

Collateral risk refers to the possibility that pledged assets may lose value or prove insufficient to cover exposures. The Bank mitigates this risk by valuing collateral conservatively, regularly reviewing security coverage, and applying appropriate haircuts and legal documentation in line with NRB guidelines, thereby protecting the Bank's interests.

The following table presents the collateral-wise distribution of credit exposure of the Bank, highlighting the number of accounts, outstanding amount, and their share in Banks overall total credit exposure. This distribution provides insight into the Bank's collateral composition and concentration, reflecting its overall security coverage and risk mitigation profile:

(NPR in '000)

S.No.	Collateral (Security)	No. of Files	2081/82 (Year End)	Collateral Exposure (Percentage)
1	Gold and Silver	4,670	1,108,837.01	1.45%
3	Non-Governmental Securities	324	2,994,526.51	3.90%
4	Fixed Deposit Receipts	683	554,591.02	0.72%
5	Collateral of Properties	27,767	65,730,034.79	85.69%
7	Against Guarantee	2,514	6,189,352.12	8.07%
8	Credit Card	769	16,982.22	0.02%
9	Others	387	116,839.71	0.15%
	Total	37,114	76,711,163.37	100.00%

OPERATIONAL RISK

Operational risk refers to the potential for loss arising from failures or inadequacies in internal processes, human factors, systems, or external events. Such risks may lead to financial losses, service disruptions, or reputational damage, particularly in areas related to the availability, reliability, and security of core information systems and customer-facing operations.

The Bank has established a structured Operational Risk Management framework to systematically identify, assess, monitor, and mitigate operational risks embedded in day-to-day activities. The framework addresses a broad range of

risk sources, including human error, process inefficiencies, technology disruptions, fraud, legal and compliance issues, and external events. Through strong internal controls, continuous oversight, and proactive risk-mitigation measures, the Bank enhances operational resilience, safeguards its financial soundness, and supports sustainable and secure business operations in line with regulatory expectations.

The key risks faced by the Bank, together with their respective key risk indicators and mitigation measures, are outlined below.

I. PEOPLE

Key Risk Indicator

- Human Error
- Lack of training/Inadequate Knowledge
- Misconduct/Unethical Behavior
- Negligence
- Collusion and Internal Fraud
- Absenteeism and staffing issues
- Poor performance/Low competence
- Behavioral and Attitude issues
- Breach of confidentiality
- Unauthorized Access/Misuse
- Failure to follow procedures
- Operational pressure and stress



RISK



Mitigating Factor

- Policies in place to manage outsourcing-related risks.
- Clearly defined job roles and responsibilities.
- Monitoring and reporting of employee turnover to the Board and RMC.
- Mandatory induction and basic banking training for new recruits.
- Periodic staff rotation and transfers to reduce dependency risk.
- Controls over employees' external employment and business interests.
- Annual updating of KYE and asset-liability declarations.
- Restrictions on deployment of related staff within the same branch or reporting line.

II. PROCESS RISK**Key Risk Indicators**

- Documentation and Compliance gaps
- Transaction processing mistakes
- Accounting Management errors
- Reporting and MIS errors
- Process gaps and lack of standard operating procedure
- Technology and system integration issues
- Branch operations related to cash, vault and teller processes

Mitigating Factor

- Formulation and regular updating of policies, guidelines, manuals, and SOPs.
- Clear segregation of roles and responsibilities across all functions.
- Updated delegation of authority aligned with Bank policies.
- Automation and system controls to reduce transaction and accounting errors.
- Periodic reconciliations, report validation, and MIS checks.
- Continuous process gap analysis and corrective actions.
- Strengthened branch-level operational controls (cash, vault, teller operations).
- Periodic review of outsourced services, including security and operational support functions.

III. SYSTEM/IT RISK**Key Risk Indicators**

- System failures
- Cybersecurity Risk
- Data and Reporting Risk
- Process and Integration Risk
- Human/IT interaction Risks
- Noncompliance with IT/cybersecurity guidelines

Mitigating Factor

- Implementation of robust IT policies, procedures, and cybersecurity guidelines.
- Regular system maintenance, upgrades, and disaster recovery testing to prevent failures.
- Deployment of firewalls, antivirus, intrusion detection, and other cybersecurity controls.
- Periodic data validation, reconciliation, and reporting accuracy checks.
- Monitoring and controls for process integration across systems to minimize errors.
- Training and awareness programs to manage human-IT interaction risks.
- Regular compliance audits to ensure adherence to IT and cybersecurity policies.
- Continuous IT risk assessment and incident reporting mechanisms to detect and respond to threats.

IV. EXTERNAL EVENTS RISK**Key Risk Indicators**

- Natural disaster
- Political and social events
- Economic and market events
- External fraud and crime
- Pandemic and health crisis

Mitigating Factor

- Business Continuity and Disaster Recovery plans in place and regularly tested and validated through periodic drills.
- Periodic assessment of natural, political, social, economic, and market risks.
- Robust security measures to prevent external fraud and criminal activities.
- Continuous monitoring of external environment and early warning indicators.
- Health and pandemic preparedness measures, including staff and customer safety protocols.
- Insurance coverage to mitigate losses from external events.

V. LEGAL AND COMPLIANCE ISSUES**Key Risk Indicators**

- Breach of regulatory/NRB directives
- Contractual breaches
- Litigation risk
- Fraud and ethical breaches
- Reputational risk from compliance failures
- Noncompliance with laws

Mitigating Factor

- Regularly updated compliance policies, manuals, and guidelines aligned with NRB directives.
- Continuous monitoring of regulatory and legal changes.
- Contract review and legal vetting to prevent breaches.
- Implementation of internal controls, fraud prevention, and ethical codes of conduct.
- Staff training and awareness programs on compliance and legal obligations.
- Grievance, reporting, and whistleblower mechanisms for early detection of breaches.
- Regular compliance audits and reporting to management and Board.
- Reputational risk management through timely incident response and transparent reporting

Segregation of Duties

Segregation of Duties in Operational risk ensures that critical banking processes are divided among different personnel to minimize errors, prevent fraud, and maintain proper oversight. Key operational functions with segregation of duties include:

Initiator

The Bank designates authorized personnel as Initiators, responsible for initiating transactions, cash operations, fund transfers, and system-related requests. The Initiator ensures that all transactions are properly originated, accurately recorded, and fully traceable, maintaining independence from approval and execution functions in accordance with segregation of duties principles.

Approver

The Bank formally assigns authorized personnel as Approvers, responsible for reviewing and independently authorizing transactions or system requests before execution, ensuring proper oversight and compliance with segregation of duties.

Recording

Similarly, there exist authorized personnel for Disbursement/Recording, responsible for executing transactions, disbursing funds, and recording entries in the books or systems. This role operates independently from Initiation and Approval functions, ensuring proper segregation of duties and accountability.

Verification / Monitoring

Independent personnel or teams are in place who are responsible for reviewing, reconciling, and monitoring transactions to detect errors, anomalies, or potential fraud.

Market Risk

Market risk refers to the potential for adverse movements in market variables to affect the Bank's earnings or capital

position. This risk arises primarily from fluctuations in interest rates, foreign exchange rates, equity prices, and commodity prices, which can influence the value of both on- and off-balance-sheet exposures.

The Bank manages market risk through continuous monitoring of equity price exposures and interest rate spreads, supported by asset-liability matching where appropriate. Risk exposures are subject to regular stress testing to assess potential impacts under adverse market conditions. Market risk management is governed by clearly defined roles and responsibilities and is carried out in compliance with applicable regulatory guidelines and relevant international best practices.

The Treasury Mid Office independently monitors mark-to-market positions of the trading book, Net Overnight Open Positions, counterparty exposure limits, and any breaches, and reports these to the Chief Risk Officer. Oversight and strategic guidance are provided by the Board's Risk Management Committee (RMCB), the Asset Liability Committee (ALCO), and the Risk Management Committee (RMC).

INTEREST RATE RISK

Interest rate risk is the risk of adverse impacts on the Bank's earnings, capital, and economic value due to movements in market interest rates. It arises primarily from mismatches in the repricing dates and maturity profiles of interest-sensitive assets, liabilities, and off-balance-sheet exposures in both the banking and trading books. The Bank measures and monitors this risk through repricing gap analysis and earnings sensitivity analysis under prescribed interest rate shock scenarios, in line with regulatory guidelines. Interest rate risk is managed within the Asset-Liability Management framework, supported by Board-approved policies, risk limits, and internal control mechanisms. Regular reporting to senior management enables timely assessment of exposures and ensures that interest rate risk remains within the Bank's approved risk appetite and regulatory thresholds.

FOREIGN EXCHANGE RISK

Foreign exchange risk represents the potential for loss to the Bank's financial performance and economic value due to fluctuations in currency exchange rates. It also includes settlement risk arising from delays or failures in completing foreign exchange transactions within the trading and banking books. The Bank manages foreign exchange risk through a comprehensive limit framework approved by the Board. Exposure is controlled through currency-wise Net Open Position Limits and Intraday Open Position Limits to manage both overall and short-term risks. Counterparty and country limits are enforced to prevent excessive concentration from dealings with specific institutions or jurisdictions. Dealer-

wise limits promote accountability and restrict excessive individual risk-taking. Additionally, gap limits are applied to manage maturity mismatches and related liquidity risks, while stop-loss limits serve as early warning and loss-containment mechanisms by automatically restricting trading activities once predefined thresholds are breached.

The following table summarizes the Bank's net open position in foreign currencies in Nepalese Currency, showing the corresponding assets, liabilities, and net exposure in relation to core capital, for the purpose of monitoring and managing foreign exchange risk:

FOREIGN CURRENCY /NET OPEN POSITION

(NPR in '000)

Foreign Currency	Assets	Liabilities	Net Position	Total Net Position to Core Capital
U.S. Dollars	157,235		157,235	2.0715%
European Euro	6,487		6,487	0.0855%
UK Pound Sterling	328		328	0.0043%
Swiss Franc	1,057		1,057	0.0139%
Australian Dollars	655		655	0.0086%
Canadian Dollars	6,557		6,557	0.0864%
Singapore Dollar	2,089		2,089	0.0275%
Japanese Yen	3,345		3,345	0.0441%
Chinese Yuan	946		946	0.0125%
Saudi Arabian Riyal	13,154		13,154	0.1733%
Qatari Riyal	6,532		6,532	0.0860%
Thai Baht	289		289	0.0038%
UAE Dhiram	7,690		7,690	0.1013%
Malaysian Ringgit	5,236		5,236	0.0690%
South Korean Won	675		675	0.0089%
Swedish Kroner	-		-	0.0000%
Danish Kroner	-		-	0.0000%
Hongkong Dollar	1,831		1,831	0.0241%
Kuwaiti Dinar	9,338		9,338	0.1230%
Baharain Dinar	2,109		2,109	0.0278%
Indian Currency	235		235	0.0031%
Total	225,787		225,787	2.9746%

The Core Capital on Previous Quarter End is NPR 7,590,580,961.90

PRICE RISK

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, excluding those arising from interest rate or currency risks. Such fluctuations may result from factors specific to an individual instrument or its issuer, as well as from broader market forces affecting similar instruments. The Bank measures and monitors price risk through mark-to-market valuations, sensitivity analysis, and stress testing under various market scenarios.

Liquidity Risk

Liquidity risk is the risk that the Bank may be unable to meet its payment obligations or fund asset growth as they fall due without incurring undue cost. It arises when liquid assets are insufficient to cover cash outflows, necessitating reliance on market funding, which depends on prevailing market conditions and the Bank's liquidity position. Effective liquidity

management is therefore essential to ensuring financial stability and uninterrupted operations.

The Bank manages liquidity risk with the objective of maintaining sufficient funding to meet its financial commitments in a timely manner under both normal and stressed conditions. Oversight is exercised through the Asset Liability Committee (ALCO), which governs liquidity policies, funding strategies, concentration limits, and the maturity profile of assets and liabilities, including off-balance-sheet exposures. Liquidity risk is assessed using a range of quantitative tools, including liquidity gap analysis, liquidity ratios, stress testing, interest rate sensitivity indicators, and forward-looking trend analysis, supplemented by evaluations of industry liquidity conditions. Key outcomes and decisions of ALCO are escalated to the Board to ensure effective supervision and compliance with regulatory requirements.

The Bank further manages liquidity risk by maintaining adequate high-quality liquid assets to cover short-term and foreseeable cash outflows. Funding sources are diversified across multiple instruments and counterparties to reduce concentration risk. Contingency funding arrangements include unutilized interbank credit lines and access to the repo market. Under normal conditions, the Bank maintains liquidity buffers above regulatory minimum requirements, supporting operational stability and prudent liquidity risk management.

MATURITY PATTERN OF KEY ASSETS & LIABILITIES

Figures '000

S.N.	Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
Assets							
1	Cash Balance	842,670.64	-	-	-	-	842,670.64
2	Balance with Banks & FIs	6,101,337.53	-	-	-	-	6,101,337.53
3	Investment in Foreign Banks	-	-	-	-	-	-
4	Call Money	-	-	-	-	-	-
5	Government Securities	5,819,150.00	100,000.00	500,000.00	2,344,550.00	9,997,675.00	18,761,375.00
6	Nepal Rastra Bank Bonds	-	-	-	-	-	-
7	Inter Bank & FI Lending	-	-	-	-	-	-
8	Loans & Advances	6,954,137.45	5,105,634.09	3,918,459.36	3,280,140.89	54,071,743.07	73,330,114.86
9	Interest Receivable	315,303.45	112,438.85	112,438.85	37,479.62	-	577,660.77
10	Reverse Repo	-	-	-	-	-	-
11	Receivables from other Institutions under Commitment	-	-	-	-	-	-
12	Payment to be made for facilities under s.no 20,21 & 22	-	-	-	-	-	-
13	Others	138,654.51	6,104.64	6,104.64	89,964.12	4,610,072.52	4,850,900.44
Total Assets (A)		20,171,253.58	5,324,177.58	4,537,002.86	5,752,134.63	68,679,490.59	104,464,059.24
Liabilities							
14	Current Deposits	5,328,651.16	1,184,144.70	1,184,144.70	1,184,144.70	2,960,361.75	11,841,447.01
15	Saving Deposits	8,016,869.47	6,012,652.10	6,012,652.10	6,012,652.10	14,029,521.57	40,084,347.33
16	Fixed Deposits	12,574,644.15	10,622,618.60	3,646,177.70	1,890,830.45	11,321,552.25	40,055,823.14
17	Debentures	-	-	-	-	997,062.99	997,062.99
18	Borrowings:	700,000.00	-	-	-	-	700,000.00
	(a) Call/Short Notice	-	-	-	-	-	-
	(b) Inter-bank/Financial Institutions	700,000.00	-	-	-	-	700,000.00
	(c) Refinance	-	-	-	-	-	-
	(d) Others	-	-	-	-	-	-
19	Other Liabilities and Provisions	366,726.77	-	-	234,117.92	921,280.14	1,522,124.84
	(a) Sundry Creditors	5,886.31	-	-	-	-	5,886.31
	(b) Bills Payable	56.70	-	-	-	-	56.70
	(c) Interest Payable	144,453.45	-	-	-	-	144,453.45
	(d) Provisions	-	-	-	-	-	-
	(e) Others	216,330.32	-	-	234,117.92	921,280.14	1,371,728.38
20	Payable to other institutions under Commitment	-	-	-	-	-	-
21	Unutilized Approved Facilities	-	-	-	-	-	-
22	Letter of Credit/Guarantee (Net of Margin)	-	-	-	-	-	-
23	Repo	-	-	-	-	-	-
24	Payment to be made for facilities under S.No 11	-	-	-	-	-	-
25	Others	-	-	-	-	9,263,253.92	9,263,253.92
Total Liabilities (B)		26,986,891.54	17,819,415.40	10,842,974.50	9,321,745.17	39,493,032.63	104,464,059.24
Net Financial Assets (A-B)		(6,815,637.96)	(12,495,237.81)	(6,305,971.64)	(3,569,610.55)	29,186,457.96	-
Cumulative Net Financial Assets		(6,815,637.96)	(19,310,875.77)	(25,616,847.42)	(29,186,457.96)	-	-

Other Risk

In addition to credit, operational, market, and liquidity risks, the Bank is exposed to other risk categories, including environmental and social, legal and compliance, reputational, and information and cybersecurity risks. Environmental and social risks are assessed in line with the Bank's commitment to sustainable and responsible financing. Legal and compliance risks are managed through robust internal controls and strict adherence to regulatory requirements, while reputational and cybersecurity risks are mitigated through proactive governance, strong ethical standards, and advanced information security measures. The Bank continuously enhances its frameworks and systems to identify, assess, and manage these risks in accordance with regulatory expectations and international best practices. Other key risks faced by the Bank, along with the measures adopted to manage them, are outlined below:

LEGAL AND COMPLIANCE RISK

The Bank's Legal Department identify, assess, and mitigate legal and regulatory risks across its operations, ensuring adherence to all applicable laws, regulations, and internal policies. A dedicated Legal Department serves the role of managing legal exposures and providing guidance across the Bank.

The Compliance function, separately, monitors adherence to regulatory requirements and internal policies, and ensures periodical compliance checks and reviews to address gaps proactively. Regular reporting to, and oversight by, the Board further strengthen control over legal and compliance matters. The policy also promotes a culture of regulatory awareness and ethical conduct, reinforcing governance and supporting the Bank's overall risk management objectives

The table below highlights the Bank's adherence to regulatory limits prescribed by Nepal Rastra Bank (NRB) for the fiscal year 2081/82:

KEY REGULATORY COMPLIANCE STATUS

S.N.	Key Compliance Ratios	NRB Standard Requirements	2081/82 (Year End)	Compliant Status
1	Tier 1 Capital to Total Risk Weighted Exposure	Minimum 8.5%	11.22%	Compliant
2	Tier 1 and Tier 2 capital to Total Risk Weighted Exposures	Minimum 11%	13.20%	Compliant
3	Single obligor limit (Total Lending to one group/core Capital of Previous Quarter End)	Maximum 25%	6.95%	Compliant
4	Sector Wise Exposure to Total Loan Ratio	Maximum 40% in each sector	31.24%	Compliant
5	Priority Sector lending to total loan and advances of six month back	Minimum 16%	20.49%	Compliant
6	Deprived sector Lending to total loan and advance of six months back	Minimum 5%	5.95%	Compliant
7	Total Real Estate loan to total loan Ratio	Maximum 25%	9.87%	Compliant
8	Other real estate loan to total loan Ratio	Maximum 10%	8.07%	Compliant
9	Deposit Concentration on single depositor over total deposit	Maximum 10%	1.80%	Compliant
10	Total Corporate deposit to total deposit ratio	Maximum 50%	25.45%	Compliant
11	Investment on single share, debenture or mutual fund to Core capital	Maximum 10%	2.31%	Compliant
12	Total investment on share, debenture or mutual fund to core capital of previous quarter	Maximum 30%	15.09%	Compliant
13	Total Net open Position to Core Capital of Previous Quarter End	Maximum 30%	2.97%	Compliant
14	Difference in interest rate of LCY saving accounts	Maximum 2%	2%	Compliant
15	Difference in interest rate among interest bearing LCY deposit Products (except Call account and Foreign Remittance Account)	Maximum 5%	3.50%	Compliant
16	Interest rate on Institutional Call account	Maximum 50% of LCY saving product having minimum interest rate	1.5% (i.e. 50% of LCY saving product having minimum interest rate, 3%)	Compliant

REPUTATIONAL RISK

The Bank's Reputational Risk Management Policy provides a structured approach to identifying, assessing, and mitigating risks that could adversely affect its brand and public trust. By promoting ethical conduct, transparency, and regulatory compliance, the Bank safeguards its reputation through proactive communication, strong process controls, and effective crisis management mechanisms. Continuous monitoring of customer feedback, social media, and market sentiment, along with timely grievance resolution, helps the Bank maintain a resilient reputation and reinforces stakeholder confidence.

Stress Testing

Stress testing is a critical and integral component of the Bank's risk management framework. It is conducted to evaluate the potential impact of adverse and extreme economic scenarios on the Bank's financial condition and capital adequacy. The exercise covers all key material risks, including credit risk, market risk, operational risk, interest rate risk in the banking book, and liquidity risk, as identified by the Board of Directors and Senior Management. Stress testing is performed in line with the Bank's internal risk governance practices and in compliance with regulatory guidelines issued by Nepal Rastra Bank. It utilizes data and reports generated through the Management Information System (MIS) to ensure timely, accurate, and comprehensive analysis of potential risk exposures.

Capital Management

The Bank actively manages its capital to ensure compliance with regulatory requirements while supporting both current operations and projected business growth. Capital management is carried out with a comprehensive understanding of the risks inherent in the Bank's activities, including credit, market, operational, liquidity, and strategic risks. By maintaining adequate capital levels, the Bank ensures financial resilience under both normal and stressed conditions, safeguards stakeholder interests, and supports sustainable business expansion in line with regulatory expectations and its internal risk appetite.

Internal Capital Adequacy Assessment Framework (ICAAP)

The Bank has implemented an Internal Capital Adequacy Assessment Process (ICAAP) to systematically evaluate its capital requirements in relation to its risk profile and business strategy. ICAAP comprises a set of policies, procedures, and methodologies designed to ensure that the Bank maintains adequate capital to meet regulatory requirements and support business operations under both normal and stressed conditions. The process involves the identification, measurement, and assessment of all material risks, including credit, market, operational, liquidity, and strategic risks, and provides a forward-looking view of capital adequacy to support informed decision-making by management and the Board.



Quantitative Disclosure

CAPITAL STRUCTURE AND CAPITAL ADEQUACY

I. Tier 1 Capital and breakdown of its Component

(NPR in '000)

S. NO.	Particulars	2081/82 (Year End)
(A)	Tier 1 Capital [Core Capital (CET 1+ AT 1)]	7,938,671
	Common Equity Tier 1 (CET 1)	7,938,671
a	Paid up Equity Share Capital	5,680,517
b	Equity Share Premium	0.00
c	Proposed Bonus Equity Shares	0.00
d	Statutory General Reserves	1,557,502
e	Retained Earnings	2,377
f	Unaudited current year cumulative profit/(loss)	596,837
g	Capital Redemption Reserve	-
h	Capital Adjustment Reserve	-
i	Debenture Redemption Reserve	500,000
j	Dividend Equalization Reserves	-
K	Bargain Purchase Gain	-
l	Other Free Reserve	-
m	Less: Goodwill	92,312
n	Less: Intangible Assets	11,229
o	Less: Fictitious Assets	38,835
p	Less: Investment in equity in licensed Financial Institutions	-
q	Less: Investment in equity of institutions with financial interests	123,900
r	Less: Investment in equity of institutions in excess of limits	-
s	Less: Investments arising out of underwriting commitments	-
t	Less: Reciprocal crossholdings	-
u	Less: Purchase of land & building in excess of limit and unutilized	32,115
v	Less: Cash Flow Hedge	-
w	Less: Defined Benefits Pension Assets	-
x	Less: Unrecognized Defined Benefit Pension Liabilities	-
y	Less: Negative Balances of reserve accounts	-
z	Less: Other Deductions	100,171
	Adjustments under Pillar II	
	SRP 6.4a(1) Less: Shortfall in Provision (6.4 a 1)	-
	SRP 6.4a(2) Less: Loans and Facilities extended to related parties and restricted lending	-
	Additional Tier 1 (AT 1)	
a	Perpetual Non-Cumulative Preference Share Capital	-
b	Perpetual Debt Instruments	-
c	Stock Premium	-

II. Tier 2 Capital and breakdown of its Component

(NPR in '000)

S. NO.	Particulars	2081/82 (Year End)
(B) Supplementary Capital (Tier 2)		1,397,700
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	497,063
c	Hybrid Capital Instruments	-
d	Stock Premium	-
e	General loan loss provision	796,553
f	Exchange Equalization Reserve	1,924
g	Investment Adjustment Reserve	-
h	Accrued Interest Receivable on pass loan included in Regulatory Reserve	102,161
i	Interest Capitalized Reserve included in Regulatory Reserve	-
J	Other Reserves	-

III. Total Qualifying Capital

(NPR in '000)

S. NO.	Particulars	2081/82 (Year End)
A	Core Capital (Tier 1)	7,938,671
B	Supplementary Capital (Tier 2)	1,397,700
Total		9,336,371

IV. Capital Adequacy Ratio

(NPR in '000)

S. NO.	Particulars	2081/82 (Year End)
A	Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	11.22%
B	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	13.20%

RISK WEIGHTED EXPOSURE

Risk weighted exposure for Credit Risk, Market Risk and Operational Risk:

(NPR in '000)

S. NO.	Particulars	2081/82 (Year End)
a	Risk Weighted Exposure for Credit Risk	63,724,214
b	Risk Weighted Exposure for Operational Risk	4,827,373
c	Risk Weighted Exposure for Market Risk	102,620
Total Risk Weighted Exposures (Before adjustments of Pillar II)		68,654,207
Adjustments under Pillar II		
SRP 6.4a (5)	Adjustment as per SRP 6.4a (5)	-
SRP 6.4a (6)	Adjustment as per SRP 6.4a (6)	-
SRP 6.4a (7)	Adjustment as per SRP 6.4a (7)	697,404
SRP 6.4a (9)	Adjustment as per SRP 6.4a (9)	1,373,084
SRP 6.4a (10)	Adjustment as per SRP 6.4a (10)	-
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		70,724,695

Risk weighted exposure for Credit Risk:

(NPR in '000)

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures f=d*e
	a	b	c	d=a-b-c	e	
Cash Balance	842,671	-		842,671	0%	-
Balance With Nepal Rastra Bank	3,778,538	-		3,778,538	0%	-
Gold	-	-		-	0%	-
Investment in Nepalese Government Securities	13,145,090	-		13,145,090	0%	-
All Claims on Government of Nepal	43,436	-		43,436	0%	-
Investment in Nepal Rastra Bank securities	5,819,150	-		5,819,150	0%	-
All claims on Nepal Rastra Bank	-	-		-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-		-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	100%	-
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	-	-		-	0%	-
Claims on Other Multilateral Development Banks	-	-	-	-	100%	-
Claims on Domestic Public Sector Entities	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	150%	-
Claims on domestic banks that meet capital adequacy requirements	6,940,698	-	-	6,940,698	20%	1,388,140
Claims on domestic banks that do not meet capital adequacy requirements	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 0-1)	-	-	-	-	20%	-
Claims on foreign bank (ECA Rating 2)	-	-	-	-	50%	-
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 7)	-	-	-	-	150%	-
Claims on foreign bank incorporated in SAARC region and China operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)	-	-	-	-	50%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	70%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	-	-	-	-	80%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	-	-	-	-	100%	-
Claims on Domestic Corporates (Unrated)	9,420,021	-	12,987	9,407,035	100%	9,407,035
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	50%	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	150%	-
Regulatory Retail Portfolio (Not Overdue)	31,266,494	-	1,604,010	29,662,485	75%	22,246,864
Claims fulfilling all criterion of regularity retail except granularity	-	-	-	-	100%	-
Claims secured by residential properties	14,700,790	-	-	14,700,790	60%	8,820,474
Claims not fully secured by residential properties	-	-	-	-	150%	-

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
	a	b	c	d=a-b-c	e	f=d*e
Claims secured by residential properties (Overdue)	-	-	-	-	100%	-
Claims secured by Commercial real estate	4,251,720	-	-	4,251,720	100%	4,251,720
Past due claims (except for claims secured by residential properties)	5,465,111	3,042,892	-	2,422,218	150%	3,633,328
High Risk claims	2,878,055	-	46,432	2,831,623	150%	4,247,434
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2015-point 3.3(j)(1)(k))	-	-	-	-	125%	-
Lending against securities (bonds)	-	-	-	-	100%	-
Lending against Shares	3,035,404	-	-	3,035,404	100%	3,035,404
Trust Receipt Loans for Trading Firms	-	-	-	-	120%	-
Real Estate loans for land acquisition and development (For institutions/projects registered/licensed and approved by Government of Nepal for land acquisition and development purposes)	-	-	-	-	100%	-
Personal Hirepurchase/Personal Auto Loans	1,075,636	-	-	1,075,636	100%	1,075,636
Investments in equity and other capital instruments of institutions listed in stock exchange	1,096,635	197,705	-	898,930	100%	898,930
Investments in equity and other capital instruments of institutions not listed in the stock exchange	134,838	12,571	-	122,267	150%	183,400
Staff loan secured by residential property	585,278	-	-	585,278	50%	292,639
Interest Receivable/claim on government securities	-	-	-	-	0%	-
Cash in transit and other cash items in the process of collection	-	-	-	-	20%	-
Other Assets (as per attachment)	4,241,682	928,880	-	3,312,802	100%	3,312,802
TOTAL (A)	108,721,247	4,182,049	1,663,428	102,875,770		62,793,805

(NPR in '000)

B. Off Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
	a	b	c	d=a-b-c	e	f=d*e
Revocable Commitments	-	-	-	-	0%	-
Bills Under Collection	-	-	-	-	0%	-
Forward Exchange Contract Liabilities	-	-	-	-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
LC Commitments with Original Maturity Over 6 months domestic counterparty	11,233	-	-	11,233	50%	5,617
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	261,464	-	-	261,464	40%	104,586
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-

B. Off Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
	a	b	c	d=a-b-c	e	f=d*e
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Underwriting commitments	-	-	-	-	50%	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	100%	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	100%	-
Advance Payment Guarantee	5,653	-	-	5,653	100%	5,653
Financial Guarantee	37,800	-	-	37,800	100%	37,800
Acceptances and Endorsements	-	-	-	-	100%	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	100%	-
Irrevocable Credit commitments (short term)	3,883,766	-	-	3,883,766	20%	776,753
Irrevocable Credit commitments (long term)	-	-	-	-	50%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Other Contingent Liabilities	-	-	-	-	100%	-
Unpaid Guarantee Claims	-	-	-	-	200%	-
TOTAL (B)	4,199,916	-	-	4,199,916		930,408
Total RWE for credit Risk Before Adjustment (A) +(B)	112,921,163	4,182,049	1,663,428	107,075,686		63,724,214
Adjustments under Pillar II						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE	-					
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE	-					
Total RWE for Credit Risk after Bank's adjustments under Pillar II	112,921,163	4,182,049	1,663,428	107,075,686		63,724,214

Contingency Planning

Contingency planning refers to the framework of strategies, policies, and action plans established by the Bank to ensure the continuity of critical operations and financial stability during periods of stress, disruption, or crisis. Its objective is to minimize operational, financial, legal, and reputational impacts while ensuring compliance with regulatory requirements.

The Bank's contingency planning framework covers liquidity, operational, credit, market, and other material risks. It includes clearly defined trigger points, escalation mechanisms, roles and responsibilities, and recovery actions to enable timely and effective response during adverse situations.

Key elements of the contingency planning framework include:

- Liquidity Contingency Plan to address funding stress and unexpected cash flow disruptions
- Business Continuity and Disaster Recovery Plans (BCP/DRP) to ensure uninterrupted critical operations during system failures or disasters
- Stress testing and scenario analysis to assess the Bank's preparedness under adverse conditions
- Alternative funding and operational arrangements,

including backup facilities, systems, and locations

- Crisis management and communication protocols for timely internal and regulatory reporting
- Periodic testing, review, and Board oversight to ensure ongoing effectiveness and regulatory alignment

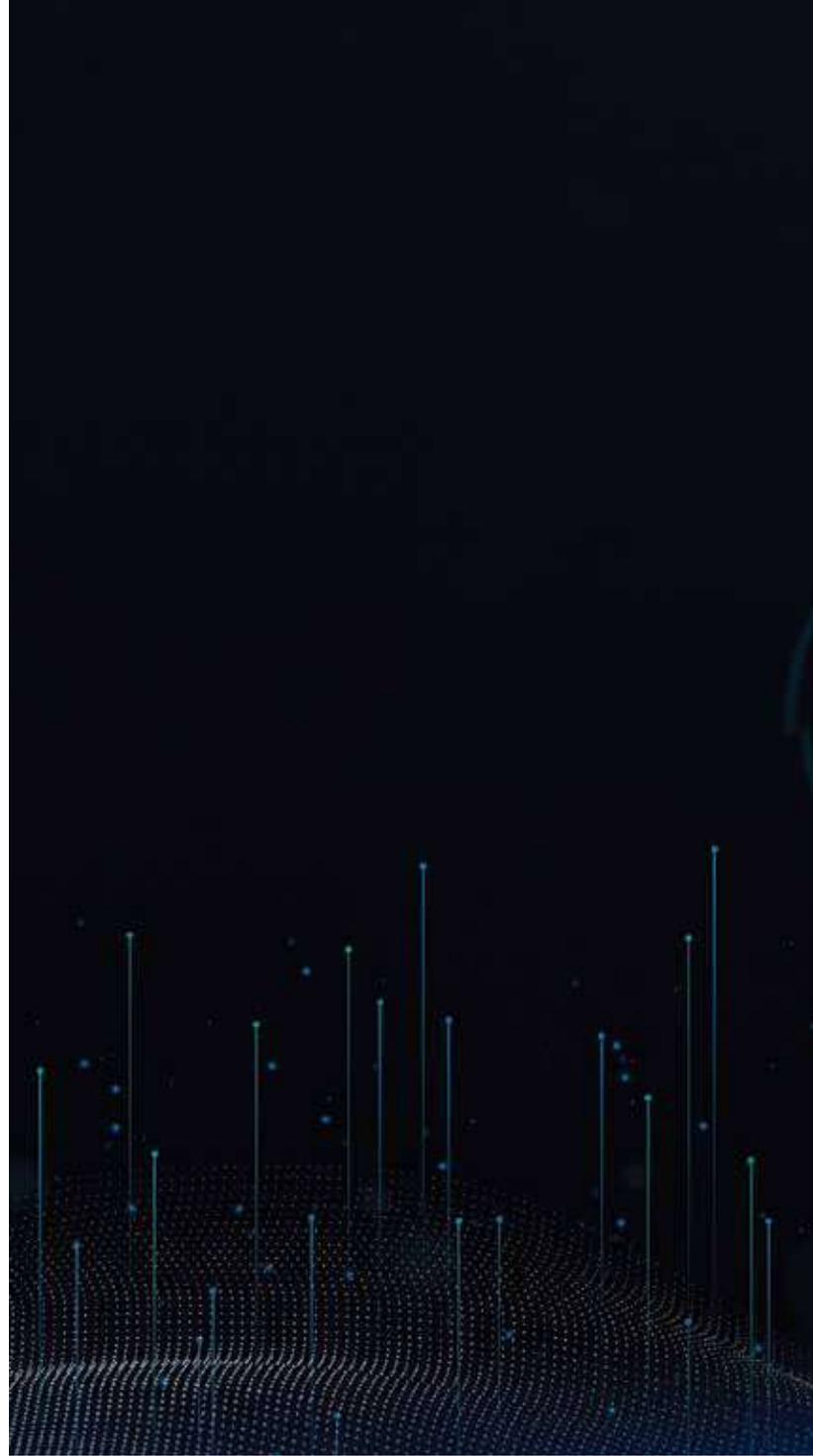
Through effective contingency planning, the Bank enhances its resilience, risk preparedness, and ability to respond promptly to unforeseen events, thereby safeguarding depositor interests and maintaining confidence in the banking system.

Conclusion

The Bank continues to focus on strengthening its processes and systems, addressing policy gaps, and expanding the scope of the Risk Management Department to enhance existing practices. These efforts are undertaken in full compliance with regulatory guidelines, directives issued by Nepal Rastra Bank, and internal policies and circulars, ensuring that the Bank's risk management framework remains robust, proactive, and aligned with industry best practices. Through these initiatives, the Bank is committed to maintaining an effective and sustainable risk management system that supports prudent growth, operational resilience, and long-term stability.

COMPANY'S INTERNAL CONTROL

The Bank maintains a strong internal control system to ensure operational efficiency, financial accuracy, and regulatory compliance. Through well-defined policies, regular monitoring, internal audits, and risk-based controls, the framework safeguards assets, prevents errors and fraud, enhances accountability, and supports transparent and effective decision-making across all levels of the organization.



The Board of Directors oversees the overall internal control environment.



1034

TOTAL STAFF (IN NUMBER)

125

NUMBER OF BRANCHES (IN NUMBER)

INTERNAL CONTROL OVERVIEW





Garima Bikas Bank Limited has established a strong and comprehensive internal control system designed to ensure operational efficiency, financial reliability, regulatory compliance and effective risk management. The internal control framework is aligned with the Bank's strategic objective which is built upon strong corporate governance principles, prudent risk practices and ethical standards.

Internal control system of the bank is designed to:

- Safeguard assets and prevent fraud or misuse
- Ensure accuracy and reliability of financial reporting
- Maintain compliance with regulatory provisions and other regulatory requirements
- Promote operational efficiency and process discipline
- Strengthen risk identification, monitoring and mitigation

The framework operates under a structured governance hierarchy involving the Board of Directors, Board-level Committees, Executive Management, Risk Management Department, Internal Audit Department, Compliance Department and operational units across departments, regional offices and branches.

The Bank follows a three-level control mechanism:

1. First Line of Defense- Operational Controls

Branches, regional offices and departments are responsible for day-to-day internal controls, adherence to policies and operational risk management.

2. Second Line of Defense – Risk & Compliance Oversight

Risk Management Department, AML/CFT & Compliance Department monitor policy adherence, regulatory compliance and risk exposure of the bank.

3. Third Line of Defense – Independent Internal Audit

Internal Audit Department provides independent assurance to Board regarding effectiveness of controls and governance processes. Through this layered structure, the Bank ensures accountability, transparency and continuous improvement in control effectiveness.

INTERNAL CONTROL STRUCTURE AND PROCESS

1. BOARD LEVEL CONTROLS

The Board of Directors oversees the overall internal control environment. Board-level committees, particularly Risk Management Committee, Audit Committee, Employee Service and Benefit Committee and AML Committee play a crucial role in:

- Reviewing financial statements
- Monitoring internal and external audit findings
- Ensuring regulatory compliance
- Evaluating internal control adequacy

The Bank has clearly defined policies covering risk management, credit, operation and treasury, AML/CFT, IT, assets and liability management, corporate governance, etc.

2. RISK BASED INTERNAL AUDIT SYSTEM

The Internal Audit Department operates independently and reports to the Audit Committee. It conducts:

- Risk-based audits
- Follow-up reviews on audit observations

Audit findings are categorized according to their level of risk and are tracked until they are fully resolved. This helps ensure that issues are corrected on time and that responsibility is clearly assigned at every level.

3. CREDIT RISK CONTROL PROCESS

Given that lending is a core activity, the Bank maintains structured credit risk controls:

- Segregation between credit appraisal, approval and monitoring
- Risk Management Department for independent evaluation
- Sectoral exposure monitoring
- Collateral verification and documentation control
- Early warning systems for stressed assets
- Dedicated NPA/NBA Management Department

Non-performing loans are continuously monitored and recovery mechanisms are strengthened through dedicated and specialized teams.

4. IT AND CYBER SECURITY CONTROL PROCESS

With expanding digital services such as mobile banking, QR payments, virtual credit cards and cross-border QR payments, IT governance is critical.

Key IT controls include:

- Controlled user access and authorization protocols
- Data privacy safeguards
- Information System audit and vulnerability assessment
- Cybersecurity monitoring
- Backup and disaster recovery systems

The Bank has invested in digital infrastructure to enhance operational resilience while minimizing cyber security risk.

5. COMPLIANCE AND AML/CFT CONTROL PROCESS

The Bank maintains strict compliance with NRB directives and regulatory guidelines. The AML/CFT & Compliance Department ensures

- KYC compliance
- Suspicious transaction monitoring
- Periodic compliance review
- Staff awareness and training programs

Regulatory reports are prepared and reviewed regularly to make sure they are accurate and submitted on time.

6. OPERATIONAL AND FINANCIAL CONTROL PROCESS

Internal controls in operational and financial include:

- Segregation of duties
- Dual control and maker-checker systems
- Periodic reconciliation of accounts
- Treasury control and monitoring
- Performance review mechanisms

Financial reporting follows applicable accounting standards and is subject to both internal and external audit verification.

MANAGEMENT STATEMENT ON INTERNAL CONTROL

The Management of Garima Bikas Bank Limited affirms its responsibility for establishing and maintaining an adequate and effective system of internal control across the organization.

Management believes that:

- The internal control system is appropriate to the size, complexity and risk profile of the Bank.
- Financial statements are prepared in accordance with applicable accounting standards and regulatory guidelines.
- Adequate policies and procedures are in place to ensure compliance with Nepal Rastra Bank directives and other statutory requirements.
- Risk management mechanisms effectively identify, measure, monitor, and control various types of risks including credit, operational, market, liquidity, and IT risk.
- Internal audit findings are regularly reviewed and corrective actions are implemented in a timely manner.

While no internal control system can provide absolute assurance against all risks, the Bank's layered control structure, independent audit oversight and risk-based monitoring provide reasonable assurance regarding:

- Reliability of financial reporting
- Safeguarding of assets
- Prevention and detection of fraud
- Compliance with applicable laws and regulations
- Achievement of strategic objectives

Management remains committed to continuously strengthening governance standards, enhancing digital security and refining risk management practices to support sustainable growth and long-term stakeholder value.



FINANCIAL STATEMENTS

The financial statements present a true and fair view of the Bank's financial position, performance, and cash flows for the reporting period. Prepared in accordance with applicable accounting standards and regulatory requirements, they ensure transparency, support informed decision-making, and reflect the Bank's commitment to accuracy, accountability, and sound financial management.

The financial statements have been prepared on going concern basis and under historical cost conventions except where the standards require otherwise.





6.94

BASE RATE (IN %)

83.40

CREDIT TO DEPOSIT RATIO (IN %)

INDEPENDENT AUDITOR'S REPORT
To The Shareholders of
Garima Bikas Bank Ltd.
Lazimpat, Kathmandu

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Garima Bikas Bank Ltd. (hereinafter referred to as "the Bank") and its subsidiaries (collectively referred to as "the Group"), which comprise Consolidated Statement of Financial Position as at Ashad 32, 2082 (July 16, 2025), Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows for the year then ended, Notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Consolidated Financial Statements present fairly, in all material respects, the Consolidated Financial Position of the Group as at Ashad 32, 2082 (July 16, 2025), its Consolidated Financial Performance and its Consolidated Cash Flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards, are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Consolidated Financial Statements of the current period, which were addressed in the context of our audit of the Consolidated 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, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.



Our assessed key audit matters and how we addressed them are outlined below:

S.N.	Key Audit Matters	Auditor's Response
1.	<p>Interest Income Ref. Note no. 4.29 and accounting policies to the financial statements.</p> <p>The Bank has total interest income of Rs. 8,391,249,954 including Rs. 7,002,935,287 on loans and advances to customers. Interest income of the Bank is recognized in accordance with the Guidance Note on Interest Income Recognition, 2025, issued by Nepal Rastra Bank (NRB). As per the guideline, the interest recognition is based on the stage (Stage 1, 2, or 3) of each financial asset as determined at the previous quarter's end. As per the guideline, for stage 3 financial assets, interest income recognized on an accrual basis (coupon rate or effective rate) shall be adjusted against the movement in accrued interest receivable during the current quarter, and interest suspense at the beginning of the quarter, and only cash-based interest income during the current quarter shall be recognized. Similarly, for Stage 1 and 2 financial assets, interest income is recognized on accrual basis (coupon rate or effective rate) and any interest suspense at the beginning of quarter is also recognized as interest income.</p> <p>The manual intervention is required for the interest recognition process. Hence, it creates risk of improper application of guidelines, in staging financial assets and determination of interest income. So, this may have an effect on recognition of interest income of the Bank. Therefore, we have considered it as Key Audit Matter.</p>	<p>We applied following procedures in respect of verification of interest income:</p> <ul style="list-style-type: none"> ➤ Understanding of the core banking software of the Bank how interest rate on loans and advances has been implemented in system. ➤ Whether interest income on advances is automatically generated in the CBS system. ➤ We obtained an understanding of the Bank's process for classifying loans into stages 1-3 as per NRB ECL guidelines. ➤ Review of accrual and recognition interest income whether relevant NFRS and the NRB norms have been followed by the Bank for the same. ➤ Review and verify the transactions relating to manual debit or credit of interest in the system. ➤ Understanding as to how the Bank'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 Bank has total investment securities of Rs. 20,195,712,972 as at Ashad 32, 2082 classified into two 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 19.33 % of the total assets of the Bank.</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 judgement 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 measurement of impairment allowance, hence this has been considered as key audit matter.</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 Bank based on Nepal Financial Reporting Standards and the Directives issued by NRB and compliance of the same. ➤ 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. ➤ 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 the investments are considered acceptable.</p>
3.	Impairment of Loans and Advances	
	<p>As per NFRS 9, the Bank shall measure impairment loss on loans and advances, which is the higher of:</p> <p>a) Amount derived as per norms prescribed by NRB for loan loss provisioning or</p> <p>b) Amount determined as per para 5.5 of NFRS adopting the expected credit loss model.</p> <p>As per the norms prescribed by NRB, provision at the prescribed rate shall be created on the loans</p>	<p>Our audit approach included:</p> <p>a. Reviewing the overdue status of loans and advances by obtaining data from the system and matching the same with NRB 2.2 report.</p> <p>b. Sample credit files were reviewed for the purpose of assuring the utilization of loan & advances for the intended purpose, account movement and account turnover.</p> <p>c. Assessed the alignment of the Bank's Impairment for expected credit losses computations and underlying</p>



<p>and advances based on overdue status of loans and advances as well as utilization status of the facility, status of security etc. Hence, assessment of availability and accuracy of data for impairment under NRB provisioning norms is regarded as key audit matters.</p> <p>Loan loss provision on loans and advances measured at amortized cost is Rs. 4,001,495,152 which is higher of ECL Model and NRB regulatory provisions and the same has been disclosed in other disclosures. ECL model has been validated as per the NRB guidelines and ECL policy of the Bank.</p> <p>This is a key audit matter due to</p> <ul style="list-style-type: none"> The involvement of significant management judgements, assumptions and level of uncertainty associated with estimating future cash flows to recover such loans and advances; and The materiality of the reported amount of expected credit losses. <p>Key areas of significant judgements, assumptions and estimates made by management in the assessment of expected credit losses for loans and advances include forward-looking macroeconomic scenarios, associated weightages and considerations that indicate significant increase in credit risk. These are subject to inherently heightened levels of estimation uncertainty.</p>	<p>methodology including responses to current economic conditions with its accounting policies, based on the best available information up to the date of our report</p> <p>d. Evaluated the design, implementation and operating effectiveness of controls over estimation of expected credit losses, which included assessing the level of oversight review and approval of impairment for expected credit losses, policies and procedures by the board and management.</p> <p>e. Tested the completeness, accuracy and reasonableness of the underlying data used in the expected credit loss computations by agreeing details to relevant source documents and accounting records.</p> <p>f. Evaluated the reasonableness of credit quality assessments and related stage classifications.</p> <p>In addition to the above, the following procedures were performed:</p> <p>g. For loans and advances assessed on an individual basis for impairment:</p> <ul style="list-style-type: none"> Tested the arithmetical accuracy of the underlying individual impairment calculations. Evaluated the reasonableness of key inputs used in the impairment for expected credit losses made with economic conditions. Such evaluations were carried out considering the value and timing of cash flow forecasts particularly relating to elevated risk industries and status of recovery actions of the collaterals.
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		<p>h. For loans and advances assessed on a collective basis for impairment:</p> <ul style="list-style-type: none"> • Tested the key inputs and the calculations used in the impairment for expected credit losses. • Assessed the reasonableness of judgements, estimates used by the Management in the underlying methodology and the management overlays. Our testing included reasonableness of forward-looking information used, economic scenarios considered, and probability weighting assigned to each scenario. <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 Management and Board's evaluation and decisions on loans.
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		<ul style="list-style-type: none"> ➤ Reviewed the ECL validation report and assessed key assumptions, model methodology, and recommendations provided. <p>Loan loss provision made by the Bank is considered acceptable.</p>
4.	Information Technology	
	<p>Considering the nature, complexity and volume of business and transactions, the Bank has used different system including core banking system and management information system (MIS) based on information technology. Transactions of the Bank have been electronically carried out and its data and information of the Bank has been digitally stored. It has to ensure strong internal control relating to IT and MIS. Various reports including the financial statements are highly dependent on such digitally stored data and other related system.</p> <p>We have considered this as a key audit matter as any lapses in the control system including input, processing and output or any wrong extractions of data may result in the wrong reporting of the data to the management, shareholders, and regulators.</p>	<p>We applied following procedures in respect of information technology:</p> <ul style="list-style-type: none"> ➤ Review of control relating to the information system of the Bank whether it is as required by the relevant NRB guidelines. ➤ Understanding controls over input, processing and output of the existing IT system. ➤ Review of accuracy and correctness of information/ reports generated by the relevant system on sampling basis. ➤ Review of report of Information System Audit and implementation status of recommendations thereon. <p>Based on the above audit procedures performed, control over the information technology prevailing in the Bank has been considered adequate.</p>

Other Matters

We did not audit the financial statements and other financial information of subsidiary. Financial statements of Garima Capital Ltd. (subsidiary) and other financial information has been audited by other auditor whose report has been furnished to us by the management and our opinion on the financial statements in so far as it relates to the accounts and disclosures included in respect of the subsidiary are based solely on the report of the other auditor.

Information Other than the Consolidated Financial Statement and Auditors' Report Thereon

The Bank's Management is responsible for the other information. The other information comprises the information included in the Management Report, the Board of Directors, and Chairman's Statement but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements



does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during our audit or otherwise appears to be materially misstated. As the other information documents are in the process of completion, the management has provided written representation that the final version of the documents will be provided when available thus we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the Group'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 Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 Group'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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

We have determined to communicate following matters in accordance with the requirements of NRB Directives, Companies Act, 2063, BAFIA, 2073 and other regulatory requirements:

- 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. Accounts and records of the Bank have been maintained as required by law.
- III. Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Cash Flows, and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts maintained by the Bank.
- IV. Capital fund, risk bearing fund and the provision for possible impairment of assets of the Bank 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 Bank has not acted contrary to the provision of law relating to accounts nor caused direct loss or damage to the Bank deliberately or acted in a manner that would jeopardize the interest and security of the Bank.
- VI. Operations of the Bank are within its jurisdiction.
- VII. The Bank has not acted in a manner to jeopardize the interest and security of the depositors and investors.



- VIII. The Bank has a centralized core accounting system and details received from branches of the Bank 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.



Prakash Lamsal, FCA
Senior Partner



P.L.R.G. Associates
Chartered Accountants

UDIN: 251014CA00154PrUW9

Date: 2082/06/28
Place: Kathmandu

GARIMA BIKAS BANK LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As on 32 Ashad 2082

Amount in NPR

PARTICULARS	NOTES	GROUP		BANK	
		32 ASHAD 2082	31 ASHAD 2081	32 ASHAD 2082	31 ASHAD 2081
Assets					
Cash and cash equivalent	4.1	3,166,029,248	4,716,277,304	3,165,470,476	4,714,599,338
Due from Nepal Rastra Bank	4.2	3,778,537,693	3,749,617,466	3,778,537,693	3,749,617,466
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	4,574,216,271	4,333,135,372	4,574,216,271	4,333,135,372
Loans and advances to customers	4.7	69,130,694,763	64,590,517,896	69,130,694,763	64,590,517,896
Investment securities	4.8	20,527,268,246	16,851,652,128	20,195,712,972	16,632,572,284
Current Tax Assets	4.9	100,761,449	422,563,326	83,859,471	411,612,266
Investment in subsidiaries	4.10	-	-	123,900,000	123,900,000
Investment in Associates	4.11	-	-	-	-
Investment property	4.12	675,496,243	214,252,077	675,496,243	214,252,077
Property and equipment	4.13	1,933,138,287	581,167,089	1,908,698,292	551,389,695
Goodwill and Intangible Assets	4.14	105,417,013	99,083,022	103,540,968	98,045,207
Deferred tax assets	4.15	35,302,344	38,397,060	38,835,344	24,888,152
Other assets	4.16	723,999,363	901,649,505	685,096,745	861,071,912
Total Assets		104,750,860,918	96,498,312,246	104,464,059,239	96,305,601,665
Liabilities					
Due to Bank and Financial Institutions	4.17	2,565,987,630	1,783,291,131	2,565,987,630	1,783,291,131
Due to Nepal Rastra Bank	4.18	-	-	-	-
Derivative Financial Instruments	4.19	-	-	-	-
Deposit from customers	4.20	90,112,803,410	84,251,150,462	90,115,629,859	84,252,756,130
Borrowings	4.21	98,587,819	55,201,283	-	6,250,000
Current Tax Liabilities	4.9	-	-	-	-
Provisions	4.22	-	-	-	-
Deferred tax liabilities	4.15	-	-	-	-
Other liabilities	4.23	1,589,846,482	1,071,741,757	1,522,124,839	1,009,206,396
Debt securities issued	4.24	997,062,992	996,034,134	997,062,992	996,034,134
Subordinated Liabilities	4.25	-	-	-	-
Total liabilities		95,364,288,332	88,157,418,767	95,200,805,319	88,047,537,791
Equity					
Share Capital	4.26	5,680,517,328	5,680,517,328	5,680,517,328	5,680,517,328
Share Premium		-	-	-	-
Retained Earnings		595,617,329	264,268,427	599,214,090	286,403,057
Reserves	4.27	2,996,938,444	2,304,190,783	2,983,522,502	2,291,143,490
Total equity attributable to equity holders		9,273,073,101	8,248,976,537	9,263,253,919	8,258,063,874
Non-controlling interest		113,499,485	91,916,942	-	-
Total equity		9,386,572,586	8,340,893,479	9,263,253,919	8,258,063,874
Total liabilities and equity		104,750,860,918	96,498,312,246	104,464,059,239	96,305,601,665
Contingent liabilities and commitment	4.28	4,199,916,128	1,481,257,430	4,199,916,128	1,481,257,430
Net assets value per share		163.24	145.22	163.07	145.38

KESHAB TIMALSINA
HEAD- FINANCE, ACCOUNTS
& TREASURY DEPARTMENT

ANIL REGMI
DEPUTY CHIEF
EXECUTIVE OFFICER

MADHAV PRASAD UPADHAYA
CHIEF EXECUTIVE OFFICER

DILIP PRATAP KHAND
CHAIRMAN

As per our report of even date
CA. PRAKASH LAMSAL
PARTNER,
PLRG ASSOCIATES
CHARTERED ACCOUNTANTS

SHYAM PRASAD BASYAL
DIRECTOR

DEEPENDRA SHRESTHA
DIRECTOR

MUKUNDA RAJ ACHARYA
DIRECTOR

BIMAL PANDEY
DIRECTOR

SHOVAKANTA DHAKAL
DIRECTOR

IUSHMA KOIRALA
DIRECTOR

DATE : 2082/06/27
PLACE : KATHMANDU

GARIMA BIKAS BANK LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 32 Ashad 2082

Amount in NPR

PARTICULARS	NOTES	GROUP		BANK	
		2081-82	2080-81	2081-82	2080-81
Interest Income	4.29	8,395,995,496	10,114,827,571	8,391,249,954	10,110,220,567
Interest Expense	4.30	4,789,877,717	6,801,178,275	4,779,182,798	6,795,449,181
Net interest income		3,606,117,778	3,313,649,296	3,612,067,156	3,314,771,386
Fees and Commission Income	4.31	571,434,860	498,364,921	516,374,447	476,890,013
Fees and Commission Expense	4.32	10,999,709	25,062,223	5,480,318	20,520,241
Net fee and Commission income		560,435,151	473,302,698	510,894,129	456,369,772
Net interest fee and commission income		4,166,552,929	3,786,951,994	4,122,961,285	3,771,141,158
Net Trading Income	4.33	61,105,210	35,374,312	16,409,319	13,350,969
Other Operating Income	4.34	120,884,695	31,094,070	118,695,614	31,094,070
Total operating income		4,348,542,835	3,853,420,375	4,258,066,217	3,815,586,196
Impairment charge/(reversal) for loans and other losses	4.35	647,055,737	1,711,042,283	647,055,737	1,711,042,283
Net Operating income		3,701,487,097	2,142,378,092	3,611,010,480	2,104,543,913
Operating expenses					
Personnel Expense	4.36	1,135,508,554	842,122,649	1,110,598,014	823,259,474
Other Operating Expenses	4.37	471,161,568	488,690,859	463,841,760	481,527,145
Depreciation and amortisation	4.38	233,508,417	163,233,481	227,880,797	157,625,525
Operating Profit		1,861,308,559	648,331,103	1,808,689,908	642,131,769
Non operating income	4.39	540,000	1,290,509	540,000	1,265,000
Non operating expense	4.40	2,926,571	-	2,765,132	-
Profit before share of results of Associates & Joint Ventures		1,858,921,988	649,621,612	1,806,464,776	643,396,769
Share of Results of Associates & Joint Venture		-	-	-	-
Profit before income tax		1,858,921,988	649,621,612	1,806,464,776	643,396,769
Income tax expense	4.41	574,296,624	210,682,241	558,772,635	209,444,909
Current tax Expenses		589,749,505	215,890,301	589,742,344	215,890,301
Deferred tax Expense/(Income)		(15,452,881)	(5,208,060)	(30,969,709)	(6,445,392)
Profit for the period		1,284,625,365	438,939,371	1,247,692,141	433,951,860
Profit attributable to:					
Equity holders of the bank		1,266,601,341	436,505,383	1,247,692,141	433,951,860
Non-controlling interest		18,024,024	2,433,988	-	-
Profit for the period		1,284,625,365	438,939,371	1,247,692,141	433,951,860
Earnings per share:					
Basic earnings per share		22.61	7.73	21.96	7.64
Diluted earnings per Share			7.73		7.64

KESHAB TIMALSINA
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IUSHMA KOIRALA
DIRECTOR

DATE : 2082/06/27
PLACE : KATHMANDU

GARIMA BIKAS BANK LIMITED

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 32 Ashad 2082

Amount in NPR

PARTICULARS	NOTES	GROUP		BANK	
		2081-82	2080-81	2081-82	2080-81
Profit for the period		1,284,625,365	438,939,371	1,247,692,141	433,951,860
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		102,897,858	49,837,361	97,814,258	46,637,761
Gains/(losses) on revaluation		-	-	-	-
Actuarial gain/(losses) on defined benefit plans		(41,072,534)	60,463	(41,072,534)	60,463
Income tax relating to above items		(18,547,597)	(14,969,347)	(17,022,517)	(14,009,467)
Net other comprehensive income that will not be reclassified to profit or loss		43,277,727	34,928,477	39,719,207	32,688,757
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 equited method					
Other comprehensive income for the period, net of Income Tax		43,277,727	34,928,477	39,719,207	32,688,757
Total comprehensive income for the period		1,327,903,092	473,867,848	1,287,411,348	466,640,617
Total comprehensive income attributable to:		-	-	-	-
Equity holders of the Bank		1,308,142,451	470,340,840	1,287,411,348	466,640,617
Non-controlling interest		19,760,640	3,527,008	-	-
Total Comprehensive income for the period		1,327,903,092	473,867,848	1,287,411,348	466,640,617

KESHAB TIMALSINA
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& TREASURY DEPARTMENT

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DIRECTOR

DATE : 2082/06/27
PLACE : KATHMANDU

GARIMA BIKAS BANK LIMITED STATEMENT OF CHANGE IN EQUITY

For the year ended 31 Ashad 2082

Amount in NPR

PARTICULARS	GROUP											TOTAL EQUITY
	AT TRIBUTABLE TO EQUITY HOLDERS OF THE BANK											
	SHARE CAPITAL	SHARE PREMIUM	GENERAL RESERVE	EXCHANGE EQUALIZATION RESERVE	REGULATORY RESERVE	FAIR VALUE RESERVE	REVALUATION RESERVE	RETAINED EARNING	OTHER RESERVE	TOTAL	NON-CONTROLLING INTEREST	
Adjustment/Restatement												
Adjustment/Restated Balance as at Shrawan 1, 2080	5,187,687,057	4,415,329	1,221,205,014	1,023,699	653,970,567	51,423,703	-	493,519,254	177,635,250	7,790,879,873	87,921,549	7,878,801,423
Comprehensive Income for the year												
Profit for the year	-	-	-	-	-	-	-	436,505,383	-	436,505,383	2,433,988	438,939,371
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	33,324,748	-	-	42,324	33,367,072	1,561,405	34,928,477
Gains/(losses) on revaluation	-	-	-	-	-	33,324,748	-	-	-	33,324,748	1,561,405	34,886,153
Actuarial gain/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	42,324	42,324	-	42,324
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year						33,324,748		436,505,383	42,324	469,872,456	3,995,392	473,867,848
Transfer to Reserves during the year	-	-	87,289,123	739,452	(69,861,042)	-	(164,834,200)	-	166,666,667	-	-	-
Transfer Deferred Tax Reserve to Retained Earnings during the year	-	-	-	-	-	-	-	(4,389,394)	4,389,394	-	-	-
Creation of CSR Fund	-	-	-	-	-	-	-	(18,282,693)	18,282,693	-	-	-
Creation of Training Fund	-	-	-	-	-	-	-	10,243,732	(10,243,732)	-	-	-
Utilization of CSR Fund	-	-	-	-	-	-	-	11,645,226	(11,645,226)	-	-	-
Utilization of Staff Training Fund	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Deferred Tax Asset Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity								(783,128)	731,278	(51,850)		(51,850)
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	492,830,270	(4,415,329)	-	-	-	-	-	(488,414,941)	-	-	-	(25,938,435)
Cash Dividend Paid	-	-	-	-	-	-	-	(25,938,435)	-	-	-	14,214,494
Other	-	-	-	-	-	-	-	14,214,494	-	-	-	-
Total Contributions by and Distributions								264,268,427	345,075,519	8,248,976,538	91,916,942	8,340,893,479
Balance at Asadh 31, 2081	5,680,517,328		1,308,494,137	1,763,151	564,109,525	84,748,451		(2,692)	1,645,248	1,642,566		1,642,566
Adjustment/Restatement												
Adjustment/Restated Balance as at Shrawan 01, 2081	5,680,517,328	-	1,308,494,137	1,763,151	564,109,525	84,748,451	-	264,265,744	346,720,767	8,250,619,103	91,916,942	8,342,536,045
Comprehensive Income for the year												
Profit for the year	-	-	-	-	-	-	-	1,266,601,341	-	1,266,601,341	18,024,024	1,284,625,365
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	68,469,981	-	-	(28,750,774)	39,719,207	3,558,520	43,277,727
Gains/(losses) on revaluation	-	-	-	-	-	68,469,981	-	-	68,469,981	68,469,981	3,558,520	72,028,501
Actuarial gain/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year												
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
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	492,830,270	(4,415,329)	-	-	-	-	-	(488,414,941)	-	-	-	(25,938,435)
Cash Dividend Paid	-	-	-	-	-	-	-	(25,938,435)	-	-	-	14,214,494
Other	-	-	-	-	-	-	-	14,214,494	-	-	-	-
Total Contributions by and Distributions								264,268,427	345,075,519	8,248,976,538	91,916,942	8,340,893,479
Balance at Asadh 31, 2081	5,680,517,328		1,308,494,137	1,763,151	564,109,525	84,748,451		(2,692)	1,645,248	1,642,566		1,642,566
Adjustment/Restatement												
Adjustment/Restated Balance as at Shrawan 01, 2081	5,680,517,328	-	1,308,494,137	1,763,151	564,109,525	84,748,451	-	264,265,744	346,720,767	8,250,619,103	91,916,942	8,342,536,045
Comprehensive Income for the year												
Profit for the year	-	-	-	-	-	-	-	1,266,601,341	-	1,266,601,341	18,024,024	1,284,625,365
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	68,469,981	-	-	(28,750,774)	39,719,207	3,558,520	43,277,727
Gains/(losses) on revaluation	-	-	-	-	-	68,469,981	-	-	68,469,981	68,469,981	3,558,520	72,028,501
Actuarial gain/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year												
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
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	492,830,270	(4,415,329)	-	-	-	-	-	(488,414,941)	-	-	-	(25,938,435)
Cash Dividend Paid	-	-	-	-	-	-	-	(25,938,435)	-	-	-	14,214,494
Other	-	-	-	-	-	-	-	14,214,494	-	-	-	-
Total Contributions by and Distributions								264,268,427	345,075,519	8,248,976,538	91,916,942	8,340,893,479
Balance at Asadh 31, 2081	5,680,517,328		1,308,494,137	1,763,151	564,109,525	84,748,451		(2,692)	1,645,248	1,642,566		1,642,566
Adjustment/Restatement												
Adjustment/Restated Balance as at Shrawan 01, 2081	5,680,517,328	-	1,308,494,137	1,763,151	564,109,525	84,748,451	-	264,265,744	346,720,767	8,250,619,103	91,916,942	8,342,536,045
Comprehensive Income for the year												
Profit for the year	-	-	-	-	-	-	-	1,266,601,341	-	1,266,601,341	18,024,024	1,284,625,365
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	68,469,981	-	-	(28,750,774)	39,719,207	3,558,520	43,277,727
Gains/(losses) on revaluation	-	-	-	-	-	68,469,981	-	-	68,469,981	68,469,981	3,558,520	72,028,501
Actuarial gain/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year												
Transfer to Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
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	492,830,270	(4,415,329)	-	-	-	-	-	(488,414,941)	-	-	-	(25,938,435)
Cash Dividend Paid	-	-	-	-	-	-	-	(25,938,435)	-	-	-	14,214,494
Other	-	-	-	-	-	-	-	14,214,494	-	-	-	-
Total Contributions by and Distributions								264,268,427	345,075,519	8,248,976,538	91,916,942	8,340,893,479
Balance at Asadh 31, 2081	5,680,517,328		1,308,494,137	1,763,151	564,109,525	84,748,451		(2,692)	1,645,248	1,642,566		

Contd...

Amount in NPR

PARTICULARS	GROUP											TOTAL EQUITY
	AT TRIBUTABLE TO EQUITY HOLDERS OF THE BANK											
	SHARE CAPITAL	SHARE PREMIUM	GENERAL RESERVE	EXCHANGE EQUALIZATION RESERVE	REGULATORY RESERVE	FAIR VALUE RESERVE	REVALUATION RESERVE	RETAINED EARNING	OTHER RESERVE	TOTAL	NON-CONTROLLING INTEREST	
Exchange gains/(losses) arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	249,506,565	160,744	223,909,143	68,469,981	(28,750,774)	1,306,320,548	166,666,667	21,582,544	1,327,903,092	
Transfer to Reserves during the year	-	-	-	-	-	-	-	(640,243,119)	-	-	-	-
Transfer Deferred Tax Reserve to Retained Earnings during the year	-	-	-	-	-	-	-	(12,845,570)	12,845,570	-	-	-
Creation of CSR Fund	-	-	-	-	-	-	-	(18,922,445)	18,922,445	-	-	-
Creation of Training Fund	-	-	-	-	-	-	-	10,979,918	(10,979,918)	-	-	-
Utilization of CSR Fund	-	-	-	-	-	-	-	9,648,011	(9,648,011)	-	-	-
Utilization of Staff Training Fund	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Deferred Tax Asset Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	(11,140,087)	11,140,087	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-	-	-	-
Amount transferred from premium to share capital	-	-	-	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	(284,025,866)	-	(284,025,866)	-	(284,025,866)
Other	-	-	-	-	-	-	-	159,316	-	159,316	-	159,316
Total Contributions by and Distributions	5,680,517,328	-	1,559,000,702	1,923,895	788,018,668	153,218,432	-	595,617,329	495,776,748	9,273,073,101	113,499,485	9,386,572,586
Balance at Ashad 32, 2082												

KESHAB TIMALSINA
HEAD- FINANCE, ACCOUNTS
& TREASURY DEPARTMENT

SHYAM PRASAD BASYAL
DIRECTOR

SHOVAKANTA DHAKAL
DIRECTOR

DATE : 2082/06/27
PLACE : KATHMANDU

ANIL REGMI
DEPUTY CHIEF
EXECUTIVE OFFICER

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DIRECTOR

IUSHMA KOIRALA
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DILIP PRATAP KHAND
CHAIRMAN

BIMAL PANDEY
DIRECTOR

As per our report of even date
CA. PRAKASH LAMSAL
PARTNER,
PLRG ASSOCIATES
CHARTERED ACCOUNTANTS

GARIMA BIKAS BANK LIMITED

STATEMENT OF CHANGE IN EQUITY

For the year ended 32 Ashad 2082

Amount in NPR

PARTICULARS	BANK										TOTAL EQUITY	
	AT TRIBUTABLE TO EQUITY HOLDERS OF THE BANK											
	SHARE CAPITAL	SHARE PREMIUM	GENERAL RESERVE	EXCHANGE EQUALIZATION RESERVE	REGULATORY RESERVE	FAIR VALUE RESERVE	REVALUATION RESERVE	RETAINED EARNING	OTHER RESERVE	TOTAL	NON-CONTROLLING INTEREST	
Adjustment/Restatement												
Adjustment/Restated Balance as at Shrawan 1, 2080	5,187,687,057	4,415,329	1,221,205,014	1,023,699	653,970,567	46,077,210	-	517,658,780	171,109,540	7,803,147,197	-	7,803,147,197
Comprehensive Income for the year												
Profit for the year	-	-	-	-	-	-	-	433,951,860	433,951,860	433,951,860	-	433,951,860
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	32,646,433	-	-	42,324	32,688,757	-	32,688,757
Gains/(losses) on revaluation	-	-	-	-	-	32,646,433	-	-	-	32,646,433	-	32,646,433
Actuarial gain/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	42,324	42,324	-	42,324
Exchange gains/(losses) arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year						32,646,433		433,951,860	42,324	466,640,617		466,640,617
Transfer to Reserves during the year	-	-	86,790,372	739,452	(89,861,042)	-	-	(164,335,449)	166,666,667	-	-	-
Transfer/Deferred Tax Reserve to Retained Earnings during the year	-	-	-	-	-	-	-	-	-	-	-	-
Creation of CSR Fund	-	-	-	-	-	-	-	(4,339,519)	4,339,519	-	-	-
Creation of Training Fund	-	-	-	-	-	-	-	(18,282,693)	18,282,693	-	-	-
Utilization of CSR Fund	-	-	-	-	-	-	-	10,243,732	(10,243,732)	-	-	-
Utilization of Staff Training Fund	-	-	-	-	-	-	-	11,645,226	(11,645,226)	-	-	-
Transfer to Deferred Tax Asset Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity												
Share issued	-	-	-	-	-	-	-	(733,253)	733,253	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	492,830,270	(4,415,329)	-	-	-	-	-	(488,414,941)	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	(25,938,435)	-	(25,938,435)	-	(25,938,435)
Other	-	-	-	-	-	-	14,214,494	-	14,214,494	-	14,214,494	-
Total Contributions by and Distributions												
Balance at Asahd 31, 2081	5,680,517,328		1,307,995,386	1,763,151	564,109,525	78,723,643		286,403,057	338,551,784	8,258,063,874		8,258,063,874
Adjustment/Restatement												
Adjustment/Restated Balance as at Shrawan 01, 2081	5,680,517,328	-	1,307,995,386	1,763,151	564,109,525	78,723,643	-	286,403,057	340,197,032	8,259,709,122	-	8,259,709,122
Comprehensive Income for the year												
Profit for the year	-	-	-	-	-	-	-	1,247,692,141	-	1,247,692,141	-	1,247,692,141
Other Comprehensive Income, Net of Tax												
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	68,469,981	-	-	(28,750,774)	39,719,207	-	39,719,207
Gains/(losses) on revaluation	-	-	-	-	-	68,469,981	-	-	-	68,469,981	-	68,469,981
Actuarial gain/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	(28,750,774)	(28,750,774)	-	(28,750,774)

Contd....

Contd....
Amount in NPR

PARTICULARS	BANK										TOTAL EQUITY
	AT TRIBUTABLE TO EQUITY HOLDERS OF THE BANK										
	SHARE CAPITAL	SHARE PREMIUM	GENERAL RESERVE	EXCHANGE EQUALIZATION RESERVE	REGULATORY RESERVE	FAIR VALUE RESERVE	REVALUATION RESERVE	RETAINED EARNING	OTHER RESERVE	TOTAL	NON-CONTROLLING INTEREST
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	68,469,981	1,247,892,141	(28,750,774)	1,287,411,348	-	1,287,411,348
Transfer to Reserves during the year	-	-	249,506,565	160,744	223,909,143	-	(640,243,119)	166,666,667	-	-	-
Transfer Deferred Tax Reserve to Retained Earnings during the year	-	-	-	-	-	-	(12,476,921)	12,476,921	-	-	-
Creation of CSR Fund	-	-	-	-	-	-	(18,922,445)	18,922,445	-	-	-
Creation of Training Fund	-	-	-	-	-	-	10,979,918	(10,979,918)	-	-	-
Utilization of CSR Fund	-	-	-	-	-	-	9,648,011	(9,648,011)	-	-	-
Utilization of Staff Training Fund	-	-	-	-	-	-	-	-	-	-	-
Transfer to Deferred Tax Asset Reserve	-	-	-	-	-	-	(10,771,438)	10,771,438	-	-	-
Transfer to Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	-	-	-	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-	-	-
Amount transferred from premium to share capital	-	-	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	(284,025,866)	(284,025,866)	-	(284,025,866)	-
Other	-	-	-	-	-	-	159,316	159,316	-	159,316	-
Total Contributions by and Distributions	-	-	-	-	-	-	-	-	-	-	-
Balance at Ashad 32, 2082	5,680,517,328	1,557,501,951	1,923,895	788,018,668	147,193,624	488,884,363	599,214,090	9,263,253,919	9,263,253,919	9,263,253,919	-

KESHAB TIMALSINA
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As per our report of even date
CA. PRAKASH LAMSAL
PARTNER,
PLRG ASSOCIATES
CHARTERED ACCOUNTANTS

DATE : 2082/06/27
PLACE : KATHMANDU

GARIMA BIKAS BANK LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 32 Ashad 2082

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest Received	8,568,248,708	10,118,559,152	8,563,503,166	10,113,952,148
Fee and other income received	573,759,193	499,655,430	516,914,447	478,155,013
Dividend Received	21,960,766	21,711,487	21,556,019	21,711,487
Receipts from other operating activities	-	-	-	-
Interest paid	(4,847,627,922)	(6,864,903,237)	(4,836,933,002)	(6,859,174,143)
Commission and fee paid	(10,999,709)	(25,062,223)	(5,480,318)	(20,520,241)
Cash payments to employee	(895,744,992)	(925,132,864)	(877,000,220)	(906,549,315)
Other expense paid	(198,416,022)	(527,110,471)	(168,963,326)	(556,269,829)
Operating cash flows before change in operating assets and liabilities	3,211,180,022	2,297,717,274	3,213,596,766	2,271,305,121
(Increase)/Decrease in operating assets	(5,451,839,483)	(6,765,918,898)	(5,453,511,776)	(6,686,521,270)
Due from Nepal Rastra Bank	(28,920,226)	(787,821,414)	(28,920,226)	(787,821,414)
Placement with bank and financial institutions	-	15,000,000	-	-
Other Trading assets	-	(73,332,955)	-	-
Loan and advances to bank and financial institutions	(241,080,899)	(1,359,336,172)	(241,080,899)	(1,359,336,172)
Loan and advances to customer	(5,359,485,817)	(4,340,514,031)	(5,359,485,817)	(4,341,451,610)
Other Assets	177,647,459	(219,914,327)	175,975,166	(197,912,074)
Increase/(Decrease) in operating liabilities	6,708,727,948	7,014,143,873	6,639,320,227	6,959,035,403
Due to bank and financial institutions	782,696,499	(321,229,163)	782,696,499	(321,229,163)
Due to Nepal Rastra Bank	-	-	-	-
Deposits from customers	5,861,652,948	7,304,460,732	5,862,873,728	7,288,597,900
Borrowings	43,386,536	40,617,949	(6,250,000)	(8,333,333)
Other Liabilities	20,991,966	(9,705,645)	-	-
Net Cash flow from operating activities before tax paid	4,468,068,488	2,545,942,248	4,399,405,217	2,543,819,254
Income taxes paid	(267,788,311)	(675,678,460)	(261,830,234)	(670,482,455)
Net Cash flow from operating activities	4,200,280,177	1,870,263,788	4,137,574,984	1,873,336,799
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	(3,572,718,259)	(1,669,981,185)	(3,465,326,430)	(1,667,386,020)
Receipts from sale of investment securities	38,380,764	2,170,751	38,380,764	2,170,751
Purchase of plant and equipment	(1,585,479,614)	(68,356,869)	(1,585,189,395)	(67,931,198)

Contd...

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Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Receipt from sale of property and equipment	59,395,826	4,254,024	59,395,826	4,254,024
Purchase of intangible assets	(6,333,991)	-	(5,495,761)	-
Receipt from sale of intangible assets	-	2,340,713	-	2,949,411
Purchase of investment properties	(461,244,166)	(26,983,293)	(461,244,166)	(26,983,293)
Receipt from the sale of investment properties	(1,279,970.50)	-	(1,279,971)	-
Interest received	-	-	-	-
Dividend received	-	-	-	-
Net cash used in investing activities	(5,529,279,411)	(1,756,555,859)	(5,420,759,132)	(1,752,926,325)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipt from issue of debt securities	1,028,858	944,876	1,028,858	944,876
Repayment of debt securities	-	-	-	-
Receipt from issue of subordinated liabilities	-	-	-	-
Repayment of subordinated liabilities	-	-	-	-
Receipt from issue of shares	-	488,414,941	-	488,414,941
Dividend paid	(284,025,866)	(514,353,376)	(284,025,866)	(514,353,376)
Interest paid	-	-	-	-
Other receipt/payment	-	-	-	-
Net cash from financing activities	(282,997,009)	(24,993,559)	(282,997,009)	(24,993,559)
Net increase/(decrease) in cash and cash equivalents	(1,611,996,243)	88,714,371	(1,566,181,157)	95,416,914
Cash and Cash Equivalents at Shrawan 01, 2081	4,716,277,304	4,589,230,815	4,714,599,338	4,602,873,647
Effect of exchange rate fluctuations on cash and cash equivalents held	61,748,186	38,332,119	17,052,296	16,308,776
Closing Cash and Cash Equivalents at Ashad End, 2082	3,166,029,248	4,716,277,304	3,165,470,476	4,714,599,338

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DIRECTOR

IUSHMA KOIRALA
DIRECTOR

DATE : 2082/06/27
PLACE : KATHMANDU

GARIMA BIKAS BANK LIMITED

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

For the year ended 32 Ashad 2082

(As per NRB Regulation)

Amount in NPR

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Net profit or (loss) as per statement of profit or loss	1,247,692,141	433,951,860
Appropriations:		
a. General reserve	(249,506,565)	(86,790,372)
b. Foreign exchange fluctuation fund	(160,744)	(739,452)
c. Capital redemption reserve	(166,666,667)	(166,666,667)
d. Corporate social responsibility fund	(12,476,921)	(4,339,519)
e. Employees' training fund	(18,922,445)	(18,282,693)
f. Other	-	-
Investment Adjustment Reserve	-	-
Corporate social responsibility fund utilization	10,979,918	10,243,732
Employees' training fund utilization	9,648,011	11,645,226
Unrealised Gain on Investment in Associates	-	-
Other Adjustment/restatement	159,316	14,214,494
Profit or (loss) before regulatory adjustment	820,746,043	193,236,611
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	85,730,424	73,447,344
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	(229,561,221)	7,097,287
e. Deferred tax assets recognised (-)/ reversal (+)	(53,918,056)	7,564,075
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	(28,750,774)	42,324
i. Other (+/-)	2,590,485	1,710,012
Net profit for the year ended available for distribution	596,836,899	283,097,652
Opening Retained Earning as on Shrawan 1	286,403,056	517,658,780
Adjustment(+/-)	-	-
Distribution:		
Bonus Share Issued	-	(488,414,941)
Cash Dividend Paid	(284,025,866)	(25,938,435)
Total Distributable Profit or (Loss) as on year end	599,214,090	286,403,057
Annualised Distributable Profit/Loss per Share	10.55	5.04

GARIMA BIKAS BANK LIMITED

NOTES TO THE ACCOUNT

Year ended 32nd Ashad 2082

1. Reporting Entity

1.1 General

Garima Bikas Bank Limited (hereinafter referred to as "the Bank") is National Level Development Bank domiciled in Nepal, registered as a Public Limited Company under Companies Act, 2063 and Banking and Financial Institution Act, 2073. The Bank has been formed after the successful merger of erstwhile Garima Bikas Bank Limited, Nilgiri Bikas Bank limited, Subhechha Bikas Bank limited and acquisition of Sahara Bikas Bank Limited after the approval from Nepal Rastra Bank. The Bank is a limited liability company having its shares listed on Nepal Stock Exchange. The registered office of the bank is situated at Kathmandu-02, Das Tower, Lazimpat.

1.2 Financial Statements

The Financial Statements of the Bank for the year ended on July 16, 2025 comprises Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Change in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Financial Statements comprising summary of Significant Accounting Policies and explanatory notes.

1.3 Principal activities and operations of the Bank

The Bank is providing comprehensive range of financial services including acceptance of deposits, corporate and retail credit, hire purchase financing, micro credit, trade financing, personal and corporate banking, foreign currency transactions, issuing of debit/credit cards, internet banking, mobile banking, remittance facilities, dealing in government securities and treasury related products, agency service and other ancillary services permitted by Banking and Financial Institution Act 2073.

1.4 Subsidiary/Group

Garima Capital Limited is subsidiary company of the bank and the bank holds 51.20% (i.e. NPR. 123,900,000/- only) paid up capital. Garima Capital Limited is engaged in Merchant Banking business and provides the service of Depository Participants and Portfolio Management Service.

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements have been prepared on going concern basis and under historical cost conventions except where the standards require otherwise. The financial statements of the Group have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) developed by the Accounting Standards Board, Nepal (ASB, Nepal) and pronounced for application by the Institute of Chartered Accountants of Nepal (ICAN). The financial statements comprise of Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash flows and Notes to the Accounts on the format prescribed by NRB Directive No. 4 of Unified Directives, 2081.

These Policies have been consistently applying to all the years presented except otherwise stated.

2.2 Reporting Period and Approval of Financial Statements

The Group follows the Nepalese financial year based on Nepali calendar starting from 1st Shrawan 2081 and ending on 32nd Ashad 2082 (16th July 2024 to 16th July 2025).

Approval of Financial Statements:

The accompanied financial statements have been approved and authorized for issue by the Board of Directors in its meeting held on Ashoj 27, 2082 and have been recommended for approval by shareholders in the Annual General Meeting.

2.3 Functional and Presentation Currency

The financial statements are presented in Nepalese Rupees (NPR) which is the functional and presentation currency of the Bank. The financial information presented has been rounded off to nearest rupee except where otherwise stated.

2.4 Use of Estimates, Assumptions and Judgments

The management of the Bank, makes accounting judgments, estimates and assumptions which have an impact on the reported amounts of assets, liabilities, income and expenses on the financial statements. NFRS requires the Bank to exercise judgment in making accounting estimates. The management believes that these estimates and assumptions are reasonable and prudent. These estimates and assumptions are reviewed on an ongoing basis. The significant accounting policies that relate to the financial statements along with the judgments made are described herein. Revisions to accounting estimates are recognized prospectively.

Where an accounting policy is generally applicable to a specific item, the policy is described within that relevant note. Description of such estimates has been given in the relevant sections wherever they have been applied.

2.5 Changes in Accounting Policies

The Bank is required to adopt and apply the accounting policies in conformity with NFRS, the accounting policies are applied consistently; changes, if any, are disclosed with the financial impact to the extent possible.

The Bank under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the Bank is required to make judgments in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate. The accounting policies have been included in the relevant notes for each item of the financial statements and the effect and the nature of changes, if any, have been disclosed.

2.6 New Standards in issue that has become effective from this year

NFRS 9 Financial Instruments replaces NAS 39 Financial Instruments: Recognition and Measurement.

NFRS 9 also replaces the existing incurred loss impairment approach with an expected credit loss approach, resulting in earlier recognition of credit losses. The NFRS 9 impairment model has three stages. Entities are required to recognize a 12-month expected loss allowance on initial recognition based on the basis of probability of default (PD) of the remaining maturity period of the instrument (Stage 1) and a lifetime expected

loss allowance when there has been a significant increase in credit risk (Stage 2). The assessment of whether a significant increase in credit risk has occurred is a key aspect of the NFRS 9 methodology and involves quantitative measures, such as forward-looking probabilities of default, and qualitative factors and therefore requires considerable management judgment. Stage 3 requires objective evidence of impairment, which is similar to the guidance on incurred losses in previously existing NAS 39. NFRS 9 requires the use of more forward-looking information including reasonable and supportable forecasts of future economic conditions. The need to consider multiple economic scenarios and how they could impact the loss allowance is a very subjective feature of the NFRS 9 impairment model. Loan commitments and financial guarantees not measured at fair value through profit or loss are also in scope.

The Bank prepares its financial statements in accordance with Nepal Financial Reporting with effect from FY 2074/75, impairment of financial assets is assessed using the Expected Credit Loss (ECL) model under NFRS 9, in line with guidelines issued by Nepal Rastra Bank (NRB). This replaces the earlier incurred loss model under NAS 39.

Scope

ECL provisions are recognized on the following financial instruments:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVOCI)
- Lease receivables
- Contract assets
- Loan commitments (except those measured at FVTPL)
- Financial guarantee contracts

ECL Measurement

ECL represents a probability-weighted estimate of credit losses (present value of expected cash shortfalls) and is determined using the following three key parameters:

- Probability of Default (PD): likelihood of default over a specified horizon; minimum prudential floor of 2.5% is applied.
- Loss Given Default (LGD): proportion of exposure not expected to be recovered in case of default; minimum of 45% is applied where models are not available. Collateral valuations are adjusted for prescribed haircuts.
- Exposure at Default (EAD): expected exposure at the time of default, including on-balance and off-balance

sheet exposures, with Credit Conversion Factors (CCFs) applied.

ECL = PD × LGD × EAD

Staging of Financial Assets

Financial assets are categorized into three stages based on changes in credit risk since initial recognition:

- **Stage 1:** 12-month ECL is recognized.
- **Stage 2 (Significant Increase in Credit Risk – SICR):** Lifetime ECL is recognized.
- **Stage 3 (Credit-impaired):** Lifetime ECL is recognized; interest income is recognized on a cash basis.

Significant Increase in Credit Risk (SICR) Indicators

The Bank determines SICR based on both quantitative and qualitative factors, including but not limited to:

- More than 1 months past due
- Absolute Lifetime PD is 5% or more
- Relative Lifetime PD is increased by 100% or more
- Risk rating (internal or external) downgraded by 2 notches since initial recognition
- Risk rating downgraded to non-investment grade by external credit rating agency (BB+ or below) or by bank's internal credit rating system
- Deterioration of relevant determinants of credit risk (e.g future cash flows) for an individual obligor (or pool of obligors)
- Expectation of forbearance or restructuring due to financial difficulties
- Deterioration of prospects for sector or industries within which a borrower operates
- Borrowers affected by macroeconomic conditions based on reasonable and supportable forecasts. Modification of terms resulting in restructuring/rescheduling
- Credit Quality Indicators determined as per internal credit assessment of performing loans which are subject to individual monitoring and review, are weaker than that in the initial recognition
- Management decision to strengthen collateral and/or covenant requirements for credit exposures because of changes in the credit risk of those exposures since initial recognition

Initial recognition is done as stage 1 unless it is purchased or credit impaired financial assets. Assets with no SICR and with low credit risk at reporting date are also stage 1. Financial assets with overdue upto 1 months are also stage 1 assets.

Financial instruments are classified under Stage 2 when there is a significant increase in credit risk since initial recognition.

This includes exposures with contractual payments overdue for more than 1 months but not exceeding 3 months, and loans categorized as 'Watchlist' as per NRB prudential directives. Loans without approved credit lines or those with credit lines revoked by the bank are also included. Further, loans that have been restructured or rescheduled but are not yet classified as non-performing fall under this stage, except in cases where changes arise from prepayments or adjustments in instalments due to floating interest rate changes. Additionally, exposures to non-investment grade financial instruments, i.e. those rated BB+ or below, are also categorized under Stage 2.

Financial instruments are classified under Stage 3 when contractual payments are overdue for more than 3 months or when the Bank and Financial Institution (BFI) assesses that the borrower is unlikely to meet its credit obligations in full without realization of security. Indicators of unlikeliness to pay include loans placed on non-accrual status, distressed restructurings involving material concessions, bankruptcy filings by either the borrower or the bank, sale of exposures at a significant credit-related loss, or evidence that repayment is dependent on collateral realization. Additionally, loans classified as non-performing under NRB prudential directives and other credit-impaired instruments showing objective evidence of impairment are included. Such evidence may consist of significant financial difficulty of the borrower, breaches of contract such as default, concessions granted due to financial distress, high probability of bankruptcy or financial reorganization, disappearance of an active market due to credit concerns, or origination/purchase of assets at a deep discount reflecting incurred credit losses.

For the purpose of ECL calculation, portfolio has been classified as in addition to staff loans, investment and off balance sheet items:

- a. Business Loans
- b. Retail Loans
- c. Microfinance Loans
- d. Government Receivable
- e. Micro Loans

2.7 Discounting

The Bank 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 Group 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.

2.8 Going Concern

The financial statements are prepared on a going concern basis, as the bank 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.

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

3.1 Basis of Measurement

The Financial Statements of the Bank have been prepared under historical cost convention modified to include the fair valuation to the extent required or permitted under NFRS as set out in the relevant accounting policies, financial information recorded and reported to comply with the Directive of Nepal Rastra Bank and relevant business practices followed by the Bank are disclosed separately, where there have been deviations with recognition and presentation criteria of NFRS.

3.2 Basis of Consolidation

The group consists of two Companies Namely, Garima Bikas Bank Limited being its parent company and Garima Capital Limited as its subsidiary.

A. BUSINESS COMBINATION

Business combinations are accounted for using the acquisition method in line with the NFRS 03 "Business Combination". The consideration transferred in the acquisition and identifiable net assets acquired are measured at fair value. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase

is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities.

The consideration transferred does not include amount related to the settlement of pre-existing relationships. Such amount is generally recognized in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

B. NON-CONTROLLING INTEREST

For each business combination, the Bank elects to measure any non-controlling interests in the transferee either:

- At fair value; or
- At their proportionate share of the transferee identifiable net assets, which are generally at fair value.

Changes in the Bank's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognized in profit or loss.

C. SUBSIDIARIES

Subsidiaries are all entities, including structured entities, controlled by the Bank. The Bank controls an entity when it is exposed to, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The assessment of power is based on the Bank's practical ability to direct the relevant activities of the entity unilaterally for the Bank's own benefit and is subject to reassessment if and when one or more elements of control change. Subsidiaries are fully consolidated from the date on which the Bank effectively obtains control. Upon loss of control, the Bank stops consolidation and where any interest in the subsidiary remains, then such interest is measured to its fair value at the date control is lost and the change in carrying amount is recognized in the income statement.

D. LOSS OF CONTROL

Upon the loss of control, the Bank derecognizes the assets and liabilities of the subsidiary, carrying amount of non-controlling interests and the cumulative translation differences recorded in equity related to the subsidiary. Further parent's share of components previously recognized in Other Comprehensive income (OCI) is reclassified to profit or loss or retained earnings as appropriate. Any surplus or deficit arising on the loss of control is recognized in the profit or loss. If the bank retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or in accordance with the Bank's accounting policy for financial instruments depending on the level of influence retained.

E. SPECIAL PURPOSE ENTITY (SPE)

A Special Purpose Entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. Contractual arrangements determine the rights and therefore relevant activities of the special purpose entity. Special Purpose Entities are generally created to achieve a narrow and well-defined objective with restrictions around their activities. Special purpose entities are consolidated when the substance of the relationship between the Bank and the special purpose entity indicates the Bank has power over the contractual relevant activities of the special purpose entity, is exposed to variable returns, and can use that power to affect the variable return exposure.

The bank does not have any interest on special purpose entities during the reporting period.

F. TRANSACTION ELIMINATION ON CONSOLIDATION

Intra-group balances, transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions are eliminated in preparing the Consolidated Financial Statements as per the provision of NFRS 10 - Consolidated Financial Statement. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.3 Cash & Cash Equivalent

Cash and cash equivalent comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value and carried at amortized cost. The cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with banks, money at call and money market funds and financial assets with original maturity less than 3 months from the date of acquisition.

3.4 Financial Assets and Financial Liabilities

A. RECOGNITION

Financial assets and liabilities, with the exception of loans and advances to customers and balances due to customers, are initially recognized on the trade date i.e. the date that the Bank becomes a party to the contractual provisions of the instrument. Investments in equity instruments, bonds, debenture, Government securities, NRB bond or deposit auction, reverse repos, outright purchase are recognized on trade date at which the Bank commits to purchase/acquire the financial assets. Regular way purchase and sale of financial assets are recognized on trade date at which the Bank commits to purchase or sell the asset.

B. CLASSIFICATION

The financial assets and liabilities are subsequently measured at amortized cost or fair value based on business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

I. Financial Assets

The Bank classifies the financial assets as subsequently measured at amortized cost or fair value on the basis of the Bank's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets are classified under three categories as required by NFRS 9, namely:

❖ Financial Assets measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are

subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

The Bank classifies a financial asset measured at amortized cost if both of the following conditions are met:

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

❖ **Financial Assets measured at fair value through other comprehensive income:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI).

❖ **Financial Assets measured at fair value through profit or loss:**

The Group classifies the financials assets as fair value through profit or loss if they are held for trading or designated at fair value through profit or loss. Any other financial asset not classified as either amortized cost or FVTOCI, is classified as FVTPL.

II. Financial Liabilities:

Financial liabilities are classified under two categories as required by NFRS 9, namely:

❖ **Financial liabilities measured at amortized cost:**

All financial liabilities other than measured at fair value through profit or loss are classified as subsequently measured at amortized cost using effective interest method.

❖ **Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Upon initial recognition, transaction cost directly attributable to the acquisition are recognized in Statement of Profit or Loss as incurred. Subsequent changes in fair value is recognized at profit or loss.

C. MEASUREMENT

i. Initial Measurement

A financial asset or financial liability is measured initially at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction cost in relation to financial assets and liabilities at fair value through profit or loss are recognized in Statement of Profit or Loss.

ii. 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 Bank makes irrevocable election to route fair value changes through Other Comprehensive Income. Gain/Loss on equity instruments classified as fair value through other comprehensive income is charged directly to equity and impact of re-measurement is shown in OCI.

Loans and receivables and held-to-maturity financial assets are subsequently measured at amortized cost. Within this category loans and advances to the customers have been recognized at amortized cost using the method that very closely approximates effective interest rate method. The losses arising from impairment of such investments are recognized in the income

statement within credit loss expense. If the Bank 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 amortized cost, with any difference between proceeds net of directly attributable transaction costs and the redemption value recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

D. DE-RECOGNITION

De-recognition of Financial Assets

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

De-recognition of Financial Liabilities

Financial liabilities are derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

E. DETERMINATION OF FAIR VALUE

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

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three

levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Bank recognizes transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Valuations are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

Level 3: Portfolios are those where at least one input, which could have a significant effect on the instrument's valuation, is not based on observable market data.

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

If a market for a financial instrument is not active, the Bank establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analysis. The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognized in profit or loss on initial recognition of the instrument. In other cases, the difference is not recognized in profit or loss immediately

but is recognized over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable. All unquoted equity investments are recorded at cost. Promoter shares are valued at the last traded price of reporting date of such shares and if information is not available then promoter shares are valued at 50% of market price of public shares as on reporting date.

F. IMPAIRMENT OF LOANS & ADVANCES

- ❖ Impairment of loans and advances is done as per ECL provision of NFRS 9 and NFRS 9- Expected Credit Loss Related Guidelines, 2024 issued by NRB. The details related to the same is outlined in 2.6.
- ❖ As per Loan Loss Provision of Nepal Rastra Bank Loan loss provisions in respect of non-performing loans and advances are based on management's assessment of the degree of impairment of the loans and advances, subject to the minimum provisioning level prescribed in relevant NRB guideline, Provision is made for possible losses on loans and advances including bills purchased at 1.00% to 100% on the basis of classification of loans and advances, overdraft and bills purchased in accordance with NRB directives.

Policy Adopted

As per the Carve out notice issued by ICAN, the Bank has measured impairment loss on loan and advances as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per ECL provision of NFRS 9 and NFRS 9- Expected Credit Loss Related Guidelines, 2024 issued by NRB.

G. IMPAIRMENT OF FINANCIAL INVESTMENTS- AVAILABLE FOR SALE

The Bank 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.

3.5 Trading Assets

Financial assets are classified as trading assets (held for trading) if they have been acquired principally for the purpose of selling in the near term, or form part of

a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short- term profit taking. They are recognized on trade date, when the bank enters into contractual arrangements with counterparties, and are normally derecognized when sold. They are initially measured at fair value, with transaction costs taken to profit or loss. Subsequent changes in their fair values are recognized in profit or loss.

3.6 Derivative Assets and Derivative Liabilities

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

Derivative instruments include transactions like interest rate swap, currency swap, forward foreign exchange contract etc. held for trading as well as risk management purposes. Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. The Group does not have any derivative instrument during the reporting period.

3.7 Property, Plant and Equipment

Recognition:

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

Measurement:

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to, replace part of an item of property, plant & equipment. The cost of self-constructed assets includes the cost of materials and direct labor, any

other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of computer equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Cost Model:

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

Revaluation Model:

The Bank has not measured the any property and plant at revaluation model and at fair value.

Subsequent Cost:

Subsequent expenditure is capitalized if it is probable that the future economic benefits from the expenditure will flow to the Bank. Ongoing repairs and maintenance to keep the assets in working condition are expensed as incurred. Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized within other income in profit or loss.

Depreciation:

The Bank depreciates Property and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives of assets for the current and comparative period of significant items of Property and equipment are as follows:

ASSET GROUP	USEFUL LIFE
Computer & Accessories	4 Years
Furniture & Fixtures	7 Years
Furniture (Metal)	10 Years
Machineries	9 Years
Office Equipment	5 Years
Other Assets	5 Years
Vehicles	5 Years
Leasehold Properties	Lease Term

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. Assets having acquisition cost less than 5,000 have been written off as an expense in the Statement of Profit or Loss.

3.8 Goodwill/Intangible Assets

A. 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 Bank and are amortized on the basis of their expected useful lives.

B. GOODWILL

Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired in Business Combination is recognized as goodwill. Goodwill is measured at cost less any accumulated impairment losses. The Group follows the partial goodwill method for the computation of goodwill in business combinations. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

C. INTANGIBLE ASSETS:

Intangible assets are recognized when the cost of the asset can be measured reliably, there is control over the asset as a result of past events, future economic benefits are expected from the asset. These intangible assets are recognized at historical cost less impairment less amortization over their estimated useful life. Amortization of the intangible assets is calculated using the straight-line method over the useful life of 5 years.

D. COMPUTER SOFTWARE

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with the development of software are capitalized where it is probable that it will generate future economic benefits in excess of its cost. Software is amortized on a straight-line basis in profit or loss over its estimated useful life, from the date that it is available for use. The estimated useful life of software for the current and comparative periods is five years. Software assets with costs less than NPR 5,000 are charged off on purchases as revenue expenditure. Costs associated with maintaining software are recognized as an expense as incurred.

At each reporting date, these assets are assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Subsequent Expenditure

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

Amortization of Intangible Assets

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

De-recognition of Intangible Assets

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

3.9 Investment Property and Non-Current Assets held for Sale

A. INVESTMENT PROPERTY

As per the provisions of NAS-40, Investment properties are land or building or both other than those classified as property and equipment under NAS 16 - "Property, Plant and Equipment"; and assets classified as non-current assets held for sale under NFRS 5 - "Non-Current Assets Held for Sale and Discontinued Operations". Land and Building acquired by the Bank as non-banking assets but not sold as on the reporting date

The Bank holds investment property that has been acquired through enforcement of security over the loans and advances. Accordingly, Investment properties include the assets obtained as security for loans & advances and subsequently taken over by the Bank in the course of loan recovery.

Measurement

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

De-recognition

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

B. ASSETS HELD FOR SALE AND DISCONTINUED OPERATION

Land or Land and Building other than those classified as property and equipment and investment property under relevant accounting standard are presented under this account head. The Non-Banking Assets acquired by the Bank is classified as assets held for sale only if there is intention to sale with identification of prospective buyer has been identified. The bank doesn't have any Land or building classified under Asset held for sale and Discontinued operation.

3.10 Income Tax

The accounting for taxes on income is as per NAS 12, Provision for current income tax is made in accordance with the provisions of the prevailing Income Tax Act, 2058 and Rules including amendments thereon. Tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. The

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Tax expenses comprises of current tax and deferred tax.

A. CURRENT TAX

Current tax is the income tax expense recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. Current tax is the amounts expected or paid to Inland Revenue Department in respect of the current year, using the tax rates and tax laws enacted or substantively enacted on the reporting date and any adjustment to tax payable in respect of prior years.

B. DEFERRED TAX

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realized or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when the group has a legal right to offset.

3.11 Deposit, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the Bank's sources of funding.

A. DEPOSIT

Deposits include non-interest bearing deposits, saving deposits, term deposits, call deposits and margin deposits. Deposits by banks & customers are financial liabilities of the bank as there is an obligation to deliver cash or financial assets back to the depositing bank or

customer and are initially recognized at fair value, plus for those financial liabilities not at fair value through profit and loss. The transaction price is considered as the fair value for measuring the deposits.

B. DEBT SECURITIES ISSUED

Debt Securities are initially measured at the fair value less incremental direct transaction cost and subsequently measured at their amortized cost using effective interest method except where the bank designates liabilities at fair value through profit or loss.

C. SUBORDINATED LIABILITIES

Subordinated liabilities are those liabilities which at the event of winding up are subordinate to the claims of depositors, debt securities issued and other creditors. The bank does not have any of such subordinated liabilities.

3.12 Provisions, Contingent Liabilities and Commitments

A. PROVISIONS

As per the provisions of NAS 37, "Provisions, Contingent Liabilities and Contingent Assets" A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking in to account the risks and uncertainties surrounding the obligation at that date.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows. A provision for onerous contracts is recognized when the expected benefits to be derived by the Bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured as the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Provision is not recognized for future operating losses.

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

B. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities:

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

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

Commitments:

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

Litigation:

Litigations are anticipated in the context of business operations due to the nature of the transactions involved. The Bank is involved in various such legal actions in the normal course of business and the controls have been established to deal with such legal claims. There are pending litigations existing as at the end of the reporting period against the Bank, resulting through normal business operations.

3.13 Revenue Recognition

Revenue is the gross inflow of economic benefits during the period arising from the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. Revenue is not recognized during the period in which its recoverability of income is not probable. The Bank's revenue comprises of -

- Interest Income
- Fees and Commission
- Dividend Income
- Net Trading Income
- Net income from other financial instrument at fair value through Profit or Loss

A. INTEREST INCOME

Considering the technical challenges related to implementation of expected credit loss in initial years including that of effective interest rate, guidance note on Interest Income Recognition, 2025 has been issued by NRB in order to streamline interest income recognition practices across the banking industry.

Paragraph 5.4.1 of NFRS 9 requires an entity to apply the effective interest rate to the amortised cost of a credit-impaired financial asset in subsequent reporting periods. Paragraph BC5.74 of IFRS 9- 'Basis for Conclusions' explains that if a financial asset is credit-impaired at the reporting date, an entity should change the interest revenue calculation at the beginning of the following reporting period.

Similarly, Paragraph 5.4.2 of NFRS 9 requires an entity to calculate interest revenue, in subsequent reporting periods, by applying effective interest method to gross carrying amount if the credit risk on the financial instrument improves so that the financial asset is no longer credit-impaired.

Interest income recognition for each quarter shall be based on stage of financial assets as on previous quarter end. (not on current quarter end).

Financial assets are classified into Stage 1, Stage 2, or Stage 3 based on their credit risk and expected credit loss assessment. For assets existing at the previous quarter-end, the stage is determined as per their classification at that date. For new financial assets recognized during the quarter, the stage is determined at initial recognition. Interest income for each financial asset for the quarter is computed based on the identified stage, in accordance with the transitional arrangement plan prescribed.

Under transitional arrangement plan for FY 81/82 and 82/83, interest income on financial assets is recognized based on their stage classification. For Stage 1 and Stage 2 financial assets, interest income is recognized on an accrual basis using the coupon rate or effective interest rate, and any interest suspense at the beginning of the quarter is also included in interest income for the current quarter. For Stage 3 financial assets, interest income is adjusted against the movement in accrued interest receivable during the current quarter and the interest suspense at the beginning of the quarter, and only cash-based interest received during the quarter is recognized as income.

B. FEES AND COMMISSION

Fees earned for the provision of services over a period of time are accrued over that period. These fees include Service fees, Loan administrative fees and Commission income. Fees and Commission Income being the transaction costs is integral to the effective interest rate on financial asset. However, as per the Carve out issued by ICAN regarding the treatment of fee and commission in EIR rate, fees to be considered for EIR computation unless it is impracticable to determine reliably. Since, such transaction costs are not identifiable for separate customer and therefore being impracticable, they have not been considered when computing EIR. They have been booked on accrual basis except commission on guarantees issued by the bank which is recognized as income over the period of the guarantee. Other fee and commission income are recognized on accrual basis.

C. DIVIDEND INCOME

Dividend incomes are recognized on actual receive basis. Usually this is the ex-dividend date for equity securities. Dividends are presented in net trading income, net income from other financial instruments at fair value through profit or loss or other revenue based on the underlying classification of the equity investment.

D. NET TRADING INCOME

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

E. NET INCOME FROM OTHER FINANCIAL INSTRUMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

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 recognized within net interest income.

3.14 Interest Expenses:

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

3.15 Employee Benefit:

Employee benefits include:

A. SHORT TERM EMPLOYEE BENEFITS:

These are employee benefits which fall due wholly within twelve months in which the employees render the related service. Such as the following:

- i. Wages, salaries and social security contributions,
- ii. Festival Allowances, rewards and other incentives,
- iii. Paid annual leave and paid sick leave
- iv. Profit-sharing and bonuses and
- v. Non-monetary benefits

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 Bank has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Long Term Employee Benefits:

■ Defined Contribution Plans

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

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

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

■ Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Accordingly, leave encashment and gratuity has been considered as defined benefit plans as per

NAS 19 (Employee Benefits). Net Obligation in DBP is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and discounting that benefit to determine its present value and then deducting the fair value of any plan assets. Bank recognizes all actuarial gains and losses arising from DBP in the Other Comprehensive Income and expenses related to DBP under personnel expense in the Statement of Profit or Loss.

Under NFRS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognized in Other Comprehensive income (OCI). Also, the tax effect of the same has also been recognized in Other Comprehensive Income (OCI) under NFRS. Some assumptions used by actuarial valuator for valuation are as under:

- **Discount Rate:** Management estimation of 9% has been considered as discounting rate for defined benefit calculation.
- **Expected Return on Plan Asset:** Management estimation of 10% has been considered as discounting rate for defined benefit calculation.
- **Salary Escalation Rate:** Management estimation of 4% after considering the expected earnings inflation as well as performance and seniority related increase.
- **Withdrawal rate:** Management estimation on the basis of 5% on the basis of expected long term future employee turnover within the organization.
- **Expected average remaining working lives of the employees:** 18.84 Years

■ **Gratuity**

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

Bank's obligation in respect of defined benefit obligation is calculated by estimating the amount of future benefit that employees have earned for their service in the current and prior periods and discounting that benefit to determine its present value, then deducting the fair value of any plan assets to determine the net amount to be shown in the Statement of Financial Position. The value of a defined benefit asset is restricted to the present value of any economic benefits

available in the form of refunds from the plan or reduction on the future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirement that apply to any plan in Bank. An economic benefit is available to Bank if it is realizable during the life of the plan, or on settlement of the plan liabilities.

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

The increase in gratuity liabilities attributable to the services provided by employees during the year ended 16th July, 2025 (current service cost) has been recognized in the Statement of Profit or Loss under 'Personnel Expenses' together with the net interest expense. Bank recognizes the total actuarial gain and loss that arises in calculating Bank's obligation in respect of gratuity in other comprehensive income during the period in which it occurs.

The demographic assumptions underlying the valuation are retirement age (58 years), early withdrawal from service and retirement on medical grounds.

■ **Other long term employee benefits**

Other long term employee benefits are all employee benefits other than short term employee benefits, post-employment benefits and terminal benefits. Accordingly, leave encashment plan of the Bank has been considered as Other Long Term Employee Benefits as per Nepal Accounting Standards – NAS 19 (Employee Benefits).

■ **Employee Bonus**

Employee bonus shall be calculated at the rate of 10% of Profit before bonus and tax.

3.16 Finance and Operating Leases:

The determination of whether an arrangement is a lease, or it contains a lease, is based on the substance of the arrangement and requires an assessment of whether the

fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. NFRS 16 'Leases' is effective for annual periods beginning on or after 1st Shrawan 2078. A lessee is required to recognize a right-of-use asset (ROU) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. The main reason for this change is that this approach will result in a more comparable representation of a lessee's assets and liabilities in relation to other companies and, together with enhanced disclosures, will provide greater transparency of a lessee's financial leverage and capital employed. The standard permits a lessee to choose either a full retrospective or a modified retrospective transition approach. The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

Average base rate of commercial banks published by Nepal Rastra Bank for the relevant financial year has been considered as its incremental borrowing rate i.e. 10%.

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

- Fixed payments, including in-substance fixed payments, less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

- Amounts expected to be payable under a residual value guarantee and
- The exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Bank presents right-of-use assets under property and equipment (Note 4.13) and lease liabilities under other liabilities (Note 4.23) in the Statement of Financial Position. The interest expenses on lease liability, depreciation charges on right of use assets and short term lease payment has been presented under interest expenses (4.29) and depreciation and amortization (4.38) respectively in the statement of profit or loss.

Simplified approach permitted by Standard for Low-Value Leases:

The Bank has elected to recognize right-of-use assets and lease liabilities for all the leases including low value leases.

3.17 Foreign Currency Translation

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

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

in the Statement of Profit or Loss. The foreign currency gains or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the rates of exchange prevailing at the end of the reporting period.

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

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

3.18 Financial Guarantee and Loan Commitments

Financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts may have various legal forms, such as a guarantee, some types of letter of credit, etc.

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

3.19 Share Capital & Reserves

A. 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 recognized in equity in the period in which they are declared.

The share issue expenses which can be avoided for the issue was charged in the year of issue directly through equity and disclosed in statement of changes in equity. Tax impact is also disclosed.

B. RESERVES

The reserves include regulatory and free reserves.

❖ Retained Earnings

The bank has to appropriate different reserves from retained earnings. Retained earnings comprises of current Fiscal Year profit and any non-distributed profit of preceding Fiscal Years.

❖ General Reserve

The Bank is required to appropriate a minimum 20% of current year's net profit into this heading each year until it becomes double of paid up capital and then after a minimum 10% of profit each year. This reserve is not available for distribution to shareholders in any form and requires specific approval of the central bank for any transfers from this heading.

❖ Exchange Equalization Reserve

The Bank is required to appropriate 25% of current year's total revaluation gain (except gain from revaluation of Indian Currency) into this heading.

❖ 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 Bank 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.

❖ **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 Bank is required to appropriate an amount equivalent to 1% of net profit into this fund annually. The fund is created towards funding the Bank's corporate social responsibility expenditure during the subsequent year. Balance in this fund is directly reclassified to retained earnings in the subsequent year to the extent of payments made under corporate social responsibility activities.

❖ **Debenture Redemption Reserve**

The Bank is required to maintain a redemption reserve in respect of borrowing raised through debenture issuance. As per the terms of NRB approval relating to the Bank's debenture issuance, the Bank is annually required to transfer 16.67% of the debenture's face value to redemption reserve. such provision shall not be applicable in the year of issue.

❖ **Employee Training Fund**

The Bank is required to incur expenses towards employee training and development for an amount that is equivalent to at least 3% of the preceding year's salary and allowance. Any shortfall amount in meeting this mandatory expense requirement in the current year will have to be transferred to this reserve fund through appropriation of net profit and the amount shall accumulate in the fund available for related expenses in the subsequent year. Balance in this fund is directly reclassified to retained earnings in the subsequent year to the extent of expenses made for employees training related activities.

❖ **Investment Adjustment Reserve**

Investment Adjustment Reserve Directive No 8. Of Nepal Rastra Bank's Unified Directives requires, the bank has to create the investment reserve of an amount equivalent to the investment in equity shares if the shares remained unquoted for 3 years from the date of investment.

❖ **Regulatory Reserve**

This is a non-free statutory reserve and is a requirement as prescribed in NRB directive. In the transition to NFRS from previous GAAP the Bank is required to reclassify all amounts that are resultant of re-measurement adjustments and that are recognized in retained earnings into this reserve heading. The amount reclassified to this reserve includes:

- Re-measurement adjustments such as interest income recognized against interest receivables i.e. Accrued Interest Receivable after considering effect of bonus and income tax
- Amount equals to deferred tax assets,
- Actuarial loss recognized in other comprehensive income,
- Amount of goodwill recognized under NFRS.
- Non-Banking assets after taking effect of bonus and income tax

❖ **Actuarial Gain/(Loss) Reserve**

Actuarial Gain/ loss Reserve has been created to record the Actuarial gain or loss occurring due to change in actuarial assumption under NAS 19. The gain or loss has been disclosed under this reserve after presentation through Other Comprehensive Income.

❖ **Fair Value Reserve**

Assets that are not classified as Fair Value through Profit and Loss, held to maturity and Loans and Receivables are categorized as Available for Sale (AFS) financial instruments. The Bank has under regulatory provisions a requirement to appropriate the upward movements in fair value under AFS reserve. The accounting of gain or loss in the fair value movement of AFS Financial Assets is done through other comprehensive income.

❖ **Other reserve**

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

3.20 Earnings per Share

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

weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, if any.

Earnings per share is calculated and presented in consolidated statement of profit or loss.

3.21 Segment Reporting

The Bank's segmental reporting is in accordance with NFRS 8 Operating Segments. Operating segments are reported in a manner consistent with the internal reporting provided to the bank's management, which is responsible for allocating resources and assessing performance of the operating segments. Income and expenses directly associated with each segment are included in determining business segment performance. The bank has identified geographical segments as well on the basis of branches and clusters located all over the country. Segment report include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.22 Dividend on Ordinary Shares

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

3.23 Cash Flow Statement

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

3.24 Comparative Figure

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



NOTES TO FINANCIAL STATEMENTS

CASH AND CASH EQUIVALENT

4.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Cash in Hand	842,800,993	640,950,543	842,670,643	640,815,628
Balances with B/Fis	2,323,228,255	4,075,326,762	2,322,799,833	4,073,783,710
Money at call and short notice	-	-	-	-
Other	-	-	-	-
Total	3,166,029,248	4,716,277,304	3,165,470,476	4,714,599,338

"The fair value of cash and cash equivalent is its carrying value. Cash at vault is adequately insured for physical and financial risks. The amount of cash at vault is maintained on the basis of the liquidity and business requirements. Balance with BFIs includes balance maintained at various banks and financial institutions.

DUE FROM NEPAL RASTRA BANK

4.2

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Statutory balances with NRB	3,753,067,566	3,743,827,484	3,753,067,566	3,743,827,484
Securities purchased under resale agreement	-	-	-	-
Other deposit and receivable from NRB	25,470,126	5,789,983	25,470,126	5,789,983
Total	3,778,537,693	3,749,617,466	3,778,537,693	3,749,617,466

The fair value of balance with the Nepal Rastra Bank (NRB) is its carrying amount itself. Balance with the NRB is principally maintained as a part of the regulatory cash reserve ratio required by NRB.

PLACEMENTS WITH BANK AND FINANCIAL INSTITUTIONS

4.3

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Placement with domestic B/Fis	-	-	-	-
Placement with Foreign B/Fis	-	-	-	-
Less: Allowances for impairment	-	-	-	-
Total	-	-	-	-

DERIVATIVE FINANCIAL INSTRUMENTS

4.4

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Held for trading	-	-	-	-
Interest rate swap	-	-	-	-
Currency swap	-	-	-	-
Forward exchange contract	-	-	-	-
Others	-	-	-	-
Held for risk management	-	-	-	-
Interest rate swap	-	-	-	-
Currency swap	-	-	-	-
Forward exchange contract	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-

OTHER TRADING ASSETS

4.5

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Treasury Bills	-	-	-	-
Government bond	-	-	-	-
NRB bonds	-	-	-	-
Domestic Corporate bonds	-	-	-	-
Equities	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-
Pledged	-	-	-	-
Non- Pledged	-	-	-	-

LOAN AND ADVANCES TO B/FIs

4.6

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Loan to Microfinance Institutions	4,620,395,248	4,387,960,748	4,620,395,248	4,387,960,748
Other	-	-	-	-
Less: Allowances for Impairment	(46,178,977)	(54,825,376)	(46,178,977)	(54,825,376)
Total	4,574,216,271	4,333,135,372	4,574,216,271	4,333,135,372

The loans have been provided to Microfinance Institutions in the normal course of business including the accrued interest amounting NPR 2,497,505

ALLOWANCES FOR IMPAIRMENT

4.6.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Balance as at Shrawan 1	54,825,376	39,143,870	54,825,376	39,143,870
Impairment loss for the year:	-	-	-	-
Charge for the year	(8,646,399)	15,681,506	(8,646,399)	15,681,506
Recoveries/Reversal	-	-	-	-
Amount written off	-	-	-	-
Balance as at Ashad end	46,178,977	54,825,376	46,178,977	54,825,376

LOAN AND ADVANCES TO CUSTOMERS

4.7

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Loans and advances measured at amortized Cost	73,086,010,938	67,890,131,935	73,086,010,938	67,890,131,935
Less: Impairment allowances	-	-	-	-
Individual Impairment	(3,042,892,433)	(2,622,904,296)	(3,042,892,433)	(2,622,904,296)
Collective Impairment	(912,423,741)	(676,709,743)	(912,423,741)	(676,709,743)
Net amount	69,130,694,763	64,590,517,896	69,130,694,763	64,590,517,896
Loan and advances measured at FVTPL	-	-	-	-
Total	69,130,694,763	64,590,517,896	69,130,694,763	64,590,517,896

Above impairment is as per NRB directive no. 2 which is higher than total impairment as per NFRS 9.

ANALYSIS OF LOAN AND ADVANCES - BY PRODUCT

4.7.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Product				
Long Term loans	-	-	-	-
Personal	14,942,115,252	14,105,497,630	14,942,115,252	14,105,497,630
Business	14,969,748,250	12,781,518,035	14,969,748,250	12,781,518,035
Working Capital	892,205,257	462,148,807	892,205,257	462,148,807
Overdraft (Personal)	2,488,142,157	2,996,779,716	2,488,142,157	2,996,779,716
Cash Credit Loan	5,783,508,956	5,756,051,020	5,783,508,956	5,756,051,020
Trust Receipt/Import Loans	-	-	-	-
Short Term WC/Demand Loan	175,682,889	168,449,888	175,682,889	168,449,888
Personal Residential Loans	16,258,213,974	14,611,483,218	16,258,213,974	14,611,483,218
Real Estate Loans	3,247,439,821	2,674,101,440	3,247,439,821	2,674,101,440
Margin Lending Loans	3,051,403,660	1,770,833,610	3,051,403,660	1,770,833,610
Hire Purchase Loans	2,189,100,644	2,473,738,419	2,189,100,644	2,473,738,419
Deprived Sector Loans	1,267,372,847	1,993,460,850	1,267,372,847	1,993,460,850
Bills Purchased	-	-	-	-
Staffs Loans	620,446,642	543,824,352	620,446,642	543,824,352
Other	6,828,331,924	6,989,505,919	6,828,331,924	6,989,505,919
Sub Total	72,713,712,271	67,327,392,905	72,713,712,271	67,327,392,905
Interest Receivable	372,298,667	562,739,029	372,298,667	562,739,029
Grand Total	73,086,010,938	67,890,131,935	73,086,010,938	67,890,131,935

ANALYSIS OF LOAN AND ADVANCES - BY CURRENCY

4.7.2

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Nepalese Rupee	73,086,010,938	67,890,131,935	73,086,010,938	67,890,131,935
Indian Rupee	-	-	-	-
United States Dollar	-	-	-	-
Great Britain Pound	-	-	-	-
Euro	-	-	-	-
Japanese Yen	-	-	-	-
Chinese Yuan	-	-	-	-
Other	-	-	-	-
Grand Total	73,086,010,938	67,890,131,935	73,086,010,938	67,890,131,935

ANALYSIS OF LOAN AND ADVANCES - BY COLLATERAL

4.7.3

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Secured				
Moveable/Immoveable Assets	67,623,189,545	63,213,900,648	67,623,189,545	63,213,900,648
Gold and Silver	1,110,532,245	1,021,529,487	1,110,532,245	1,021,529,487
Guarantee of Domestic BFIs	-	-	-	-
Government Guarantee	-	-	-	-
Guarantee of International Rated Bank	-	-	-	-
Collateral of Export Document	-	-	-	-
Collateral of Fixed Deposit Receipt	555,431,968	877,947,788	555,431,968	877,947,788
Collateral of Government Securities	-	-	-	-
Counter Guarantee	-	-	-	-
Personal Guarantee	-	-	-	-
Other Collateral	2,976,307,713	1,773,885,687	2,976,307,713	1,773,885,687
Sub Total	72,265,461,472	66,887,263,609	72,265,461,472	66,887,263,609
Unsecured	820,549,466	1,002,868,325	820,549,466	1,002,868,325
Grand Total	73,086,010,938	67,890,131,935	73,086,010,938	67,890,131,935

ALLOWANCES FOR IMPAIRMENT

4.7.4

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Specific allowances for impairment				
Balance at Shrawan 1	2,622,904,296	926,956,811	2,622,904,296	926,956,811
Impairment loss for the year:	419,988,138	1,695,947,485	419,988,138	1,695,947,485
Charge for the year	419,988,138	1,695,947,485	419,988,138	1,695,947,485
Recoveries/reversal during the year	-	-	-	-
Write-offs	-	-	-	-
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement	-	-	-	-
Balance at Ashad end	3,042,892,433	2,622,904,296	3,042,892,433	2,622,904,296
Collective allowances for impairment				
Balance at Shrawan 1	676,709,743	677,296,450	676,709,743	677,296,450
Impairment loss for the year:	235,713,998	(586,708)	235,713,998	(586,708)
Charge/(reversal) for the year	235,713,998	(586,708)	235,713,998	(586,708)
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement	-	-	-	-
Balance at Ashad end	912,423,741	676,709,743	912,423,741	676,709,743
Total allowances for impairment	3,955,316,174	3,299,614,038	3,955,316,174	3,299,614,038

INVESTMENT IN SECURITIES

4.8

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Investment securities designated at FVTPL	305,116,073	200,680,244	-	-
Investment securities measured at amortized cost	18,964,239,596	15,959,318,176	18,964,239,596	15,959,318,176
Investment in equity measured at FVTOCI	1,257,912,577	691,653,709	1,231,473,377	673,254,109
Total	20,527,268,246	16,851,652,128	20,195,712,972	16,632,572,284

Investment made by the development bank has been presented under this account head in two categories i.e. investment securities measured at amortized cost and investment in equity measured at fair value through other comprehensive income. Investment other than those measured at amortized cost is measured at fair value and changes in fair value has been recognized in other comprehensive income. Where income from the investment is received in the form of bonus shares, the valuation of investment is made by increasing the number of shares without changing in the cost of investment.

INVESTMENT IN SECURITIES MEASURED AT AMORTIZED COST

4.8.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Debt Securities	-	-	-	-
Government Bonds	13,145,089,596	13,447,638,938	13,145,089,596	13,447,638,938
Government treasury bills	-	2,511,679,238	-	2,511,679,238
Nepal Rastra Bank bonds	-	-	-	-
Nepal Rastra Bank deposit instruments	5,819,150,000	-	5,819,150,000	-
Other	-	-	-	-
Less: Specific allowances for impairment	-	-	-	-
Total	18,964,239,596	15,959,318,176	18,964,239,596	15,959,318,176

Government Bonds Balance is inclusive of Accrued Interest Receivable amounting Rs 202,864,595.60

INVESTMENT IN EQUITY MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

4.8.2

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Equity Instrument	-	-	-	-
Quoted equity securities	1,096,634,995	644,022,555	1,096,634,995	644,022,555
Unquoted equity securities	161,277,582	47,631,154	134,838,382	29,231,554
Total	1,257,912,577	691,653,709	1,231,473,377	673,254,109

INFORMATION RELATING TO INVESTMENT IN EQUITIES

4.8.3

Amount in NPR

PARTICULARS	GROUP						BANK	
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE						
Investment in quoted equity								
1 Chilime Hydropower Company Limited 23,033 Shares of Rs. 100 Each	8,386,161	12,286,954	8,386,161	9,736,635	8,386,161	12,286,954	8,386,161	9,736,635
2 Laxmi Equity Fund Unit of Rs. 10 Each	-	-	17,548,750	16,618,666	-	-	17,548,750	16,618,666
3 Siddhartha Equity Fund 1,721,461 Unit of Rs. 10 Each	17,787,432	17,713,834	17,787,432	14,443,058	17,787,432	17,713,834	17,787,432	14,443,058
4 Sanima Equity Fund Unit of Rs. 10 Each	-	-	24,000,000	26,184,000	-	-	24,000,000	26,184,000
5 Citizens Mutual Fund-1 Unit of Rs. 10 Each	-	-	10,000,000	9,640,000	-	-	10,000,000	9,640,000
6 N.I.C. Asia Growth Fund 500,000 Unit of Rs. 10 Each	-	-	5,000,000	4,950,000	-	-	5,000,000	4,950,000
7 Sagarmatha Lumbini Insurance Co. Limited 152 Shares of Rs. 100 Each	87,351	110,366	87,351	110,504	87,351	110,366	87,351	110,504
8 Himalayan Everest Insurance Limited 758 Shares of Rs. 100 Each	303,087	467,201	303,087	479,056	303,087	467,201	303,087	479,056
9 Api Power Co. Limited 310,933 Shares of Rs 100 Each	89,128,918	92,011,293	1,796,733	1,995,759	89,128,918	92,011,293	1,796,733	1,995,759
10 Butwal Power Co. Limited Shares of Rs. 100 Each	-	-	19,013,660	18,329,060	-	-	19,013,660	18,329,060
11 Samata Gharelu Laghubitta Bittiya Sanstha Limited (ordinary) 673 shares of Rs. 100 Each	67,300	636,510	-	-	67,300	636,510	-	-
12 Samata Gharelu Laghubitta Bittiya Sanstha Limited (Promoter) 4,009 shares of Rs. 100 Each	475,660	1,775,987	542,960	2,187,140	475,660	1,775,987	542,960	2,187,140
13 Suryodaya Womi Laghubitta Bittiya Sanstha Limited (Promoter) 59,622 shares of Rs. 100 Each	6,250,000	23,789,178	6,250,000	23,311,733	6,250,000	23,789,178	6,250,000	23,311,733
14 Nabil Balance Fund -2 500,000 Unit of Rs. 10 Each	5,000,000	5,055,000	5,000,000	4,500,000	5,000,000	5,055,000	5,000,000	4,500,000
15 NIC Asia Balance Fund 1,000,000 Unit of Rs. 10 Each	10,000,000	9,770,000	10,000,000	9,600,000	10,000,000	9,770,000	10,000,000	9,600,000

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PARTICULARS	GROUP				BANK			
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE						
16 Sanima GIC Insurance Limited (Promoter)								
15,663 Shares of Rs. 100 Each	1,457,100	5,059,149	1,457,100	4,203,734	1,457,100	5,059,149	1,457,100	4,203,734
17 Sanima GIC Insurance Limited								
461 Shares of Rs. 100 Each	42,900	281,205	42,900	247,533	42,900	281,205	42,900	247,533
18 National Laghubitta Bittiya Sanstha Limited (Promoter)								
169,658 shares of Rs. 100 Each	13,300,000	114,519,150	13,300,000	104,615,432	13,300,000	114,519,150	13,300,000	104,615,432
19 Citizen Mutual Fund 2								
500,000 Unit of Rs.10 Each	5,000,000	5,340,000	5,000,000	5,160,000	5,000,000	5,340,000	5,000,000	5,160,000
20 Siddhartha Investment Growth Scheme-2								
2,500,000 Unit of Rs. 10 Each	25,000,000	26,250,000	25,000,000	23,725,000	25,000,000	26,250,000	25,000,000	23,725,000
21 NMB 50								
2,000,000 Unit of Rs. 10 Each	20,000,000	21,380,000	20,000,000	20,080,000	20,000,000	21,380,000	20,000,000	20,080,000
22 Sunrise First Mutual Fund								
1,489,339 Unit of Rs. 10 Each	15,499,414	15,906,141	15,499,414	15,414,659	15,499,414	15,906,141	15,499,414	15,414,659
23 Sanima Large Capital Fund								
2,000,000 Unit of Rs. 10 Each	20,000,000	20,460,000	20,000,000	18,580,000	20,000,000	20,460,000	20,000,000	18,580,000
24 Sunrise Bluechip Fund								
2,500,000 Unit of Rs. 10 Each	25,000,000	25,000,000	25,000,000	20,675,000	25,000,000	25,000,000	25,000,000	20,675,000
25 NIBL Samriddhi Fund -2								
2,000,000 Unit of Rs. 10 Each	20,000,000	17,660,000	20,000,000	16,500,000	20,000,000	17,660,000	20,000,000	16,500,000
26 Prabhu Select Fund								
1,468,090 Unit of Rs. 10 Each	14,680,900	16,574,736	14,680,900	14,372,601	14,680,900	16,574,736	14,680,900	14,372,601
27 Bishal Bazar Company Limited								
2,010 shares of Rs. 100 Each	13,358,424	10,821,820	13,358,424	8,214,870	13,358,424	10,821,820	13,358,424	8,214,870
28 Citizen Investment Trust								
1,348 shares of Rs. 100 Each	1,979,118	2,663,271	1,979,118	19,955,700	1,979,118	2,663,271	1,979,118	19,955,700
29 Nepal Reinsurance Company Limited								
380 shares of Rs. 100 Each	-	478,842	-	253,374	-	478,842	-	253,374
30 Himalayan Life Insurance Limited								
5,196 shares of Rs. 100 Each	2,046,062	2,115,344	2,046,062	1,781,787	2,046,062	2,115,344	2,046,062	1,781,787
31 Rastriya Beema Company Limited								
660 shares of Rs. 100 Each	9,487,308	9,972,600	9,487,308	8,903,400	9,487,308	9,972,600	9,487,308	8,903,400
32 Arun Valley Hydropower Development Co. Ltd.								
105,437 shares of Rs. 100 Each	30,276,827	30,754,919	15,759,389	9,606,778	30,276,827	30,754,919	15,759,389	9,606,778
33 Asian Life Insurance Co. Limited								
8,521 shares of Rs. 100 Each	3,822,093	4,246,526	3,570,093	3,738,000	3,822,093	4,246,526	3,570,093	3,738,000
34 CEDB Hydropower Development Company Limited								
26,688 shares of Rs. 100 Each	41,034,468	70,509,429	3,252,198	4,686,996	41,034,468	70,509,429	3,252,198	4,686,996
35 Life Insurance Corporation (Nepal) Limited								
5,654 shares of Rs. 100 Each	4,867,326	5,027,706	4,601,926	4,314,000	4,867,326	5,027,706	4,601,926	4,314,000
36 Neco Insurance Limited								
17,534 shares of Rs. 100 Each	14,568,215	12,455,452	13,732,483	13,822,424	14,568,215	12,455,452	13,732,483	13,822,424
37 NRN Infrastructure and Development Limited								
720 shares of Rs. 100 Each	478,568	1,641,017	478,568	513,128	478,568	1,641,017	478,568	513,128

Contd...

PARTICULARS	GROUP				BANK			
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE	COST	FAIR VALUE	COST	FAIR VALUE	COST	FAIR VALUE
38 Sahas Urja Limited								
167,569 shares of Rs. 100 Each	95,664,213	107,250,863	16,004,083	13,224,120	95,664,213	107,250,863	16,004,083	13,224,120
39 Shivam Cements Ltd								
9,921 shares of Rs. 100 Each	6,025,517	5,308,132	6,025,517	4,591,022	6,025,517	5,308,132	6,025,517	4,591,022
40 United Ajud Insurance Limited								
6,000 shares of Rs. 100 Each	3,498,703	3,429,360	3,498,703	3,591,000	3,498,703	3,429,360	3,498,703	3,591,000
41 RBB Mutual Fund 1								
250,000 Unit of Rs. 10 Each	2,500,000	2,490,000	2,500,000	2,040,000	2,500,000	2,490,000	2,500,000	2,040,000
42 Deprosc Laghubitta Bittiya Sanstha Limited								
34,689 shares of Rs.100 Each	2,400,000	15,263,160	2,400,000	13,321,440	2,400,000	15,263,160	2,400,000	13,321,440
43 NIC Asia Flexi Cap Fund								
500,000 Unit of Rs. 10 Each	5,000,000	5,075,000	5,000,000	4,625,000	5,000,000	5,075,000	5,000,000	4,625,000
44 Kumari Dhanabridhhi Yojana								
2,000,000 Unit of Rs. 10 Each	20,000,000	20,100,000	20,000,000	19,340,000	20,000,000	20,100,000	20,000,000	19,340,000
45 Nepal Doorsanchar Company Limited								
7,953 shares of Rs. 100 Each	7,203,592	6,976,928	7,203,592	6,720,285	7,203,592	6,976,928	7,203,592	6,720,285
46 Bottlers Nepal (Terai) Limited								
500 shares of Rs. 100 Each	6,945,151	6,400,000	6,945,151	6,500,000	6,945,151	6,400,000	6,945,151	6,500,000
47 NIBL Growth Fund								
500,000 Unit of Rs. 10 Each	5,000,000	4,930,000	5,000,000	5,320,000	5,000,000	4,930,000	5,000,000	5,320,000
48 NMB Sulav Investment Fund 2								
2,000,000 Unit of Rs. 10 Each	20,000,000	22,580,000	20,000,000	20,120,000	20,000,000	22,580,000	20,000,000	20,120,000
49 Prabhu Smart Fund								
500,000 Unit of Rs. 10 Each	5,000,000	5,735,000	5,000,000	4,805,000	5,000,000	5,735,000	5,000,000	4,805,000
50 RBB Mutual Fund 2								
500,000 Unit of Rs. 10 Each	5,000,000	5,040,000	5,000,000	4,750,000	5,000,000	5,040,000	5,000,000	4,750,000
51 Sanima Mai Hydropower Limited								
11,001 shares of Rs. 100 Each	3,257,070	6,896,637	3,257,070	3,395,340	3,257,070	6,896,637	3,257,070	3,395,340
52 Nepal Life Insurance Co. Ltd.								
1 shares of Rs. 100 Each	-	773	-	619	-	773	-	619
53 Nepal Insurance Co. Ltd.								
1 shares of Rs. 100 Each	-	645	-	880	-	645	-	880
54 Sana Kisan Bikas Laghubitta Bittiya Sanstha Limited								
1 shares of Rs. 100 Each	-	884	-	-	-	884	-	-
55 Himalayan Reinsurance Limited								
2,069 shares of Rs. 100 Each	1,266,678	1,909,232	1,266,678	1,200,020	1,266,678	1,909,232	1,266,678	1,200,020
56 Kumari Sabal Yojana								
1,000,000 Unit of Rs. 10 Each	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
57 NIBL Stable Fund								
2,000,000 Unit of Rs. 10 Each	20,000,000	19,780,000	20,000,000	20,000,000	20,000,000	19,780,000	20,000,000	20,000,000
58 Citizen Life Insurance Company Limited								
6,747 shares of Rs. 100 Each	2,797,281	3,199,697	2,797,281	2,894,004	2,797,281	3,199,697	2,797,281	2,894,004
59 Himalayan 80.20 Mutual Fund								
1,500,000 Unit of Rs. 10 Each	15,000,000	17,400,000	15,000,000	14,985,000	15,000,000	17,400,000	15,000,000	14,985,000
60 Mountain Energy Nepal Limited								
22,770 shares of Rs. 100 Each	11,584,922	14,554,356	11,584,922	11,820,600	11,584,922	14,554,356	11,584,922	11,820,600
61 NIC Asia Growth Fund-II								
1,000,000 Unit of Rs. 10 Each	10,000,000	9,520,000	10,000,000	8,200,000	10,000,000	9,520,000	10,000,000	8,200,000

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PARTICULARS	GROUP				BANK			
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE	COST	FAIR VALUE	COST	FAIR VALUE	COST	FAIR VALUE
62 Prabhu Mahalaxmi Life Insurance Limited 2,376 shares of Rs. 100 Each	1,079,849	1,242,006	1,079,849	1,128,200	1,079,849	1,242,006	1,079,849	1,128,200
63 Muktinath Mutual Fund I 2,000,000 Unit of Rs. 10 Each	20,000,000	19,800,000	-	-	20,000,000	19,800,000	-	-
64 Himalayan Distillery Limited 12,100 shares of Rs. 100 Each	15,322,065	14,962,134	-	-	15,322,065	14,962,134	-	-
65 NLG Insurance Company Ltd. 2 shares of Rs. 100 Each	200	1,559	-	-	200	1,559	-	-
66 Garima Samriddhi Yojana 17,500,000 Unit of Rs. 10 Each	175,000,000	174,125,000	-	-	175,000,000	174,125,000	-	-
67 MBL Equity Fund 1,000,000 Unit of Rs. 10 Each	10,000,000	9,930,000	-	-	10,000,000	9,930,000	-	-
Sub-total	898,929,871	1,096,634,995	533,524,862	644,022,555	898,929,871	1,096,634,995	533,524,862	644,022,555
Investment in Unquoted equity								
1 Nepal Clearing House Ltd (Promoter) 49,406 shares of Rs. 100 Each	618,700	10,691,401	618,700	618,700	618,700	10,691,401	618,700	618,700
2 NIC Asia Dynamic Debt Fund 664,820 Unit of Rs.10 Each	6,648,200	7,086,981	6,648,200	7,372,854	6,648,200	7,086,981	6,648,200	7,372,854
3 Smart Choice Technologies Ltd. 100,000 shares of Rs.100 Each	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
4 Nabil Flexi CAP Fund 500,000 Unit of Rs. 10 Each	5,000,000	5,835,000	5,000,000	5,320,000	5,000,000	5,835,000	5,000,000	5,320,000
5 Kumari Sunaulo Lagani Yojana 500,000 Unit of Rs. 10 Each	5,000,000	6,155,000	5,000,000	5,920,000	5,000,000	6,155,000	5,000,000	5,920,000
6 Nepal Opportunity Fund 50,000 shares of Rs.100 Each	50,000,000	50,000,000	-	-	50,000,000	50,000,000	-	-
7 National Banking Institute Ltd 30,000 shares of Rs.100 Each	3,000,000	3,000,000	-	-	3,000,000	3,000,000	-	-
8 Sanima Flexi Fund 500,000 Unit of Rs. 10 Each	5,000,000	5,070,000	-	-	5,000,000	5,070,000	-	-
9 Prabhu Systematic Investment Scheme 200,000 Unit of Rs.10 Each	2,000,000	2,000,000	-	-	2,000,000	2,000,000	-	-
10 NIBL Equity Partners 35,000 shares of Rs.1000 Each	35,000,000	35,000,000	-	-	35,000,000	35,000,000	-	-
11 Budanilakantha Heritage Hotel Limited 100,000 shares of Rs.100 Each	12,956,000	20,729,600	10,000,000	12,690,000	-	-	-	-
12 Navya Advisors Ltd. 52,000 shares of Rs.100 Each	5,200,000	5,709,600	5,200,000	5,709,600	-	-	-	-
Sub-total	140,422,900	161,277,582	42,466,900	47,631,154	122,266,900	134,838,382	27,266,900	29,231,554
Grand Total	1,039,352,771	1,257,912,577	575,991,762	691,653,709	1,021,196,771	1,231,473,377	560,791,762	673,254,109

CURRENT TAX ASSETS/LIABILITY

4.9

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Current tax assets	690,510,954	638,453,627	673,601,815	627,502,567
Current year Income Tax Assets	654,852,089	638,453,627	637,942,951	627,502,567
Tax Assets of Prior Periods	35,658,865	-	35,658,865	-
Current tax liabilities	589,749,505	215,890,301	589,742,344	215,890,301
Current year Income Tax Liabilities	554,090,640	215,890,301	554,083,479	215,890,301
Tax Liabilities of Prior Periods	35,658,865	-	35,658,865	-
Total of income tax assets/(liabilities)	100,761,449	422,563,326	83,859,471	411,612,266

Current Tax Assets includes advance income tax paid by the Bank under self assessment tax returns filed as per the Income Tax Act 2058 and tax deducted at source (TDS) on behalf of the Bank. Similarly, the current income tax liabilities includes the tax payable to the Government computed as per the provision of the Income Tax Act 2058.

INVESTMENT IN SUBSIDIARIES

4.10

Amount in NPR

PARTICULARS	BANK	
	2081-82	2080-81
Investment in Quoted Subsidiaries	-	-
Investment in Unquoted Subsidiaries	123,900,000	123,900,000
Total Investment	123,900,000	123,900,000
Less: Impairment Allowances	-	-
Net Carrying Amount	123,900,000	123,900,000

INVESTMENT IN QUOTED SUBSIDIARIES

4.10.1

Amount in NPR

PARTICULARS	BANK			
	2081-82		2080-81	
	COST	FAIR VALUE	COST	FAIR VALUE
.....Ltd				
.....shares of Rs.... Each	-	-	-	-
.....Ltd				
.....shares of Rs.... Each	-	-	-	-
Total	-	-	-	-

INVESTMENT IN UNQUOTED SUBSIDIARIES

4.10.2

Amount in NPR

PARTICULARS	BANK			
	2081-82		2080-81	
	COST	FAIR VALUE	COST	FAIR VALUE
Garima Capital Limited				
1,239,000 shares of Rs 100 Each	123,900,000	123,900,000	123,900,000	123,900,000
Total	123,900,000	123,900,000	123,900,000	123,900,000

INFORMATION RELATING TO SUBSIDIARIES OF THE BANK

4.10.3

Amount in NPR

PARTICULARS	GROUP		BANK	
	PERCENTAGE OF OWNERSHIP HELD BY THE BANK			
	2081-82	2080-81	2081-82	2080-81
Garima Capital Limited	-	-	51.20%	51.20%
Total	-	-	51.20%	51.20%

NON CONTROLLING INTEREST OF THE SUBSIDIARIES

4.10.4

Amount in NPR

PARTICULARS	GROUP	
	GARIMA CAPITAL LIMITED	
	2081-82	2080-81
Equity Interest held by NCI (%)	48.80%	48.80%
Profit (Loss) allocated during the year	18,024,024	2,433,988
Accumulated Balances of NCI as on Ashad End	113,499,485	91,916,942
Dividend Paid to NCI	-	-

INVESTMENT IN ASSOCIATES

4.11

Amount in NPR

PARTICULARS	GROUP				BANK			
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE						
Investment in Quoted associates	-	-	-	-	-	-	-	-
Investment in Unquoted associates	-	-	-	-	-	-	-	-
Total Investment	-	-	-	-	-	-	-	-
Less: Impairment Allowances	-	-	-	-	-	-	-	-
Net Carrying Amount	-	-	-	-	-	-	-	-

INVESTMENT IN QUOTED ASSOCIATES

4.11.1

Amount in NPR

PARTICULARS	GROUP				BANK			
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE						
.....Ltd	-	-	-	-	-	-	-	-
.....shares of Rs.... Each	-	-	-	-	-	-	-	-
.....Ltd	-	-	-	-	-	-	-	-
.....shares of Rs.... Each	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

INVESTMENT IN UNQUOTED ASSOCIATES

4.11.2

Amount in NPR

PARTICULARS	GROUP				BANK			
	2081-82		2080-81		2081-82		2080-81	
	COST	FAIR VALUE						
Total	-	-	-	-	-	-	-	-

INFORMATION RELATING TO ASSOCIATES OF THE BANK

4.11.3

Amount in NPR

PARTICULARS	GROUP		BANK	
	PERCENTAGE OF OWNESHIP HELD BY THE BANK		PERCENTAGE OF OWNESHIP HELD BY THE BANK	
	2081-82	2080-81	2081-82	2080-81
Total	-	-	-	-

EQUITY VALUE OF ASSOCIATES

4.11.4

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
	Total	-	-	-

INVESTMENT PROPERTIES

4.12

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Investment Properties measured at Fair Value				
Balance as on Shrawan 1	-	-	-	-
Addition/(Disposal) during the year	-	-	-	-
Net Changes in fair value during the year	-	-	-	-
Adjustment/Transfer	-	-	-	-
Net Amount	-	-	-	-
Investment Properties measured at Cost				
Balance as on Shrawan 1	214,252,077	187,268,784	214,252,077	187,268,784
Addition/(Disposal) during the year	461,244,166	26,983,293	461,244,166	26,983,293
Adjustment/Transfer	-	-	-	-
Accumulated depreciation	-	-	-	-
Accumulated impairment loss	-	-	-	-
Net Amount	675,496,243	214,252,077	675,496,243	214,252,077
Total	675,496,243	214,252,077	675,496,243	214,252,077

Investment property includes the land purchased by Erstwhile Subhechha Bikas Bank Limited on 2070-06-24 for the purpose of construction of office building has been shown at historical cost of Rs. 32,114,800 has been shown as investment property. Further, net of non banking asset is recognised in Investment Properties.

PROPERTY PLANT AND EQUIPMENT

4.13

Amount in NPR

PARTICULARS	BANK											TOTAL ASAH END 2081	
	LAND	BUILDING	LEASEHOLD PROPERTIES	COMPUTER & ACCESSORIES	VEHICLES	FURNITURE & FIXTURES	MACHINERY	EQUIPMENT & OTHERS	TOTAL ASAH END 2082	TOTAL ASAH END 2081			
Cost													
As on Shrawan 2080	-	-	351,936,537	112,329,499	117,747,988	121,760,195	101,358,878	458,089,147					1,263,202,245
Addition during the year	-	-	12,440,784	5,936,558	20,110,700	4,491,730	2,552,872	23,248,769					68,781,413
Acquisition	-	-	12,440,784	5,936,558	20,110,700	4,491,730	2,552,872	23,248,769					68,781,413
Capitalization	-	-	-	-	-	-	-	-					-
Disposal during the year	-	-	(6,327,211)	(1,621,066)	(23,248,000)	(294,148)	(967,237)	(982,818)					(33,440,480)
Adjustment/Revaluation	-	-	-	-	-	-	-	-					-
Balance as on Ashad end 2081	-	-	358,050,110	116,644,991	114,610,688	125,957,778	102,944,513	480,335,099					1,298,543,179
Addition during the Year	612,648,036	-	18,662,553	12,159,099	34,919,300	4,946,968	5,438,969	480,608,481	1,169,383,405				
Acquisition	612,648,036	-	18,662,553	12,159,099	34,919,300	4,946,968	5,438,969	480,608,481	1,169,383,405				
Capitalization	-	-	-	-	-	-	-	-	-				-
Disposal during the year	-	-	(584,466)	(2,767,414)	(418,038)	(764,323)	(1,859,142)	(729,904)	(7123,287)				-
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-				-
Balance as on Ashad end 2082	612,648,036	-	376,128,197	126,036,677	149,111,949	130,140,423	106,524,340	960,213,676	2,460,803,298	1,298,543,179			
Depreciation and Impairment													
As on Shrawan 1. 2080	-	-	160,922,004	78,836,457	68,950,907	70,966,764	56,316,429	186,125,763					622,118,224
Depreciation charge for the year	-	-	31,180,328	14,706,918	19,020,411	14,113,021	9,828,127	65,688,319					154,537,124
Impairment for the year	-	-	-	-	-	-	-	-					-
Disposals	-	-	(2,716,578)	(1,612,927)	(23,037,005)	(228,548)	(967,237)	(939,568)					(29,501,864)
Adjustment	-	-	-	-	-	-	-	-					-
As on Ashad end 2081	-	-	189,385,754	91,930,448	64,934,213	84,851,238	65,177,319	250,874,514					747,153,484
Depreciation charge for the year	-	-	31,825,136	14,574,592	21,813,348	13,383,845	9,775,198	133,917,942	225,290,060				
Impairment for the year	-	-	-	-	-	-	-	-	-				-
Disposals	-	-	(256,123)	(2,761,357)	(418,038)	(667,162)	(1,495,270)	(713,625)	(6,311,575)				-
Adjustment	-	-	-	-	-	-	-	-					-
As on Ashad end 2082	-	-	220,954,766	103,743,683	86,329,523	97,567,921	73,457,246	384,078,831	966,131,970	747,153,484			
Capital Work in Progress 2079-80													
Capital Work in Progress 2080-81													
Capital Work in Progress 2081-82													
Net Book Value													
As on Ashad end 2080	-	-	191,014,533	33,483,042	48,797,181	50,793,431	45,042,449	271,943,385					551,389,695
As on Ashad end 2081	-	-	168,664,357	24,714,543	49,676,475	41,106,540	37,767,195	229,460,585					
As on Ashad end 2082	612,648,036	414,026,964	155,173,431	22,292,994	62,782,427	32,572,501	33,067,094	576,134,845	1,908,688,292				

The cost of an item of property and equipment has been recognized as an asset, initially recognized at cost. Subsequent expenditure is capitalized if it is probable that the future economic benefits from the expenditure will flow to the Bank. Ongoing repairs and maintenance to keep the assets in working condition are expensed as incurred. Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized within in profit or loss. Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful life as per management judgement.

GOODWILL AND INTANGIBLE ASSETS

4.14

Amount in NPR

PARTICULARS	GROUP					
	GOODWILL	SOFTWARE		OTHER	TOTAL ASAHD END 2082	TOTAL ASAHD END 2081
		PURCHASED	DEVELOPED			
Cost						
As on Shrawan 1 2080	92,311,741	34,148,214	-	463,300		126,923,256
Addition during the year	-	766,675	-	54,240		820,915
Acquisition	-	766,675	-	54,240		820,915
Capitalization	-	-	-	-		-
Disposal during the year	-	-	-	-		-
Adjustment/Revaluation	-	-	-	-		-
Balance as on Ashad end 2081	92,311,741	34,914,889	-	517,540		127,744,171
Addition during the Year	-	9,007,998	-	-	9,007,998	
Acquisition	-	9,007,998	-	-	9,007,998	
Capitalization	-	-	-	-	-	
Disposal during the year	-	-	-	-	-	
Adjustment/Revaluation	-	-	-	-	-	
Balance as on Ashad end 2082	92,311,741	43,922,887	-	517,540	136,752,169	127,744,171
Amortisation and Impairment						
As on Shrawan 1. 2080	-	25,363,667	-	135,854		25,499,521
Impairment for the year	-	-	-	-		-
Amortisation charge for the year	-	3,059,072	-	102,556		3,161,628
Disposals	-	-	-	-		-
Adjustment	-	-	-	-		-
As on Ashad end 2081	-	28,422,738	-	238,410		28,661,149
Impairment for the year	-	-	-	-		-
Amortisation charge for the year	-	2,570,500	-	103,507	2,674,007	
Disposals	-	-	-	-		-
Adjustment	-	-	-	-		-
As on Ashad end 2082	-	30,993,239	-	341,917	31,335,156	28,661,149
Capital Work in Progress 2079-80	-	-	-	-		
Capital Work in Progress 2080-81	-	-	-	-		-
Capital Work in Progress 2081-82	-	-	-	-		-
Net Book Value						
As on Ashad end 2080	92,311,741	59,511,881	-	599,154		
As on Ashad end 2081	92,311,741	6,492,151	-	279,130		99,083,022
As on Ashad end 2082	92,311,741	12,929,648	-	175,623	105,417,013	

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with the development of software are capitalized where it is probable that it will generate future economic benefits in excess of its cost. Computer software costs are amortized on the basis of expected useful life. Costs associated with maintaining software are recognized as an expense as incurred. Software is amortised on a straight-line basis in profit or loss over its estimated useful life, from the date that it is available for use. The estimated useful life of software for the current and comparative periods is five years.

GOODWILL AND INTANGIBLE ASSETS

4.14

Amount in NPR

PARTICULARS	BANK			TOTAL ASAHD END 2082	TOTAL ASAHD END 2081	
	GOODWILL	SOFTWARE				OTHER
		PURCHASED	DEVELOPED			
Cost						
As on Shrawan 1 2080	92,311,741	33,129,986	-	463,300	125,905,028	
Addition during the year	-	84,750	-	54,240	138,990	
Acquisition	-	84,750	-	54,240	138,990	
Capitalization	-	-	-	-	-	
Disposal during the year	-	-	-	-	-	
Adjustment/Revaluation	-	-	-	-	-	
Balance as on Ashad end 2081	92,311,741	33,214,736	-	517,540	126,044,018	
Addition during the Year	-	8,086,498	-	-	8,086,498	
Acquisition	-	8,086,498	-	-	8,086,498	
Capitalization	-	-	-	-	-	
Disposal during the year	-	-	-	-	-	
Adjustment/Revaluation	-	-	-	-	-	
Balance as on Ashad end 2082	92,311,741	41,301,234	-	517,540	126,044,018	
Amortisation and Impairment						
As on Shrawan 1. 2080	-	24,774,555	-	135,854	24,910,410	
Amortisation charge for the year	-	-	-	-	-	
Impairment for the year	-	2,985,845	-	102,556	3,088,401	
Disposals	-	-	-	-	-	
Adjustment	-	-	-	-	-	
As on Ashad end 2081	-	27,760,400	-	238,410	27,998,810	
Impairment for the year	-	-	-	-	-	
Amortisation charge for the year	-	2,487,230	-	103,507	2,590,737	
Disposals	-	-	-	-	-	
Adjustment	-	-	-	-	-	
As on Ashad end 2082	-	30,247,631	-	341,917	27,998,810	
Capital Work in Progress 2079-80	-	-	-	-	-	
Capital Work in Progress 2080-81	-	-	-	-	-	
Capital Work in Progress 2081-82	-	-	-	-	-	
Net Book Value	-	-	-	-	-	
As on Ashad end 2080	92,311,741	8,355,431	-	327,446	-	
As on Ashad end 2081	92,311,741	5,454,336	-	279,130	98,045,207	
As on Ashad end 2082	92,311,741	11,053,604	-	175,623	103,540,968	

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with the development of software are capitalized where it is probable that it will generate future economic benefits in excess of its cost. Computer software costs are amortized on the basis of expected useful life. Costs associated with maintaining software are recognized as an expense as incurred. Software is amortised on a straight-line basis in profit or loss over its estimated useful life, from the date that it is available for use. The estimated useful life of software for the current and comparative periods is five years.

DEFERRED TAXES ASSETS/(LIABILITIES)

4.15

Amount in NPR

PARTICULARS	2081-82					
	GROUP			BANK		
	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	NET DEFERRED TAX ASSETS/(LIABILITIES)	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	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	-	(73,461,514)	(73,461,514)	-	(63,082,982)	(63,082,982)
Property and Equipment	-	(172,946,287)	(172,946,287)	-	(167,502,920)	(167,502,920)
Employees' Defined Benefit Plan	48,793,210	-	48,793,210	48,793,210	-	48,793,210
Employees' Leave Liability	37,963,263	-	37,963,263	37,604,200	-	37,604,200
FCY Revaluation	192,893	-	192,893	192,893	-	192,893
Lease Liabilities	187,845,949	-	187,845,949	181,328,574	-	181,328,574
Debenture Issue Expenses	1,502,369	-	1,502,369	1,502,369	-	1,502,369
Provisions LLP	-	-	-	-	-	-
Other Temporary Differences	-	-	-	-	-	-
Deferred tax on temporary differences	276,297,683	(246,407,801)	29,889,882	269,421,245	(230,585,902)	38,835,344
Deferred tax on carry forward of unused tax losses	5,412,462	-	5,412,462	-	-	-
Deferred tax due to changes in tax rate	-	-	-	-	-	-
Net Deferred Tax Asset (Liabilities) as on year end of 2081/82	281,710,145	(246,407,801)	35,302,344	269,421,245	(230,585,902)	38,835,344
Recognized in profit or loss			85,651,741			78,806,209
Recognized in Other Comprehensive Income			(50,349,397)			(39,970,865)
Recognized directly in equity			-			-
Deferred Tax (Asset)/ Liabilities as on Shrawan 1, 2081			38,397,060			24,888,152
Origination/(Reversal) during the year			(3,094,716)			13,947,191
Deferred Tax (expense)/income recognized in profit or loss			15,452,881			30,969,709
Deferred Tax (expense)/income recognized in Other Comprehensive Income			(18,547,597)			(17,022,517)
Deferred Tax (expense)/income recognized directly in equity			-			-

DEFERRED TAXES ASSETS/(LIABILITIES)

4.15

Amount in NPR

PARTICULARS	2080-81					
	GROUP			BANK		
	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	NET DEFERRED TAX ASSETS/(LIABILITIES)	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	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	-	(36,367,087)	(36,367,087)	-	(33,738,704)	(33,738,704)
Property and Equipment	-	(83,957,329)	(83,957,329)	-	(78,048,782)	(78,048,782)
Employees' Defined Benefit Plan	25,227,174	-	25,227,174	25,227,174	-	25,227,174
Employees' Leave Liability	30,137,538	-	30,137,538	29,859,831	-	29,859,831
FCY Revaluation	887,342	-	887,342	887,342	-	887,342
Lease Liabilities	84,766,253	-	84,766,253	77,694,104	-	77,694,104
Debenture Issue Expenses	2,383,472	-	2,383,472	2,383,472	-	2,383,472
Provisions LLP	-	-	-	-	-	-
Other Temporary Differences	623,716	-	623,716	623,716	-	623,716
Deferred tax on temporary differences	144,025,495	(120,324,416)	23,701,079	136,675,639	(111,787,486)	24,888,152
Deferred tax on carry forward of unused tax losses	14,695,981	-	14,695,981	-	-	-
Deferred tax due to changes in tax rate	-	-	-	-	-	-
Net Deferred Tax Asset (Liabilities) as on year end of 2080/81	158,721,476	(120,324,416)	38,397,060	136,675,639	(111,787,486)	24,888,152
Recognized in profit or loss			51,652,030			35,514,740
Recognized in Other Comprehensive Income			(13,254,970)			(10,626,587)
Recognized directly in equity						
Deferred Tax (Asset)/ Liabilities as on Shrawan 1, 2080			48,158,347			32,452,227
Origination/(Reversal) during the year			(9,761,287)			(7,564,075)
Deferred Tax (expense)/income recognized in profit or loss			5,208,060			6,445,392
Deferred Tax (expense)/income recognized in Other Comprehensive Income			(14,969,347)			(14,009,467)
Deferred Tax (expense)/income recognized directly in equity			-			-

OTHER ASSETS

4.16

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Assets held for Sale	-	-	-	-
Other Non-Banking Assets	-	-	-	-
Bills Receivable	-	-	-	-
Accounts Receivable	179,272,831	447,196,649	142,301,477	408,124,037
Accrued Income	-	-	-	-
Prepayments and Deposits	52,016,127	39,194,799	50,914,482	38,204,707
Income Tax Deposit	-	-	-	-
Deferred Employee Expenditure	326,843,420	252,968,462	326,843,420	252,968,462
Other	165,866,985	162,289,594	165,037,366	161,774,706
Stationery Stock	10,965,732	6,226,032	10,965,732	6,226,032
Commission Receivable	-	-	-	-
Security Deposit	79,834,105	61,352,667	79,727,605	61,246,167
Prepayments for Promotor Share	-	-	-	-
Others	75,067,148	94,710,894	74,344,028	94,302,506
Grand Total	723,999,363	901,649,505	685,096,745	861,071,912

DUE TO BANK AND FINANCIAL INSTITUTIONS

4.17

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Money Market Deposits	-	-	-	-
Interbank Borrowing	700,000,000	-	700,000,000	-
Other Deposits from BFIs	1,865,987,630	1,783,291,131	1,865,987,630	1,783,291,131
Settlement and Clearing Accounts	-	-	-	-
Other Deposits from BFIs	-	-	-	-
Total	2,565,987,630	1,783,291,131	2,565,987,630	1,783,291,131

The balances in accounts maintained with the Bank by other local financial institution have been presented under this head.

DUE TO NEPAL RASTRA BANK

4.18

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Refinance from NRB	-	-	-	-
Standing Liquidity Facility	-	-	-	-
Lender of Last Resort facility from NRB	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-
Other Payable to NRB	-	-	-	-
Total	-	-	-	-

DERIVATIVE FINANCIAL INSTRUMENTS

4.19

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
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	-	-	-	-

DEPOSITS FROM CUSTOMERS

4.20

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Institutions Customers:	21,541,667,009	18,661,552,004	21,544,493,458	18,663,157,672
Term deposits	11,498,988,139	11,212,050,273	11,498,988,139	11,212,050,273
Call deposits	8,374,776,030	6,258,544,526	8,377,602,479	6,260,150,194
Current deposits	1,194,299,862	856,675,543	1,194,299,862	856,675,543
Other	473,602,978	334,281,662	473,602,978	334,281,662
Individual Customers:	68,571,136,400	65,589,598,458	68,571,136,400	65,589,598,458
Term deposits	28,380,062,185	40,074,699,578	28,380,062,185	40,074,699,578
Saving deposits	39,624,348,137	25,058,413,593	39,624,348,137	25,058,413,593
Current deposits	563,304,299	455,207,723	563,304,299	455,207,723
Other	3,421,780	1,277,564	3,421,780	1,277,564
Total	90,112,803,410	84,251,150,462	90,115,629,859	84,252,756,130

Deposit from customer includes matured fixed deposits and good for payment payable as on reporting date.

CURRENCY WISE ANALYSIS OF DEPOSIT FROM CUSTOMERS

4.20.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Nepalese Rupee	90,112,803,410	84,251,150,462	90,115,629,859	84,252,756,130
Indian Rupee	-	-	-	-
United State dollar	-	-	-	-
Great Britain pound	-	-	-	-
Euro	-	-	-	-
Japenese yen	-	-	-	-
Chinese Yuan	-	-	-	-
Other	-	-	-	-
Total	90,112,803,410	84,251,150,462	90,115,629,859	84,252,756,130

BORROWINGS**4.21**

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Domestic Borrowing				
Nepal Government	-	-	-	-
Other Institutions	98,587,819	55,201,283	-	6,250,000
Other	-	-	-	-
Sub total	98,587,819	55,201,283	-	6,250,000
Foreign Borrowing				
Foreign Bank and Financial Institutions	-	-	-	-
Multilateral Development Banks	-	-	-	-
Other institutions	-	-	-	-
Sub total	-	-	-	-
Total	98,587,819	55,201,283	-	6,250,000

PROVISIONS**4.22**

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Provisions for redundancy	-	-	-	-
Provision for restructuring	-	-	-	-
Pending legal issues and tax litigation	-	-	-	-
Onerous contracts	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

MOVEMENT IN PROVISIONS**4.22.1**

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Balance at Shrawan 1	-	-	-	-
Provisions made during the year	-	-	-	-
Provisions used during the year	-	-	-	-
Provisions reversed during the year	-	-	-	-
Unwind of discount	-	-	-	-
Balance at Ashad end	-	-	-	-

OTHER LIABILITIES

4.23

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Liabilities for employees defined benefit obligations	162,783,174	84,129,764	162,644,033	84,090,581
Liability for long-service leave	126,544,209	100,458,459	125,347,333	99,532,768
Short term employee benefits	2,265,241	2,299,198	192,851	192,851
Bills payable	56,698	137,314	56,698	137,314
Creditors and accruals	41,744,618	39,716,781	5,886,310	4,749,495
Interest payable on deposits	144,453,449	202,077,626	144,453,449	202,077,626
Interest payable on borrowing	43,869,862	43,995,890	43,869,862	43,995,890
Liabilities on deferred grant income	-	-	-	-
Unpaid Dividend	33,586,792	12,594,826	33,399,614	12,407,648
Liabilities under Finance Lease	626,153,163	309,668,980	604,428,580	286,095,149
Employee bonus payable	206,546,888	71,488,530	200,718,308	71,488,530
Other Liabilities	201,842,389	205,174,391	201,127,803	204,438,545
Audit Fee Payable	-	1,500,000	-	1,500,000
TDS Payable	58,221,652	53,109,425	57,966,557	52,780,677
Micro Finance Central Fund	-	-	-	-
Micro Finance Welfare Fund	58,427,276	60,799,928	58,427,276	60,799,928
Others	85,193,460	89,765,038	84,733,969	89,357,940
Total	1,589,846,482	1,071,741,757	1,522,124,839	1,009,206,396

Liabilities relating to employees benefits like liabilities for defined benefit obligation gratuity, leave liabilities, short-term employee benefits etc. Creditors and accruals, unearned income, unpaid dividend etc. are presented under this account head of other liabilities.

DEFINED BENEFITS OBLIGATION

4.23.1

Amount in NPR

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

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Present value of unfunded obligations	383,531,699	282,023,258	382,195,681	281,058,384
Present value of funded obligations	-	-	-	-
Total present value of obligations	383,531,699	282,023,258	382,195,681	281,058,384
Fair value of plan assets	94,204,316	97,435,035	94,204,316	97,435,035
Present value of net obligations	289,327,383	184,588,223	287,991,365	183,623,350
Recognised liability for defined benefit obligations	289,327,383	184,588,223	287,991,365	183,623,350

PLAN ASSETS

4.23.2

Amount in NPR

Plan assets comprise

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Equity securities	-	-	-	-
Government bonds	-	-	-	-
Bank deposit	-	-	-	-
Other	94,204,316	97,435,035	94,204,316	97,435,035
Total	94,204,316	97,435,035	94,204,316	97,435,035

MOVEMENT IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS**4.23.3**
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Defined benefit obligations at Shrawan 1	282,023,258	248,642,582	281,058,384	247,334,958
Actuarial losses	41,072,534	(60,463)	41,072,534	(60,463)
Benefits paid by the plan	(3,230,719)	(10,004,973)	(3,230,719)	(10,004,973)
Benefits paid Directly	(17,421,387)	(23,804,535)	(17,421,387)	(23,461,784)
Current service costs; Past Service Cost and interest	81,088,014	67,250,646	80,716,869	67,250,646
Defined benefit obligations at Ashad end	383,531,699	282,023,258	382,195,681	281,058,384

MOVEMENT IN THE FAIR VALUE OF PLAN ASSETS**4.23.4**
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Fair value of plan assets at Shrawan 1	97,435,035	107,440,008	97,435,035	107,440,008
Contributions paid into the plan	-	-	-	-
Benefits paid during the year	(3,230,719)	(10,004,973)	(3,230,719)	(10,004,973)
Actuarial (losses) gains	9,581,968	10,243,752	9,581,968	10,243,752
Expected return on plan assets	(9,581,968)	(10,243,752)	(9,581,968)	(10,243,752)
Fair value of plan assets at Ashad end	94,204,316	97,435,035	94,204,316	97,435,035

AMOUNT RECOGNISED IN PROFIT OR LOSS**4.23.5**
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Current service costs	52,287,790	51,912,824	51,916,645	51,912,824
Past service costs-(non Vested)	-	-	-	-
Past service costs (Vested)	-	-	-	-
Actuarial (gain)/loss	11,308,959	2,521,416	11,308,959	2,521,416
Interest on obligation	17,491,265	12,816,406	17,491,265	12,816,406
Expected return on plan assets	-	-	-	-
Total	81,088,014	67,250,646	80,716,869	67,250,646

AMOUNT RECOGNISED IN OTHER COMPREHENSIVE INCOME**4.23.6**
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Actuarial (gain)/loss	41,072,534	(60,463)	41,072,534	(60,463)
Total	41,072,534	(60,463)	41,072,534	(60,463)

ACTUARIAL ASSUMPTIONS

4.23.7
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Discount rate	9%	10%	9%	10%
Future salary increase	4%	4%	4%	4%
Withdrawal rate	5%	5%	5%	5%

DEBT SECUTITIES ISSUED

4.24
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Debt securities issued designated as at fair value through profit or loss	-	-	-	-
Debt securities issued at amortised cost	997,062,992	996,034,134	997,062,992	996,034,134
Total	997,062,992	996,034,134	997,062,992	996,034,134

SUBORDINATE LIABILITIES

4.25
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Redeemable preference shares	-	-	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

SHARE CAPITAL

4.26
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Ordinary Shares	5,680,517,328	5,680,517,328	5,680,517,328	5,680,517,328
Convertible Preference Shares (Equity component)	-	-	-	-
Irredeemable Preference Shares (Equity component)	-	-	-	-
Perpetual debt (Equity component only)	-	-	-	-
Total	5,680,517,328	5,680,517,328	5,680,517,328	5,680,517,328

ORDINARY SHARES

4.26.1

Amount in NPR

PARTICULARS	BANK	
	2081-82	2080-81
Authorised capital		
57,000,000 Ordinary Share of Rs. 100 each	5,700,000,000	5,700,000,000
Issued Capital		
56,805,173.28 Ordinary Share of Rs. 100 each (FY 80/81)		5,680,517,328
56,805,173.28 Ordinary Share of Rs. 100 each (FY 81/82)	5,680,517,328	
Suscribed and paid up capital		
56,805,173.28 Ordinary Share of Rs. 100 each (FY 80/81)		5,680,517,328
56,805,173.28 Ordinary Share of Rs. 100 each (FY 81/82)	5,680,517,328	
Total	5,680,517,328	5,680,517,328

The reconciliation of the number of share outstanding and the amount of share capital as at 32nd Ashad 2082 and 31st Ashad 2081 is as follows:

SHARE CAPITAL RECONCILIATION

4.26.1

Amount in NPR

PARTICULARS	BANK			
	2081-82		2080-81	
	NUMBER	AMOUNT	NUMBER	AMOUNT
Number/ Amount of shares outstanding at the beginning of the period	56,805,173	5,680,517,328	51,876,871	5,187,687,057
Add: Bonus shares issued	-	-	4,928,303	492,830,270
Add: Right share issued	-	-	-	-
Add/(Less): Others adjustments	-	-	-	-
Number/ Amount of share at the end of the period	56,805,173	5,680,517,328	56,805,173	5,680,517,328

ORDINARY SHARE OWNERSHIP

4.26.2

Amount in NPR

PARTICULARS	BANK			
	2081-82		2080-81	
	% OF HOLDING	AMOUNT	% OF HOLDING	AMOUNT
Domestic ownership	100%	5,680,517,328	100%	5,680,517,328
Nepal Government	-	-	-	-
"A" Class licenced institutions	-	-	-	-
Other Licenced institutions	-	-	-	-
Other institutions & individuals	-	-	-	-
Promoter	51%	2,897,063,837	51%	2,897,063,837
Other	49%	2,783,453,491	49%	2,783,453,491
Foreign Ownership	-	-	-	-
Total	100%	5,680,517,328	100%	5,680,517,328

LIST OF SHAREHOLDERS HOLDING MORE THAN 0.50% OF PAID-UP CAPITAL

Amount in NPR

S.N	NAME OF THE SHAREHOLDER	CURRENT YEAR		PREVIOUS YEAR	
		%	AMOUNT	%	AMOUNT
1	Pradeep Kumar Rungata	2.56	145,530,962.99	2.38	135,038,262.99
2	Shyam Prasad Bashyal	1.63	92,864,640.20	1.63	92,864,640.20
3	Chhabi Lal Kunwar	1.33	75,822,121.60	1.33	75,822,121.60
4	Chandrakanta Baral	1.31	74,601,074.83	1.77	100,787,774.98
5	Prem Bahadur G.C	1.16	65,744,664.65	1.16	65,744,664.65
6	Dr. Anand Prasad Shrestha	0.98	55,916,353.62	0.98	55,916,353.62
7	Anish Mudhvari	0.97	55,008,044.86	0.97	55,008,044.86
8	Nmb Saral Bachat Fund-E	0.96	54,368,824.00	0.56	31,613,824.11
9	Om Chavobiro Feed Industries Pvt. Ltd.	0.93	52,959,329.27	0.30	17,135,129.00
10	Deependra Shrestha	0.92	52,079,250.45	0.92	52,079,250.45
11	Yajan Lal Shakya	0.91	51,926,647.00	0.91	51,826,646.37
12	Jamuna Kafle	0.83	46,959,527.98	0.83	46,959,527.98
13	Shiva Prasad Katuwal Chhetri(K.C)	0.81	46,075,945.66	0.81	46,225,945.66

LIST OF SHAREHOLDERS HOLDING MORE THAN 0.50% OF PAID-UP CAPITAL

Amount in NPR

S.N	NAME OF THE SHAREHOLDER	CURRENT YEAR		PREVIOUS YEAR	
		%	AMOUNT	%	AMOUNT
14	Rama Kanta Baral	0.79	44,838,266.49	0.79	44,691,266.49
15	Gauri Shrestha	0.74	42,048,154.00	0.74	42,046,201.30
16	Himanshu Khadka	0.73	41,734,053.51	0.73	41,734,053.51
17	Sher Bahadur Budhathoki	0.68	38,677,240.02	0.68	38,677,240.02
18	Yadhav Kumar Shrestha	0.68	38,489,863.74	0.65	38,489,863.74
19	Rabindra Raj Joshi	0.67	38,283,011.08	0.67	38,283,011.08
20	Karna Bahadur Shrestha	0.64	36,159,634.58	0.64	36,159,634.58
21	Hari Kumar Shrestha	0.64	36,109,486.65	0.64	36,109,386.65
22	Narayan Prasad Sharma	0.57	32,417,832.99	0.47	26,417,832.99
23	Bhagawati Devi Pathak	0.56	31,863,220.92	0.56	31,863,220.92
24	Ram Prasad Shrestha	0.52	29,662,091.03	0.52	29,662,091.03

RESERVES

4.27

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Statutory general reserve	1,558,000,702	1,308,494,137	1,557,501,951	1,307,995,386
Exchange equalisation reserve	1,923,895	1,763,151	1,923,895	1,763,151
Corporate social responsibility reserve	16,388,110	12,877,210	16,021,436	12,879,185
Capital redemption reserve	-	-	-	-
Regulatory reserve	788,018,668	564,109,525	788,018,668	564,109,525
Investment adjustment reserve	-	-	-	-
Capital reserve	6,525,709	6,525,709	-	-
Assets revaluation reserve	-	-	-	-
Fair value reserve	153,218,432	84,748,451	147,193,624	78,723,643
Dividend Equalisation Reserve	-	-	-	-
Debenture Redemption Reserve	500,000,000	333,333,333	500,000,000	333,333,333
Actuarial gain/(Loss) Reserve	(53,928,272)	(25,177,499)	(53,928,272)	(25,177,499)
Special reserve	-	-	-	-
Other reserve	26,791,200	17,516,765	26,791,200	17,516,765
Total	2,996,938,444	2,304,190,783	2,983,522,502	2,291,143,490

CONTINGENT LIABILITIES AND COMMITMENTS

4.28

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Contingent liabilities	316,150,100	340,101,164	316,150,100	340,101,164
Undrawn and undisbursed facilities	3,883,766,028	1,141,156,266	3,883,766,028	1,141,156,266
Capital commitment	-	-	-	-
Lease Commitment	-	-	-	-
Litigation	-	-	-	-
Total	4,199,916,128	1,481,257,430	4,199,916,128	1,481,257,430

CONTINGENT LIABILITIES

4.28.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Acceptance and documentary credit	11,233,020	5,100,800	11,233,020	5,100,800
Bills for collection	-	-	-	-
Forward exchange contracts	-	-	-	-
Guarantees	43,452,900	30,737,500	43,452,900	30,737,500
Underwriting commitment	-	-	-	-
Other commitments	261,464,179	304,262,864	261,464,179	304,262,864
Total	316,150,100	340,101,164	316,150,100	340,101,164

UNDRAWN AND UNDISBURSED FACILITIES

4.28.2

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Undisbursed amount of loans	654,254,000	-	654,254,000	-
Undrawn limits of overdrafts	3,229,512,028	1,141,156,266	3,229,512,028	1,141,156,266
Undrawn limits of credit cards	-	-	-	-
Undrawn limits of letter of credit	-	-	-	-
Undrawn limits of guarantee	-	-	-	-
Total	3,883,766,028	1,141,156,266	3,883,766,028	1,141,156,266

CAPITAL COMMITMENTS

4.28.3

Amount in NPR

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

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
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	-	-	-	-

LEASE COMMITMENTS

4.28.4

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
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	-	-	-	-

LITIGATION

4.28.5

There is no any significant litigation that would affect the financial position of the Bank.

INTEREST INCOME

4.29

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Cash and cash equivalent	20,926,348	32,262,486	20,926,348	32,262,486
Due from Nepal Rastra Bank	-	-	-	-
Placement with bank and financial institutions	13,656	45,434	-	-
Loan and advances to bank and financial institutions	365,622,607	484,440,250	365,622,607	484,440,250
Loans and advances to customers	7,002,935,287	8,512,467,764	7,002,935,287	8,512,467,764
Investment securities	908,062,114	1,033,578,861	903,407,176	1,029,020,253
Loan and advances to staff	39,540,926	23,364,786	39,540,926	23,364,786
Other Interest Income	58,894,558	28,667,990	58,817,610	28,665,027
Total interest income	8,395,995,496	10,114,827,571	8,391,249,954	10,110,220,567

INTEREST EXPENSE

4.30

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Due to bank and financial institutions	24,352,097	39,160,949	16,244,464	36,212,689
Due to Nepal Rastra Bank	-	979,452	-	979,452
Deposits from customers	4,657,531,157	6,657,425,884	4,657,583,145	6,657,483,547
Borrowing	124,201	457,077	124,201	457,077
Debt securities issued	87,739,723	87,500,010	87,739,723	87,500,010
Subordinated liabilities	-	-	-	-
Other Charges	20,130,540	15,654,903	17,491,265	12,816,406
Total Interest expense	4,789,877,717	6,801,178,275	4,779,182,798	6,795,449,181

FEES AND COMMISSION INCOME

4.31

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Loan administration fees	-	-	-	-
Service fees	330,138,909	275,247,969	275,078,497	253,773,062
Consortium fees	-	-	-	-
Commitment fees	-	-	-	-
DD/TT/Swift fees	-	-	-	-
Credit card/ATM issuance and renewal fees	55,653,458	41,625,926	55,653,458	41,625,926
Prepayment and swap fees	23,580,642	22,100,955	23,580,642	22,100,955
Investment banking fees	-	-	-	-
Asset management fees	-	-	-	-
Brokerage fees	-	-	-	-
Remittance fees	4,173,301	5,696,995	4,173,301	5,696,995
Commission on letter of credit	-	-	-	-
Commission on guarantee contracts issued	10,172,097	9,439,115	10,172,097	9,439,115
Commission on share underwriting/issue	-	-	-	-
Locker rental	867,500	797,000	867,500	797,000
Other fees and commission income	146,848,953	143,456,960	146,848,953	143,456,960
Total Fees and Commission Income	571,434,860	498,364,921	516,374,447	476,890,013

FEES AND COMMISSION EXPENSE

4.32

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
ATM management fees	-	-	-	-
VISA/Master card fees	-	-	-	-
Guarantee commission	-	-	-	-
Brokerage	-	-	-	-
DD/TT/Swift fees.	-	-	-	-
Remittance fees and commission	-	-	-	-
Other fees and commission expense	10,999,709	25,062,223	5,480,318	20,520,241
Total Fees and Commission Expense	10,999,709	25,062,223	5,480,318	20,520,241

NET TRADING INCOME

4.33

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Changes in fair value of trading assets	20,696,751	3,659,527	-	-
Gain/loss on disposal of trading assets	23,999,141	17,942,487	-	-
Interest income on trading assets	-	-	-	-
Dividend income on trading assets	-	421,330	-	-
Gain/loss foreign exchange transaction	16,409,319	13,350,969	16,409,319	13,350,969
Other	-	-	-	-
Net Trading Income	61,105,210	35,374,312	16,409,319	13,350,969

OTHER OPERATING INCOME

4.34

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Foreign exchange revaluation gain/(Loss)	642,976	2,957,808	642,976	2,957,808
Gain/loss on sale of investment securities	38,380,764	2,170,751	38,380,764	2,170,751
Fair value gain/loss on investment properties	-	-	-	-
Dividend on equity instruments	21,960,766	21,711,487	21,556,019	21,711,487
Gain/loss on sale of property and equipment	59,395,826	3,712,130	59,395,826	3,712,130
Gain/loss on sale of investment property	(1,279,971)	541,894	(1,279,971)	541,894
Operating lease income	-	-	-	-
Gain/loss on sale of gold and silver	-	-	-	-
Other Operating Income	1,784,334	-	-	-
Total	120,884,695	31,094,070	118,695,614	31,094,070

IMPAIRMENT CHARGE/(REVERSAL) FOR LOAN AND OTHER LOSSES

4.35

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Impairment charge/(reversal) on loan and advances to BFIs	-	-	-	-
Impairment charge/(reversal) on loan and advances to customers	647,055,737	1,711,042,283	647,055,737	1,711,042,283
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	-	-	-	-
Total	647,055,737	1,711,042,283	647,055,737	1,711,042,283

PERSONNEL EXPENSES

4.36

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Salary	468,714,186	426,754,000	451,848,030	410,247,058
Allowances	285,654,148	200,053,266	284,439,573	199,176,040
Gratuity Expense	34,193,863	34,670,834	34,093,905	34,670,834
Provident Fund	42,077,671	38,525,627	41,861,091	38,324,067
Uniform	8,610,000	8,412,000	8,610,000	8,412,000
Training & development expense	9,739,488	11,873,961	9,648,011	11,645,226
Leave encashment	62,258,910	45,902,345	61,987,723	45,902,345
Medical	-	-	-	-
Insurance	1,485,468	1,336,440	1,384,930	1,336,440
Employees incentive	266,667	529,334	266,667	529,334
Cash-settled share-based payments	-	-	-	-
Pension expense	-	-	-	-
Finance expense under NFRS	(249,074)	-	(249,074)	-
Other expenses related to staff	16,210,340	1,884,665	15,988,850	1,527,602
Sub-total	928,961,666	769,942,470	909,879,706	751,770,945
Employees bonus	206,546,888	72,180,179	200,718,308	71,488,530
Grand Total	1,135,508,554	842,122,649	1,110,598,014	823,259,474

OTHER OPERATING EXPENSES

4.37

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Directors' fee	2,054,000	1,996,000	1,624,000	1,522,000
Directors' expense	3,605,680	3,361,771	3,572,321	3,335,221
Auditors' remuneration	6,146,648	5,712,656	5,999,748	5,572,656
Other audit related expense	-	-	-	-
Professional and legal expense	2,666,198	1,783,979	2,643,598	1,544,709
Office administration expense (4.37 A)	309,139,443	273,932,962	302,966,709	268,013,599
Operating Lease expense (4.37 B)	2,395,487	98,570,164	1,931,273	98,205,633
Operating expense of investment properties	-	-	-	-
Corporate social responsibility expense	11,029,918	10,243,732	10,979,918	10,243,732
Onerous lease provisions	-	-	-	-
Other Expenses	134,124,194	93,089,595	134,124,194	93,089,595
Share Issue Expenses	-	1,860,992	-	1,860,992
Debenture Related Expense	1,028,858	944,876	1,028,858	944,876
Finance Cost on Lease Liability	64,781,969	28,971,353	64,781,969	28,971,353
ATM, Operation & Digital Banking Expense	68,313,367	61,312,374	68,313,367	61,312,374
Total	471,161,568	488,690,859	463,841,760	481,527,145

OFFICE ADMINISTRATION EXPENSES

4.37 A
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Water and electricity	30,315,444	27,968,030	29,795,865	27,526,371
Repair and maintenance				
(a) Building	-	-	-	-
(b) Vehicle	3,275,417	3,370,631	3,275,417	3,370,631
(c) Computer and accessories	455,131	566,159	455,131	537,768
(d) Office equipment and furniture	2,090,150	2,175,477	2,090,150	2,175,477
(e) Other	2,595,697	2,497,682	2,410,475	2,412,978
Insurance	8,594,562	9,210,355	8,551,926	9,159,813
Postage, telex, telephone, fax	4,421,017	5,516,914	4,178,512	5,041,720
Printing and stationery	20,657,907	23,897,714	20,399,098	23,506,330
News paper, books and journals	82,359	71,510	82,359	71,510
Advertisement	23,799,438	17,812,759	23,382,089	17,336,614
Donation	-	-	-	-
Security expense	100,161,854	80,347,895	99,837,554	80,023,595
Deposit and loan guarantee premium	36,800,641	33,105,653	36,800,641	33,105,653
Travel allowance and expense	5,064,276	3,853,105	4,911,494	3,853,105
Entertainment	-	-	-	-
Annual/special general meeting expense	3,941,575	3,389,650	3,256,250	2,884,534
Other				
a) Annual Fee(Registration, Renewal & Membership Charges)	26,874,210	20,369,648	26,611,563	20,188,357
b) Office Expenses	15,734,181	14,778,589	14,068,900	13,251,152
c) Miscellaneous Expenses	1,130,526	1,868,787	368,862	768,375
d) Fuel Expenses	12,700,129	12,040,850	12,700,129	12,040,850
e) Branch Connectivity Expense	10,444,930	11,091,554	9,790,294	10,758,764
Total	309,139,443	273,932,962	302,966,709	268,013,599

OPERATING LEASE EXPENSES

4.37 B
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
House Rent Expenses	2,395,487	98,570,164	1,931,273	98,205,633
Total	2,395,487	98,570,164	1,931,273	98,205,633

DEPRECIATION AND AMORTISATION

4.38
Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Depreciation on property and equipment	230,834,410	160,145,080	225,290,060	154,537,124
Depreciation on investment property	-	-	-	-
Amortisation of intangible assets	2,674,007	3,088,401	2,590,737	3,088,401
Total	233,508,417	163,233,481	227,880,797	157,625,525

NON OPERATING INCOME

4.39

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Recovery of Loan written off	-	-	-	-
Other Income	540,000	1,290,509	540,000	1,265,000
Total	540,000	1,290,509	540,000	1,265,000

NON OPERATING EXPENSE

4.40

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Loan written off	2,765,132	-	2,765,132	-
Redundancy provision	-	-	-	-
Expense of restructuring	-	-	-	-
Other expense	161,438	-	-	-
Total	2,926,571	-	2,765,132	-

INCOME TAX EXPENSES

4.41

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Current Tax Expenses	589,749,505	215,890,301	589,742,344	215,890,301
Current Year	554,090,640	215,890,301	554,083,479	215,890,301
Adjustment for Prior Years	35,658,865	-	35,658,865	-
Deferred tax Expenses	(15,452,881)	(5,208,060)	(30,969,709)	(6,445,392)
Origination and Reversal of Temporary Differences	(15,452,881)	(5,208,060)	(30,969,709)	(6,445,392)
Change in tax Rate	-	-	-	-
Recognition of Previously unrecognized Tax Losses	-	-	-	-
Total Income tax expense	574,296,624	210,682,241	558,772,635	209,444,909

RECONCILIATION OF TAX EXPENSES AND ACCOUNTING PROFIT

4.41.1

Amount in NPR

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Profit Before Tax	1,858,921,988	649,621,612	1,806,464,776	643,396,769
Tax Amount at the Rate of 30%	557,676,596	194,886,483	541,939,433	193,019,031
Add: Tax Effect of the expenses that are not deductible for tax purpose	123,339,838	118,240,030	123,339,838	118,240,030
Less: Tax Effect on Exempt Income	(173,584)	(309,812)	(173,584)	(309,812)
Add/Less: Tax Effect on other Items	(126,752,211)	(95,058,948)	(111,022,208)	(95,058,948)
Total Income Tax Expenses	554,090,640	217,757,754	554,083,479	215,890,301
Effective Tax Rate	29.81%	33.52%	30.67%	33.55%

5. Disclosures and Additional Information

5.1 Risk Management

Risk Management structure of the Bank has set clear separation between businesses function and risk management function. Accordingly, the Bank has set up a separate Risk Management & Compliance Department. The department oversees the risk that arise out of daily business operation as well as on periodic basis and are put to the oversight of Top Management, Risk Management Committee and the Board to discuss the reports thereon and issue instructions as appropriate.

I. RISK MANAGEMENT COMMITTEE

Board of Directors is the apex and supreme authority of the Bank and is responsible to frame and implement robust policies and framework for effective compliance of regulation and direction issued by the regulatory authority. The board understands the nature of risk of the bank, and periodically reviews reports on risk management, including policies and standards, stress testing, liquidity and capital adequacy through the reporting by the Risk Management Committee and the Asset- Liabilities Management Committee.

Pursuant to the NRB directive on corporate governance, the Bank has established Risk Management Committee with well-defined terms of reference in line the NRB directive. The committee supervises overall risk management of the Bank broadly classified as liquidity risk, market risk, operational risk and credit risk.

II. RISK GOVERNANCE

Bank has prepared and implemented policies and procedures to mitigate the risk at enterprises level arising to the bank and has inculcated risk culture among the employees by establishing ownership mentality, capacity building programs, well defined job responsibilities and inhabiting good ethical culture.

Through its Risk Management Framework, the Bank seeks to efficiently manage credit, market and liquidity risks which arise directly through the Bank's commercial activities as well as operational, regulatory and reputational risks which arise as a normal consequence of any business undertaking.

The Assets and Liabilities Committee is responsible for the management of capital and establishment of,

and compliance with, policies relating to balance sheet management, including management of liquidity, capital adequacy and structural foreign exchange and interest rate exposure and tax exposure.

The bank's risk governance structure is such that the responsibility for maintaining risk within the banks risk blanket is cascaded down from the Board to the appropriate functional, client business, senior management and committees. Information regarding material risk issues and compliance with policies and standards is communicated through the business, functional, senior management and committees.

III. INTERNAL CONTROL

The Board is responsible for ensuring the Bank has appropriate internal control framework in place that supports the achievement of the strategies and objectives. The various functions of the Bank should be looked upon with a view to establish a proper control mechanism is in place during expansion and growth 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.

The effectiveness of the Company's internal control system is reviewed regularly by the Board, its Committees, Management and Internal Auditors.

The Internal Audit monitors compliance with policies/ standards and the effectiveness of internal control structures across the Bank through regular audit, special audit, information system audit, Off Site review. The audit observations are reported to the Management for initiating immediate corrective measures. Internal Audit reports are periodically forwarded to the Audit Committee for review and the committee issues appropriate corrective action in accordance with the issue involved to the management.

5.1.1 Credit Risk

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

and reporting framework established within the Bank. Bank has implemented various System/ Policies/ Procedures/ Guidelines for the effective management of Credit Risk. For the purpose of assessment of credit risk of the bank, following activities were carried out:

- Current system/policies/procedures/ guidelines formulated were gone through;
- Actual Exposure of credit limit product wise, segment wise were checked periodically;
- Review of various reports prepared by the Departments such as Loan Utilization Report, Loan Overdue Report, Loan Report, and NRB reports.

Credit Risk Management is ultimately the responsibility of the Board of Directors. Hence Overall strategy as well as significant policies has to be reviewed by the board regularly. Further, Top Management is responsible for implementing the bank's credit risk management strategies and policies and ensuring that procedures are put in place to manage and control credit risk and the quality of credit portfolio in accordance with these policies.

5.1.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

i. Currency Risk:

Foreign exchange risk is the potential for the Bank to experience volatility in the value of its assets, liabilities and solvency and to suffer actual financial losses as a result of changes in value between the currencies of its assets and liabilities and its reporting currency.

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

iii. Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors

specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company's equity price risk exposure relates to financial investment held at FVTOCI, whose values fluctuate as a result of changes in market prices.

5.1.3 Liquidity Risk

Bank recognize Market Risk as the possibility for loss of earnings or economic value to the Bank caused due to adverse changes in the market level of interest rates or prices of securities (equity), foreign exchange rates and commodity price fluctuation, as well as the volatilities, of those prices. While Liquidity risk is chances of failure of a bank to meet obligations as they become due. Effective liquidity risk management helps ensure the Bank's ability to meet its obligations as they fall due without adversely affecting the Bank's financial condition and reduces the probability of developing of an adverse situation.

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Bank on acceptable terms. To minimize this risk, management has arranged for diversified funding sources in addition to its core deposit base and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Bank has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding as required.

5.2 Capital Management

5.2.1 Qualitative disclosures

The Capital Adequacy calculation is mainly guided by the Capital Adequacy Framework 2015 as published by Nepal Rastra Bank. The Bank has

formulated the "Internal Capital Adequacy Assessment Process which has been approved by the Board of Directors. The ICAAP is a system of sound, effective, and complete strategies and processes that allows the Bank to assess and maintain, ongoing basis, the amounts, types and distribution of internal capital that the Bank considers adequate to cover the nature and level of risk to which the Bank is or might be exposed to.

5.2.2 Quantitative disclosures

a) Capital Structure and Capital Adequacy

i. Tier 1 capital and a breakdown of its components

NPR in "000"

S. NO.	PARTICULARS	2081/82	2080/81
A	Core Capital (Tier 1)		
1	Paid up Equity Share Capital	5,680,517	5,680,517
2	Equity Share Premium	-	-
3	Proposed Bonus Equity Shares	-	-
4	Statutory General Reserves	1,557,502	1,307,995
5	Retained Earnings	2,377	3,305
6	Unaudited current year cumulative profit/(loss)	596,837	283,098
7	Capital Redemption Reserve	-	-
8	Capital Adjustment Reserve	-	-
9	Debenture Redemption Reserve	500,000	333,333
10	Dividend Equalization Reserves	-	-
11	Bargain Purchase Gain	-	-
12	Other Free Reserve	-	-
13	Less: Goodwill	92,312	92,312
14	Less: Intangible Assets	11,229	5,454
15	Less: Fictitious Assets	38,835	24,888
16	Less: Investment in equity in licensed Financial Institutions	-	-
17	Less: Investment in equity of institutions with financial interests	123,900	123,900
18	Less: Investment in equity of institutions in excess of limits	-	-
19	Less: Investments arising out of underwriting commitments	-	-
20	Less: Reciprocal crossholdings	-	-
21	Less: Purchase of land & building in excess of limit and unutilized	32,115	32,115
22	Less: Cash Flow Hedge	-	-
23	Less: Defined Benefits Pension Assets	-	-
24	Less: Unrecognized Defined Benefit Pension Liabilities	-	-
25	Less: Negative Balances of reserve accounts	-	25,220
26	Less: Other Deductions	100,171	-
	Core Capital (Tier 1)	7,938,671	7,304,360

ii. Tier 2 capital and a breakdown of its components

NPR in "000"

S. NO.	PARTICULARS	2081/82	2080/81
B	Supplementary Capital (Tier 2)		
1	Cumulative and/or Redeemable Preference Share	-	-
2	Subordinated Term Debt	497,063	662,701
3	Hybrid Capital Instruments	-	-
4	Stock Premium	-	-
5	General loan loss provision	796,553	732,387
6	Exchange Equalization Reserve	1,924	1,763
7	Investment Adjustment Reserve	-	-
8	Accrued Interest Receivable on pass loan included in Regulatory Reserve	102,161	-
9	Interest Capitalized Reserve included in Regulatory Reserve	-	-
10	Other Reserves	-	-
	Eligible Supplementary Capital (Tier 2)	1,397,700	1,396,851

iii. Subordinated Term Debt

Summary of the terms, conditions and main features of all capital instruments specially in case of subordinated term debts including hybrid capital instruments

NPR in "000"

PARTICULARS	INFORMATION
Name	8.75% Garima Debenture, 2085
Interest Rate	8.75% per annum (before tax) payable half yearly
Type	Unsecured and Redeemable at Maturity, No Call/Convertible feature
Priority to the debenture holders	At the time of liquidation, priority of Debenture Holders payment will be after the depositors and secured creditors
Listing	Listed with Nepal Stock Exchange
Maturity Date	Poush 2085
Number of Debentures	1,000,000 (One Million Only)
Face Value	NPR 1,000
Closing Balance of Debenture	NPR. 997,062
Amount Eligible for Tier 2 Capital Fund (net of Redemption Reserve)	NPR. 497,063

The Bank has not raised any funds through Hybrid Capital Instruments

iv. Deductions from Capital

NPR in "000"

S. NO.	PARTICULARS	2081/82	2080/81
1	Less: Goodwill	92,312	92,312
2	Less: Intangible Assets	11,229	5,454
3	Less: Fictitious Assets	38,835	24,888
4	Less: Investment in equity of institutions with financial interests	123,900	123,900
5	Less: Purchase of land & building in excess of limit and unutilized	32,115	32,115
6	Less: Negative Balances of reserve accounts	-	25,220
7	Less: Other Deductions	100,171	-
	Total deductions from capital	398,562	303,889

*Investment made in Bank's subsidiary, Garima Capital Limited

v. Total Qualifying Capital

NPR in "000"

S. NO.	PARTICULARS	2081/82	2080/81
1	Core Capital (Tier 1)	7,938,671	7,304,360
2	Supplementary Capital (Tier 2)	1,397,700	1,396,851
	Total	9,336,371	8,701,211

vi. Capital Adequacy Ratio:

PARTICULARS	2081/82	2080/81
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	11.22%	11.16%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	13.20%	13.29%

vii. Summary of the bank's internal approach to assess the adequacy of its capital to support current and future activities, if applicable;

The bank also takes into consideration these risk factors during assessment of ICCAP. The bank's internal Capital Adequacy Assessment Process (ICCAP) involves assessment of actual capacity of the Bank, additional capital requirement in relation to the existing risk profile of the bank and additional capital requirement in relation to the business growth of the bank.

a) Risk Exposures

i. Risk weighted exposures for Credit Risk, Market Risk and Operational Risk

NPR in "000"

S. NO.	PARTICULARS	2081/82
a.	Risk Weighted Exposure for Credit Risk	63,724,214
b.	Risk Weighted Exposure for Operational Risk	4,827,373
c.	Risk Weighted Exposure for Market Risk	102,620
	Total Risk Weighted Exposures (Before adjustments of Pillar II)	68,654,207

a) Risk weighted exposures for Credit Risk:

A. BALANCE SHEET EXPOSURES	BOOK VALUE	SPECIFIC PROVISION	ELIGIBLE CRM	NET VALUE	RISK WEIGHT	RISK WEIGHTED EXPOSURES
	A	B	C	D=A-B-C	E	F=D*E
Cash Balance	842,671	-	-	842,671	0%	-
Balance With Nepal Rastra Bank	3,778,538	-	-	3,778,538	0%	-
Gold	-	-	-	-	0%	-
Investment in Nepalese Government Securities	13,145,090	-	-	13,145,090	0%	-
All Claims on Government of Nepal	43,436	-	-	43,436	0%	-
Investment in Nepal Rastra Bank securities	5,819,150	-	-	5,819,150	0%	-
All claims on Nepal Rastra Bank	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	100%	-
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	-	-	-	-	0%	-
Claims on Other Multilateral Development Banks	-	-	-	-	100%	-

a) Risk weighted exposures for Credit Risk:

A. BALANCE SHEET EXPOSURES	BOOK VALUE	SPECIFIC PROVISION	ELIGIBLE CRM	NET VALUE	RISK WEIGHT	RISK WEIGHTED EXPOSURES
	A	B	C	D=A-B-C	E	F=D*E
Claims on Domestic Public Sector Entities	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	150%	-
Claims on domestic banks that meet capital adequacy requirements	6,940,698	-	-	6,940,698	20%	1,388,140
Claims on domestic banks that do not meet capital adequacy requirements	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 0-1)	-	-	-	-	20%	-
Claims on foreign bank (ECA Rating 2)	-	-	-	-	50%	-
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 7)	-	-	-	-	150%	-
Claims on foreign bank incorporated in SAARC region and China operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Claims on Domestic Corporates(Credit rating score equivalent to AAA)	-	-	-	-	50%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	70%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	-	-	-	-	80%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	-	-	-	-	100%	-
Claims on Domestic Corporates (Unrated)	9,420,021	-	12,987	9,407,035	100%	9,407,035
Claims on Foreign Corporates(ECA 0-1)	-	-	-	-	20%	-
Claims on Foreign Corporates(ECA 2)	-	-	-	-	50%	-
Claims on Foreign Corporates(ECA 3-6)	-	-	-	-	100%	-
Claims on Foreign Corporates(ECA 7)	-	-	-	-	150%	-
Regulatory Retail Portfolio (Not Overdue)	31,266,494	-	1,604,010	29,662,485	75%	22,246,864
Claims fulfilling all criterion of regularity retail except granularity	-	-	-	-	100%	-
Claims secured by residential properties	14,700,790	-	-	14,700,790	60%	8,820,474
Claims not fully secured by residential properties	-	-	-	-	150%	-
Claims secured by residential properties (Overdue)	-	-	-	-	100%	-
Claims secured by Commercial real estate	4,251,720	-	-	4,251,720	100%	4,251,720
Past due claims (except for claims secured by residential properties)	5,465,111	3,042,892	-	2,422,218	150%	3,633,328
High Risk claims	2,878,055	-	46,432	2,831,623	150%	4,247,434
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2015-point 3.3(j)(k))	-	-	-	-	125%	-
Lending against securities (bonds)	-	-	-	-	100%	-
Lending against Shares	3,035,404	-	-	3,035,404	100%	3,035,404
Trust Receipt Loans for Trading Firms	-	-	-	-	120%	-

a) Risk weighted exposures for Credit Risk:

A. BALANCE SHEET EXPOSURES	BOOK VALUE	SPECIFIC PROVISION	ELIGIBLE CRM	NET VALUE	RISK WEIGHT	RISK WEIGHTED EXPOSURES
	A	B	C	D=A-B-C	E	F=D*E
Real Estate loans for land acquisition and development (For institutions/projects registred/licensed and approved by Government of Nepal for land acquisition and development purposes)	-	-	-	-	100%	-
Personal Hirepurchase/Personal Auto Loans	1,075,636	-	-	1,075,636	100%	1,075,636
Investments in equity and other capital instruments of institutions listed in stock exchange	1,096,635	197,705	-	898,930	100%	898,930
Investments in equity and other capital instruments of institutions not listed in the stock exchange	134,838	12,571	-	122,267	150%	183,400
Staff loan secured by residential property	585,278	-	-	585,278	50%	292,639
Interest Receivable/claim on government securities	-	-	-	-	0%	-
Cash in transit and other cash items in the process of collection	-	-	-	-	20%	-
Other Assets (as per attachment)	4,241,682	928,880	-	3,312,802	100%	3,312,802
TOTAL (A)	108,721,247	4,182,049	1,663,428	102,875,770		62,793,805

B. OFF BALANCE SHEET EXPOSURES	BOOK VALUE	SPECIFIC PROVISION	ELIGIBLE CRM	NET VALUE	RISK WEIGHT	RISK WEIGHTED EXPOSURES
	A	B	C	D=A-B-C	E	F=D*E
Revocable Commitments	-	-	-	-	0%	-
Bills Under Collection	-	-	-	-	0%	-
Forward Exchange Contract Liabilities	-	-	-	-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	11,233	-	-	11,233	50%	5,617
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	261,464	-	-	261,464	40%	104,586
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-
Underwriting commitments	-	-	-	-	50%	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	100%	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	100%	-
Advance Payment Guarantee	5,653	-	-	5,653	100%	5,653

B. OFF BALANCE SHEET EXPOSURES	BOOK VALUE	SPECIFIC PROVISION	ELIGIBLE CRM	NET VALUE	RISK WEIGHT	RISK WEIGHTED EXPOSURES
Financial Guarantee	37,800	-	-	37,800	100%	37,800
Acceptances and Endorsements	-	-	-	-	100%	-
Unpaid portion of Partly paid shares and Securities	-	-	-	-	100%	-
Irrevocable Credit commitments (short term)	3,883,766	-	-	3,883,766	20%	776,753
Irrevocable Credit commitments (long term)	-	-	-	-	50%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Other Contingent Liabilities	-	-	-	-	100%	-
Unpaid Guarantee Claims	-	-	-	-	200%	-
TOTAL (B)	4,199,916	-	-	4,199,916		930,408
Total RWE for credit Risk Before Adjustment (A)+(B)	112,921,163	4,182,049	1,663,428	107,075,686		63,724,214
Adjustments under Pillar II						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE	-	-	-	-	-	-
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE	-	-	-	-	-	-
Total RWE for Credit Risk after Bank's adjustments under Pillar II	112,921,163	4,182,049	1,663,428	107,075,686		63,724,214

Types of eligible risk mitigants used and the benefits under CRM

NPR in "000"

S. NO.	PARTICULARS	2081/82
1	Deposit with Banks	554,591
2	Deposit with other banks/financial institution	-
3	Gold	1,108,837
4	Government and NRB Securities	-
5	Guarantee of Government of Nepal	-
6	Securities/Guarantee of other Sovereigns	-
7	Guarantee of Domestic Banks	-
8	Guarantee of Multilateral Development Banks	-
9	Guarantee of Foreign Banks	-
	Total Credit Risk Mitigants	1,663,428

b) Risk weighted exposures for Operation Risk:

NPR in "000"

S. NO.	PARTICULARS	2078/079	2079/080	2080/081
1	Net Interest Income	2,593,863	3,263,988	3,314,771
2	Commission and Discount Income	359,307	405,599	476,890
3	Other Operating Income	113,804	33,300	31,094
4	Exchange Fluctuation Income	314	15,000	13,351
5	Addition/Deduction in Interest Suspense during the period	-	-	-
6	Gross income (a)	3,067,288	3,717,888	3,836,106
7	Alfa (b)	15%	15%	15%
8	Fixed Percentage of Gross Income [c=(a×b)]	460,093	557,683	575,416
9	Capital Requirement for operational risk (d) (average of c)			531,064
10	Risk Weight (reciprocal of capital requirement of 11%) in times (e)			9.09
11	Equivalent Risk Weight Exposure [f=(d×e)]			4,827,373

c) Risk weighted exposure for Market Risk

S. NO.	CURRENCY	OPEN POSITION (FCY)	EXCHANGE RATE	OPEN POSITION (NPR)	RELEVANT OPEN POSITION
1	INR	146,579	1.60	234,526	234,526
2	USD	1,143,945	137.45	157,235,218	157,235,218
3	GBP	1,760	186.13	327,580	327,580
4	EUR	40,635	159.64	6,486,768	6,486,768
5	THB	68,580	4.22	289,408	289,408
6	CHF	6,170	171.28	1,056,798	1,056,798
7	AUD	7,130	91.81	654,570	654,570
8	CAD	65,430	100.22	6,557,395	6,557,395
9	SGD	19,509	107.09	2,089,121	2,089,121
10	JPY	3,629,501	0.92	3,344,948	3,344,948
11	HKD	104,710	17.49	1,830,854	1,830,854
12	DKK	-	21.38	-	-
13	SEK	-	14.11	-	-
14	SAR	360,089	36.53	13,154,051	13,154,051
15	QAR	173,507	37.65	6,531,671	6,531,671
16	AED	205,805	37.37	7,689,904	7,689,904
17	MYR	162,318	32.26	5,236,379	5,236,379
18	KRW	6,834,000	0.10	675,199	675,199
19	CNY	49,475	19.13	946,209	946,209
20	KWD	20,754	449.91	9,337,545	9,337,545
21	BHD	5,792	364.11	2,108,925	2,108,925
(a) Total Open Position				225,787,069	225,787,069
(b) Fixed Percentage					5%
(c) Capital Charge for Market Risk (=a×b)					11,289,353
(d) Risk Weight (reciprocal of capital requirement of 11%) in times					9.09
(e) Equivalent Risk Weight Exposure (=c×d)					102,620,223

ii. Credit Risk weighted exposures under each 11 categories of Credit Risk

NPR in "000"

S. NO.	PARTICULARS	2081/82
1	Claims on government and central Bank	-
2	Claims on other official entities	-
3	Claims on Banks	1,388,140
4	Claims on corporate and securities firm	9,407,035
5	Claims on regulatory retail portfolio - not overdue	22,246,864
6	Claim secured by residential properties	8,820,474
7	Claims secured by commercial real state	4,251,720
8	Past due Claims	3,633,328
9	High risk claims	4,247,434
10	Other Assets	8,798,811
11	Off Balance sheet Items	930,408
Total Credit Risk Weighted Exposures		63,724,214

iii. Total Risk Weighted Exposure Calculation Table

RISK WEIGHTED EXPOSURE	AMOUNT IN "000"
Risk Weighted Exposure for Credit Risk	63,724,214
Risk Weighted Exposure for Operational Risk	4,827,373
Risk Weighted Exposure for Market Risk	102,620
Total Risk Weighted Exposures (Before adjustments of Pillar II)	68,654,207
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	697,404
If overall risk management policies and procedures are not satisfactory. Add 2% of RWE	1,373,084
If desired level of disclosure requirement has not been achieved, Add-1% of RWE	-
Total Risk Weighted Exposures	70,724,695
Total Core Capital	7,938,671
Total Capital Fund (Tier 1 and Tier 2)	9,336,371
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	11.22%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	13.20%

iv. Amount of Non Performing Assets (NPAs) [both Gross and Net]:

NPR in "000"

S.N.	PARTICULARS	GROSS (LOAN)	LOAN LOSS PROVISION	NET NPL
a	Restructure Loan/Reschedule Loan	-	-	-
b	Substandard Loan	453,851	113,463	340,389
c	Doubtful Loan	424,400	212,200	212,200
d	Loss Loan	2,717,229	2,717,229	-
	Total	3,595,481	3,042,892	552,589

v. Non Performing Assets (NPAs) ratios

S.N.	PARTICULARS	NPA RATIOS
a	Gross NPA to Gross Loan and Advances	4.69%
b	Net NPA to Net Loan and Advances	0.76%

vi. Movement of Non Performing Assets

NPR in "000"

S.N.	PARTICULARS	2081/82	2080/81	MOVEMENTS(NPR)
a	Restructure Loan/Reschedule Loan	-	-	-
b	Substandard Loan	453,851	516,336	(62,485)
c	Doubtful Loan	424,400	1,350,886	(926,486)
d	Loss Loan	2,717,229	1,583,629	1,133,601
	Total	3,595,481	3,450,851	144,630

vii. Write off of Loan and Interest Suspense:

NPR in "000"

S.N.	PARTICULARS	NPA
a	Write off of Loan and Advance	2,209
b	Write off of Interest Suspenses	556

viii. Movements in Loan Loss Provisions and Interest Suspense:

NPR in "000"

PARTICULARS	2081/82	2080/81	CHANGE	
			AMOUNT	%
Loan Loss Provision	4,001,495	3,354,439	647,056	19.29%
Interest Suspense	374,796	564,670	(189,874)	(33.63%)

ix. Segregation of Investment Portfolio

NPR in "000"

PARTICULARS	AMOUNT IN NPR
Government Bond	13,145,090
Government treasury bills	-
Nepal Rastra Bank deposit instruments	5,819,150
Investment Securities measured at amortized cost (i)	18,964,240
Quoted equity securities	1,096,635
Unquoted equity securities	134,838
Investment in equity measured at FVTOCI (ii)	1,231,473
Total (i+ii)	20,195,713

5.2.3 Compliance with external requirement

The bank has complied with the externally imposed capital requirements during the reporting period.

5.3 Classification of Financial Assets & Financial Liabilities

PARTICULARS	FINANCIAL YEAR 2081/082			
	GROUP INFORMATION			
FINANCIAL ASSETS	AMORTIZED COST	FVTPL	FVTOCI	TOTAL
Financial Assets				
Cash in hand	842,800,993	-	-	842,800,993
Balances with B/Fis	2,323,228,255	-	-	2,323,228,255
Money at call and short notice	-	-	-	-
Interbank placement	-	-	-	-
Balance at NRB	3,778,537,693	-	-	3,778,537,693
Derivative financial instrument	-	-	-	-
Loans & Advances	73,704,911,034	-	-	73,704,911,034
Government bonds	13,145,089,596	-	-	13,145,089,596
Nepal Rastra Bank Deposit Instruments	5,819,150,000	-	-	5,819,150,000
Investment Securities	-	305,116,073	-	305,116,073
Government treasury bills	-	-	-	-
Equity investments	-	-	1,257,912,577	1,257,912,577
Other assets	723,999,363	-	-	723,999,363
Total Financial Assets	100,337,716,934	305,116,073	1,257,912,577	101,900,745,584
Financial Liabilities				
Due to Banks & Financial Institutions	2,565,987,630	-	-	2,565,987,630
Deposits from customers	90,112,803,410	-	-	90,112,803,410
Due to Nepal Rastra Banks	-	-	-	-
Debt Securities	997,062,992	-	-	997,062,992
Borrowings	98,587,819	-	-	98,587,819
Employee related liabilities	498,139,512	-	-	498,139,512
Bills payable	56,698	-	-	56,698
Creditors and accruals	41,744,618	-	-	41,744,618

PARTICULARS	FINANCIAL YEAR 2081/082			
	GROUP INFORMATION			
	AMORTIZED COST	FVTPL	FVTOCI	TOTAL
FINANCIAL LIABILITIES				
Interest payable on deposit	144,453,449	-	-	144,453,449
Interest payable on borrowing	43,869,862	-	-	43,869,862
Unpaid Dividend	33,586,792	-	-	33,586,792
Liabilities under Finance Lease	626,153,163	-	-	626,153,163
Other liabilities	201,842,388	-	-	201,842,388
Total Financial Liabilities	95,364,288,333	-	-	95,364,288,333

PARTICULARS	FINANCIAL YEAR 2081/082			
	BANK INFORMATION			
	AMORTIZED COST	FVTPL	FVTOCI	TOTAL
FINANCIAL ASSETS				
Balances with B/Fis	2,322,799,833	-	-	2,322,799,833
Cash in hand	842,670,643	-	-	42,670,643
Money at call and short notice	-	-	-	-
Interbank placement	-	-	-	-
Balance at NRB	3,778,537,693	-	-	3,778,537,693
Derivative financial instrument	-	-	-	-
Loans & Advances	73,704,911,034	-	-	73,704,911,034
Government bonds	13,145,089,596	-	-	13,145,089,596
Nepal Rastra Bank Deposit Instruments	5,819,150,000	-	-	5,819,150,000
Government treasury bills	-	-	-	-
Equity investments	-	-	1,231,473,377	1,231,473,377
Other assets	685,096,745	-	-	685,096,745
Total Financial Assets	100,298,255,544	-	1,231,473,377	100,729,728,921
Financial Liabilities				
Due to Banks & Financial Institutions	2,565,987,630	-	-	2,565,987,630
Deposits from customers	90,115,629,859	-	-	90,115,629,859
Due to Nepal Rastra Banks	-	-	-	-
Debt Securities	997,062,992	-	-	997,062,992
Borrowings	-	-	-	-
Employee related liabilities	488,902,525	-	-	488,902,525
Bills payable	56,698	-	-	56,698
Creditors and accruals	5,886,310	-	-	5,886,310
Interest payable on deposit	144,453,449	-	-	144,453,449
Interest payable on borrowing	43,869,862	-	-	43,869,862
Unpaid Dividend	33,399,614	-	-	33,399,614
Liabilities under Finance Lease	604,428,580	-	-	604,428,580
Other liabilities	201,127,801	-	-	201,127,801
Total Financial Liabilities	95,200,805,320	-	-	95,200,805,320

PARTICULARS	FINANCIAL YEAR 2080/081			
	GROUP INFORMATION			
	AMORTIZED COST	FVTPL	FVTOCI	TOTAL
FINANCIAL ASSETS				
Cash in hand	640,950,543	-	-	640,950,543
Balances with B/Fis	4,075,326,762	-	-	4,075,326,762
Money at call and short notice	-	-	-	-
Interbank placement	-	-	-	-
Balance at NRB	3,749,617,466	-	-	3,749,617,466
Derivative financial instrument	-	-	-	-

PARTICULARS	FINANCIAL YEAR 2080/081			
	GROUP INFORMATION			
FINANCIAL ASSETS	AMORTIZED COST	FVTPL	FVTOCI	TOTAL
Loans & Advances	68,923,653,268	-	-	68,923,653,268
Government bonds	13,447,638,938	-	-	13,447,638,938
Government treasury bills	2,511,679,238	-	-	2,511,679,238
Equity investments	-	-	691,653,709	691,653,709
Other assets	901,649,505	-	-	901,649,505
Total Financial Assets	94,250,515,720	-	691,653,709	94,942,169,429
Financial Liabilities				
Deposits from customers	84,251,150,462	-	-	84,251,150,462
Due to Banks & Financial Institutions	1,783,291,131	-	-	1,783,291,131
Due to Nepal Rastra Banks	-	-	-	-
Debt Securities	996,034,134	-	-	996,034,134
Borrowings	-	-	-	-
Employee related liabilities	258,375,951	-	-	258,375,951
Bills payable	137,314	-	-	137,314
Creditors and accruals	39,716,781	-	-	39,716,781
Interest payable on deposit	202,077,626	-	-	202,077,626
Interest payable on borrowing	43,995,890	-	-	43,995,890
Unpaid Dividend	12,594,826	-	-	12,594,826
Liabilities under Finance Lease	309,668,980	-	-	309,668,980
Other liabilities	205,174,839	-	-	205,174,839
Total Financial Liabilities	88,102,217,934	-	-	88,102,217,934

PARTICULARS	FINANCIAL YEAR 2080/081			
	BANK INFORMATION			
FINANCIAL ASSETS	AMORTIZED COST	FVTPL	FVTOCI	TOTAL
Cash in hand	640,815,628	-	-	640,815,628
Balances with B/Fis	4,073,783,710	-	-	4,073,783,710
Money at call and short notice	-	-	-	-
Interbank placement	-	-	-	-
Balance at NRB	3,749,617,466	-	-	3,749,617,466
Derivative financial instrument	-	-	-	-
Loans & Advances	68,923,653,268	-	-	68,923,653,268
Government bonds	13,447,638,938	-	-	13,447,638,938
Government treasury bills	2,511,679,238	-	-	2,511,679,238
Equity investments	-	-	673,254,109	673,254,109
Other assets	861,071,912	-	-	861,071,912
Total Financial Assets	94,208,260,160	-	673,254,109	94,881,514,269
Financial Liabilities				
Deposits from customers	84,252,756,130	-	-	84,252,756,130
Due to Banks & Financial Institutions	1,783,291,131	-	-	1,783,291,131
Due to Nepal Rastra Banks	-	-	-	-
Debt Securities	996,034,134	-	-	996,034,134
Borrowings	-	-	-	-
Employee related liabilities	255,304,730	-	-	255,304,730
Bills payable	137,314	-	-	137,314
Creditors and accruals	4,749,495	-	-	4,749,495
Interest payable on deposit	202,077,626	-	-	202,077,626
Interest payable on borrowing	43,995,890	-	-	43,995,890
Unpaid Dividend	12,407,648	-	-	12,407,648
Liabilities under Finance Lease	286,095,149	-	-	286,095,149
Other liabilities	204,438,545	-	-	204,438,545
Total Financial Liabilities	88,041,287,792	-	-	88,041,287,792

5.4 Segmental Information

A. GENERAL INFORMATION

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

The bank has categorized its segment on the basis of presence in the geographical segment based on provinces of the country. each segment provides banking services such as corporate and retail lending, deprived sector lending, various deposit products and transaction banking services.

Notes having brief description for items in table are provided below:

- a. Revenues from external customers: Revenue from external customers have been segregated according to the nature of segment.
- b. Net Revenue: Net revenue is Revenue from external customers less Expenses to External customers.
- c. Interest revenue: Interest revenue has been presented separately for revenue from loans and advances and interest income from investments.
- d. Interest expense: Interest expense has been apportioned on the basis of fund used by the segment.
- e. Net Interest revenue: Net Interest Revenue is Interest revenue less interest expenses
- f. Depreciation and amortization: Depreciation and amortization have been segmented according to the usage of the assets by the segments.
- g. Segment profit: Net profit derived from segments other than allocated to specific segments
- h. Impairment of assets: Impairment has been allocated to specific segments.
- i. Segment Assets: Allocated in accordance with usage of the of assets
- j. Segment Liabilities: Allocated in accordance with incurrence of the liabilities of related segment

Segment Report based on Geographical Areas

NPR in "000"

PARTICULARS	PROVINCE 1	%	PROVINCE 2	%	PROVINCE 3	%	PROVINCE 4	%	PROVINCE 5	%	PROVINCE 6	%	PROVINCE 7	%	TOTAL
Revenue from External Customers	938,340	10.39	637,132	7.05	2,397,995	26.45	3,038,135	33.63	1,801,300	19.94	70,315	0.78	160,052	1.77	9,043,269
Intersegment Revenues	(178,896)	-	(101,347)	-	(438,567)	-	756,090	-	23,449	-	(19,522)	-	(41,207)	-	-
Net Revenue	1,117,236	12.37	735,789	8.17	2,836,562	31.30	2,282,045	25.26	1,777,851	19.68	89,837	0.99	201,259	2.23	9,043,269
Interest Revenue	666,618	7.95	444,605	4.95	3,799,038	45.32	1,922,731	22.94	1,373,680	16.39	63,733	0.76	142,300	1.70	8,391,249
Interest Expenses	224,671	4.70	130,087	2.72	2,065,073	43.21	1,579,516	33.05	732,759	15.33	13,646	0.29	33,432	0.70	4,779,183
Net Interest Revenue	441,947	12.24	284,518	7.88	1,742,512	48.24	343,215	9.50	640,920	17.74	50,087	1.39	108,868	3.01	3,612,067
Depreciation and Amortization	9,128	4.01	8,035	3.53	174,557	76.60	18,689	8.20	14,471	6.35	497	0.22	2,504	1.10	227,881
Segment Profit/(Loss)	(35,939)	(2.88)	132,047	10.59	(125,893)	(10.20)	849,570	68.16	378,078	30.33	21,091	1.69	28,738.	2.31	1,247,692
Impairment Of Assets	206,854	31.97	(20,019)	(3.09)	206,966	31.99	73,329	11.33	155,120	23.97	6,493	1.00	18,312	2.83	647,056
Segment Assets	4,809,090	4.60	4,439,213	4.25	40,369,612	38.64	36,964,940	35.39	16,489,230	15.78	463,020	0.44	930,954	0.89	104,464,059
Segment Liabilities	4,844,030	5.09	4,306,167	4.52	32,479,942	34.11	36,115,370	37.94	16,111,152	16.92	441,929	0.46	902,215	0.95	95,200,805

Segment Report based on Business Units

NPR in "000"

PARTICULARS	CORE BANKING	TREASURY	DIGITAL BANKING	OTHER SEGMENTS	TOTAL
Revenue from External Customers	7,777,341	1,059,596	179,919	8,413	9,043,269
Intersegment Revenues	-	-	-	-	-
Net Revenue	7,777,341	1,059,596	179,919	8,413	9,043,269
Interest Revenue	7,413,207	978,042	-	-	8,391,249
Interest Expenses	4,690,875	88,308	-	-	4,779,183
Net Interest Revenue	2,722,333	889,734	-	-	3,612,067
Depreciation and Amortization	227,777	-	104	-	227,881
Segment Profit/(Loss)	153,035	966,882	119,393	8,382	1,247,692
Impairment Of Assets	647,056	-	-	-	647,056
Segment Assets	81,869,611	20,221,799	84,304	2,288,345	104,464,059
Segment Liabilities	93,756,007	1,377,203	67,595	-	95,200,805

B. MEASUREMENT OF OPERATING SEGMENT PROFIT OR LOSS, ASSETS & LIABILITIES

Revenues from external customers comprise of gross interest revenue, gross fee and commission revenue, net trading revenue, other operating incomes and intersegment revenue.

The transaction between the branches is charged at the price decided by the bank's management on time to time basis. The pricing mechanism is periodically reviewed by the management. Below mentioned figures are in thousands.

I. Revenue

PARTICULARS	AMOUNT
Total revenues for reportable segments	9,043,269
Other revenues	-
Elimination of intersegment revenues	-
Entity's Revenue	9,043,269

II. Profit or Loss

PARTICULARS	AMOUNT
Total profit or loss for reportable segments	1,247,692
Other profit or loss	-
Elimination of intersegment profits	-
Unallocated amounts:	-
Profit before income tax	1,247,692

III. Assets

PARTICULARS	AMOUNT
Total assets for reportable segment	104,464,059
Other assets	-
Unallocated amounts	-
Entity's assets	104,464,059

IV. Liabilities

PARTICULARS	AMOUNT
Total liabilities for reportable segments	95,200,805
Other liabilities	-
Unallocated liabilities	-
Entity's Liabilities	95,200,805

C. INFORMATION ABOUT PRODUCTS AND SERVICES

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

- Loans & Advances
- Fee & Commission income

D. INFORMATION ABOUT MAJOR CUSTOMERS

Total revenue from any single external customer does not amount to 10 percent or more of the bank's revenue.

5.5 Share Options and share based payment

The bank does not have any share option and share based payments during the reporting period.

5.6 Contingent Liabilities & Commitment

Contingent Liabilities

Where the Bank 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.

Commitment

Where the Bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, future guarantees, whether cancellable or not and the Bank has not made payments at the reporting date, those instruments are included in these financial statements as commitments. Details of contingent liabilities and commitments are given in note 4.28.

5.7 Related Party Disclosures

Following Parties have been identified as Related Parties for Bank as per NAS 24 Related Parties:

1. List of Related Parties

NAME OF THE RELATED PARTY	RELATED POSITION
Garima Capital Limited	Subsidiary
Mr. Dilip Pratap Khand	Chairman
Mr. Shyam Prasad Basyal	Director
Mr. Deependra Shrestha	Director
Mr. Bimal Pandey	Director
Mr. Shovakanta Dhakal	Director
Mrs. Iushma Koirala	Women Director
Mr. Mukunda Raj Acharya	Independent Director
Mr. Madhav Prasad Upadhaya	Key Managerial Person
Mr. Anil Regmi	Key Managerial Person

2. Related Party Transactions

a. Board of Directors Allowances and Facilities

PARTICULARS	NO. OF MEETINGS	AMOUNT
Board Meeting	21	1,299,000
Audit Committee Meeting	6	102,000
AML Committee Meeting	7	119,000
Risk Management Committee Meeting	5	68,000
Employee Service and Benefits Committee	4	36,000
Total	43	1,624,000

In addition to above meeting allowance, the following amount have been paid to directors:

PARTICULARS	AMOUNT
Newspaper and Telephone expenses	336,000
Travelling Expenses reimbursed for Business visits	2,652,019
Interest on deposits paid to directors	1,269,054
Other related Expenses	599,106
Total	4,856,179

b. Deposits from Directors and Loan to Directors, if any

PARTICULARS	AMOUNT
Deposits from Directors	1,263,563
Loans and Advances to Directors	-

c. Emoluments and Facilities of Key Managerial Personnel

PARTICULARS	AMOUNT
Remuneration and Benefit Paid	20,605,386
Post-Retirement Benefits	-
Other Long-term Benefits	-
Borrowing during the year	-
Interest on Borrowing	320,280
Interest on account balances	18,927
Other transactions benefits if any	-
Total	20,944,593

d. Deposits from and Loans to Key Managerial Personnel

PARTICULARS	AMOUNT
Deposits from Key Managerial Personnel	423,108
Loans to Key Managerial Personnel	30,517,630

e. Transaction with Subsidiary

Garima Capital Limited is the subsidiary company of the Bank, and holds 51.20% paid up capital.

Reporting Date Balances

NATURE OF TRANSACTION	AMOUNT
Deposits from Garima Capital Ltd.	2,826,449
Interest on Deposits	51,989

5.8 Merger & Acquisition

The Bank has neither entered into merger nor acquired any bank and financial institutions during the reporting period.

5.9 Additional disclosures of non-consolidated entities

Not applicable.

5.10 Operational Lease Expenses

A. DETAILS OF RIGHT OF USE ASSETS

PARTICULARS	AMOUNT
Balance at Shrawan 1, 2081	197,402,542
Less: Adjustment through PL	(2,273,904)
Less: Deletion Adjustment through PL	(66,742,769)
Add: Addition	539,206,764
Less: Depreciation	(120,288,656)
Closing Balance of Right of Use Asset	547,303,977

Right of Use Assets has been presented in annex 4.13 property, plant and equipment.

B. DETAILS OF LEASE LIABILITY

PARTICULARS	AMOUNT
Balance at Shrawan 1, 2081	258,980,347
Less: Adjustment through PL	(2,273,904)
Less: Deletion Adjustment through PL	(99,599,333)
Add: Addition	539,206,764
Add: Finance Cost	64,781,969
Less: Liability Payment	(156,667,263)
Closing Balance of Lease Liability	604,428,580

C. AGEING OF ACTUAL LEASE LIABILITY

PARTICULARS	AMOUNT
Less than one year	97,386,836
Between one to five years	319,558,924
More than five years	187,482,820
Total	604,428,580

5.11 Events after Reporting date

Events after the reporting date are those events, favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorized for issue. All material and important events that occurred after the reporting date have been considered and appropriate disclosures have been made in line with NAS 10 – “Events after the Reporting Period”. Recovery of Interest after year end and up to 15th Shrawan, 2082

The Nepal Rastra Bank Directives requires the Bank and Financial Institutions to transfer the equivalent amount of interest on loans and advances accounted as an interest income under the accrual basis of accounting but not recovered up to the end of reporting period to the Regulatory Reserve from the Retained Earnings. However, the same directives have relaxed this provision with which Bank may not appropriate such amount in case it is recovered within one month after the year end.

In line with the aforesaid relaxation the gross amount of NPR 54,623,584.99 which was otherwise required to be appropriated to the Regulatory Reserves has not been so appropriated. The details are as follows:

PARTICULARS	2081/82	2080/81
Accrued Interest Receivable	994,389,965	912,568,123
Add: Interest Receivable of restructured Loans	77,863,028	97,179,109
Less: Cessation of the Interest on Loans (Refer Notes xx)	(619,593,793)	(347,898,439)
Less: Interest received up to Shrawan End as per Directive no. 4	(54,623,585)	(91,559,966)
Amount required to be appropriated to Regulatory Reserves (Before Adjustment)	398,035,615	570,288,827
Net Amount required to be appropriated to Regulatory Reserves (After staff bonus, Income tax, Statutory Reserve & CSR)	198,102,326	283,832,750
Amount already appropriated to Regulatory Reserves (After staff bonus and tax)	283,832,750	357,280,094
Net appropriations to the Regulatory Reserves for unrecovered interest	(85,730,424)	(73,447,344)

5.12 Details of Loans and Advances

PARTICULARS	TO CUSTOMERS	TO BFIS	TOTAL
Loans and Advances	72,093,265,629	4,617,897,743	76,711,163,372
Interest Receivable on Loans and Advances	372,298,667	2,497,505	374,796,172
Staff Loans and Advances	620,446,642		620,446,642
Total Loans and Advances (a)	73,086,010,938	4,620,395,248	77,706,406,186
i. Total Impairment as per ECL NFRS 9	3,392,815,017	45,484,432	3,438,299,449
Individual Impairment (Specific Provision)	2,219,327,836	-	2,219,327,836
Collective Impairment (General Loan Loss Provision)	1,173,487,181	45,484,432	1,218,971,612
ii. Impairment as per norms of NRB in Loan Loss Provision	3,955,316,174	46,178,977	4,001,495,152
Individual Impairment	3,042,892,433	46,178,977	3,089,071,411
Collective Impairment	912,423,741		912,423,741
Impairment Charge for the Year, higher of I and II but on total basis	3,955,316,174	46,178,977	4,001,495,152
Net Loans and Advances (a-b)	69,130,694,763	4,574,216,271	73,704,911,034

5.13 Summary of Loans and Advances based on the regulatory classification for provisioning

PARTICULARS	2081/82		2080/81	
	TOTAL LOAN AND ADVANCES	PROVISIONS	TOTAL LOAN AND ADVANCES	PROVISIONS
1. Performing Loan and Advances	73,115,682,306	958,602,718	67,718,747,461	966,283,454
1.1 Pass Loan	68,161,936,711	710,915,439	63,892,981,183	768,981,493
1.1.1 Pass Loan (other than Restructured/ Rescheduled Covid Related)				
1.1.2 Pass Loan (Restructured/Rescheduled Covid Related)				
1.2 Watch List	4,953,745,595	247,687,280	3,825,766,279	197,301,961
2. Non-Performing Loan and Advances	3,595,481,066	3,042,892,433	3,450,851,185	2,388,155,960
2.1 Restructured / Rescheduled				
2.2 Sub-standard	453,851,367	113,462,842	516,336,066	129,084,016
2.3 Doubtful	424,400,215	212,200,108	1,350,886,351	675,443,175
2.4 Loss	2,717,229,484	2,717,229,484	1,583,628,768	1,583,628,768
3. Total Loan and Advances (1+2)	76,711,163,372	4,001,495,152	71,169,598,646	3,354,439,414
4. Staff Loans	620,446,642	-	543,824,352	-
5. Accrued Interest	374,796,172	-	564,669,684	-
6. Grand Total (3 + 4 + 5)	77,706,406,186	4,001,495,152	72,278,092,682	3,354,439,414

i. Proportion of Gross Amount Loans and Advances as per regulatory classification

PARTICULARS	2082 ASHAR		2081 ASHAR		CHANGE	
	LOAN AMOUNT	%	LOAN AMOUNT	%	LOAN AMOUNT	%
Pass	68,161,936,711	88.86%	63,892,981,183	89.78%	4,268,955,529	6.68%
Watch list	4,953,745,595	6.46%	3,825,766,279	5.38%	1,127,979,316	29.48%
Performing Loan	73,115,682,306	95.31%	67,718,747,461	95.15%	5,396,934,845	7.97%
Rescheduled/ Restructured	-	-	-	-	-	-
Sub Standard	453,851,367	0.59%	516,336,066	0.73%	(62,484,699)	(12.10%)
Doubtful	424,400,215	0.55%	1,350,886,351	1.90%	(926,486,135)	(68.58%)
Loss	2,717,229,484	3.54%	1,583,628,768	2.23%	1,133,600,716	71.58%
Non-Performing Loan	3,595,481,066	4.69%	3,450,851,185	4.85%	144,629,881	4.19%
Total Loan	76,711,163,372	100.00%	71,169,598,646	100.00%	5,541,564,726	7.79%

ii. Proportion of Loan Loss Provision (LLP) as per regulatory classification

PARTICULARS	2082 ASHAR		2081 ASHAR		CHANGE	
	LLP AMOUNT	%	LLP AMOUNT	%	LLP AMOUNT	%
Good	710,915,439	17.77%	768,981,493	22.92%	(58,066,054)	(7.55%)
Watch list	247,687,280	6.19%	197,301,961	5.88%	50,385,318	25.54%
LLP on Performing Loan	958,602,718	23.96%	966,283,454	28.81%	(7,680,736)	(0.79%)
Rescheduled/ Restructured	-	-	-	-	-	-
Sub Standard	113,462,842	2.84%	129,084,016	3.85%	(15,621,175)	(12.10%)
Doubtful	212,200,108	5.30%	675,443,175	20.14%	(463,243,068)	(68.58%)
Bad	2,717,229,484	67.91%	1,583,628,768	47.21%	1,133,600,716	71.58%
LLP on Non-Performing Loan	3,042,892,433	76.04%	2,388,155,960	71.19%	654,736,473	27.42%
Total Loan Loss Provision	4,001,495,152	100.00%	3,354,439,414	100.00%	647,055,737	19.29%

IMPAIRMENT CALCULATION AS PER NFRS 9 (EXPECTED CREDIT LOSS CALCULATION)

NFRS 9 also replaces the existing incurred loss impairment approach with an expected credit loss approach, resulting in earlier recognition of credit losses. The NFRS 9 impairment model has three stages, Stage 1, 2 and 3. Collective impairment is done for stage 1 and 2 and individual impairment is done for stage 3. More details about the same is discussed under 2.6.

MORE DISCLOSURES RELATED TO EXPECTED CREDIT LOSS:

Credit Risk Management Practice

Credit risk represents the potential loss that may arise from a customer or counterparty's failure to meet its obligations when due. Credit risk can also arise from operational failures that result in an unauthorized or inappropriate loans and advances, commitment or investment. The bank's major credit risks arise from loans and advances, treasury operations and off-balance sheet related credit risk exposures.

IMPAIRMENT OF FINANCIAL ASSETS – ADOPTION OF NFRS 9- FINANCIAL INSTRUMENTS

The Bank has adopted NFRS 9: Financial Instruments, which introduces a forward-looking Expected Credit Loss (ECL) model for the recognition of impairment on financial assets. NFRS 9 replaces the previous incurred loss model under NAS 39, and requires recognition of credit losses based on a three-stage model, reflecting changes in credit risk since initial recognition.

NFRS 9 mandates an impairment model that requires the recognition of Expected Credit Losses (ECL) on all financial debt instruments held at Amortised cost, Fair Value through Other Comprehensive Income (FVOCI), undrawn loan commitments and financial guarantees.

Although NFRS 9 was originally announced by the Institute of Chartered Accountants of Nepal (ICAN) to be effective from 16 July 2021 (Shrawan 1, 2078), full implementation—particularly of the ECL framework—was deferred for banks and financial institutions until fiscal year 2080/81, due to various operational and technical challenges including the impact of COVID-19, limited model readiness, and resource constraints.

Accordingly, the provisions of NFRS 9, including the ECL impairment model, have been made fully applicable from fiscal year 2081/82 for licensed banks and financial institutions.

To facilitate a consistent and robust implementation of the ECL framework, the Nepal Rastra Bank (NRB) has issued detailed ECL Implementation Guidelines, developed in alignment with international practices and regulatory frameworks of comparable jurisdictions. These guidelines are intended to support institutions in applying NFRS 9 requirements prudently and uniformly across the banking sector.

SIGNIFICANT INCREASE IN CREDIT RISK

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information. The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure. The bank has defined the criteria for Significant increase in credit risk in its own ECL Policy which are in consistent with the NFRS 9 – Expected Credit Loss Related Guidelines, 2024 issued by Nepal Rastra Bank. The criteria are as follow:

- More than 30 days past dues
- Absolute lifetime PD is 5% or more
- Relative lifetime PD is increased by 100% or more.
- Risk rating downgraded by 2 notches since initial recognition.
- Risk rating downgraded to non-investment grade by external credit rating agency.
- Deterioration of relevant determinant of credit risk
- Expectation of forbearance or restructuring due to financial difficulties
- Deterioration of prospects for sector or industries within which a borrower operates
- Borrower affected by macroeconomic conditions based on reasonable and supportable forecasts.
- Modification of terms resulting in restructuring/ rescheduling.
- Credit Quality Indicators determined as per internal credit assessment of performing loans which are subject to individual monitoring and review, are weaker than that in the initial recognition.

The bank is determined to develop mechanisms for implementation of all SICR criteria in near future, however for this period, the bank has used following

criteria for determining whether there has been a significant increase in credit risk:

1. Qualitative Factor

The bank uses the Asset Classification as per the Directive issued by Nepal Rastra Bank for determining the increase in Credit Risk. Eg: Loan which was in Pass Category in previous quarter has been moved to Watchlist Category then such loan is deemed to have significant increase in credit risk as a result the loan is categorized under stage 2 from stage 1.

2. Quantitative Factor

The bank uses the backstop measure for determining the quantitative factor for determining the increase in credit risk. The bank uses NFRS 9- Expected Credit Loss Related Guidelines, 2024 for determining the SICR criteria which is more than one month past due. Eg: Loans which are one month past due are categorized under stage 2 from stage 1.

DEFAULT DEFINITION:

The bank considers loan to be in default when it is unlikely that the borrower will repay its credit obligations in full without recourse to actions such as realizing security, or when the borrower is past due on any material credit obligation by more than 3 months.

The bank may consider other qualitative factors, such as management's assessment of the borrower's creditworthiness, which could indicate a significant deterioration in the ability to meet obligations. The bank may use their own definitions of default if they are consistent with this principle and applied in a manner aligned with their credit risk management practices. Default definitions play a critical role in determining

expected credit losses (ECL) and the bank has applied it consistently across the ECL measurement process.

PORTFOLIO SEGREGATION OF CREDIT RISK

EXPOSURES:

For measurement of ECL, portfolio segmentation is based on similar credit risk characteristics. In performing the portfolio segmentation of credit assets, the bank considers product types, customer types, industry and customer size. The bank retests and revises the rationality of portfolio segmentation of credit risk exposures every year.

STAGING OF FINANCIAL INSTRUMENTS

NFRS 9: Financial Instruments, the bank classifies financial assets into three stages based on the change in credit risk since the initial recognition. This staging framework forms the basis for calculating Expected Credit Losses (ECL) and reflects the level of credit deterioration.

Financial instruments that are not already credit-impaired are originated into stage 1 and a 12 month expected credit losses provisions is recognized.

Instrument will remain in stage 1 until they experience significant credit deterioration (Stage 2) or they become credit impaired (stage 3).

Instruments will transfer to stage 2 and a lifetime expected credit loss provision is recognized when there has been a significant change in Credit risk compared to what was expected at origination.

The framework used to determine a significant increase in credit risk is set out below:

PARTICULARS	FINANCIAL INSTRUMENT	ECL
Stage 1	Performing	12 months
Stage 2	Performing but has exhibited Significant increase in credit risk	Lifetime
Stage 3	- Non-Performing - Credit Impaired	Lifetime
Purchased or Originated Credit Impaired (POCI) financial assets		Lifetime

PARAMETER OF ESTIMATING EXPECTED CREDIT LOSS:

Expected credit losses are a probability weighted estimate of credit losses (i.e. Present Value of all cash shortfalls) over the expected life of the financial instruments. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that an entity expects to receive. Because expected credit losses consider the amount and timing of payments, a credit loss arises even

if the entity expects to be paid in full but later than when contractually due.

The relevant parameters of ECL measurement include Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The bank establishes its PD models, LGD models and EAD models on the basis of the historical information available with the bank along with the incorporation of forward-looking information.

S.N.	COMPONENT	DEFINITION
	Probability of Default (PD)	<p>The Probability of Default (PD) represents the likelihood that the counterparty will not be able to meet its contractual obligation.</p> <p>For Stage 1 assets, PD is calculated over the next 12 months; for Stage 2, PD reflects the lifetime of the asset. Stage 3 exposures are assumed to have a PD of 100% (Since already in default).</p> <p>PD estimates incorporate forward-looking macroeconomic assumptions (e.g., GDP growth, inflation) and are updated periodically based on statistical models calibrated to historical defaults and adjusted for the current and expected economic environment.</p>
	Loss Given Default (LGD)	<p>Loss Given Default (LGD) represents the proportion of exposure not expected to be recovered in the event of default, after considering the present value of expected cash flows from recoveries and collateral realizations, net of costs.</p> <p>The LGD is determined based on the historical recovery rates and takes into accounts the recovery of any collateral (applying haircuts) that is integral to the financial assets.</p>
	Exposure at Default (EAD)	<p>The Exposure at Default (EAD) represents the potential exposure to the lender in the event of a default by the borrower. It reflects the total amount the lender is at risk of losing if the borrower defaults, considering both the outstanding balance and any potential increases in exposure due to undrawn commitments or principal repayments.</p> <p>For revolving loans, the EAD is calculated as the outstanding balance of the loan, plus any additional undrawn amounts that may be utilized, adjusted for the Credit Conversion Factor (CCF). The CCF reflects the likelihood that the undrawn portions of the loan will be utilized before the default occurs. This adjustment is important as it accounts for the potential increase in exposure if the borrower draws on the available credit.</p> <p>The bank has utilized the CCF ratio and Utilization ratio provided by Nepal Rastra Bank in its Expected Credit Losses (ECL) Guideline, 2024</p> <p>For term loans, the EAD is based on the outstanding balance of the loan, adjusted for any principal repayments made by the borrower. Since term loans are typically repaid over time according to a fixed amortization schedule, the EAD decreases as principal is repaid, reducing the exposure in the event of default. Therefore, the EAD for term loans reflects the amount remaining after accounting for any principal recoveries, as per the amortization plan.</p>

To determine the expected credit loss, these components are multiplied together. PD for the reference period (up to 12 months or lifetime) * LGD * EAD and discounted to the balance sheet dates using the Coupon Rate of the reporting date as the discount rate.

For stage 3 loans, the Probability of Default is already 100% (since already defaulted) so the Expected Credit Loss is calculated as LGD * EAD.

CREDIT IMPAIRED FINANCIAL ASSETS:

A financial instrument is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial instrument have occurred. Evidence that a financial instrument is credit-impaired include observable data about the following events:

- i. Significant financial difficulty of the issuer or the borrower.
- ii. A breach of contract, such as a default or past due event
- iii. The lenders of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lenders would not otherwise consider.
- iv. It is becoming probable that the borrower will enter bankruptcy or other financial re-organization.
- v. The disappearance of an active market for that financial instrument because of financial difficulties
- vi. The purchase or origination of a financial instrument at a deep discount that reflects the incurred credit losses.
- vii. The borrower is overdue for more than 90 days in any principal, advances, interest or investment in bonds due to the bank.

The credit impairment of a financial asset may be caused by the combined effect of multiple events rather than any single discrete event.

ESTIMATION OF EXPECTED CREDIT LOSS FOR CREDIT IMPAIRED FINANCIAL ASSETS:

For credit-impaired exposures, the Probability of Default (PD) is assumed to be 100%, as these loans have already met the default criteria under the Bank's credit risk policy.

The recovery horizon for such exposures is determined based on Plateau Analysis, which assesses historical recovery trends over time. The Loss Given Default (LGD) is derived from the Bank's recovery model for exposures

where the recovery period has not yet expired. For exposures where the recovery period has lapsed, an LGD of 100% is applied to reflect full loss recognition.

The Exposure at Default (EAD) for credit-impaired exposures is measured as the total outstanding balance of the loan, including accrued interest and fees, as at the reporting date.

Purchased or originated credit impaired financial assets are those financial assets that are credit-impaired on initial recognition.

The following loans were Purchased or originated credit Impaired (POCI) determined by the bank.

PARTICULARS	AMOUNT
Nil	Nil

INVESTMENT

The bank applies the NFRS 9 Expected Credit Loss (ECL) model on investments in debt instruments measured at amortised cost and FVOCI. The Vasicek single-factor credit risk model is used to estimate probability of default (PD), incorporating both systematic and idiosyncratic risk. The model is calibrated using S&P Global historical default and transition data, adjusted for the Bank's portfolio and forward-looking macroeconomic scenarios. Loss Given Default (LGD) is estimated based on recovery experience and external benchmarks, while Exposure at Default (EAD) represents the amortised cost carrying amount including accrued interest.

STAFF LOANS

Staff loans are classified at amortised cost in accordance with NFRS 9. In the absence of historical default events, the Bank has adopted the regulatory floor Probability of Default (PD) of 2.5% as prescribed by NFRS 9, ECL Guideline issued by Nepal Rastra Bank, together with an average Loss Given Default (LGD) derived from Bank's recovery experience. The Exposure at Default (EAD) is represented by the outstanding loan balance, including accrued interest. Although staff loans are generally considered low risk due to repayment through salary deductions and end-of-service benefits, an Expected Credit Loss (ECL) is recognized to ensure compliance with NFRS 9 and regulatory requirements. The staff loans are assessed under stage 1 unless objective evidence of impairment exists. This conservative approach ensures prudence in financial reporting and alignment with sound risk management practices.

OFF BALANCE SHEET ITEMS

Off-balance sheet items such as letters of credit, guarantees, and unutilised loan commitments are not recognized as financial assets or liabilities in the statement of financial position. However, these exposures are subject to Expected Credit Loss (ECL) under NFRS 9. For estimating ECL, the Bank applies the Probability of Default (PD) and Loss Given Default (LGD) derived from its business portfolio, and utilises the credit conversion factors (CCF)/ utilization ratios as prescribed in the NFRS 9 ECL Guideline issued by Nepal Rastra Bank (NRB). This approach ensures that ECL reflects both the likelihood of default and the expected drawdown of off-balance sheet exposures. All off-balance sheet exposures are recognised under Stage 1 (12-month ECL) unless there is objective evidence of impairment. This approach ensures that ECL reflects both the likelihood of default and the expected drawdown, maintaining prudence and compliance with NFRS 9 and NRB requirements.

WRITE OFF:

Financial assets are written off (either partially or fully) when recovery is no longer considered realistic. A write-off is treated as a derecognition event, where the asset's carrying amount is reduced by the amount written off. This occurs when the bank determines that further collection efforts are unlikely to result in significant recoveries. Any recoveries on written-off amounts are recognized as income in the period in which they are received.

ENFORCEMENT ACTIVITY AFTER WRITE OFF:

The bank conducts the following enforcement activity after the write off of a financial instrument:

TRANSFER BETWEEN STAGES

Financial assets can be transferred between the different categories (other than POCI) depending on their relative change in credit risk since initial recognition. Financial instruments are transferred out of stage 2 if their credit risk is no longer considered to be significantly increased since initial recognition based on bank's assessments. Financial instruments are transferred out of Stage 3 when they no longer exhibit any evidence of credit impairment as described above as per the ECL Policy.

TRANSFER FROM STAGE 2 TO STAGE 1:

If all due contractual payments associated with such credit facility as at the date of upgrading are fully settled.

TRANSFER OUT OF STAGE 3:

Though the conditions for an exposure to be classified in Stage 3 no longer exist, the Bank continues to monitor for a minimum probationary period of 3 months to upgrade from Stage 3.

FOR RESTRUCTURED/RESCHEDULED EXPOSURES:

Restructured and rescheduled facilities are gradually upgraded upon satisfactory repayment for a stipulated period according to the policy while exercising prudence principles. The Bank monitor restructured/rescheduled

The following loans were written off during the period.

S.N.	PARTICULARS	GCA	WRITE OFF AMOUNT	WRITTEN OFF DATE	RECOVERY (AFTER WRITTEN OFF)
1	Pradeep Kumar Shrestha	203,292	203,292	30/10/2024	-
2	Bheerkot Krishi Tatha Pashupalan Firm	141,921	141,921	30/10/2024	-
3	Jk Aquaculture Pvt Ltd	339,639	339,639	30/10/2024	-
4	Bindu Gurung	344,380	344,380	20/02/2025	-
5	Rina Katuwal	648,371	648,371	20/02/2025	-
6	Sadikshya Bhusal	322,821	322,821	26/05/2025	-
7	Jyoti Shuttering Udhyog	79,743	79,743	26/05/2025	-
8	Sunil Karki	208,524	208,524	26/05/2025	-
9	Punaram Chaudhary	476,441	476,441	26/05/2025	-

exposures classified under Stage 3 for a minimum probationary period of 24 months before upgradation.

The transfer of the loans among different stages are shown in disclosure if any.

KEY INPUTS, ASSUMPTIONS AND ESTIMATION TECHNIQUES:

a. General Approach

The bank applies the general approach for recognition of Expected Credit Losses loans and advances to customers, loans to banks and financial institutions, investment securities measured at amortised cost or FVOCI, and loan commitments and financial guarantees and staff loans. Under this approach, exposures are classified into Stage 1, Stage 2, or Stage 3 based on changes in credit risk since initial recognition, with a 12-month ECL recognized for Stage 1 and lifetime ECL for Stages 2 and 3. Interest income is calculated on the gross carrying amount for Stages 1 and 2, and on the actual receipt basis for Stage 3.

b. Simplified Approach

The Bank's policy is to apply the simplified approach to trade receivables without a significant financing component, lease receivables, contract assets under NFRS 15, and certain short-term staff or retail loans. Under this approach, lifetime ECL is recognized from initial recognition without staging assessment, typically using a provision matrix or simplified statistical model adjusted for forward-looking information. However, no ECL has been calculated for these items during the reporting period.

METHODOLOGY AND DATA SOURCE:

The Bank's Expected Credit Loss (ECL) estimates are based on a combination of internal historical data, regulatory guidance and forward-looking macroeconomic information. Historical default rates are derived from the bank's internal portfolio performance records, covering default rates actually observed by the bank in past. Historical loss rates are derived from the banks internal portfolio covering default, recoveries and write offs over the past years. This includes portfolio level default histories, Days Past Due (DPD) migration trends, collateral recovery rates and cure rates.

Where internal history is insufficient to produce statistically reliable estimates- particularly for certain

loan products or off-balance sheet exposures - the bank supplements its analysis with:

- Parameters and indicative ratios provided in the Nepal Rastra Bank's ECL Implementation Guidelines (eg, Credit Conversion Factor [CCF], utilization ratios.
- Floor rates prescribed by Nepal Rastra Bank for Probability of Default (PD)

Forward looking adjustments are applied to historical rates to reflect expected changes in the economic environment. These adjustments are informed by macroeconomic forecasts sourced from the International Monetary Fund (IMF). The Bank uses scenario-weighted projections (baseline, upturn, downturn) to modify Probability of Default (PD) estimates, ensuring that the ECL reflects both past performance and anticipated future conditions.

INCORPORATION OF FORWARD LOOKING INFORMATION:

It is a fundamental principal of NFRS 9 that the provisions bank hold against the potential future Credit Risk losses should depend, not just on the health of the economy today, but should also take into account potential changes to the economic environment.

To capture the effect of changes to the economic environment, the Probability of Default (PD) used to calculate ECL incorporate the forward- looking information in the form of forecasts of the values of economic variable.

VARIABLE SELECTION:

The bank initially considered a broad range of macroeconomic variables sourced from the International Monetary Fund (IMF). Through statistical testing - including correlation analysis, regression significant testing and model fit evaluation- only those variables with a consistent and statistically significant relationship with default rates for the Bank's portfolios were retained in the final model.

Different portfolios may use different subsets of these variables, depending on their relevance to the credit behavior.

MACROECONOMIC SCENARIO:

Para 5.5.17 (a) requires the estimate of expected credit losses to reflect an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes. The three possible scenarios are taken into account i.e. Baseline, Upturn and downturn.

The base line forecasts are used to create the upturn and downturn scenarios. The bank determines the upturn and downturn of the macroeconomic variable using +/- Standard Deviation of the baseline. The bank uses the following probability weights:

PARTICULARS	PROBABILITY WEIGHTS
Base Line	40%
Upturn	30%
Downturn	30%

These weights reflect management's assessment of the relative likelihood of each scenario over the forecast horizon.

MACROECONOMIC VARIABLES USED IN THE MODEL:

The table below presents the variables incorporated in the ECL model for the next 12 months. These variables are applied at a portfolio level, with relevance determined by the statistical significance and predictive power for each product segment.

Baseline

VARIABLES	UNITS	Q1	Q2	Q3	Q4
General government total expenditure	Percent of GDP	24.640	24.815	24.967	25.060
Inflation, average consumer prices	Percent change	6.007	5.810	5.689	5.613
General government revenue	Percent of GDP	0.290	0.257	0.230	0.209
General government revenue	Percent of GDP	0.290	0.257	0.230	0.209
General government gross debt	General government gross debt	0.325	0.186	0.143	0.175

Upturn

VARIABLES	UNITS	Q1	Q2	Q3	Q4
General government total expenditure	Percent of GDP	23.445	23.620	23.772	23.865
Inflation, average consumer prices	Percent change	4.698	4.500	4.379	4.304
General government revenue	Percent of GDP	0.767	0.733	0.706	0.686
General government revenue	Percent of GDP	(0.186)	(0.220)	(0.247)	(0.267)
General government gross debt	General government gross debt	(0.679)	(0.818)	(0.861)	(0.829)

Downturn

VARIABLES	UNITS	Q1	Q2	Q3	Q4
General government total expenditure	Percent of GDP	25.83424	26.00916	26.16153	26.2542
Inflation, average consumer prices	Percent change	7.316162	7.118819	6.997934	6.922235
General government revenue	Percent of GDP	(0.185924)	(0.219682)	(0.246657)	(0.267301)
General government revenue	Percent of GDP	0.766899	0.733141	0.706166	0.685522
General government gross debt	General government gross debt	1.329802	1.190842	1.14757	1.179678

Probability Weighted:

VARIABLES	UNITS	Q1	Q2	Q3	Q4
General government total expenditure	Percent of GDP	26.506	26.541	26.566	26.586
Inflation, average consumer prices	Percent change	6.715	6.709	6.707	6.706
General government revenue	Percent of GDP	(0.317)	(0.319)	(0.323)	(0.328)
General government revenue	Percent of GDP	0.636	0.634	0.630	0.625
General government gross debt	General government gross debt	1.011	0.981	0.953	0.926

The above quarterly macroeconomic forecasts are applied in the bank's ECL models to adjust Probability of Default (PD) estimates for each quarter within the forecast horizon. For lifetime ECL calculations, these quarterly forecasts are extended beyond 12 months using econometric models.

COLLATERAL VALUATION

The Bank seeks to use collateral, where possible, to mitigate its risks on financial assets. The collateral comes in various forms such as cash, gold, Government Securities, Letters of Credit/Guarantees, real estate, receivables, inventories, other non-financial assets etc.,

While determining loss rate or recovery rate for the purpose of calculation of loss allowance, expected cash

flows from collateral realization have been considered based on latest reliable internal/external valuations. The bank has used collateral value from the valuation conducted more than two months prior.

Collateral values are excluded from the loss allowance calculation for loans that have defaulted and where the collateral has not been realized within 5 years of default.

The Bank determines the Net Realizable value of collateral as the current fair value reduced by estimated realization costs and the applicable haircut, in accordance with the Nepal Rastra Bank's NFRS 9 – Expected Credit Loss Related Guidelines, 2024. The realization cost and haircut used are:

S.N.	COLLATERAL DETAILS	REALIZATION COST	HAIRCUT
1.	Land & Building	5%	25%
2.	Vehicle	0%	50%
3.	Guarantees	0%	0%
4.	Fixed Assets	5%	25%
5.	Gold & Silver	5%	10%
6.	Non-Governmental Securities	5%	10%
7.	Others	0%	25%
8.	Insurance Policy	5%	25%
9.	Governmental Securities	2%	0%
10.	Share Securities	5%	10%
11.	Gold	10%	0%
12.	Other Fixed Assets	5%	25%

The bank has not recognized an ECL Provision for the following, as the collateral held is considered sufficient to fully mitigate the credit risk.

S.N.	LOAN TYPE	GROSS CARRYING AMOUNT	NRB PROVISION	ECL PROVISION	REASON FOR NO ECL
1.	Loan Against Fixed Deposit	137,626,258	-	-	Guaranteed by Fixed Deposit
2.	Investments	1,145,096,771	-	-	Government Backed Securities

QUANTITATIVE INFORMATION:**A. Impairment Charges**

PARTICULARS	PREVIOUS YEAR 2080/81	CURRENT YEAR 2081/82
Loans and Advances to Customers (A)	1,031,407,743	3,387,523,618
Loans and Advances to BFIs (B)	27,476,475	45,484,432
Loans to Staffs (C)	2,066,959	4,070,089
Off- Balance sheet Items (D)	1,271,385	1,221,309
Investments (E)	-	-
Total Impairment (A+B+C+D+E)	1,062,222,563	3,438,299,449

The following table shows the total impairment Allowance of the bank for the year ending:

B. Impairment Charges as per staging

Impairment charges as per staging is shown in the table:

PARTICULARS	EXPECTED CREDIT LOSS (ECL) FOR THE YEAR ENDING ON 2082			
	STAGE 1	STAGE 2	STAGE 3	TOTAL
Loans & Advances to Customers (A)	837,872,315	330,323,466	2,219,327,836	3,387,523,618
Loans and Advances to BFIs (B)	45,484,432	-	-	45,484,432
Total	883,356,747	330,323,466	2,219,327,836	3,433,008,049
Loans to Staffs (C)	4,070,089	-	-	4,070,089
Off Balance Sheet Items (D)	1,221,309	-	-	1,221,309
Investment (E)	-	-	-	-
Total (A+B+C+D+E)	1,772,004,893	660,646,933	4,438,655,673	3,438,299,449

C Recognition of impairment charges on loans and advances:

The Bank, following regulatory backstop as mentioned in Clause 16 of "NFRS 9- Expected Credit Loss Related Guidelines, 2024" has recognized impairment on credit exposures as the HIGHER of total ECL calculated as per NFRS 9 and existing regulatory provisions as mentioned in Unified NRB Directives no 02.

Following is the details of impairment under both methods:

PARTICULARS	AMOUNT
Total Impairment as per NRB	4,001,495,152
Total Impairment as per ECL	3,438,299,449

The higher of two above, i.e. 4,001,495,152 as been taken in account for impairment loss on loan and advances for the reporting period.

D. Movement of Impairment during the year ending of Ashar 32, 2082

The following table below shows the movement of the impairment during the year for Loans and Advances.

PARTICULARS	STAGE 1		STAGE 2		STAGE 3		TOTAL	
	GROSS CARRYING AMOUNT	ECL	GROSS CARRYING AMOUNT	ECL	GROSS CARRYING AMOUNT	ECL	GROSS CARRYING AMOUNT	ECL
At Beginning	62,692,696,402	213,195,156	4,628,697,956	217,411,377	4,751,868,205	628,277,685	72,073,262,562	1,058,884,218
New assets originated or purchased	23,500,823,774	298,205,359	158,575,113	15,683,107	70,568,039	10,892,442	23,729,966,926	324,780,908
Assets derecognized	11,645,508,779	37,446,997	758,042,278	33,199,689	704,468,493	88,728,054	13,108,019,549	159,374,740
Transfers to Stage 1	2,251,692,415	128,950,900	(1,842,538,482)	(86,854,080)	(409,153,933)	(42,096,820)	-	-
Transfers to Stage 2	(2,288,074,645)	(9,042,243)	2,454,391,411	23,029,220	(186,316,766)	(13,986,977)	-	-
Transfers to Stage 3	(924,000,689)	(4,424,899)	(661,476,169)	(31,463,602)	1,585,476,858	35,888,501	-	-
Unwin d of Discount	-	(28,393,941)	-	(8,699,019)	-	(4,205,894)	-	(41,298,855)
Change in Model(b/f)	-	247,419,418	-	168,016,775	-	1,515,830,846	-	1,931,267,039
GCA_Adjustment(b/f)	(27,750,957,560)	-	(1,823,171,224)	-	(1,646,313,366)	-	(31,220,442,150)	-
At Closing	69,147,688,476	883,356,747	3,672,520,882	330,323,466	4,870,597,530	2,219,327,836	77,690,806,888	3,433,008,049

GCA is Gross Carrying Amount of the Loan.

ECL is Expected Credit Losses.

Also, following table shows the movement of the impairment during the year for staff loans:

PARTICULARS	GROSS CARRYING AMOUNT (GCA)	ECL
Opening Balance	796,829,086	2,066,959
New assets originated	93,076,966	437,239
Assets derecognized	(36,696,930)	(127,338)
Unwinding of Discount	-	(69,631)
Change in Model	-	1,762,861
GCA Adjustment	94,145,298	-
Closing Balance	947,354,420	4,070,090

The following table shows the movement of the impairment during the year of off Balance sheet items:

PARTICULARS	GROSS CARRYING AMOUNT (GCA)	ECL
Opening Balance	340,101,164	1,271,385
New assets originated	139,852,708	498,633
Assets derecognized	(149,234,500)	(537,402)
Unwinding of Discount	-	(144,481)
Change in Model	-	133,174
GCA Adjustment	(14,569,272)	-
Closing Balance	316,150,100	1,221,310

IMPAIRMENT AS PER NORMS OF NRB IN LOAN LOSS PROVISION

The Bank has provided for impairment provision as per norms of NRB in loan loss provision as given in NRB Directive no. 2 on the basis of overdue period of principal and interest.

The Bank, following regulatory backstop as mentioned in Clause 16 of "NFRS 9- Expected Credit Loss Related Guidelines, 2024" has recognized impairment on credit exposures as the HIGHER of total ECL calculated as per NFRS 9 and existing regulatory provisions as mentioned in Unified NRB Directives no 02.

PARTICULARS	AMOUNT
Total Impairment as per NRB	4,001,495,152
Total Impairment as per ECL	3,438,299,449

The higher of two above, i.e. 4,001,495,152 as been taken in account for impairment loss on loan and advances for the reporting period.

5.14 Staff Loans and Advances and Employee Benefits Included in Loans and Advances to Customers of the bank

Presented in financial statements under Loans and Advances to Customers are staff loans and advances extended in line with the Employee Byelaws of the Bank. Eligibility criteria for availing staff loans are directly linked to the period of service under permanent payroll of the Bank as per the Employee Byelaws of the Bank.

The carrying amount as at the balance sheet date was as under:

PARTICULARS	2081/082	2080/081
Staff Home Loans	585,278,000	536,373,000
Staff Vehicle Loans	16,501,120	17,065,963
Personal Borrowing by Staffs	-	7,050,000
Staff Household Loans Overdraft	345,510,943	236,303,851
Less: Unwinding	(326,843,420)	(252,968,462)
Total	620,446,642	543,824,352

5.15 Investment Property and Non-Banking Asset

A. INVESTMENT PROPERTY

Investment Properties Measured at Cost and The details of Investment Property of the Bank are as follows:

PARTICULARS	2081/082	2080/081
Opening Balance	214,252,077	187,268,784
Add: Addition During the Year	510,074,137	89,022,399
Less: Disposal During the Year	(48,829,971)	62,039,106
Total	675,496,243	214,252,077

B. NON-BANKING ASSETS

Non-Banking Assets (NBA) are the assets obtained as security for loans & advances and subsequently taken over by the Bank. The following are the list of properties taken over by the Bank as the non-banking assets during the course of debt recovery:

RESPECTIVE BRANCH	DATE OF BOOKING NBA	AMOUNT OF NBA	
		2081/82	080/81
Manigram	29/03/2081	-	6,750,000
Yogikuti	18/08/2080	-	30,400,000
Birat Chowk	15/08/2080	-	6,184,969
Farsatkar	29/03/2081	-	13,026,805
Kushma	07/03/2081	-	22,070,000
Syangja	14/03/2081	-	10,590,625
Dhungedhara	2081/05/14	5,500,000	-
Gongabu	2081/06/11	8,439,971	-
Sunawal	2081/06/16	2,540,000	-
Tankisinwari	2081/09/17	6,008,094	-
Khaireni	2081/09/21	15,840,000	-
Damak	2081/09/21	7,871,434	-
Biratnagar	2081/09/28	3,588,573	-
Pharsatkar	2081/09/28	12,000,000	-

RESPECTIVE BRANCH	DATE OF BOOKING NBA	AMOUNT OF NBA	
		2081/82	080/81
Lakeside	2081/09/29	11,315,000	-
Simara	2081/11/18	6,841,000	-
Baglung	2081/12/20	7,800,000	-
Butwal	2081/12/20	43,516,762	-
Butwal	2081/12/20	5,351,541	-
Chandrauta	2081/12/29	15,502,500	-
Dhadingbeshi	2082/01/19	10,965,920	-
Dhadingbeshi	2082/01/19	328,671	-
Hetauda	2082/02/13	2,607,956	-
Sunwal	2082/03/16	4,266,849	-
Chandragadhi	2082/03/16	4,491,767	-
Daldale	2082/03/18	1,930,000	-
Kawasoti	2082/03/20	4,226,287	-
Surkhet	2082/03/23	5,100,000	-
Hetauda	2082/03/23	12,445,000	-
Simara	2082/03/23	9,742,728	-
Damak	2082/03/26	257,340,000	-
Damak	2082/03/26	41,184,046	-
Birgunj	2082/03/32	3,330,038	-
Total		510,074,137	89,022,399

5.16 Liability for Long Service Leave

The detail of liability for long service leave recognized in Other Liabilities in Statement of Financial Position is as follows:

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Present Value of Unfunded Obligations	383,531,699	282,023,258	382,195,681	281,058,384
Present Value of Funded Obligations	-	-	-	-
Total Present Value of Obligations	383,531,699	282,023,258	382,195,681	281,058,384
Fair Value of Plan Assets	94,204,316	97,435,035	94,204,316	97,435,035
Present Value of Net Obligations	289,327,383	184,588,223	287,991,365	183,623,350
Recognized Liability for Defined Benefit Obligations	289,327,383	184,588,223	287,991,365	183,623,350

Detail of Plan Assets

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Equity Securities	-	-	-	-
Government Bonds	-	-	-	-
Bank Deposit	-	-	-	-
Other	94,204,316	97,435,035	94,204,316	97,435,035
Total	94,204,316	97,435,035	94,204,316	97,435,035

Movement in the Present Value of Defined Benefit Obligations

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Defined benefit obligations at Shrawan 1, 2081	282,023,258	248,642,582	281,058,384	247,334,958
Actuarial Losses	41,072,534	(60,463)	41,072,534	(60,463)
Benefits Paid by the Plan	(3,230,719)	(10,004,973)	(3,230,719)	(10,004,973)
Benefits paid Directly	(17,421,387)	(23,804,535)	(17,421,387)	(23,461,784)
Current Service Costs, Past Service Costs and Interest	81,088,014	67,250,646	80,716,869	67,250,646
Defined Benefit Obligations at Ashad End, 2082	383,531,699	282,023,258	382,195,681	281,058,384

Movement in the Fair Value of Plan Assets

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Fair Value of Plan Assets at Shrawan 1, 2081	97,435,035	107,440,008	97,435,035	107,440,008
Contributions Paid Into The Plan	-	-	-	-
Benefits Paid During The Year	(3,230,719)	(10,004,973)	(3,230,719)	(10,004,973)
Interest Income	9,581,968	10,243,752	9,581,968	10,243,752
Expected return on plan assets	(9,581,968)	(10,243,752)	(9,581,968)	(10,243,752)
Fair Value of Plan Assets at Ashad End, 2082	94,204,316	97,435,035	94,204,316	97,435,035

Amount recognized in Profit or Loss

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Current service costs	52,287,790	51,912,824	51,916,645	51,912,824
Past service costs-(Non-Vested)	-	-	-	-
Past service costs (Vested)	-	-	-	-
Actuarial (gain)/loss	11,308,959	2,521,416	11,308,959	2,521,416
Interest on obligation	17,491,265	12,816,406	17,491,265	12,816,406
Expected return on plan assets	-	-	-	-
Total	81,088,014	67,250,646	80,716,869	67,250,646

Amount recognized in Other Comprehensive Income

PARTICULARS	GROUP		BANK	
	2081-82	2080-81	2081-82	2080-81
Actuarial (gain)/loss	41,072,534	(60,463)	41,072,534	(60,463)
Total	41,072,534	(60,463)	41,072,534	(60,463)

Actuarial Assumptions

PARTICULARS	2081-82	2080-81
Discount rate	9%	10%
Future salary increase	4%	4%
Withdrawal rate	5%	5%

5.17 Taxation

CURRENT YEAR TAX

Current year tax liability has been recognized on net profit at the rate of 30% after required adjustment to arrive at taxable profit. Reconciliation between current year tax liability and current tax based on net profit of the book has been given in Note 4.41.1.

DEFERRED TAX

Deferred tax is computed at 30% of the temporary differences between accounting base and tax base. Deferred tax assets/ liabilities and the calculation of deferred taxes are given in Note 4.15 of Statement of Financial Position.

5.18 Loans and Advances extended to promoters

No any type of Loan facility has been extended to promoters.

5.19 Unpaid Dividend

The following unpaid dividend amount has remained outstanding as at the reporting date:

PARTICULARS	2081/082
Above 5 Years	1,430,335
Below 5 Years	31,969,279
Total Unpaid Dividend	33,399,614

5.20 Reserves and Fund

The Bank has created different types of reserves as per regulatory requirement. Such reserves are discussed and disclosed in detail as mentioned below:

A. REGULATORY RESERVE

The regulatory reserve has been created of NPR 788,018,668/- up to the current year as per NRB Directive 4(3) (Ka). The detail of regulatory reserve created in the current year is given in the Statement of Distributable Profit or Loss. The detail of movement of Regulatory Reserves of the Bank is summarized as below:

FISCAL YEAR	INTEREST RECEIVABLE	SHORT LOAN LOSS PROVISION ON NBA	DEFERRED TAX ASSET	ACTUARIAL LOSS RECOGNIZED	GOODWILL	STAFF BONUS RECEIVABLE	TOTAL
Balance as on 1st Shrawan 2078	102,313,489	4,892,435	-	13,810,346	-	-	121,016,272
Changes in FY 2078/079	86,585,541	(2,120,435)	-	(806,733)	92,311,741	-	175,970,114
Transfer From Sahara Bikas Bank Ltd	13,758,247	-	14,201,580	74,174	-	-	28,034,001
Balance as on 32nd Ashad 2079	202,657,277	2,772,000	14,201,580	13,077,788	92,311,741	-	325,020,386
Changes in FY 2079/080	154,622,816	94,975,010	18,250,647	12,142,035	-	48,959,673	328,950,181
Balance as on 31st Ashad 2080	357,280,093	97,747,010	32,452,227	25,219,823	92,311,741	48,959,673	653,970,567
Changes in FY 2080/081	(73,447,344)	(7,097,287)	(7,564,075)	(42,324)	-	(1710012)	(89,861,041)
Balance as on 31st Ashad 2081	283,832,749	90,649,723	24,888,152	25,177,499	92,311,741	47,249,661	564,109,525
Changes in FY 2081/082	(85,730,424)	229,561,221	53,918,056	28,750,774	-	(2,590,485)	223,909,143
Balance as on 32nd Ashad 2082	198,102,326	320,210,944	78,806,209	53,928,272	92,311,741	44,659,176	788,018,668

B. SHARE PREMIUM

The Bank has distributed share premium of NPR Nil as at the reporting date. Detail is as below:

PARTICULAR	AMOUNT
Opening Balance as on 1st Shrawan 2081	-
Add: from shares issued	-
Less: Bonus Share Issued out of Share Premium	-
Closing Balance	-

C. DEBENTURE REDEMPTION RESERVE (DRR)

PARTICULAR	AMOUNT
Opening Balance as at 1st Shrawan 2081	333,333,333
Add: Amount allocated to Debenture Redemption Reserve from current year Net Profit	166,666,667
Less: Amount utilized from Debenture Redemption Reserve during the year	Nil
Closing Balance of the Reserve as at 32nd Ashar 2082	500,000,000

D. CORPORATE SOCIAL RESPONSIBILITY FUND

Clause 13 of the NRB Directive No.6. Requires the Bank to allocate 1% of its net profit to the corporate social responsibility fund and spent the same for the social causes. The details of the movement of the Corporate Social Responsibility Fund is presented below:

PARTICULAR	2081/082	2080/081
Opening Balance of CSR Fund	12,879,186	18,783,399
Less: Expenses incurred from CSR Fund during the year	(10,979,918)	(10,243,732)
Add: Amount allocated to CSR Fund from current year net profit	12,476,921	4,339,519
Add(Less): Adjustment by NRB	1,645,248	-
CSR Fund available for next financial year	16,021,436	12,879,185

Sector Wise Corporate Social Responsibility Fund spending in FY 2081/82 is as follows:

SECTORS	AMOUNT	%
Health	2,071,585	18.87%
Education	1,506,822	13.72%
Humanitarian Aid and Relief	110,000	1.00%
Environment	572,401	5.21%
Financial Literacy	1,588,428	14.47%
Sustainable Development	209,959	1.91%
Others	4,920,723	44.82%
Total	10,979,918	100%

E. MICROFINANCE WELFARE FUND

The bank has maintained the microfinance welfare fund to cover the risk associated with the group guarantee microfinance lending. The bank has formulated the policy for the collect and utilization of the welfare fund. Bank collects the certain welfare amount from the customers availing group guarantee microfinance and the amount will be separately accounted as liability of the bank. The movement of microfinance welfare fund during the year is presented below:

PARTICULAR	AMOUNT
Opening Balance of Microfinance Welfare Fund	60,799,928
Add: Addition during the year	-
Less: Payment during the year	(2,372,652)
Closing Balance of Microfinance Welfare Fund	58,427,276

F. EMPLOYEE TRAINING FUND

The Bank and Financial Institution are required to allocate and spent at least 3% of the previous year salary and allowances for the staff skill development as per Directive 6 of the Nepal Rastra Bank Directives. In case the allocated amount isn't spent, the same has to be carried forward to the next financial year in a Staff Employee Training Fund. In line of this requirement, the movement on the Employee Training Fund is as follows:

PARTICULAR	AMOUNT
Opening Balance as at 1st Shrawan 2081	17,516,765
Add: 3% of the previous year salary and allowances	18,922,445
Less: Total expenses for the skill development of staffs during the year	(9,648,011)
Excess/(Deficit) amount incurred for employee training and skill development program	-
Fund Balance carried forward to next year	26,791,200

5.21 Proposed Bonus Share & Cash Dividend

The 334th Board meeting of the Bank dated 13 October 2025 has unanimously decided to propose 6% Bonus Shares amounting to Rs. 340,831,039.65 and 4.53% cash dividend amounting to Rs. 257,327,434.94 (including for tax purpose) i.e. in total 10.53% dividend amounting to Rs. 598,158,474.59 on current paid-up capital of Rs 5,680,517,327.57 from Retained Earnings to the eligible shareholders of the bank. The distribution shall be made after approval from Nepal Rastra Bank as well as Annual General Meeting of the bank and after deducting applicable taxes on dividend.

5.22 Provision for Bonus to Employees

Provision for staff bonus has been made as per Bonus Act 2030, calculated at 10% of net profit before bonus. For the FY 2081/82, the Bank has made provision of NPR. 200,718,308 towards Staff Bonus.

5.23 Earnings per Share

BASIC EARNINGS PER SHARE

Earnings per share, also called net income per share, is a market prospect ratio that measures the amount of net income/ loss earned per share of stock outstanding. In other words, this is the amount of money each share of stock would receive if all of the profits were distributed to the outstanding shares at the end of the year. It is calculated by dividing profit or loss attributable to ordinary equity holders by the average number of ordinary shares outstanding during the period.

The earnings attributable to the ordinary equity holders consists of the earnings of the Bank after deduction of all expenses, tax expense and preference dividends, differences arising on the settlement of preference shares, and other similar effects of preference shares classified as equity.

The calculation of basic earnings per share of the Bank has been based on the profit/ loss attributable to ordinary shareholders and weighted average number of shares outstanding as tabulated below:

PARTICULAR	2081/082	2080/081
Profit Attributable to ordinary shareholders	1,247,692,141	433,951,860
Weighted Average number of Ordinary Shares	56,805,173	56,805,173
Basic Earnings Per Share	21.96	7.64
Diluted Earnings Per Share	21.96	7.64

DILUTED EARNINGS PER SHARE

Diluted shares are the shares that would be outstanding if all possible sources of conversion, such as convertible bonds and stock options, were exercised. Specific financial figures in terms of fully diluted shares outstanding are reported to allow investors to properly assess the Bank's financial situation. There are no dilutive shares during the year of the Bank and the Subsidiary.

5.24 Interim Financial Statements

The Interim Financial Statements of the Group have been prepared and published on quarterly basis as per NFRS and NRB Directive no 4 in compliance of statutory and legal requirement within the time frame prescribed.

5.25 NFRS Carve-Outs Adjustments

During the current fiscal year, the Group has not applied the numbers of standards as prescribed in NFRS and used the NFRS carve-out adjustments. As a consequence, the net profit and retained earnings have been impacted. The impacts of each carve-out adjustment done and the affected financial statement line items have been summarized as follows wherever quantifiable or described otherwise:

NFRS 9: Recognition and Measurement (Expected Credit Loss Model measure the Impairment Loss on Loans and Advances)

NFRS 9 requires an entity to assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, the entity shall determine the amount of any impairment loss. However, as per carve out on NFRS 9 Para 5.5, the Bank has assessed and measured impairment loss on loan and advances as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per Expected Credit Loss of NFRS 9. The Exact wordings provided by ICAN carve out are:

An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortised cost is impaired. If any such evidence exists, the entity shall apply paragraph 5 to determine the amount of any impairment loss unless the entity is a bank or financial institution registered as per Bank and Financial institution Act 2073. Such entities shall measure impairment loss on loan and advances as the higher or amount derived as Per the norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 5 and shall apply paragraph 5 to measure the impairment loss on financial assets other than loan and advances. The entity shall disclose the impairment loss as per this carveout and amount of impairment loss determined as per paragraph 5."

The impacts of the application of carve- out in the current year financials is as under:

Gross Loans and Advances (To Customers and BFIs)	77,706,406,186
Impairment Loss as per NFRS 9	3,438,299,449
Impairment Loss as per Norms of NRB	4,001,495,152

The higher of two above i.e.; NPR 4,001,495,152 has been taken into account for impairment loss on loan and advances in the preparation of consolidated financial reports.

5.26 Details of Refinance Loan and Business Continuity Loan

The Bank has not availed any refinance facility as on reporting date.

5.27 Details of Concessional and Priority Sector Loans

The Bank has provided the Subsidized Loan, Deprived Sector Loans. Summary of such loan as on Ashad end 2082 is as follows:

PARTICULARS	LOAN AMOUNT IN NPR '000	% OF TOTAL LOAN*
Subsidized Loan	1,045,938	1.40%
Deprived Sector Loan	4,455,959	5.98%
Priority Sector Loan	15,264,738	20.49%
Total	20,766,6345	27.87%

*Total Loan as of Poush end 2081 has been considered for the calculation of coverage of specified loans mentioned above.

5.28 Statement of Principal Indicators for last five years

INDICATORS	UNIT	77/78	78/79	79/80	80/81	81/82
Core Capital	NPR in "000"	5,014,862	6,170,955	6,927,804	7,304,360	7,938,671
Supplementary Capital	NPR in "000"	616,458	1,954,529	2,074,159	1,396,851	1,397,700
Total Capital Fund	NPR in "000"	5,631,320	8,125,484	9,001,964	8,701,211	9,336,371
Risk Weighted Exposure	NPR in "000"	49,295,219	60,271,443	65,754,943	65,467,961	70,724,695
Core Capital	Percent	10.18	10.24	10.54	11.16	11.22
Supplementary Capital	Percent	1.25	3.24	3.15	2.13	1.98
Total Capital Fund	Percent	11.43	13.48	13.69	13.29	13.20
Earning Per Share (Average share outstanding)	NPR	22.75	22.49	24.38	7.64	21.96
Market Value Per Share	NPR	544.00	387.00	405.00	385.1	428.36
Book Net Worth Per Share	NPR	145.49	144.03	150.42	145.38	163.07
Number of Promotor Equity Shares	Nos.	18,747,154	23,357,451	26,457,204	28,970,638	28,970,639
Number of Public Equity Shares	Nos.	18,011,971	22,441,473	25,419,666	27,834,535	27,834,534
Number of Permanent Staffs	Nos.	746	857	884	889	870
Total Number of Staffs	Nos.	933	1,027	1,038	1,049	1,034
Price Earning Ratio	Times	23.91	17.21	16.61	50.54	19.50
Dividend (including bonus) on Share Capital	Percent	16.00	14.50	10.00	5	10.53
Cash Dividend on Share Capital	Percent	-	1.50	0.50	5	4.53
Net Profit / Gross Income	Percent	31.23	33.58	34.02	11.31	29.26
Net Profit / Loans and Advances	Percent	1.54	1.69	1.93	0.63	1.69
Return on Total Assets	Percent	1.36	1.35	1.49	0.47	1.24
Return on Equity	Percent	17.25	17.25	17.57	5.40	14.24
Interest Income / Loans and Advances	Percent	10.14	13.05	14.93	14.68	11.38
Exchange Gain / Total Income	Percent	-	-	0.13	0.15	0.19
Interest Expenses / Total Deposits and Borrowings	Percent	5.27	7.49	9.26	7.81	5.10
Total Operating Expenses / Total Assets	Percent	0.62	1.73	1.71	1.52	1.73
Staff Expenses / Total Operating Expenses	Percent	52.37	59.83	59.64	56.29	61.62
Staff Bonus / Total Staff Expenses	Percent	26.98	20.26	21.86	8.68	18.07
Total Credit / Deposits	Percent	82.04	85.31	82.89	82.72	83.40
Non-Performing Loans / Total Loans	Percent	0.72	0.85	1.70	4.85	4.69
Net NPL	Percent	0.45	0.42	0.79	1.57	0.76
Base Rate	Percent	8.17	11.41	11.78	8.67	7.24
Weighted Average Interest Rate Spread	Percent	4.50	4.66	4.60	4.59	4.37

COMPARISON OF STATEMENT OF FINANCIAL POSITION AS ON 32ND ASHAD 2082

Statement of Financial Position	NOTES	As per Projected		As per Audited		Variance		Reasons for Variance
		Financial Statement	Financial Statement	Financial Statement	Financial Statement	In amount	In %	
Assets								
Cash and cash equivalent	4.1	3,165,092,047	3,165,470,476	(378,429)	(0.01)	Changes due to Bank Reconciliation		
Due from Nepal Rastra Bank	4.2	3,777,784,288	3,778,537,693	(753,425)	(0.02)	Changes due to SDF Income Recognition		
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	4,574,216,271	4,574,216,271	-	-			
Loans and advances to customers	4.7	69,316,485,053	69,130,694,763	185,790,290	0.27	Due to Staff Loan Amortisation & Change in impairment		
Investment in securities	4.8	20,195,712,972	20,195,712,972	-	-			
Current Tax Assets	4.9	57,762,018	83,859,471	(26,097,453)	(45.18)	Due to Change in Profit		
Investment in subsidiaries	4.10	123,900,000	123,900,000	-	-			
Investment in Associates	4.11	-	-	-	-			
Investment property	4.12	675,496,243	675,496,243	-	-			
Property and equipment	4.13	1,908,680,119	1,908,698,292	(18,173)	-	Due to Depreciation adjustment		
Goodwill and Intangible Assets	4.14	103,540,968	103,540,968	-	-			
Deferred tax assets	4.15	38,086,061	38,835,344	(749,283)	(1.97)	Due to Adjustment in Deferred Tax Calculation		
Other assets	4.16	608,224,796	685,096,745	(76,871,950)	(12.64)	Revision of amount in Deferred Employee Expenditure		
Total Assets		104,544,980,817	104,464,059,239	80,921,578	-			

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Statement of Financial Position	NOTES	As per Projected Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
				In amount	In %	
Liabilities						
Due to Bank and Financial Institutions	4.17	2,565,987,630	2,565,987,630	-	-	
Due to Nepal Rastra Bank	4.18	-	-	-	-	
Derivative Financial Instruments	4.19	-	-	-	-	
Deposit from customers	4.20	90,115,629,859	90,115,629,859	-	-	
Borrowings	4.21	-	-	-	-	
Current Tax Liabilities	4.9	-	-	-	-	
Provisions	4.22	-	-	-	-	
Deferred tax liabilities	4.15	-	-	-	-	
Other liabilities	4.23	1,540,354,855	1,522,124,839	18,230,016	1.18	Due to Change in Staff Bonus payable and Statutory Audit Adjustment
Debt securities issued	4.24	997,062,992	997,062,992	-	-	
Subordinated Liabilities	4.25	-	-	-	-	
Total liabilities		95,219,035,335	95,200,805,319	18,230,016	0.02	
Equity						
Share Capital	4.26	5,680,517,328	5,680,517,328	-	-	
Share Premium		-	-	-	-	
Retained Earning		714,978,285	599,214,090	115,764,195	16.19	Due to Change in Profit
Reserves	4.27	2,930,449,870	2,983,522,502	(53,072,633)	(1.81)	Due to Change in Profit
Total equity attributable to equity holders		9,325,945,482	9,263,253,919	62,691,562	0.67	
Non-controlling interests		-	-	-	-	
Total equity		9,325,945,482	9,263,253,919	62,691,562	0.67	
Total liabilities and equity		104,544,980,817	104,464,059,239	80,921,578	0.08	

COMPARISON OF STATEMENT OF PROFIT OR LOSS

For the year ended 31 Ashad 2082

	Notes	As per Unaudited		As per Audited		Variance		Reasons for Variance
		2081-82	2081-82	2081-82	2081-82	In Amount	%	
Interest Income	4.29	8,422,425,852	8,391,249,954	31,175,898	0.37	Due to classification of income		
Interest Expense	4.30	4,779,125,260	4,779,182,798	(57,538)	(0.00)	Due to Interest Expense Adjustment		
Net interest income		3,643,300,592	3,612,067,156	31,233,436	0.86			
Fees and Commission Income	4.31	515,580,612	516,374,447	(793,835)	(0.15)	Due to Adjustments & reclassification		
Fees and Commission Expense	4.32	5,466,446	5,480,318	(13,873)	(0.25)	Due to audit adjustments & reclassification		
Net fee and Commission income		510,114,166	510,894,129	(779,963)	(0.15)			
Net interest fee and commission income		4,153,414,758	4,122,961,285	30,453,473	0.73			
Net Trading Income	4.33	16,409,319	16,409,319	-	-			
Other Operating Income	4.34	118,695,614	118,695,614	-	-			
Total operating income		4,288,519,680	4,258,066,217	30,453,473	0.71			
Impairment charge/(reversal) for loans and other losses	4.35	537,953,730	647,055,737	(109,102,007)	(20.28)	Due to Revision on impairment amount		
Net Operating income		3,750,565,960	3,611,010,480	139,555,480	3.72			
Operating expenses								
Personnel Expense	4.36	1,163,151,834	1,110,598,014	52,553,820	4.52	Due to Revision on Staff Bonus & Employee		
Expense Adjustment as per NFRS								
Other Operating Expenses	4.37	461,477,630	463,841,760	(2,364,131)	(0.51)	Due to Accounting Adjustment		
Depreciation and amortisation	4.38	227,898,970	227,880,797	18,172	0.01	Due to Adjustment in Depreciation		
Operating Profit		1,898,037,527	1,808,689,908	89,347,619	4.71			
Non operating income	4.39	540,000	540,000	-	-			
Non operating expense	4.40	2,765,132	2,765,132	-	-			
Profit before income tax		1,895,812,395	1,806,464,776	89,347,619	4.71			
Income tax expense	4.41	585,419,804	558,772,635	26,647,169	4.55	Change in Tax Calculation		
Current tax		615,636,421	589,742,344	25,894,077	4.21			
Deferred tax income		(30,216,617)	(30,969,709)	753,092	(2.49)			
Profit for the period		1,310,392,590	1,247,692,141	62,700,450	4.78			
Total Other comprehensive income		39,710,320	39,719,207	(8,887)	(0.02)	Due to Adjustment in Actuarial Report		
Total Comprehensive income		1,350,102,910	1,287,411,348	62,691,562	4.64			

COMPARATIVE STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 Ashad 2082

	Notes	As per Unaudited		As per Audited		Variance		Reasons for Variance
		2081-82	2081-82	2081-82	2081-82	In Amount	%	
Profit for the period		1,310,392,590	1,247,692,141	62,700,450	4.78			
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		46,637,761	97,814,258	(51,176,497)	(109.73)			
• Gains/(losses) on revaluation		-	-	-	-			
• Actuarial gain/(losses) on defined benefit plans		-	(41,072,534)	41,072,534	(100.00)			Due to Actuarial Valuation
• Income tax relating to above items		(13,991,328)	(17,022,517)	3,031,189	(21.66)			Tax impact of Actuarial Valuation
Net other comprehensive income that will not be reclassified to profit or loss		32,646,433	39,719,207	(7,072,774)	(131.40)			
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		32,646,433	39,719,207	(7,072,774)	(131.40)			
Total comprehensive income for the period		1,343,039,023	1,287,411,348	55,627,675	(126.61)			
Total comprehensive income attributable to:								
Equity holders of the Bank		1,343,039,023	1,287,411,348	55,627,675	4.14			
Non-controlling interest		-	-	-	(130.75)			
Total Comprehensive income for the period		1,343,039,023	1,287,411,348	55,627,675	(126.61)			



COMPARISON OF PROJECTED FINANCIAL STATEMENTS PUBLISHED FOR THE ISSUANCE OF 8.75% GARIMA DEBENTURE 2085 AND AUDITED FINANCIAL STATEMENTS AS OF FY 2081-82

Particulars	As per Projected 31 Ashad 2082	As per Audited 31 Ashad 2082	Variance		Reasons for Variance
			In amount	In %	
Assets					
Cash and cash equivalent	5,374,562,448	3,165,470,476	(2,209,091,972)	(69.79)	As per the policy of minimum ideal fund, cash in vault & in bank minimum balance maintained.
Due from Nepal Rastra Bank	5,006,397,489	3,778,537,693	(1,227,859,796)	(32.50)	As per the policy of minimum ideal fund, minimum balance with NRB has been maintained.
Placement with Bank and Financial Institutions	-	-	-	-	
Derivative financial instruments	-	-	-	-	
Other trading assets	-	-	-	-	
Loan and Advances to B/FIs	2,223,107,741	4,574,216,271	2,351,108,530	51.40	DSL loan was disbursed more than projected
Loans and advances to customers	149,491,948,200	69,130,694,763	(80,361,253,437)	(116.25)	Due to slowness in the economy of the country, and Capital Adequacy Management Policy of the
Investment in securities	20,521,697,286	20,195,712,972	(325,984,314)	(1.61)	
Current Tax Assets	29,919,261	83,859,471	53,940,211	64.32	Additional advance tax paid to LTO after assessment by LTO.
Investment in subsidiaries	-	123,900,000	123,900,000	100.00	Due to investment in Garima Capital Ltd.
Investment in Associates	3,525,489	-	(3,525,489)	-	
Investment property	32,114,800	675,496,243	643,381,443	95.25	Due to increment in NBA due to present economic condition.
Property and equipment	464,811,771	1,908,698,292	1,443,886,520	75.65	With growth of business additional assets purchased.
Goodwill and Intangible Assets	5,607,662	103,540,968	97,933,306	94.58	With growth of business additional softwares purchased.
Deferred tax assets	8,683,182	38,835,344	30,152,162	77.64	Deferred tax asset is calculated on actual basis
Other assets	184,483,724	685,096,745	500,613,021	73.07	Recognition of Right of Use Assets and Deferred Employee Expenditure
Total Assets	183,346,859,054	104,464,059,239	(78,882,799,815)	(75.51)	

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Particulars	As per Projected	As per Audited	Variance		Reasons for Variance
	31 Ashad 2082	31 Ashad 2082	In amount	In %	
Liabilities					
Due to Bank and Financial Institutions	4,438,003,294	2,565,987,630	(1,872,015,664)	(72.95)	Deposits of BFIs not grow as expected.
Due to Nepal Rastra Bank	216,731,987	-	(216,731,987)	-	All borrowing form NRB repaid.
Derivative Financial instruments	-	-	-	-	
Deposit from customers	165,774,751,292	90,115,629,859	(75,659,121,433)	(83.96)	Due to slowness in the economy of the country, not increased as expected.
Borrowings	-	-	-	-	
Current Tax Liabilities	-	-	-	-	
Provisions	-	-	-	-	
Deferred tax liabilities	-	-	-	-	
Other liabilities	1,022,244,587	1,522,124,839	499,880,253	32.84	Recognition of liabilities under finance lease etc.
Debt securities issued	1,000,000,000	997,062,992	(2,937,008)	(0.29)	
Subordinated Liabilities	-	-	-	-	
Total liabilities	172,451,731,159	95,200,805,319	(77,250,925,840)	(81.15)	
Equity					
Share Capital	7,248,082,076	5,680,517,328	(1,567,564,749)	(27.60)	Capital management policy of the bank
Share Premium	97,068	-	(97,068)	-	
Retained Earning	1,458,309,251	599,214,090	(859,095,161)	(143.37)	Due to non achievement of Net profit as per projection.
Reserves	2,188,639,499	2,983,522,502	794,883,003	26.64	Due to non achievement of Net profit as per projection.
Total equity attributable to equity holders	10,895,127,895	9,263,253,919	(1,631,873,975)	-17.62	
Non-controlling interests	-	-	-	-	
Total equity	10,895,127,895	9,263,253,919	(1,631,873,975)	(17.62)	
Total liabilities and equity	183,346,859,054	104,464,059,239	(78,882,799,815)	(75.51)	

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Particulars	As per Projected 31 Ashad 2082		As per Audited 31 Ashad 2082		Variance		Reasons for Variance
	In amount	In %	In amount	In %	In amount	In %	
Interest Income reduction in rate of interest.	9,468,409,707		8,391,249,954	(12.84)	(1,077,159,753)	(12.84)	Impact in interest income due to adverse impact in business growth and
Interest Expense	5,422,151,643		4,779,182,798	(13.45)	(642,968,845)	(13.45)	Impact of interest rate fluctuation adverse impact in business growth.
Net interest income	4,046,258,064		3,612,067,156	(12.02)	(434,190,908)	(12.02)	
Fees and Commission Income	517,604,657		516,374,447	(0.24)	(1,230,210)	(0.24)	
Fees and Commission Expense incurred as expected.	22,058,865		5,480,318	(302.51)	(16,578,547)	(302.51)	Due to adoption of cost control and cost reduction tool expenses not
Net fee and Commission income	495,545,791		510,894,129	3.00	15,348,338	3.00	
Net interest fee and commission income	4,541,803,855		4,122,961,285	(10.16)	(418,842,570)	(10.16)	
Net Trading Income	1,749,006		16,409,319	89.34	14,660,312	89.34	Due to growth in forex trading income increased.
Other Operating Income	410,181,816		118,695,614	(245.57)	(291,486,202)	(245.57)	Due to regulatory restrictions, unable to earn as expected.
Total operating income	4,953,734,677		4,258,066,217	(16.34)	(695,668,460)	(16.34)	
Impairment charge/(reversal) for loans and other losses	527,393,836		647,055,737	18.49	119,661,902	18.49	Due to regulatory adjustment/Statutory Audit adjustment and increment in non performing loan.
Net Operating income	4,426,340,842		3,611,010,480	(22.58)	(815,330,362)	(22.58)	
Operating expenses							
Personnel Expense	1,108,947,712		1,110,598,014	0.15	1,650,303	0.15	
Other Operating Expenses	624,500,902		463,841,760	(34.64)	(160,659,142)	(34.64)	Due to adoption of cost control and cost reduction tool expenses not incurred as expected.
Depreciation and amortisation	139,239,402		227,880,797	38.90	88,641,395	38.90	With growth of business additional fixed assets & softwares acquired resulting in increment.
Operating Profit	2,553,652,826		1,808,689,908	(41.19)	(744,962,918)	(41.19)	
Non operating income	13,258,180		540,000	(2,355.22)	(12,718,180)	(2,355.22)	Loan not written off as expected
Non operating expense	-		2,765,132	100.00	2,765,132	100.00	Due to Increase in loan written off with the increase in Non Performing Loan
Profit before income tax	2,566,911,006		1,806,464,776	(42.10)	(760,446,230)	(42.10)	
Income tax expense	770,669,544		558,772,635	(37.92)	(211,896,909)	(37.92)	
Current tax	770,073,302		589,742,344	(30.58)	(180,330,958)	(30.58)	Tax expense is calculated on actual basis
Deferred tax income	596,242		(30,969,709)	101.93	(31,565,951)	101.93	Tax expense is calculated on actual basis
Profit for the period	1,796,241,462		1,247,692,141	(43.97)	(548,549,321)	(43.97)	
Total Other comprehensive income	78,852,505		39,719,207	(98.52)	(39,133,298)	(98.52)	
Total Comprehensive income	1,875,093,967		1,287,411,348	(45.65)	(587,682,619)	(45.65)	

HORIZONTAL ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Amount in NPR

PARTICULARS	FY 2081-82	FY 2080-81	FY 2079-80	FY 2078-79	FY 2077-78
Assets					
Cash and cash equivalent	56.05%	83.48%	81.50%	92.50%	100.00%
Due from Nepal Rastra Bank	175.38%	174.04%	137.47%	92.78%	100.00%
Placement with Bank and Financial Institutions	-	-	-	100.00%	-
Derivative financial instruments	-	-	-	-	-
Other trading assets	-	-	-	-	-
Loan and Advances to B/FIs	231.66%	219.45%	150.61%	144.12%	100.00%
Loans and advances to customers	133.75%	124.96%	119.87%	112.30%	100.00%
Investment securities	192.83%	158.81%	142.45%	94.62%	100.00%
Current Tax Assets	117.81%	578.27%	(100.00%)	(100.00%)	100.00%
Investment in subsidiaries	100.00%	100.00%	100.00%	100.00%	-
Investment in Associates	(100.00%)	(100.00%)	(100.00%)	131.12%	100.00%
Investment property	1693.80%	537.23%	469.57%	91.56%	100.00%
Property and equipment	459.89%	132.85%	154.46%	180.42%	100.00%
Goodwill and Intangible Assets	1296.85%	1228.01%	1264.95%	1271.12%	100.00%
Deferred tax assets	100.00%	100.00%	100.00%	-	-
Other assets	142.19%	178.71%	137.64%	101.55%	100.00%
Total Assets	143.18%	132.00%	122.21%	109.69%	100.00%
Liabilities					
Due to Bank and Financial Institutions	111.10%	77.21%	91.12%	88.13%	100.00%
Due to Nepal Rastra Bank	(100.00%)	(100.00%)	(100.00%)	127.93%	100.00%
Derivative Financial Instruments	-	-	-	-	-
Deposit from customers	141.02%	131.85%	120.44%	107.05%	100.00%
Borrowings	-	100.00%	100.00%	100.00%	-
Current Tax Liabilities	-	-	100.00%	100.00%	-
Provisions	-	-	-	-	-
Deferred tax liabilities	(100.00%)	(100.00%)	(100.00%)	1.61%	100.00%
Other liabilities	217.25%	144.04%	174.72%	162.24%	100.00%
Debt securities issued	100.00%	100.00%	100.00%	100.00%	-
Subordinated Liabilities	-	-	-	-	-
Total liabilities	140.81%	130.23%	120.34%	108.61%	100.00%
Equity					
Share Capital	154.53%	154.53%	141.13%	124.59%	100.00%
Share Premium	(100.00%)	(100.00%)	4548.69%	95099.90%	100.00%
Retained Earnings	95.99%	45.88%	82.92%	93.62%	100.00%
Reserves	284.74%	218.66%	199.79%	127.88%	100.00%
Total equity attributable to equity holders	143.18%	132.00%	122.21%	109.69%	100.00%

Horizontal Analysis (Balance Sheet)

Horizontal Analysis on Balance Sheet refers to the analysis of growth of each component of balance sheet items from the base period. Here base period is considered the year 2077-78 giving a value of 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to base year. Here, total assets, liabilities and shareholders' equity are showing consistent growth over the last five years which symbolize sustainable balance sheet growth of the bank as a whole.

STATEMENT OF PROFIT OR LOSS

Amount in NPR

PARTICULARS	FY 2081-82	FY 2080-81	FY 2079-80	FY 2078-79	FY 2077-78
Interest Income	153%	185%	195%	145%	100%
Interest Expense	137%	195%	213%	153%	100%
Net interest income	182%	167%	165%	131%	100%
Fees and Commission Income	126%	117%	99%	88%	100%
Fees and Commission Expense	18%	68%	63%	51%	100%
Net fee and Commission income	135%	121%	102%	91%	100%
Net interest fee and commission income	175%	160%	155%	124%	100%
Net Trading Income	37121%	30202%	33932%	711%	100%
Other Operating Income	41%	11%	12%	39%	100%
Total operating income	161%	144%	140%	115%	100%
Impairment charge/(reversal) for loans and other losses	159%	421%	102%	42%	100%
Net Operating income	161%	94%	147%	128%	100%
Operating expenses					
Personnel Expense	181%	134%	148%	135%	100%
Other Operating Expenses	132%	137%	130%	117%	100%
Depreciation and amortisation	256%	177%	180%	167%	100%
Operating Profit	152%	54%	148%	125%	100%
Non operating income	6%	13%	243%	228%	100%
Non operating expense	100%	-	-	-	-
Profit before share of results of Associates & Joint Ventures	151%	54%	149%	126%	100%
Share of Results of Associates & Joint Venture	(100%)	(100%)	(100%)	138%	100%
Profit before income tax	151%	54%	149%	126%	100%
Income tax expense	154%	58%	144%	134%	100%
Current tax Expenses	162%	59%	152%	130%	100%
Deferred tax Expense/(Income)	2008%	418%	2045%	(719%)	100%
Profit for the period	149%	52%	151%	123%	100%
Profit attributable to:					
Equity holders of the bank	149%	52%	151%	123%	100%
Non-controlling interest	-	-	-	-	-
Profit for the period	149%	52%	151%	123%	100%
Earnings per share:					
Basic earnings per share	97%	34%	107%	99%	100%
Diluted earnings per Share	97%	34%	107%	99%	100%

Horizontal Analysis (Profit and Loss Statement)

Horizontal Analysis on Income Statement refers to the analysis of growth of each component of income statement items from the base period. Here base period is considered the year 2077-78 giving a value of 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to base year. Here, income of the bank is growing consistently over the period of past five years which symbolize sustainable income growth of the bank.

VERTICAL ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Amount in NPR

PARTICULARS	FY 2081-82	FY 2080-81	FY 2079-80	FY 2078-79	FY 2077-78
Assets					
Cash and cash equivalent	3.03%	4.90%	5.16%	6.53%	7.74%
Due from Nepal Rastra Bank	3.62%	3.89%	3.32%	2.50%	2.95%
Placement with Bank and Financial Institutions	-	-	-	0.62%	-
Derivative financial instruments	-	-	-	-	-
Other trading assets	-	-	-	-	-
Loan and Advances to B/FIs	4.38%	4.50%	3.34%	3.56%	2.71%
Loans and advances to customers	66.18%	67.07%	69.49%	72.53%	70.85%
Investment securities	19.33%	17.27%	16.73%	12.38%	14.36%
Current Tax Assets	0.08%	0.43%	-	-	0.10%
Investment in subsidiaries	0.12%	0.13%	0.14%	0.15%	-
Investment in Associates	-	-	-	0.01%	0.01%
Investment property	0.65%	0.22%	0.21%	0.05%	0.05%
Property and equipment	1.83%	0.57%	0.72%	0.94%	0.57%
Goodwill and Intangible Assets	0.10%	0.10%	0.11%	0.13%	0.01%
Deferred tax assets	0.04%	0.03%	0.04%	-	-
Other assets	0.66%	0.89%	0.74%	0.61%	0.66%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities					
Due to Bank and Financial Institutions	2.46%	1.85%	2.36%	2.54%	3.17%
Due to Nepal Rastra Bank	-	-	-	1.01%	0.87%
Derivative Financial Instruments	-	-	-	-	-
Deposit from customers	86.26%	87.48%	86.32%	85.48%	87.59%
Borrowings	-	0.01%	0.02%	0.03%	-
Current Tax Liabilities	-	-	0.06%	0.03%	-
Provisions	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	0.09%
Other liabilities	1.46%	1.05%	1.37%	1.42%	0.96%
Debt securities issued	0.95%	1.03%	1.12%	1.24%	-
Subordinated Liabilities	-	-	-	-	-
Total liabilities	91.13%	91.43%	91.25%	91.76%	92.67%
Equity					
Share Capital	5.44%	5.90%	5.82%	5.72%	5.04%
Share Premium	-	-	-	0.12%	-
Retained Earnings	0.57%	0.30%	0.58%	0.73%	0.86%
Reserves	2.86%	2.38%	2.35%	1.67%	1.44%
Total equity attributable to equity holders	100.00%	100.00%	100.00%	100.00%	100.00%

Vertical Analysis (Balance Sheet)

Vertical Analysis on Balance Sheet refers to the components of balance sheet items as a percentage of total Assets over the periods which would be termed as common sizing of balance sheet.

STATEMENT OF PROFIT OR LOSS

Amount in NPR

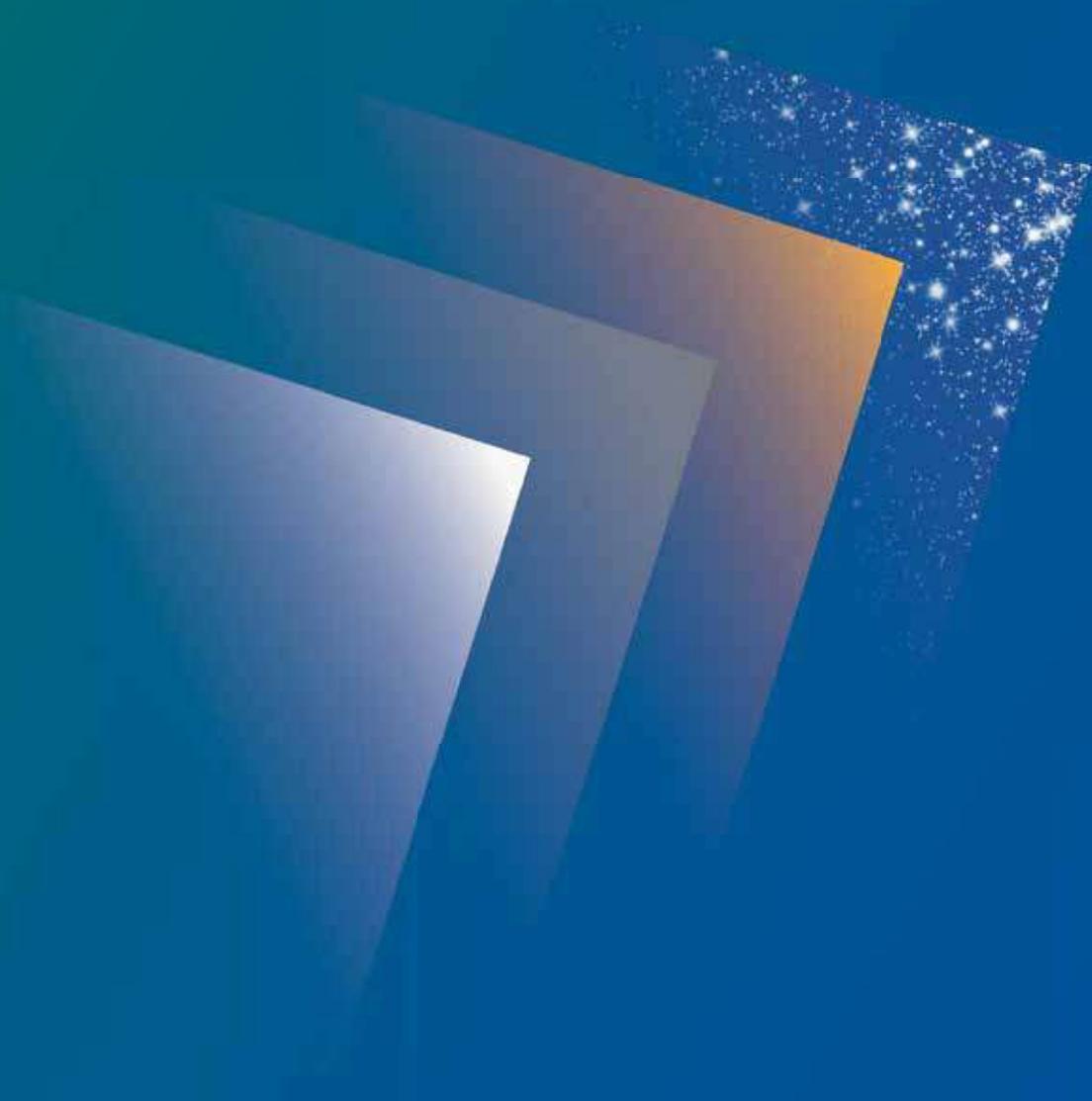
PARTICULARS	FY 2081-82	FY 2080-81	FY 2079-80	FY 2078-79	FY 2077-78
Interest Income	92.79%	95.09%	95.72%	94.15%	88.59%
Interest Expense	52.85%	63.91%	66.48%	63.42%	56.48%
Net interest income	39.94%	31.17%	29.25%	30.72%	32.11%
Fees and Commission Income	5.71%	4.49%	3.63%	4.26%	6.61%
Fees and Commission Expense	0.06%	0.19%	0.17%	0.18%	0.49%
Net fee and Commission income	5.65%	4.29%	3.46%	4.07%	6.12%
Net interest fee and commission income	45.59%	35.47%	32.71%	34.80%	38.23%
Net Trading Income	0.18%	0.13%	0.13%	0.00%	0.00%
Other Operating Income	1.31%	0.29%	0.30%	1.33%	4.64%
Total operating income	47.09%	35.88%	33.14%	36.13%	42.87%
Impairment charge/(reversal) for loans and other losses	7.16%	16.09%	3.70%	2.05%	6.59%
Net Operating income	39.93%	19.79%	29.44%	34.08%	36.28%
Operating expenses					
Personnel Expense	12.28%	7.74%	8.14%	9.83%	9.95%
Other Operating Expenses	5.13%	4.53%	4.07%	4.85%	5.67%
Depreciation and amortisation	2.52%	1.48%	1.44%	1.76%	1.44%
Operating Profit	20.00%	6.04%	15.80%	17.65%	19.22%
Non operating income	0.01%	0.01%	0.21%	0.26%	0.16%
Non operating expense	0.03%	-	-	-	-
Profit before share of results of Associates & Joint Ventures	19.98%	6.05%	16.01%	17.91%	19.38%
Share of Results of Associates & Joint Venture	-	-	-	0.02%	0.02%
Profit before income tax	19.98%	6.05%	16.01%	17.93%	19.40%
Income tax expense	6.18%	1.97%	4.68%	5.73%	5.86%
Current tax Expenses	6.52%	2.03%	4.96%	5.61%	5.88%
Deferred tax Expense/(Income)	(0.34%)	(0.06%)	(0.28%)	0.11%	(0.02%)
Profit for the period	13.80%	4.08%	11.33%	12.20%	13.54%

Vertical Analysis (Profit and Loss Statement)

Vertical Analysis on Income Statement refers to the components of income statement items as a percentage amount of total income over the periods which would be termed as common sizing of income statement.

GARIMA CAPITAL LIMITED
(A SUBSIDIARY OF GARIMA BIKAS BANK LIMITED)

**STATUTORY REPORTS &
FINANCIAL STATEMENTS**





INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GARIMA CAPITAL LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Garima Capital Limited, which comprise the statement of financial position as at Ashad 32, 2082 (corresponding to July 16, 2025), the statement of profit or loss, the statement of other comprehensive income, statement of changes in equity, the statement of cash flow for the year then ended, and a notes to the financial statements prepared in accordance with Nepal Financial Reporting Standards.

In our opinion and, the financial statements referred to above, read together with the notes attached present fairly, in all material respect, the financial position of the Company as at Ashad 32, 2082 (corresponding to July 16, 2025) and its financial performance, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flow statement for the year then ended in accordance with the Nepal Financial Reporting Standards..

Basis for Opinion

We have conducted our audit in accordance with Nepal Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial Statements section of our report. We are independent of the Company in accordance with the Institute of Chartered Accountant of Nepal's code of ethics for professional accountants (ICAN Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAN Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibility for Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 Nepal Standards on Auditing 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 Nepal Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and 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 omission, 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 of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cause significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

Based on our examination of the financial statements as per company's Act, we report that:

- We have obtained information and explanations asked for which, to best of our knowledge and belief, were necessary for the purpose of our audit,
- The accounts and records of the company have been maintained as per required by law and practice in a manner to reflect real affairs of Company,
- Statements of financial position, statement of profit or loss, statement of other comprehensive income, statements of changes in equity and statements of cash flows, have been prepared in accordance with the requirements of the Companies Act, and are in agreement with the books of account maintained by the Company including relevant records relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and records of the Company,
- In our opinion and to the best of our information and according to explanation given to us, the board of Directors, the representative or employee of company has not acted contrary to the provision of law relating to accounts nor caused direct loss or damage to the company deliberately or acted in manner that would jeopardized the interest and security of the Company and business of the Company appears to have been conducted satisfactorily.


 Gyanendra Subedi, FCA
 Partner
 Date: 05 Bhadra, 2082
 UDIN: 250902CA00482TdA42
 Kathmandu



GARIMA CAPITAL LIMITED

STATEMENT OF FINANCIAL POSITION

For the year ended 32 Ashad 2082

Amount in NPR

PARTICULARS	NOTES	32ND ASHADH, 2082	31ST ASHADH, 2081
Assets			
Cash and Cash Equivalent	4.1	3,385,221	3,283,635
Placement with Bank and Financial Institutions	4.2	-	-
Loans and Advances	4.3	-	-
Investment	4.4	331,555,273	219,079,844
Current Tax Assets	4.5	16,901,977	10,951,061
Property, Plant and Equipment	4.6	7,778,744	10,218,535
Goodwill and Intangible Assets	4.7	1,876,045	1,037,815
Deferred Tax Assets	4.8	-	13,508,908
Other Assets	4.9	55,563,869	60,136,453
Total Assets		417,061,129	318,216,250
Liabilities			
Borrowings	4.10	98,587,819	48,951,283
Current Tax Liabilities	4.5	-	-
Deferred Tax Liabilities	4.8	3,533,000	-
Other Liabilities	4.11	67,721,643	62,535,361
Total Liabilities		169,842,462	111,486,644
Equity			
Share Capita	4.12	242,000,000	242,000,000
Retained Earning	4.13	(26,399,915)	(47,032,359)
Other Reserves	4.13	31,618,582	11,761,965
Total Equity Attributable to Equity Holders		247,218,667	206,729,606
Total Liabilities and Equity		417,061,129	318,216,250
Contingent Liabilities and Commitment	4.14	-	-
Net Assets Value per Share		102.16	85.43

The accounting policies and notes form an integral part of the financial statements

DEEPAK PANDEY
CHAIRMAN

ANIL REGMI
DIRECTOR

SANJU PRASAD JAISWAL
DIRECTOR

NAINA NEPAL DHAKAL
DIRECTOR

As per our report of even date attached

GYANENDRA SUBEDI FCA
PARTNER

FOR,
JOSHI & BHANDARY,
CHARTERED ACCOUNTANTS

NIRMAL BHATTARAI
CHIEF EXECUTIVE OFFICER

ASHOK SUBEDI
CHIEF OPERATING OFFICER

MAHESH PRASAD KAPHLE
INDEPENDENT DIRECTOR

DATE : **4TH BHADRA, 2082 (20TH AUGUST, 2025)**
PLACE : **KATHMANDU, NEPAL**

GARIMA CAPITAL LIMITED

STATEMENT OF PROFIT OR LOSS

For the Period from 1st Shrawan, 2081 to 32nd Ashadh, 2082

Amount in NPR

PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
Income			
Fees and Commission Income	4.15	55,060,412	21,474,908
Fees and Commission Expenses	4.16	(5,519,390)	(4,541,981)
Net Fees and Commission Income (A)		49,541,022	16,932,926
Trading Income	4.17	23,999,141	17,942,487
Other Trading Income	4.18	404,748	421,330
Total Trading Income (B)		24,403,888	18,363,816
Interest Income	4.19	4,797,530	4,664,667
Interest Expenses	4.20	(10,746,908)	(5,786,758)
Net Interest Income (C)		(5,949,378)	(1,122,090)
Non-Operating Income	4.19A	1,784,334	25,509
Non-Operating Expenses		-	-
Net Non-Operating Income (D)		1,784,334	25,509
Impairment Charges/(Reversal)	4.21	-	-
Total income (E) = (A+B+C+D)		69,779,867	34,200,161
Expenses			
Personnel Expenses	4.22	24,910,540	18,863,174
Other Operating Expenses	4.23	7,481,246	7,163,714
Depreciation and Amortisation	4.24	5,627,619	5,607,956
Total Expenses (F)		38,019,405	31,634,845
"Profit Before Fair Value Gain/(Loss) and Income Tax (G) = (E) - (F)"		31,760,462	2,565,316
Gain/(Loss) due to Changes in Fair Value of Financial Assets at FVTPL (H) 4.17		20,696,751	3,659,527
Profit Before Income Tax (I) = (G) + (H)		52,457,212	6,224,843
Income Tax Expenses (J)	4.25	15,523,989	1,237,332
Current Tax Expenses		7,161	-
Deferred Tax (Income)/Expenses		15,516,828	1,237,332
Profit for the Period (K) = (I) - (J)		36,933,224	4,987,511
Profit Attributable to:			
Equity Holders		36,933,224	4,987,511
Non-controlling Interest		-	-
Profit for the Period		36,933,224	4,987,511
Earnings per Share (Weighted Average):			
Basic Earnings per Share		15.26	2.06
Diluted Earnings per Share		15.26	2.06

The accounting policies and notes form an integral part of the financial statements

DEEPAK PANDEY
CHAIRMAN

ANIL REGMI
DIRECTOR

SANJU PRASAD JAISWAL
DIRECTOR

NAINA NEPAL DHAKAL
DIRECTOR

As per our report of even date attached
GYANENDRA SUBEDI FCA
PARTNER
FOR,
JOSHI & BHANDARY,
CHARTERED ACCOUNTANTS

NIRMAL BHATTARAI
CHIEF EXECUTIVE OFFICER

ASHOK SUBEDI
CHIEF OPERATING OFFICER

MAHESH PRASAD KAPHLE
INDEPENDENT DIRECTOR

DATE : 4TH BHADRA, 2082 (20TH AUGUST, 2025)
PLACE : KATHMANDU, NEPAL

GARIMA CAPITAL LIMITED

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Period from 1st Shrawan, 2081 to 32nd Ashadh, 2082

Amount in NPR

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Profit for the Period	36,933,224	4,987,511
Other Comprehensive Income, Net of Income Tax		
a) Items That Will Not be Reclassified to Profit or Loss		
• Gain/(Loss) from Investment in Equity Instruments Measured at Fair Value	5,083,600	3,199,600
• Gain/(Loss) on Revaluation	-	-
• Acturial Gain/(Loss) on Defined Benefit Plans	-	-
• Income Tax Relating to Above Items	(1,525,080)	(959,880)
Net Other Comprehensive Income That Will Not be Reclassified to Profit or Loss	3,558,520	2,239,720
b) Items That are or may be Reclassified to Profit or Loss		
• Gain/(Loss) on Cash Flow Hedge	-	-
• Exchange Gain/(Loss) Arising from Translating Financial Assets of Foreign Operation	-	-
-	-	-
• Income Tax Relating to Above Items	-	-
• Reclassification to Profit or Loss	-	-
Net Other Comprehensive Income that are or may be Reclassified to Profit or Loss	-	-
Other Comprehensive Income for the Period, Net of Income Tax (a+b)	3,558,520	2,239,720
Total Comprehensive Income for the Period	40,491,744	7,227,231
Total Comprehensive Income Attributable to Equity Holders	40,491,744	7,227,231

The accounting policies and notes form an integral part of the financial statements

DEEPAK PANDEY
CHAIRMAN

ANIL REGMI
DIRECTOR

SANJU PRASAD JAISWAL
DIRECTOR

NAINA NEPAL DHAKAL
DIRECTOR

As per our report of even date
attached

NIRMAL BHATTARAI
CHIEF EXECUTIVE OFFICER

ASHOK SUBEDI
CHIEF OPERATING OFFICER

MAHESH PRASAD KAPHLE
INDEPENDENT DIRECTOR

GYANENDRA SUBEDI FCA
PARTNER
FOR,
JOSHI & BHANDARY,
CHARTERED ACCOUNTANTS

DATE : **4TH BHADRA, 2082 (20TH AUGUST, 2025)**
PLACE : **KATHMANDU, NEPAL**

GARIMA CAPITAL LIMITED STATEMENT OF CHANGES IN EQUITY (FY 2081/82)

For the Period from 1st Shrawan, 2081 to 32nd Ashadh, 2082
Attributable to Equity-Holders

Amount in NPR

PARTICULARS	SHARE CAPITAL	GENERAL RESERVE	CORPORATE SOCIAL RESPONSIBILITY RESERVE	FAIR VALUE EARNING	RETAINED EQUITY	TOTAL
Balance as at 1st Shrawan, 2080	242,000,000	2,811,433	81,143	-	(45,338,351)	199,554,225
Adjustment/Restatement						-
Adjusted/Restated Balance as at 1st Shrawan, 2080	242,000,000	2,811,433	81,143	-	(45,338,351)	199,554,225
1. Comprehensive Income for the Year						-
1.1 Profit for the Year					4,987,511	4,987,511
1.2 Other Comprehensive Income, Net of Tax				2,239,720	-	2,239,720
Gain/(Loss) from Investment in Equity Instruments Measured at Fair Value through OCI, Net of Tax				2,239,720		2,239,720
Gain/(Loss) on Revaluation						
Actuarial Gain/(Loss) on Defined Benefit Plans						
2. Total Comprehensive Income for the Year (1.1+1.2)				2,239,720	4,987,511	7,227,231
3. Transfer to/from Reserves		498,751	(1,975)	6,132,893	(6,681,519)	(51,850)
Creation of General Reserve During the Year		498,751			(498,751)	
Creation of CSR Fund			49,875		(49,875)	
Transfer/Utilization from CSR Fund			(51,850)			(51,850)
Unrealized Gain/(Loss) on Financial Assets Measured at Fair Value through PL, Net of Tax				6,132,893	(6,132,893)	
Transfer from Reserves During the Year						
4. Total Comprehensive Income After Transfer to/from Reserves (2+3)		498,751	(1,975)	8,372,613	(1,694,008)	7,175,381
5. Transactions with Owners, Directly Recognized in Equity						
Amount Transferred from Premium to Share Capital						
Shares Issued						
Share Issue Expenses Charged to Equity						
Share Issue Expenses Charge to Equity-Tax Impact						
Gain on Disposal of Shares Classified into OCI						
Current Tax on Gain on Disposal of Share Classified into OCI						
Dividend to Equity-Holders						
Bonus Shares Issued						
Cash Dividend Paid						
6. Total Contributions and Distributions (4+5)		498,751	(1,975)	8,372,613	(1,694,008)	7,175,381
Balance as at 31st Ashadh, 2081 (Opening +6)	242,000,000	3,310,184	79,168	8,372,613	(47,032,359)	206,729,606
Balance as at 1st Shrawan, 2081	242,000,000	3,310,184	79,168	8,372,613	(47,032,359)	206,729,606

PARTICULARS	SHARE CAPITAL	GENERAL RESERVE	CORPORATE SOCIAL RESPONSIBILITY RESERVE	FAIR VALUE EARNING	RETAINED EQUITY	TOTAL
Adjustment/Restatement	-	-	-	-	(2,682)	(2,682)
Adjusted/Restated Balance as at 1st Shrawan, 2081	242,000,000	3,310,184	79,168	8,372,613	(47,035,041)	206,726,924
1. Comprehensive Income for the Year						
1.1 Profit for the Year	-	-	-	-	36,933,224	36,933,224
1.2 Other Comprehensive Income, Net of Tax	-	-	-	3,558,520	-	3,558,520
Gain/(Loss) from Investment in Equity Instruments Measured at Fair Value through OCI, Net of Tax	-	-	-	3,558,520	-	3,558,520
Gain/(Loss) on Revaluation	-	-	-	-	-	-
Actuarial Gain/(Loss) on Defined Benefit Plans	-	-	-	-	-	-
2. Total Comprehensive Income for the Year (1.1+1.2)	-	-	-	3,558,520	36,933,224	40,491,744
3. Transfer to/from Reserves	-	3,693,322	319,332	12,285,443	(16,298,097)	-
Creation of General Reserve During the Year	-	3,693,322	-	-	(3,693,322)	-
Creation of CSR Fund	-	-	369,332	-	(369,332)	-
Transfer/Utilization from CSR Fund	-	-	(50,000)	-	50,000	-
Unrealized Gains(Loss) on Financial Assets Measured at Fair Value through P.L, Net of Tax	-	-	-	12,285,443	(12,285,443)	-
Transfer from Reserves During the Year	-	-	-	-	-	-
4. Total Comprehensive Income After Transfer to/from Reserves (2+3)	-	3,693,322	319,332	15,843,963	20,635,126	40,491,744
5. Transactions with Owners, Directly Recognized in Equity						
Amount Transferred from Premium to Share Capital	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-
Share Issue Expenses Charged to Equity	-	-	-	-	-	-
Share Issue Expenses Charge to Equity-Tax Impact	-	-	-	-	-	-
Gain on Disposal of Shares Classified into OCI	-	-	-	-	-	-
Current Tax on Gain on Disposal of Share Classified into OCI	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-
6. Total Contributions and Distributions (4+5)	-	3,693,322	319,332	15,843,963	20,635,126	40,491,744
Balance as at 32nd Ashadh, 2082 (Opening +6)	242,000,000	7,003,506	398,501	24,216,575	(26,399,915)	247,218,667

The accounting policies and notes form an integral part of the financial statements

DEEPAK PANDEY
CHAIRMAN

ANIL REGMI
DIRECTOR

SANJU PRASAD JAISWAL
DIRECTOR

NAINA NEPAL DHAKAL
DIRECTOR

As per our report of even date attached
GYANENDRA SUBEDI FCA
PARTNER
FOR:

NIRMAL BHATTARAI
CHIEF EXECUTIVE OFFICER

ASHOK SUBEDI
CHIEF OPERATING OFFICER

MAHESH PRASAD KAPHLE
INDEPENDENT DIRECTOR

JOSHI & BHANDARY,
CHARTERED ACCOUNTANTS

DATE : **4TH BHADRA, 2082 (20TH AUGUST, 2025)**
PLACE : **KATHMANDU, NEPAL**

GARIMA CAPITAL LIMITED**STATEMENT OF CASH FLOWS**

For the Period from 1st Shrawan, 2081 to 32nd Ashadh, 2082

Amount in NPR

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Cash Flow from Operating Activities		
Net Profit/(Loss) After Tax - SOPL	36,933,224	4,987,511
Net Profit/(Loss) After Tax - SOCI	3,558,520	2,239,720
Add: Depreciation and Amortisation	5,627,619	5,607,956
Add: Loss on Sale of Fixed Assets	-	-
Less: Utilized CSR	-	(51,850)
Add: Current Year Deferred Tax Expenses	17,041,908	2,197,212
Add/(Less): Prior Year Adjustments to Equity	(2,682)	-
(Increase)/Decrease in Other Assets	1,674,975	(21,064,673)
Increase/(Decrease) in Other Liabilities	5,186,282	26,948,902
(Increase)/Decrease in Investment	(112,475,430)	(79,127,720)
Income Tax Paid	(5,950,917)	(5,196,004)
Net Cash Flow from Operating Activities	(48,406,501)	(63,458,947)
Cash Flow from Investing Activities		
Fixed Assets Purchase	(1,128,449)	(1,034,368)
Sale of Fixed Assets	-	-
Net Cash Flow from Investing Activities	(1,128,449)	(1,034,368)
Cash Flow From Financing Activities		
Payment of Dividend	-	-
Increase/(Decrease) in Secured Loans	49,636,536	48,951,283
(Increase)/Decrease in Placement with Bank and Financial Institutions	-	15,000,000
Net Cash Flow from Financing Activities	49,636,536	63,951,283
Net Increase in Cash and Cash Equivalents	101,586	(542,033)
Cash and Cash Equivalents at Beginning	3,283,635	3,825,668
Cash and Cash Equivalents at the End of the Year	3,385,221	3,283,635

The accounting policies and notes form an integral part of the financial statements

DEEPAK PANDEY
CHAIRMAN**ANIL REGMI**
DIRECTOR**SANJU PRASAD JAISWAL**
DIRECTOR**NAINA NEPAL DHAKAL**
DIRECTORAs per our report of even date
attached**GYANENDRA SUBEDI FCA**
PARTNER
FOR,**NIRMAL BHATTARAI**
CHIEF EXECUTIVE OFFICER**ASHOK SUBEDI**
CHIEF OPERATING OFFICER**MAHESH PRASAD KAPHLE**
INDEPENDENT DIRECTOR**JOSHI & BHANDARY,**
CHARTERED ACCOUNTANTSDATE: **4TH BHADRA, 2082 (20TH AUGUST, 2025)**PLACE: **KATHMANDU, NEPAL**

PROMOTER SHAREHOLDERS' LIST

S.N.	Name	Address	S.N.	Name	Address
1	Mr. Jaleswor Pandey	Birgha Archale-6, Syangja	45	Mr. Santa Bahadur Parajuli	Bhorletar-1, Lamjung
2	Ms. Kabita Shrestha	Waling-3, Syangja	46	Mr. Prem Bahadur G.C	Sarangkot-4, Kaski
3	Mr. Amrit Bhattarai	Jagatradevi-9, Syangja	47	Mr. Pawan Kumar Prajapati	Bhaktapur-14, Bhaktapur
4	Mr. Pitambar Shrestha	Chhangchhangdi-3, Syangja	48	Mr. Chandrakanta Baral	Pumdi Bhumdi-3, Kaski
5	Mr. Madhav Prasad Upadhaya	Waling-1, Syangja	49	Ms. Basandhara Timasina	Bhadure Tagami-6, Kaski
6	Mr. Deepak Raj Kafle	Dhanubase-6, Syangja	50	Mr. Rama Kanta Baral	Pokhara-7, Kaski
7	Mr. Khagendra Prasad Aryal	Waling-3, Syangja	51	Ms. Bhagawati Devi Pathak	Pakwadi-4, Syangja
8	Mr. Durga Prasad Upadhaya	Keware-8, Syangja	52	Mr. Chhabi Lal Kunwar	Pidikhola-3, Syangja
9	Mr. Dilip Pratap Khand	Waling-9, Syangja	53	Mr. Durga Parsad Pandey	Birgha-6, Syangja
10	Mr. Bashu Dev Paudel	Wangsing-3, Syangja	54	Mr. Raghupati Lamsal	Chhinebas-7, Syangja
11	Mr. Sagar Bagale	Waling-3, Syangja	55	Mr. Lekhnath Bhattarai	Jagatradevi-9, Syangja
12	Mr. Binod Prasad Regmi	Khiling Deurali-4, Syangja	56	Mr. Narayan Prasad Shrestha	Darshing Dahathum-9, Syangja
13	Mr. Jitman Shrestha	Darshing Dahathum-1, Syangja	57	Mr. Birendra Bahadur Rana	Pekhu Baghkhori-8, Syangja
14	Mr. Khem Raj Aryal	Putalibazar-13, Syangja	58	Ms. Narayani Pahari	Pokhara-6, Kaski
15	Mr. Laxman Gyawali	Anandaban-3, Rupandehi	59	Mr. Binod Pandeya	Pidikhola-3, Syangja
16	Mr. Deepak Lamsal	Chinnebas-8, Syangja	60	Mr. Buddhi Man Gurung	Nayapul-9, Kaski
17	Mr. Gyan Prasad Regmi	Khiling Deurali-3, Syangja	61	Mr. Hum Kanta Koirala	Waling-4, Syangja
18	Mr. Gyan Prasad Aryal	Putalibazar-10, Syangja	62	Mr. Kabi Raj Acharya	Pokhara-6, Kaski
19	Dr. Jhalakram Aryal	Putalibazar-10, Syangja	63	Mr. Khada Nanda Sharma	Pokhara-15, Kaski
20	Mr. Harishchandra Regmi	Pauwegaunde-2, Syangja	64	Mr. Krishna Bahadur Thapa	Setidovan-4, Syangja
21	Mr. Ganga Bahadur G.C	Banganga-1, Kapilvastu	65	Mr. Krishna Prasad Tiwari	Waling-3, Syangja
22	Mr. Than Prasad Bhattarai	Butwal-10, Rupandehi	66	Mr. Ram Prasad Shrestha	Bayarghari-9, Syangja
23	Mr. Shiva Prasad Aryal	Arjunchaupari-4, Syangja	67	Mr. Reshmi Lal Koirala	Waling-4, Syangja
24	Mr. Giridhari Paudel	Putalibazar-13, Syangja	68	Mr. Hari Kumar Shrestha	Beni-6, Myagdi
25	Mr. Ganesh Prasad Sharma Arjel	Waling-3, Syangja	69	Mr. Himanshu Khadka	Beni-7, Myagdi
26	Mr. Yadhav Kumar Shrestha	Waling-5, Syangja	70	Mr. Deependra Shrestha	Beni-6, Myagdi
27	Mr. Basanta Kumar Malla	Waling-3, Syangja	71	Mr. Madhab Prasad Regmi	Beni-7, Myagdi
28	Ms. Jamuna Kafle	Waling-8, Syangja	72	Mr. Yajan Lal Shakya	Beni-7, Myagdi
29	Mr. Krishna Prasad Shrestha	Waling-3, Syangja	73	Mr. Rajesh Shakya	Beni-6, Myagdi
30	Mr. Sudan Shrestha	Waling-1, Syangja	74	Mr. Shiva Prasad Katuwal Chhetri(K.C)	Bhagwati-4, Myagdi
31	Mr. Binod Kumar Shrestha	Waling-3, Syangja	75	Ms. Subha Kamana Pradhan Shrestha	Beni-6, Myagdi
32	Mr. Sitaram Adhikari	Waling-3, Syangja	76	Mr. Hari Krishna Shrestha	Beni-6, Myagdi
33	Mr. Purna Bahadur Thapa	Waling-9, Syangja	77	Mr. Resham Bahadur Baniya	Beni-6, Myagdi
34	Mr. Shyam Prasad Bashyal	Galyang-3, Syangja	78	Mr. Bharat Kumar Rajbhandari	Beni-6, Myagdi
35	Mr. Surya Prasad Chapagain	Pakwadi-1, Syangja	79	Mr. Rabindra Raj Joshi	Beni-6, Myagdi
36	Mr. Purna Prasad Adhikari	Pelakot-1, Syangja	80	Mr. Sher Bahadur Budhathoki	Devasthan-3, Myagdi
37	Mr. Narayan Khanal	Jagatradevi-8, Syangja	81	Ms. Amrita Shahi	Beni-6, Myagdi
38	Mr. Prem Raj Shrestha	Jagatradevi-8, Syangja	82	Mr. Ashok Kumar Shrestha	Dahathum-1, Syangja
39	Mr. Prem Bahadur Gurung	Keware-8, Syangja	83	Ms. Bhagwati Dawadi	Lwangghalel-4, Kaski
40	Mr. Jhan Prasad Bhattarai	Shankarnagar-3, Rupandehi	84	Mr. Chiranjibi Kafle	Waling-8, Syangja
41	Ms. Kamala Pangeni	Waling-3, Syangja	85	Mr. Chitra Malla Khadka	Lalitpur-3, Lalitpur
42	Mr. Govinda Kumar Karmacharya Syangja	Darshing Dahathum-2, Syangja	86	Ms. Indra Bhusal Sharma	Sworek-3, Syangja
43	Mr. Karna Bahadur Shrestha	Waling-3, Syangja	87	Mr. Indra Prasad Adhikari	Pelakot-9, Syangja
44	Mr. Bishnu Prasad Kafle	Dhanubase-8, Syangja	88	Ms. Jamuna Devi Poudel	Panchanagar-2, Nawalparasi

S.N.	Name	Address
89	Mr. Jivan Kumar Malla	Waling-4, Syangja
90	Ms. Kabita Rana	Waling-1, Syangja
91	Mr. Kamal Prasad Shrestha	Arthunge-2, Myagdi
92	Mr. Lekh Nath Aryal	Waling-11, Syangja
93	Mr. Lila Narayan Shrestha	Waling-5, Syangja
94	Ms. Menuka Sharma	Aaruchaur-5, Syangja
95	Mr. Nam Dev Bhattarai	Tulsi Bhanyang-4, Syangja
96	Ms. Neelu Thapa	Lalitpur-5, Lalitpur
97	Mr. Pramod Shrestha	Arthunge-2, Myagdi
98	Ms. Rajani Shrestha	Arthunge-2, Myagdi
99	Ms. Ram Maya Shrestha	Pulachaur-2, Myagdi
100	Mr. Rikhi Ram Bashyal	Jagatradevi-8, Syangja
101	Ms. Rina Marsangi	Pokhara-8, Kaski
102	Mr. Surya Prasad Regmi	Waling-3, Syangja
103	Mr. Yadab Bhattarai	Jagatradevi-9, Syangja
104	Mr. Surya Prasad Bhattarai	Jagatradevi-9, Syangja
105	Mr. Pradeep Kumar Rungata	Kathmandu-5, Kathmandu
106	Ms. Ambika Subedi	Phedikhola-7, Syangja
107	Mr. Yukta Raj Khanal	Tulsi Bhangyang-7, Syangja
108	Mr. Krishna Prasad Poudel	Darau-3, Syangja
109	Mr. Lila Ballu Bhattarai	Jagatradevi-9, Syangja
110	Mr. Daya Prasad Bhattarai	Jagatradevi-9, Syangja
111	Mr. Surya Narayan Shrestha	Waling-1, Syangja
112	Ms. Kamala Devi Khadal	Tulsi Bhangyang-7, Syangja
113	Mr. Raju Bishwakarma	Chapakot-5, Syangja
114	Mr. Dev Raj Acharya	Pokhara-17, Kaski
115	Ms. Sunita Shrestha	Phujel-8, Gorkha
116	Dr. Anand Prasad Shrestha	Kathmandu-34, New Baneshwor
117	Ms. Anandi Ray Yadav	Jhunkhunuwa-3, Rautahat
118	Mr. Anil Shrestha	Dharan-2, Sunsari
119	Ms. Bandana Shrestha	Kathmandu-22, Gyaneshwor
120	Dr. Bhola Prasad Rijal	Kathmandu-3, Maharajgunj
121	Mr. Bishnu Narayan Manandhar	Kathmandu-23, Dharmapath
122	Mr. Bishnu Prasad Sharma Gyawali	Kathmandu-34, New Baneshwor
123	Mr. Chandra Kuber Shrestha	Mahendranagar-1, Sunsari
124	Mr. Dakshya Prasad Shreshtha	Dhaurali-1, Bhojpur
125	Mr. Gajendra Udas	Pokhara-8, Kaski
126	Mr. Gauri Shankar Pradhan	Kathmandu-23, Nayabazar
127	Dr. Hari Kishor Shrestha	Kathmandu-29, Galkopakha
128	Ms. Indira Baral	Pokhara-7, Rastra bank Chowk
129	Mr. Ishwar Bd. Raghubanshi	Gusingal-1, Lalitpur
130	Mr. Sumiran Shrestha	Pokhara-9, Kaski
131	Mr. Dipesh Man Shrestha	Lalitpur-18, Mahalaxmasthan
132	Mr. Mohanbir Singh Pradhan	Alau-5, Parsa
133	Mr. Mohan Krishna Shrestha	Kathmandu-23, Jhoche
134	Mr. Narayan Prasad Dwa	Pokhara-9, Mahendrapool Kaski

S.N.	Name	Address
135	Mr. Narayan Prasad Baidhya	Bhaktapur-08, Sukuldhoka
136	Mr. Naresh Bhakta Shrestha	Kathmandu-9, Ratopul
137	Mr. Ananta Prasad Shrestha	Kathmandu-32, Kathmandu
138	Ms. Pramila Shrestha	Kathmandu-7, Siphai
139	Mr. Rabindra Bataju	Pokhara-2, Kaski
140	Mr. Rajan Krishna Shrestha	Kathmandu-11, Tripureshwor
141	Mr. Ram Krishna Shrestha	Bhojpur-5, Bhojpur Bazar
142	Mr. Ramesh Kumar Raghubanshi	Kathmandu-33, Kumari Marg
143	Mr. Ramesh Kumar Pradhan	Sunsari-4, Dharan
144	Ms. Sarala Rijal	Kathmandu-3, Maharajgunj
145	Ms. Saraswati Shrestha	Lalitpur-5, Lagankhel
146	Mr. Satya Narayan Manandhar	Kathmandu-23, Dharmapath
147	Ms. Shanta Laxmi Shrestha	Kathmandu-10, New Baneshwor
148	Mr. Suresh Kumar Shrestha	Kathmandu-34, New Baneshwor
149	Ms. Surya Kumari Shrestha	Kathmandu-34, New Baneshwor
150	Mr. Hiranya Bhakta Pradhananga	Madhyapur Thimi-4, Bhaktapur
151	Mr. Prayag Raj Hada	Kathmandu-10, Buddhanagar
152	Mr. Ganesh Bahadur Pandey	Kathmandu-29, Samakhushi
153	Ms. Suwarna Maiya Shrestha	Kathmandu-7, Chabahal
154	Mr. Nar Bahadur Pandey	Kathmandu-29, Samakhushi
155	Mr. Rudra Kumar Shrestha	Kathmandu-8, Sitapaila
156	Mr. Anish Mudhvari	Kathmandu-3, Kapanmarg
157	Ms. Babita Kumari Shah	Aalau-6, Parsa
158	Mr. Dipendra Bar Sing Pradhan	Aalau-5, Parsa
159	Mr. Mahendrabar Singh Pradhan	Aalau-5, Parsa
160	Mr. Deepak Nandan Sing Pradhan	Lalitpur-3, Pulchowk
161	Mr. Badri Kumar Basnet	Kathmandu-34, Kathmandu
162	Ms. Shandhya Laxmi Chuke Shrestha	Bharatpur-4, Chitwan
163	Mr. Padam Kumar Piya	Bharatpur-2, Chitwan
164	Mr. Thakur Piya	Bharatpur-2, Chitwan
165	Mr. Ananta Lal Chuke	Kathmandu-31, Kathmandu
166	Mr. Dhruva Kumar Pradhan	Bharatpur-3, Chitwan
167	Mr. Siddha Kumar Shrestha	Bharatpur-4, Chitwan
168	Mr. Tanka Bahadur Shrestha	Kathmandu-10, Kathmandu
169	Mr. Madhav Prasad Neupane	Kathmandu-10, Kathmandu
170	Mr. Bharat Raj Koirala	Kathmandu-32, Kathmandu
171	Mr. Barun Piya	Bharatpur-3, Chitwan
172	Mr. Arun Piya	Bharatpur-3, Chitwan
173	Mr. Prakash Tiwari	Bharatpur-10, Chitwan
174	Mr. Shyam Kumar Shrestha	Lalitpur-1, Gusingal
175	Ms. Indira Pandeya	Bhaktapur-16, Lokanthali
176	Mr. Pradip Kumar Shrestha	Kathmandu-34, New Baneshwor
177	Ms. Urmila Shrestha	Kathmandu-23, Kathmandu

S.N.	Name	Address	S.N.	Name	Address
178	Mr. Dipak Lama Pakhrin	Kathmandu-4, Kathmandu	229	Mrs. Tej Kumari Mahat	Aarthunge-8, Myagdi
179	Mr. Shankar Prasad Sharma Bhattarai	Krishna Gandaki-8, Syangja	230	Mr. Madhusudan Upadhyay	Waling-1, Syangja
180	Mr. Dilli Raman Pandey	Waling-5, Syangja	231	Mr. Jagannath Pangen	Sworek-4, Syangja
181	Ms. Amala Shrestha	Kathmandu-23, Kathmandu	232	Mr. Daya Prasad Regmi	Sworek-4, Syangja
182	Mr. Hari Ram Koirala	Biratnagar-4, Morang	233	Mr. Ghanshyam Gaudel	Pelakot-6, Syangja
183	Mr. Nirmal Kumar Shrestha	Shaktikhor-6, Chitwan	234	Mr. Amrit Baniya	Aarthunge-1, Myagdi
184	Mr. Prabhakar Pandit	Patihani-2, Chitwan	235	Ms. Parbati Aryal Paru	Khilung-9, Syangja
185	Ms. Devi Sapkota	Narayanpur-5, Chitwan	236	Mr. Lilaram Gautam	Simana-3, Baglung
186	Ms. Muna Devi Ghimire	Pragatinagar-9, Nawalparasi	237	Mr. Binay Regmi	Pulachaur-4, Myagdi
187	Mr. Gyanendra Man Shakya	Kathmandu-21, Kathmandu	238	Mr. Rajesh Subedi	Waling-2, Syangja
188	Mr. Niraj Kumar Pradhan	Bandipur-1, Tanahun	239	Ms. Sangita Upadhyaya	Phaparthum-4, Syangja
189	Mr. Nilen Man Shakya	Kathmandu-21, Kathmandu	240	Mr. Lila Prasad Pangen	Bheerkot-2, Syangja
190	Mr. Purnabhadra Kandel	Aamarapuri-8, Nawalparasi	241	Ms. Shanti Dhakal	Phaparthum-4, Syangja
191	Dr. Shyam Kumar Shrestha	Narayangarh-1, Chitwan	242	Mr. Purushottam Parajuli	Sirsekot-9, Syangja
192	Mr. Shambhu Lal Shrestha	Bandipur-6, Tanahun	243	Mr. Krishna Aryal	Waling-11, Syangja
193	Dr. Ashok Tayal	Bhadrapur-2, Jhapa	244	Mr. Lekhnath Chapagain	Pakwadi-1, Syangja
194	Dr. Pramod Kumar Kshetri	Dahathum-5, Syangja	245	Mr. Kopil Dev Adhikari	Tulsibhangyang-3, Syangja
195	Mr. Basanta Raj Parajuli	Gunjanagar-5, Chitwan	246	Ms. Laxmi Giri	Aarthunge-2, Myagdi
196	Mr. Raj Kumar Shrestha	Bidur-2, Nuwakot	247	Ms. Ambika Shrestha	Siwalaya-5, Parbat
197	Mr. Trilochan Kandel	Managalpur-2, Chitwan	248	Mr. Dipak Tiwari	Thapathana-7, Parbat
198	Dr. Suryakant Ghimire	Jita-2, lamjung	249	Mr. Shibalal Sunar	Bhorle-3, Parbat
199	Ms. Sunuja Adhikari	Bharatpur-10, Chitwan	250	Mr. Upendra Prasad Paudel	Deurali-1, Kaski
200	Dr. Keshav Raj Bhurtel	Triveni-5, Nawalparasi	251	Mr. Mohan Giri	Pokhara-5, Kaski
201	Mr. Ram Prasad Sharma	Hansapur-3, Gorkha	252	Mr. Rajendra Ligal	Pokhara-4, Kaski
202	Mr. Shiv Ballav Kafle	Narayagarh, Chitwan	253	Mr. Prakash Chapagain	Pakwadi-1, Syangja
203	Mr. Gobind Prasad Poudel	Narayanpur-5, Chitwan	254	Mr. Tilak Prasad Shrestha	Jagatradevi-8, Syangja
204	Mr. Chiranjivi Subedi	Gitanagar-2, Chitwan	255	Dr. Narayan Prasad Chapagain	Pakwadi-1, Syangja
205	Mr. Pradip Raj Pant	Patihani-9, Chitwan	256	Mr. Khagupati Neupane	Krishna Gandaki-3, Syangja
206	Mr. Ichchha Kumar Shrestha	Bharatpur-4, Chitwan	257	Mr. Arjun Prasad Basyal	Jagatradevi-8, Syangja
207	Mr. Ramchandra Gurung	Pumdi Bhumdi-6, Kaski	258	Mr. Murari Giri	Aapchaur-8, Gulmi
208	Mr. Rabindra Kunwar	Thumpokhara-8, Syangja	259	Mr. Raju Koirala	Chapakot-11, Syangja
209	Mr. Tulasi Ram Tiwari	Thumpokhara-5, Syangja	260	Mr. Ishowar Kumar Shrestha	Aarthunge-1, Myagdi
210	Mr. Padam Pani Kafle	Dhanubanse-5, Syangja	261	Mr. Rabindra Kumar Shrestha	Aarthunge-2, Myagdi
211	Mr. Om Bahadur Thapa	Waling-5, Syangja	262	Mr. Rabindra Kumar Tamrakar	Kathmandu-24, Kathmandu
212	Mr. Baburam Dhakal	Phaparthum-4, Syangja	263	Mr. Ram Bhagat Karmacharya	Aarthunge-1, Myagdi
213	Mr. Dipak Sharma	Putalibazar-4, Syangja	264	Ms. Pushpadevi Pradhan Shrestha	Aarthunge-2, Myagdi
214	Ms. Sandhya Shrestha	Jagatradevi-8, Syangja	265	Ms. Purnamaya Pun	Mangala-1, Myagdi
215	Ms. Soni Shrestha	Jagatradevi-8, Syangja	266	Mr. Hari Bahadur Khatri Chhetri	Salyan-9, Kaski
216	Mr. Diwakar Paudel	Aayodhapuri-5, Chitwan	267	Mr. Jayalal Jaisi	Dangsing-6, Kaski
217	Mr. Dhruva Raj Subedi	Aarthunge-3, Myagdi	268	Mr. Yubaraj Paudel	Bhuktangle-4, Parbat
218	Mr. Chet Narayan Shrestha	Dahathum-1, Syangja	269	Mr. Gyan Bahadur Kunwar	Bajung-4, Parbat
219	Mr. Yek Narayan Sharma	Pokhara-8, Kaski	270	Mr. Gyanendra Kumar Shrestha	Aarthunge-1, Myagdi
220	Mr. Baburam Adhikari	Lahachowk-8, Kaski	271	Mr. Him Bahadur Bishowkarma	Waling-1, Syangja
221	Ms. Radha Devi Paudel Bhanne Yuddha Kumari Malla	Bhadaure Tamagi-5, Kaski	272	Mr. Bishnu Prasad Regmi	Waling-3, Syangja
222	Mr. Bharat Raj Dhakal	Phaparthum-4, Syangja	273	Mr. Sudam Kumar Shrestha	Jagatradevi-4, Syangja
223	Mr. Sabin Shrestha	Aarthunge-2, Myagdi	274	Mr. Sunil Karki	Putalibazar-10, Syangja
224	Mr. Rudra Bahadur B.K	Putalibazar-4, Syangja	275	Mr. Krishna Prasad Adhikari	Tulsibhangyang-2, Syangja
225	Mr. Krishna Prasad Pangen	Pekhu Baghkhori-3, Syangja	276	Mr. Bishnu Pratap Khand Thakuri	Waling-9, Syangja
226	Mr. Thahar Bahadur Bhandari	Beni-10, Myagdi	277	Ms. Rita Koirala Sigdel	Waling-4, Syangja
227	Mr. Lok Prasad Aryal	Khilung-9, Syangja	278	Mr. Kamal Prasad Dumre	Tulsibhangyang-5, Syangja
228	Mr. Mahesh Raj Regmi	Karendanda-3, Syangja	279	Mr. Ayodhya Prasad Shrestha	Darsing Dahathum-2, Syangja

S.N.	Name	Address
280	Mr. Rishiram Khanal	Yaladi-7, Syangja
281	Ms. Nabina Rajbhandari	Aarthunge-2, Myagdi
282	Mr. Dhurba Bahadur Pradhan	Kathmandu-3, Kathmandu
283	Mr. Padam Prasad Pandeya	Birgha-7, Syangja
284	Mr. Rukmagat Aryal	Sworek-3, Syangja
285	Mr. Mani Prasad Pangen	Sworek-4, Syangja
286	Mr. Kamal Prasad Adhikari	Tulsibhangyang-2, Syangja
287	Mr. Prakash Ss Thapa	Lalitpur-13, Lalitpur
288	Mr. Narayan Prasad Sharma	Keware-8, Syangja
289	Mr. Ramchandra Pangen	Kuwakot-3, Syangja
290	Mr. Padam Prasad Pandeya	Kaligandaki-2, Syangja
291	Mr. Nilkantha Kafle	Waling-8, Syangja
292	Mr. Krishna Hari Khatri	Katunje-7, Bhaktapur
293	Mr. Aatmaram Luitel	Chhatradeureli-4, Dhading
294	Ms. Bharati Devi Rana	Huwas-1, Parbat
295	Mr. Bishnu Prasad Gaihre	Waling-13, Syangja
296	Mr. Motilal Kunwar	Waling-3, Syangja
297	Mr. Surya Prasad Khanal	Swathi-6, Nawalparasi
298	Mr. Sundar Bhusal	Urampokhara-5, Parbat
299	Mr. Buddhi Sagar Tripathi	Kataiya-7, Rupandehi
300	Ms. Kabita K C	Bethan-4, Ramechhap
301	Mr. Subodh Kumar Luitel	Chhatradeureli-3, Dhading
302	Mr. Suresh Kumar Rungata	Birgunj-7, Parsa
303	Ms. Gauri Shrestha	Kathmandu-17, Kathmandu
304	Mr. Ashok Dware	Keware Bhangyang-3, Syangja
305	Mr. Keshab Raj Dhakal	Chandikalika-3, Syangja
306	Mr. Mekhlal Shrestha	Bheerkot-5, Syangja
307	Mr. Dob Bahadur Karki	Putalibazar-13, Syangja
308	Mr. Bishnu Prasad Khanal	Galyang-9, Syangja
309	Mr. Eak Bahadur Thapa	Waling-5, Syangja
310	Ms. Shanta Thapa	Waling-3, Syangja
311	Mr. Ghanashyam Dumre	Kalikot-5, Syangja
312	Mr. Rukmagat Gaire	Thumpokhara-2, Syangja
313	Mr. Buddisagar Gaihre	Thumpokhara-1, Syangja
314	Mr. Sanam Shrestha	Jaljala-3, Parbat
315	Mr. Sushil Koirala	Khilung Deurali-9, Syangja
316	Mr. Ram Chandra Sharma	Kathmandu-16, Kathmandu
317	Ms. Gauri Paudel	Pokhara-6, Kaski
318	Ms. Shashi Koirala Sharma	Waling-4, Syangja
319	Mr. Shyam Prasad Regmi	Bheerkot-6, Syangja
320	Mr. Ganga Khanal	Rupa-4, Kaski
321	Ms. Gyan Kumari Sharma Aryal	Putalibazar-13, Syangja
322	Mr. Mahendra Shrestha	Beni-7, Myagdi
323	Mr. Rabindra Narayan Shrestha	Kusma-4, Parbat
324	Mr. Narendra Kumar Shrestha	Beni-8, Myagdi
325	Mr. Prabin Kumar Shrestha	Beni-8, Myagdi
326	Mr. Balkrishna Subedi	Raghuganga-3, Myagdi
327	Mr. Nawaraj Paudel	Beni-4, Myagdi
328	Mr. Bal Prasad Shrestha	Raghuganga-3, Myagdi
329	Mr. Bishnu Prasad Gautam	Beni-7, Myagdi
330	Mr. Thakur Prasad Sharma	Piple-9, Myagdi
331	Mr. Dhananjay Kumar Shrestha	Beni-7, Myagdi

S.N.	Name	Address
332	Mr. Surendra Hamal	Beni-8, Myagdi
333	Mr. Achyut Giri	Beni-7, Myagdi
334	Ms. Sharmila Joshi Shrestha	Beni-7, Myagdi
335	Mr. Ramjee Prasad Subedi	Beni-9, Myagdi
336	Ms. Nabina Thapa Rawal	Beni-7, Myagdi
337	Mr. Govinda Prasad Paudyal	Waling-8, Syangja
338	Mr. Bhimlal Parajuli	Waling-13, Syangja
339	Mr. Prem Prasad Parajuli	Waling-12, Syangja
340	Ms. Sabina Kafle	Pokhara-17, Kaski
341	Mr. Aimandu Shrestha	Kathmandu-29, Kathmandu
342	Mr. Kedar Bhattarai	Galyang-3, Syangja
343	Mr. Ishwor Neupane	Galyang-3, Syangja
344	M/s Gems Investment	Kathmandu-31, Putalisadak
345	Mr. Ishwori Prasad Dhakal	Aandhikhola-6, Syangja
346	Mr. Navin Pyakurel	Gerkuhu-8, Nuwakot
347	Mr. Jhalak Ram Gaire	Nepalgunj-18, Banke
348	Mr. Sugandh Kumar Gupta	Gadho-7, Rautahat
349	Mr. Nagendra Prasad Chaudhary	Kaudena-3, Sarlahi
350	Mr. Tapeswar Chaudhary Kalwar	Kabilashi-3, Sarlahi
351	Mr. Balkrishna Shah Kalwar	Sahodawa-3, Sarlahi
352	Mr. Dipendra Chaudhary	Kaudena-3, Sarlahi
353	Ms. Bina Yadav	Jamuniya-9, Sarlahi
354	Mr. Bishnudeo Ray Yadav	Jamuniya-9, Sarlahi
355	Mr. Upendra Chaudhary	Kabilashi-3, Sarlahi
356	Ms. Laxmi Rajbhandari Yadav	Lalitpur-3, Lalitpur
357	Mr. Rameshwar Chaudhary	Kabilashi-3, Sarlahi
358	Mr. Nagendra Kumar	Phulparasi-5, Sarlahi
359	Mr. Krishna Deo Yadav	Jamuniya-9, Sarlahi
360	Mr. Jagannath Sah	Rohuwa-2, Sarlahi
361	Ms. Sunita Kumari Yadav	Nawarajpur-4
362	Mr. Amarendra Kumar Yadav	Mudwalwa-1, Rautahat
363	Mr. Prem Kishor Gupta	Malangwa, Sarlahi
364	Mr. Keshav Narshing Rajbhandari	Kathmandu-33, Kathmandu
365	Ms. Gita Kumari Tiwari	Tansen-6, Palpa
366	Mr. Kamal Prasad Bashyal	Tansen, Palpa
367	Mr. Ranjit Basnet	Magargung-9
368	Mr. Akash Kumar Agrawal	Lalitpur-10, Lalitpur
369	Mr. Rajendra Adhikari	Rupakot-4, Tanahun
370	Mr. Ghanshyam Prasad Sah	Sarlahi-1, Sarlahi
371	Mr. Lok Raj Paudel	Darau-3, Syangja
372	Mr. Ratna Prasad Gautam	Kathmandu-10, Kathmandu
373	Ms. Priya Gaire	Butwal-9, Rupandehi
374	Mr. Durga Narayan Shrestha	Syangja-6, Syangja
375	Mr. Dipendra Shrestha	Pokhara-5, Kaski
376	Ms. Santa Adhikari	Butwal-13, Rupandehi
377	Mr. Dushyanta Bhandari	Tansen-2, Palpa
378	Mr. Toya Raj Pandey	Galyang-3, Syangja
379	Mr. Surya Prasad Baral	Pokhara-17, Kaski
380	Mr. Sampurna Man Shrestha	Lalitpur-2, Lalitpur
381	Mr. Jivan Sharma	Pokharathok-5, Palpa
382	Mr. Mahesh Bhattarai	Galyang-3, Syangja

S.N.	Name	Address
383	Mr. Bhupraj Bagale	Waling-8, Syangja
384	Mr. Mohan Bhandari	Galyang-3, Syangja
385	Mr. Surya Bhattarai	Galyang-3, Syangja
386	Ms. Nirmala Mulmi Shrestha	Darsing Dahathum-3, Syangja
387	Ms. Susmita Luitel	Nagarjun-1, Kathmandu
388	Ms. Tulasi Devi Shrestha	Waling-3, Syangja
389	Mr. Girdhari Bhandari	Galyang-8, Syangja
390	Mr. Govinda Prasad Dhakal	Phaparthum-3, Syangja
391	Mr. Ramesh Basyal	Galyang, Syangja
392	Mr. Deepak Neupane	Suryabinayak, Bhaktapur
393	Mr. Suresh Subedi	Galyang-3, Syangja
394	Mr. Santosh Rawal	Beni-6, Myagdi
395	Ms. Sirjana Upadhaya Pangeni	Waling-1, Syangja
396	Mr. Kunja Raj Thapa	Pokhara-16, Kaski
397	Mr. Amrit Shivabhakti	Pokhara, Kaski
398	Ms. Riya Bhojpure Shrestha	Purano Baneshwor, Kathmandu
399	Mr. Krishna Prasad Regmi	Thuladihi-9, Syangja
400	Mr. Aamit Shrestha	Kathmandu-4, Maharajgunj
401	Mr. Suresh Babu Shrestha	Kathmandu
402	Mr. Nabin Kishore Bhojpure	Kathmandu-31, Kathmandu
403	Mr. Rajendra Babu Shrestha	Budhanilkantha-8, Kathmandu
404	Mr. Udaya Lal Dhoju	Kathmandu
405	Mr. Bed Bahadur Shrestha	Kathmandu-10, Kathmandu
406	Mr. Anuman Shrestha	Beni-7, Myagdi
407	Mr. Sanju Prasad Jaiswal	Gangapipara-7, Rautahat
408	Mr. Binod Kajee Shrestha	Kathmandu-34, Kathmandu
409	Mr. Megh Bahadur Kc	Bheerkot-9, Syangja
410	Ms. Trishna Shakya	Putalibazar-1, Syangja
411	Mr. Bhola Prasad Tiwari	Sworek-7, Syangja
412	Ms. Binita Rana	Pokhara-10, Kaski
413	Mr. Suraj Baral	Pokhara-3, Kaski
414	Mr. Ram Chandra Baral	Pokhara-17, Kaski
415	Ms. Rita Bhandari	Galyang-8, Syangja
416	Ms. Rajeshwori Chitrakar	Kathmandu-28, Kathmandu
417	Mr. Sundar Shivabhakti	Pokhara-3, Kaski
418	Mr. Sanjay Dhakal	Sainamaina-6, Rupandehi
419	Ms. Bahu Kumari Thapa	Pokhara-10, Kaski
420	Mr. Surya Prasad Poudel	Bharatpur-6, Chitwan
421	Mr. Dayaraj Aryal	Tokha-14, Kathmandu
422	Mr. Rajendra K.C	Gangajamuna-5, Dhading
423	Mr. Nitish Kafle	Parroha-1, Rupandehi
424	Mr. Man Bahadur Thagunna	Belauri-9, Kanchanpur
425	Mr. Laxman Prasad Bhattarai	Galyang-3, Syangja
426	Mr. Dilip Kumar Khand	Waling-6, Syangja
427	Mr. Sailendra Kumar Baniya	Aarthunge-2, Myagdi
428	Mr. Parishour Neupane	Thumpokhara-2, Syangja
429	Mr. Khagendra Prasad Bhattarai	Galyang-3, Syangja

S.N.	Name	Address
430	Mr. Babu Lal Magar	Darechowk-3, Chitwan
431	Ms. Deepa Shrestha	Galyang-3, Syangja
432	Mr. Suman Sen	Tokha-10, Kathmandu
433	Mr. Purna Raj Sen	Waling-10, Syangja
434	Mr. Hum Bahadur Sen Thakuri	Waling-10, Syangja
435	Mr. Bhim Bahadur Sen	Waling-10, Syangja
436	Ms. Tulasi Sen	Waling-10, Syangja
437	Mr. Badri Raj Joshi	Kathmandu-9, Kathmandu
438	Ms. Kalpana Karki	Pokhara-5, Kaski
439	Mr. Saman Shrestha	Beni-4, Myagdi
440	Ms. Sadhana Kumari Shrestha	Aarthunge-2, Myagdi
441	Mr. Khemraj Aryal	Kathmandu
442	Mr. Durga Bahadur Gurung	Pokhara-17, Kaski
443	Mr. Ram Lochan Aryal	Khilung Deurali-9, Syangja
444	Mr. Param Lochan Aryal	Khilung Deurali-9, Syangja
445	Mr. Tikaram Aryal	Khilung Deurali-9, Syangja
446	Mr. Shalikram Shirma Koirala	Waling-4, Syangja
447	Mr. Pabitra Mani Pokhrel	Nirmalpokhari-6, Kaski
448	Ms. Bhuma Sharma Pandey	Pekhuwakhori-2, Syangja
449	Mr. Dilli Ram Dhakal	Galyang-11, Syangja
450	Mr. Dipak Prasad Chapagain	Pidikhola-6, Syangja
451	Mr. Lokendra Khadka	Babiyachaur-5, Myagdi
452	Mr. Som Bahadur Khatri	Nangliwang-9, Parbat Chhetri
453	Mr. Prabin Shrestha	Wagla-8, Gulmi
454	Ms. Suraksha Lamsal	Waling-3, Syangja
455	Mr. Narayan Roongta	Birgunj-5, Parsa
456	Ms. Nanda Malla Sen	Bhorle-1, Parbat
457	Mr. Ganesh Rijal	Pipara Simara-5, Bara
458	M/s Om Chavobiro Feed Industries Pvt. Ltd.	Parawanipur-3, Bara
459	Mr. Rishi Raj Gautam	Khairi Chandanpur-5, Bardiya
460	Mr. Homnath Bhattarai	Galyang-3, Syangja
461	Mr. Hem Kumari Adhikari Neupane	Annapurna-8, Bhojpur
462	Mr. Tii Prasad Shrestha	Chapakot-6, Syangja
463	Mr. Manoj Shrestha	Waling-3, Syangja
464	Mr. Santosh Pokharel	Sandhikharkha-2, Arghakhanchi
465	Ms. Samata Pokharel	Ilam-5, Ilam
466	Mr. Kamal Parajuli	Sworek-4, Syangja
467	Mr. Prabesh Shakya	Kathmandu-12, Kathmandu
468	Mr. Bharat Prasad Upadhaya	Aarthunge-8, Myagdi
469	Mr. Damodar Sharma	Ghatan-3, Myagdi
470	Mr. Chiranjivi Sharma	Ghatan-3, Myagdi
471	Mr. Dev Bahadur Thapa	Tansen-1, Palpa
472	Mr. Om Bahadur Thapa	Jagatradevi, Syangja
473	Mr. Khuma Sen	Bhakunde, Syangja
474	Mr. Niranjana Shrestha	Beni-7, Myagdi
475	Ms. Prisha Gyawali	Tulsipur-2, Dang
476	Ms. Sita Neupane	Tulsipur-2, Dang

BRANCH NETWORK

S.N	Branch Office	Address	Branch Manager
Koshi Province			
1	Biratnagar Branch	Biratnagar, Morang	Raksha Bhatta
2	Itahari Branch	Itahari, Sunsari	Yogendra Kumar Gachhadar
3	Birtamod Branch	Birtamod, Jhapa	Padam Subedi
4	Budhabare Branch	Budhabare, Jhapa	Mira Dahal
5	Tankisinwari Branch	Tankisinwari, Morang	Subash Basnet
6	Baniyani Branch	Baniyani, Jhapa	Krishna Marasini
7	Biratchowk Branch	Biratchowk, Morang	Khagendra Limbu
8	Dharan Branch	Dharan, Sunsari	Ram Bahadur Karki
9	Damak Branch	Damak, Jhapa	Gyanendra Basnet
10	Inaruwa Branch	Inaruwa, Sunsari	Ankit Raj Upadhyay
11	Urlabari Branch	Urlabari, Morang	Mahesh Gaire
12	Jhumka Branch	Jhumka, Sunsari	Bikash Shrestha
13	Pathari Branch	Pathari, Morang	Manoj Kumar Gaihre
14	Chandragadhi Branch	Chandragadhi, Jhapa	Bishal Bista
15	Dhankuta Branch	Dhankuta Bazar, Dhankuta	Dipak Tamang
Madhesh Province			
16	Birgunj Branch	Birgunj, Parsa	Rajeev Kumar Jha
17	Simara Branch	Simara, Bara	Shalesh Joshi
18	Kalaiya Branch	Kalaiya, Bara	Nand Kishor Yadav
19	Chandrapur Branch	Chandrapur, Rautahat	Nitesh Karki
20	Janakpur Branch	Janakpur, Dhanusha	Bipin Kumar Jha
21	Malangwa Branch	Malangwa, Sarlahi	Shakindra Prasad Yadav
22	Barhathawa Branch	Barhathawa, Sarlahi	Bindeshwar Prasad Singh
23	Ishwarpur Branch	Ishwarpur, Sarlahi	Bikas Narayan Thakur
24	Lalbandi Branch	Lalbandi, Sarlahi	Amrit Koirala
25	Godaita Branch	Godaita, Sarlahi	Ram Nandan Sah Teli
Bagmati Province – Within Valley			
26	Gongabu Branch	Gongabu, Kathmandu	Sundar Singh Bhandari
27	Lazimpat Branch	Lazimpat, Kathmandu	Binod Sharma
28	Chabahil Branch	Chabahil, Kathmandu	Chiranjibi Aryal
29	Kalanki Branch	Kalanki, Kathmandu	Sudip Nepal
30	Newroad Branch	Naya Bazar, Kathmandu	Jeewan Tiwari
31	New Baneshwor Branch	New Baneshwor, Kathmandu	Rajeev Bajracharya
32	Kumaripati Branch	Kumaripati, Lalitpur	Devraj Neupane
33	Suryabinayak Branch	Suryabinayak, Bhaktapur	Satyaram Ranjitkar
34	Hattigauda Branch	Hattigauda, Kathmandu	Kumar Adhikari
35	Jorpati Branch	Jorpati, Kathmandu	Sangita Rijal
36	Thamel Branch	Thamel, Kathmandu	Ranjit Bikram K.C.
37	Imadol Branch	Imadol, Lalitpur	Bikas Thapa
38	Kuleshwar Branch	Kuleshwar, Kathmandu	Soney Malla
39	Dhungedhara Branch	Dhungedhara, Kathmandu	Nimesh Sharma

S.N	Branch Office	Address	Branch Manager
40	Satungal Branch	Satungal, Kathmandu	Samir Luitel
41	Pepsicola Branch	Pepsi Cola, Kathmandu	Kapur Dahal
42	Maitidevi Branch	Maitidevi, Kathmandu	Swechha Shiwakoti
43	Gaththagar Branch	Gaththagar, Bhaktapur	Sita Dumre
44	Satdobato Branch	Satdobato, Lalitpur	Krishna Nepal
45	Machhapokhari Branch	Machapokhari, Kathmandu	Mukund Raj Adhikari
46	Kirtipur Branch	Kirtipur, Kathmandu	Sanip Maharjan
47	Putalisadak Branch	Putalisadak, Kathmandu	Sujit Nepal

Bagmati Province – Outside Valley

48	Narayangarh Branch	Narayangadh, Chitwan	Toyannath Adhikari
49	Parsa Branch	Parsa, Chitwan	Santosh Baral Nirdosh
50	Mugling Branch	Mugling, Chitwan	Krishna Prasad Chapagain
51	Hetauda Branch	Hetauda, Makwanpur	Pramod Aryal
52	Buddhachowk Branch	Buddhachowk, Chitwan	Nita Piya Pradhan
53	Malpotchowk Branch	Malpotchowk, Chitwan	Hari Ram Regmi
54	Shivanagar Branch	Shivnagar, Chitwan	Hom Nath Poudel
55	Tandi Branch	Tandi, Chitwan	Narayan Mahato
56	Battar Branch	Battar, Nuwakot	Sanjay Paudel
57	Milanchowk Branch	Milanchowk, Chitwan	Santosh Babu Pant
58	Dhadhingbesi Branch	Dhadhingbesi, Dhading	Bishal Joshi
59	Banepa Branch	Banepa, Kavrepalanchowk	Umesh Raj Giri

Gandaki Province

60	Waling Branch	Waling, Syangja	Prem Narayan Aryal
61	Galyang Branch	Galyang, Syangja	Yadab Bhattarai
62	Sabhagrihachowk Branch	Sabhagrihachowk, Pokhara, Kaski	Surya Bahadur Ranabhat
63	Putalibazar Branch	Putalibazar, Syangja	Rabindra Aryal
64	Mahendrapool Branch	Mahendrapool, Pokhara, Kaski	Kamal Subedi
65	Birauta Branch	Birauta, Kaski	Nilkantha Regmi
66	Kusma Branch	Kusma, Parbat	Suraj Thapa
67	Phalewas Branch	Phalewas, Parbat	Shyam Thapa Magar
68	Huwas Branch	Huwas, Parbat	Hom Prasad Shrestha
69	Batulechaur Branch	Batulechaur, Pokhara, Kaski	Suraj Baral
70	Baglung Branch	Baglung Bazar, Baglung	Narayan Hari Sharma
71	Kawasoti Branch	Kawasoti, Nawalparasi	Rabindra Subedi
72	Bayarghari Branch	Bayarghari, Syangja	Arbin Aryal
73	Damauli Branch	Damauli, Tanahun	Sumit Basnet
74	Beni Branch	Beni, Myagdi	Om Prakash Paudel
75	Darbang Branch	Darbang, Myagdi	Kesh Bahadur Gurung
76	Pokharebagar Branch	Pokharebagar, Myagdi	Dhan Prasad Shrestha
77	Babiyachaur Branch	Babiyachaur, Myagdi	Bikas K.C.
78	Birgha Branch	Birgha, Syangja	Damodar Pandey
79	Burtibang Branch	Burtibang, Baglung	Jit Bahadur Garbuja
80	Chapakot Branch	Chapakot, Syangja	Krishna Prasad Regmi
81	Daldale Branch	Daldale, Nawalpur	Samir Subedi
82	Tallo Gagangaunda Branch	Tallo Gagangaunda, Kaski	Santosh Bhandari
83	Buddhachowk Branch	Buddha Chowk, Pokhara, Kaski	Prakash Ojha
84	Besishahar Branch	Besishahar, Lamjung	Shankar Thapa

S.N	Branch Office	Address	Branch Manager
85	Hemja Branch	Hemja, Kaski	Shankar Raj Sapkota
86	Bayatari Branch	Bayatari, Syangja	Kamal Raj Upadhayaya
87	Talchowk Branch	Talchowk, Kaski	Dinesh Lamsal
88	Dumre Branch	Dumre, Tanahun	Buddhi Sagar Dhakal
89	Lakeside Branch	Lakeside, Pokhara, Kaski	Sudip Acharya
90	Bagar Branch	Bagar, Kaski	Sushma Baral
91	Gorkha Branch	Gorkha Bazar, Gorkha	Suresh Thapa
92	Gaindakot Branch	Gaindakot, Nawalparasi	Bishnu Paudel
93	Mirdi Branch	Mirdi, Syangja	Kamal Raj Regmi
94	Bhumre Extension Counter	Bhumre, Syangja	Shankar Shrestha
95	Biruwa Branch	Biruwa, Syangja	Prakash Kandel
96	Arjunchaupari Branch	Arjunchaupari, Syangja	Ramesh Regmi

Lumbini Province

97	Rampur Branch	Rampur, Palpa	Santosh Kafle
98	Tansen Branch	Tansen, Palpa	Shankar Babu Aryal
99	Butwal Branch	Butwal, Rupandehi	Lekhnath Bhattarai
100	Bhairahawa Branch	Bhairahawa, Rupandehi	Suraj Bhattarai
101	Jitpur Branch	Jitpur, Kapilvastu	Manoj Gautam
102	Sunawal Branch	Sunawal, Nawalparasi	Yaggamurti Neupane
103	Bardaghat Branch	Bardaghat, Nawalparasi	Hiramani Parajuli
104	Parasi Branch	Parasi, Nawalparasi	Yubraj Belbase
105	Khaireni Branch	Khaireni, Rupandehi	Kavita Sharma
106	Pharsatikar Branch	Pharsatikar, Rupandehi	Yagya Raj Acharya
107	Shantipur Branch	Shantipur, Gulmi	Kushm Khar Dhakal
108	Tamghas Branch	Tamghas, Gulmi	Bishnu K.C.
109	Chandrauta Branch	Chandrauta, Kapilvastu	Harka Bahadur Dhama
110	Manigram Branch	Manigram, Rupandehi	Tej Bahadur Thapa
111	Yogikuti Branch	Yogikuti, Rupandehi	Sovit Bahadur Khadka
112	Nepalgunj Branch	Nepalgunj, Banke	Shakti Singh Karmacharya
113	Ghorahi Branch	Ghorahi, Dang	Baldev Dhital
114	Chapargaudi Branch	Chapargaudi, Banke	Bishnu Paudel
115	Tulsipur Branch	Tulsipur, Dang	Janak Bahadur Shah
116	Murgiya Branch	Murgiya, Rupandehi	Rishi Ram Pokhrel
117	Kotihawa Branch	Kotihawa, Rupandehi	Sundar Gyawali
118	Kohalpur Branch	Kohalpur, Banke	Shrawan Neupane
119	Gulariya Branch	Gulariya, Bardiya	Binod Gotame B.K.
120	Bhurigau Branch	Bhurigau, Bardiya	Narayan Pangen
121	Drivertole Branch	Drivertole, Rupandehi	Madhu Chudali

Karnali Province

122	Surkhet Branch	Birendranagar, Surkhet	Bishal Adhikari
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Sudurpaschim Province

123	Dhangadhi Branch	Dhangadhi, Kailali	Rajan Aryal
124	Mahendranagar Branch	Mahendranagar, Kanchanpur	Rajendra Prasad Awasthi
125	Attariya Branch	Attariya, Kailali	Uendra Prasad Joshi
126	Lamki Branch	Lamki, Kailali	Kamal Prasad Jaisi

उन्नाइसौं वार्षिक साधारणसभामा संशोधनको लागि प्रस्तुत गरिमा विकास बैंक लिमिटेडको प्रबन्धपत्रको तीन महले विवरण

दफा नम्बर	हालको व्यवस्था	प्रस्तावित संशोधन	संशोधनको कारण
२(१)	यस विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय वाग्मति अञ्चल काठमाण्डौ जिल्ला काठमाण्डौ महानगरपालिका वडा नं. २ मा रहेनेछ।	यस विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय वाग्मती प्रदेश काठमाण्डौ जिल्ला काठमाण्डौ महानगरपालिका वडा नं. ३, बालुवाटारमा रहेनेछ।	बालुवाटार, काठमाण्डौ स्थित विकास बैंकको आफ्नै स्वामित्वको भवनमा केन्द्रीय कार्यालय स्थानान्तरण गर्नुपर्ने भएकोले
५ (क)	विकास बैंकको अधिकृत पूँजी रु.५,७०,००,००,०००/- (अक्षरेपी पाँच अर्ब सत्तरी करोड मात्र) हुनेछ। सो पूँजीलाई प्रति शेयर रु.१०० का दरले ५,७०,००,००० (पाँच करोड सत्तरी लाख) थान साधारण शेयरमा विभाजन गरिएको छ।	विकास बैंकको अधिकृत पूँजी रु.६,१०,००,००,०००/- (अक्षरेपी छ अर्ब दश करोड मात्र) हुनेछ। सो पूँजीलाई प्रति शेयर रु.१०० का दरले ६,१०,००,००० (छ करोड दश लाख) थान साधारण शेयरमा विभाजन गरिएको छ।	विकास बैंकको अधिकृत पूँजी बृद्धि गर्न आवश्यक देखिएकोले
५ (ख)	विकास बैंकको जारी पूँजी रु.५,६८,०५,१७,३२७.५७ (अक्षरेपी पाँच अर्ब अडसठ्ठी करोड पाँच लाख सत्र हजार तीन सय सताईस र पैसा सन्ताउन्न मात्र) हुनेछ। जसलाई प्रति शेयर रु. १००/- का दरले ५,६८,०५,१७३।२८ (पाँच करोड अडसठ्ठी लाख पाँच हजार एक सय त्रिहत्तर दशमलव अष्टाईस) थान साधारण शेयरमा विभाजन गरिएको छ।	विकास बैंकको जारी पूँजी रु.६,०२,१३,४८,३६७.२२ (अक्षरेपी छ अर्ब दुई करोड तेह्र लाख अडचालिस हजार तीन सय सतसठ्ठी र पैसा बाईस मात्र) हुनेछ। जसलाई प्रति शेयर रु. १००/- का दरले ६,०२,१३,४८३.६७ (छ करोड दुई लाख तेह्र हजार चार सय त्रियासी दशमलव सतसठ्ठी) थान साधारण शेयरमा विभाजन गरिएको छ।	६ प्रतिशत बोनस शेयर वितरण पश्चात विकास बैंकको जारी तथा चुक्ता पूँजीमा बृद्धि हुने भएकोले।
५ (ग)	विकास बैंकको चुक्ता पूँजी रु.५,६८,०५,१७,३२७.५७ (अक्षरेपी पाँच अर्ब अडसठ्ठी करोड पाँच लाख सत्र हजार तीन सय सताईस र पैसा सन्ताउन्न मात्र) हुनेछ।	विकास बैंकको चुक्ता पूँजी रु.६,०२,१३,४८,३६७.२२ (अक्षरेपी छ अर्ब दुई करोड तेह्र लाख अडचालिस हजार तीन सय सतसठ्ठी र पैसा बाईस मात्र) हुनेछ।	

उन्नाइसौं वार्षिक साधारणसभामा संशोधनको लागि प्रस्तुत गरिमा विकास बैंक लिमिटेडको नियमावलीको तीन महले विवरण

दफा नम्बर	हालको व्यवस्था	प्रस्तावित संशोधन	संशोधनको कारण
२	विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय रहने ठेगाना: यस विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय वाम्पति अञ्चल काठमाण्डौ जिल्ला काठमाण्डौ महानगरपालिका वडा नं. २ मा रहनेछ।	विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय रहने ठेगाना: यस विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय बागमती प्रदेश काठमाण्डौ जिल्ला काठमाण्डौ महानगरपालिका वडा नं. ३, बालुवाटारमा रहनेछ।	बालुवाटार, काठमाण्डौ स्थित विकास बैंकको आफ्नै स्वामित्वको भवनमा केन्द्रीय कार्यालय स्थानान्तरण गर्नुपर्ने भएकोले।
२९ (१) (ख)	संचालक समितिको बैठकमा उपस्थित भएबापत समितिका अध्यक्षको बैठक भत्ता रु.१०,०००/- (अक्षरेपी दश हजार मात्र) र सदस्यको बैठक भत्ता रु.९,०००/- (अक्षरेपी नौ हजार मात्र) हुनेछ।	सञ्चालक समितिको बैठकमा उपस्थित भएबापत समितिका अध्यक्षको बैठक भत्ता रु. १६,०००/- (अक्षरेपी सोह्र हजार मात्र) र सदस्यको बैठक भत्ता रु.१४,०००/- (अक्षरेपी चौध हजार मात्र) हुनेछ।	समय सापेक्ष सञ्चालकहरूको भत्ता परिमार्जन गर्न वाञ्छनिय भएकोले।
२९ (१) (घ)	संचालक समितिको अध्यक्ष र सदस्यलाई टेलिफोन, पत्रपत्रिका र इन्टरनेट खर्चवापत मासिक रु.४,०००/- (अक्षरेपी चार हजार मात्र) प्रदान गरिनेछ।	सञ्चालक समितिको अध्यक्ष र सदस्यलाई टेलिफोन, पत्रपत्रिका र इन्टरनेट खर्चवापत मासिक रु.१०,०००/- (अक्षरेपी दश हजार मात्र) प्रदान गरिनेछ।	सञ्चालकहरूलाई प्रदान गरिने सञ्चार वापतको मासिक खर्च रकम परिमार्जन गर्न वाञ्छनिय भएकोले।



नेपाल राष्ट्र बैंक
वित्तीय संस्था सुपरिवेक्षण विभाग

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/गरिमा/०८२/८३
च.नं.: ६१



केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं
फोन नं.: ९७७ ०१-५५१९६५३
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पोष्ट बक्स: ७३

मिति: २०८२/०७/०२

श्री गरिमा विकास बैंक लिमिटेड,
लाजिम्पाट, काठमाण्डौं ।

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

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०८१/८२ को लेखापरीक्षण भएको वित्तीय विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैर-स्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०८१/८२ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा अनुरोध छ । साथै, संस्थाले प्रस्ताव गरे अनुसार आ.व. २०८१/८२ सम्मको सञ्चित मुनाफा रु.५९,९२,१४,०९०।- बाट २०८२ असार मसान्तमा कायम रहेको चुक्ता पुँजी रु.५,६८,०५,१७,३२८।- को ६ प्रतिशतले हुन आउने रकम रु. ३४,०८,३१,०३९।६५ (अक्षरेपी चौतिस करोड आठ लाख एकतीस हजार उनन्चालिस रुपैयाँ र पैसा पैसट्टी मात्र) बोनस शेर र ४.५३ प्रतिशतले हुन आउने रु. २५,७३,२७,४३४।९४ (अक्षरेपी पच्चीस करोड त्रिहत्तर लाख सत्ताइस हजार चार सय चौतिस रुपैयाँ र पैसा चौरानब्वे मात्र) बराबरको नगद लाभांश (कर प्रयोजनको लागि समेत) गरी कुल (१०.५३ प्रतिशत लाभांश (बोनस शेर र नगद) रु ५९,८१,५८,४७४।५९ (अक्षरेपी उनान्साठी करोड एकासी लाख अन्ठाउन्न हजार चार सय चौहत्तर रुपैयाँ र पैसा उनान्साठी मात्र) वितरण गर्ने प्रस्ताव अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना हुने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्र वितरण गर्न स्वीकृति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध गर्दछु ।

- (१) कर्जा प्रवाह पश्चात अनिवार्य रुपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
- (२) आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

Asubedi

(अपिल सुवेदी)

सहायक निर्देशक

बोधार्थ:

१. श्री नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग ।
२. श्री नेपाल राष्ट्र बैंक, वित्तीय संस्था सुपरिवेक्षण विभाग, कार्यान्वयन इकाई-३ ।
३. श्री IBS (Individual Bank Supervisor) Officer

लाभांश घोषणा/वितरण तथा वार्षिक वित्तीय विवरण प्रकाशन गर्ने सहमति प्रदान गर्ने सम्बन्धमा नेपाल राष्ट्र बैंक, वित्तीय संस्था सुपरिवेक्षण विभागको मिति २०८२/०७/०२ गतेको पत्र संख्या वि.सं.सु.वि./गैरस्थलगत/ गरिमा/०८२/८३, च.नं. ६२ को पत्र मार्फत प्राप्त निर्देशनको प्रत्युत्तरः

निर्देशन नं. (१) सम्बन्धमा : निर्देशन अनुसार गरिने व्यहोरा अनुरोध गर्दछौं ।

निर्देशन नं. (२) सम्बन्धमा : निर्देशन अनुसार गरिने व्यहोरा अनुरोध गर्दछौं ।

गरिमा विकास बैंक लिमिटेडको

उन्नाइसौं वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति : २०८२ कार्तिक ३ गते सोमबार (कारोबार राष्ट्रिय दैनिक))

यस गरिमा विकास बैंक लिमिटेडको मिति २०८२ कार्तिक २ गते साँझ ५:०० बजे बसेको सञ्चालक समितिको ३३५औं बैठकको निर्णय अनुसार उन्नाइसौं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा देहायका विषयहरूमा छलफल गर्न बस्ने भएकोले सम्पूर्ण शेयरधनी महानुभावहरूको उपस्थितिको लागि यो सूचना प्रकाशित गरिएको छ।

सभा बस्ने मिति, समय र स्थान

मिति :- २०८२ कार्तिक २७ गते विहीबार (तदनुसार नोभेम्बर १३, २०२५)

समय :- बिहान ११:०० बजे

स्थान :- होटल पोखरा ग्राण्ड, बिरोटा, पोखरा, कास्की।

क. सामान्य प्रस्तावहरू

- आर्थिक वर्ष २०८१/८२ को सञ्चालक समितिको वार्षिक प्रतिवेदन छलफल गरी पारित गर्ने।
- लेखापरीक्षकको प्रतिवेदन सहितको विकास बैंकको २०८२ आषाढ मसान्तको वासलात तथा आर्थिक वर्ष २०८१/८२ को नाफा नोक्सान हिसाब, नगद प्रवाह विवरण, नाफा-नोक्सान बाँडफाँड हिसाब, इक्विटीमा भएको परिवर्तन लगायत वार्षिक वित्तीय विवरणसँग सम्बन्धित अनुसूचीहरू उपर छलफल गरी पारित गर्ने।
- सञ्चालक समितिको प्रस्ताव बमोजिम हाल कायम चुक्ता पूँजी रु.५,६८,०५,१७,३२७।५७ (अक्षरेपी पाँच अर्ब अठसठ्ठी करोड पाँच लाख सत्र हजार तीन सय सत्ताईस र पैसा सन्ताउन्न मात्र) को ४.५३ प्रतिशत ले हुन आउने रकम रु.२५,७३,२७,४३४।९४ (अक्षरेपी पचिस करोड त्रिहत्तर लाख सत्ताईस हजार चार सय चौतिस र पैसा चौरानब्बे मात्र) नगद लाभांश (प्रस्तावित बोनस शेयर र नगद लाभांशको कर सहित) वितरण गर्न स्वीकृति प्रदान गर्ने।
- आर्थिक वर्ष २०८२/८३ को लेखापरीक्षण गर्नका लागि लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक तोक्ने।

ख. विशेष प्रस्तावहरू

- संचालक समितिको प्रस्ताव तथा नेपाल राष्ट्र बैंकको स्वीकृति बमोजिम हाल कायम चुक्ता पूँजी रु.५,६८,०५,१७,३२७।५७ (अक्षरेपी पाँच अर्ब अठसठ्ठी करोड पाँच लाख सत्र हजार तीन सय सत्ताईस र पैसा सन्ताउन्न मात्र) को ६ प्रतिशतले हुन आउने रकम रु. ३४,०८,३१,०३९।६५ (अक्षरेपी चौतिस करोड आठ लाख एकतिस हजार उनन्चालिस र पैसा पैसठ्ठी मात्र) बराबरको बोनस शेयर वितरण गर्न स्वीकृति प्रदान गर्ने।
- विकास बैंकको हाल कायम अधिकृत पूँजी बृद्धि गरी रु.६,१०,००,००,०००/- (अक्षरेपी छ अर्ब दश करोड मात्र) कायम गर्ने सम्बन्धी प्रस्ताव पारित गर्ने।
- विकास बैंकको रजिष्टर्ड (केन्द्रीय) कार्यालय काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं. २, लाजिम्पाटबाट काठमाण्डौ जिल्ला, काठमाण्डौ महानगरपालिका वडा नं. ३, बालुवाटारमा स्थानान्तरण गर्ने सम्बन्धी प्रस्ताव पारित गर्ने।
- विकास बैंकको छाप तथा लोगो परिवर्तन गर्ने सम्बन्धी प्रस्ताव पारित गर्ने।
- संचालकहरूलाई प्रदान गरिने बैठक भत्ता तथा टेलिफोन, पत्रपत्रिका र इन्टरनेट खर्च बापत प्रदान गरिने रकम बृद्धि गर्ने सम्बन्धी प्रस्ताव पारित गर्ने।
- गरिमा विकास बैंक लिमिटेडले अन्य ईजाजतपत्रप्राप्त बैंक तथा वित्तीय संस्था (हरु) गाभ्ने (Merger) तथा अन्य बैंक तथा वित्तीय संस्था(हरु) प्राप्त गर्ने (Acquisition) सम्बन्धमा उपयुक्त बैंक तथा वित्तीय संस्था (हरु) खोजी गर्न, उपयुक्त लागेको बैंक तथा वित्तीय संस्थसँग मर्जर तथा एक्विजिसन सम्बन्धी सहमति-पत्र (Memorandum of Understanding) तयार गरी हस्ताक्षर गर्न, सम्पूर्ण चल अचल सम्पत्ति तथा दायित्व मूल्यांकन (Due Diligence Audit) गर्ने मूल्यांकनकर्ता लेखापरीक्षक नियुक्त गर्न, निजको पारिश्रमिक तोक्न र निजबाट बैंकको सम्पूर्ण चल अचल सम्पत्ति तथा दायित्व मूल्यांकन (Due Diligence Audit) गराउने तथा गाभ्ने (Merger) वा प्राप्त गर्ने (Acquisition) सम्बन्धमा नियमनकारी निकायहरूसँग सहमति लिने, गाभ्ने (Merger) वा प्राप्त गर्ने (Acquisition) सम्बन्धी कार्यको लागि प्रबन्धपत्र तथा नियमावलीमा आवश्यक

संशोधन गर्नुपर्ने भएमा सो समेत गर्ने लगायतका सम्पूर्ण प्रक्रिया अवलम्बन गरी गाभ्ने (Merger) वा प्राप्त गर्ने (Acquisition) सम्बन्धी सम्पूर्ण कार्य गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने सम्बन्धी प्रस्ताव पारित गर्ने ।

७. विशेष प्रस्ताव नं. १, २, ३, ४ र ५ पारित भए बमोजिम हुने गरी विकास बैंकको प्रबन्धपत्र र नियमावलीमा आवश्यक संशोधन गर्ने सम्बन्धी प्रस्ताव पारित गर्ने ।

८. विकास बैंकको प्रबन्धपत्र तथा नियमावलीको संशोधनसँग सम्बन्धित कार्यहरू स्वीकृतिको क्रममा नेपाल राष्ट्र बैंक, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड लगायतका नियमनकारी निकायहरूबाट कुनै विषय, शर्तहरू लगायतका संशोधन/फेरबदल गर्न निर्देशन भएमा आवश्यकता अनुसार थपघट, परिमार्जन, संशोधन, भाषागत लगायत अन्य सुधार समेतका लागि सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने सम्बन्धी प्रस्ताव पारित गर्ने ।

ग. विविध

साधारण सभा सम्बन्धी अन्य जानकारी

१. बोनस शेयर, नगद लाभांश तथा साधारण सभामा भाग लिने प्रयोजनको लागि मिति २०८२ कार्तिक १८ गते शेयरधनी दर्ता पुस्तिका बन्द रहनेछ । मिति २०८२ कार्तिक १७ गतेसम्म नेपाल स्टक एक्सचेञ्ज लिमिटेडमा कारोबार भई सि.डि.एस. एण्ड क्लियरिङ्ग लिमिटेडबाट राफसाफ भएको र प्रचलित नियमानुसार शेयरधनी दर्ता किताबमा कायम रहेका शेयरधनीहरू सो सभामा भाग लिन तथा लाभांश प्राप्त गर्नको लागि योग्य हुनेछ ।
२. शेयरधनी महानुभावहरूले आर्थिक वर्ष २०८१/८२ को वार्षिक प्रतिवेदन पुस्तिका यस विकास बैंकको केन्द्रीय कार्यालय, लाजिम्पाट, काठमाण्डौ वा सभागृहचोक, पोखरा, कास्की स्थित विकास बैंकको क्षेत्रीय कार्यालय, पोखरा वा शेयर रजिष्ट्रार, एनआइएमबि एस क्यापिटल लिमिटेड, लाजिम्पाट, काठमाण्डौबाट प्राप्त गर्न सक्नु हुनेछ । उक्त प्रतिवेदन विकास बैंकको वेबसाईट www.garimabank.com.np मा हेर्न र डाउनलोड गर्न समेत सकिनेछ ।
३. सभामा उपस्थित हुने सम्पूर्ण शेयरधनीहरूले शेयर प्रमाण-पत्र वा डि-म्याट खाताको विवरण र आफ्नो परिचय खुल्ने प्रमाण (जस्तै: नागरिकता, मतदाता परिचय पत्र वा अन्य कुनै परिचय-पत्र) अनिवार्य रूपमा साथमा लिई आउनुहुन अनुरोध छ ।
४. सभामा भाग लिनका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न वा प्रोक्सी बदर गरी नयाँ प्रतिनिधि (प्रोक्सी) नियुक्त गर्न अर्को प्रोक्सी दिन चाहने शेयर धनीहरूले सो सम्बन्धी निवेदन (प्रोक्सी फारम) भरी काठमाण्डौ जिल्ला काठमाण्डौ महानगरपालिका वडा नं. २ लाजिम्पाट स्थित विकास बैंकको केन्द्रीय कार्यालय वा कास्की जिल्ला, पोखरा महानगरपालिका वडा नं. ८ सभागृहचोक स्थित विकास बैंकको क्षेत्रीय कार्यालय, पोखरामा सभा शुरु हुनु भन्दा कम्तीमा ४८ घण्टा अगाडि अर्थात् मिति २०८२ कार्तिक २५ गते बिहान ११:०० बजे भित्र दर्ता गरी सक्नु पर्नेछ । यसरी प्रतिनिधि (प्रोक्सी) नियुक्त गर्दा विकास बैंकको शेयरधनीलाई मात्र नियुक्त गर्न सकिनेछ । विकास बैंकको शेयरधनी बाहेक अन्य व्यक्तिलाई प्रोक्सी दिन र एकभन्दा बढी व्यक्तिलाई आफ्नो शेयर विभाजन गरी तथा अन्य कुनै किसिमबाट छुट्याई प्रोक्सी दिन पाइने छैन । यसरी दिएको प्रोक्सी बदर हुनेछ । प्रतिनिधि (प्रोक्सी) नियुक्त गरिसक्नु भएको शेयरधनी स्वयं सभामा उपस्थित भई हाजिरी किताबमा दस्तखत गर्नु भएमा उक्त प्रोक्सी स्वतः बदर हुनेछ ।
५. नावालक वा मानसिक सन्तुलन ठीक नभएका शेयरधनीहरूको सन्दर्भमा शेयरधनी दर्ता किताबमा संरक्षकको रूपमा नाम लेखिएको व्यक्तिले मात्र संरक्षकको हैसियतले सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मतदान गर्न सक्नु हुनेछ ।
६. संयुक्त रूपमा शेयर खरिद गर्ने शेयरधनीको हकमा शेयरधनी दर्ता किताबमा जसको नाम पहिले उल्लेख गरिएको छ, सो व्यक्ति वा संयुक्त शेयर धनीहरूको सर्वसम्मतिबाट आफूहरू मध्ये नियुक्त व्यक्तिले मात्र सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मतदान गर्न सक्नु हुनेछ ।
७. शेयरधनी महानुभावहरूको सुविधाको लागि हाजिरी पुस्तिका सभा स्थलमा साधारण सभा सम्पन्न हुने दिन बिहान १०:०० बजे देखि नै खुल्ला गरिनेछ । साधारण सभामा भाग लिने प्रत्येक शेयरधनी महानुभावहरूले सभा हुने स्थानमा उपस्थित भई तहाँ रहेको हाजिरी पुस्तिकामा दस्तखत गर्नु पर्नेछ ।
८. विविध शीर्षक अन्तर्गत कुनै विषयमा छलफल गर्न आवश्यक ठानेमा शेयरधनी महानुभावहरूले आफूले प्रस्तुत गर्न चाहेको विषय बारे सभा हुनु भन्दा ७ दिन अगावै कार्यालय समय भित्र विकास बैंकको केन्द्रीय कार्यालय, लाजिम्पाट, काठमाण्डौमा लिखित रूपमा जानकारी दिनु पर्नेछ । ७ दिन अगाडि सार्वजनिक बिदा पर्न गएमा सार्वजनिक बिदा पश्चात् कार्यालय खुल्ने पहिलो दिन समेत त्यस्तो लिखित जानकारी दिन सकिनेछ । यसरी लिखित रूपमा पूर्व जानकारी नगराएको विषयमा सभामा छलफल तथा निर्णय गरिने छैन ।
९. साधारण सभा सम्बन्धमा थप जानकारी आवश्यक परेमा कार्यालय समय भित्र विकास बैंकको केन्द्रीय कार्यालय, लाजिम्पाट, काठमाण्डौमा सम्पर्क राख्न समेत अनुरोध गरिन्छ ।

सञ्चालक समितिको आज्ञाले,

अनिल रेग्मी

कम्पनी सचिव

श्री सञ्चालक समिति
गरिमा विकास बैंक लिमिटेड,
लाजिम्पाट, काठमाडौं ।

विषय : प्रतिनिधि (प्रोक्सी) नियुक्त गरेको सम्बन्धमा ।

महाशय,

.....जिल्ला.....म.न.पा./उ.म.न.पा./न.पा./गा.पा.वडा नं.....स्थायी ठेगाना भई हाल.....
जिल्ला.....म.न.पा./उ.म.न.पा./न.पा./गा.पा.वडा नं.....बस्ने म/हामी
ले त्यस विकास बैंकको शेयरधनीको हैसियतले मिति २०८२ कार्तिक २७ गते विहीबारका दिन हुने उन्नाइसौं वार्षिक साधारणसभामा म/हामी स्वयं
उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा मेरो/हाम्रो तर्फबाट भाग लिन तथा मतदान गर्नका लागि तपसिलमा
उल्लेखित व्यक्तिलाई मेरो/हाम्रो प्रतिनिधि (प्रोक्सी) नियुक्त गरी पठाएको छु/छौं ।

प्रोक्सी पाउनेको

दस्तखत :

नाम :

ठेगाना :

शेयरधनी नं. :

हितग्राही खाता नं. :

मिति:

निवेदक

दस्तखत :

नाम :

ठेगाना :

शेयरधनी नं. :

हितग्राही खाता नं. :

शेयर संख्या :.....कित्ता

द्रष्टव्य : यो निवेदन साधारणसभा हुनुभन्दा कम्तीमा ४८ घण्टा अगावै अर्थात् मिति २०८२ कार्तिक २५ गते बिहान ११:०० बजेभित्र काठमाडौं जिल्ला
काठमाडौं महानगरपालिका वडा नं. २ लाजिम्पाट स्थित विकास बैंकको केन्द्रीय कार्यालय वा कास्की जिल्ला पोखरा महानगरपालिका वडा नं. ८
सभागृहचोक स्थित विकास बैंकको क्षेत्रीय कार्यालय, पोखरामा पेश गरिसक्नु पर्नेछ । शेयरधनी बाहेक अन्य व्यक्तिलाई प्रतिनिधि नियुक्त गर्न सकिने छैन ।

उन्नाइसौं वार्षिक साधारणसभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र

शेयरधनीको नाम :

शेयर संख्या :

शेयरधनी नं./हितग्राही खाता :

शेयरधनीको दस्तखत :

.....
कम्पनी सचिव

द्रष्टव्य: यो प्रवेश-पत्र सभा कक्षमा प्रवेश गर्दा र साधारण सभा सम्पन्न नहुन्जेल अनिवार्य रूपमा साथमा राख्नु होला ।



यस विकास बैंक लिमिटेड
Central Office for Bank & Finance

बालुवाटार, काठमाण्डौ
स्थित यस विकास बैंकको
केन्द्रीय कार्यालय रहने भवन



"Access to All"

गरिमा विकास बैंक लिमिटेड
Garima Bikas Bank Limited

नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्रप्राप्त संस्था

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