गरिमा विकास बैंक लिमिटेड
Garima Bikas Bank Limited
नेपाल राष्ट्र बैंकबाट 'ख' वर्गको इजाजतपत्रप्राप्त संस्था

केन्द्रीय कार्यालयः बालुवाटार, काठमाण्डौं
फोन : ०१-४५४५४२४/२५/२६
टोल फ्रि नं.: १६६००१४५४४४

बीसौं वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति : २०८३ भाद्र ३१ गते, बुधबार (आर्थिक अभियान राष्ट्रिय दैनिक)

आदरणीय शेयरधनी महानुभावहरु,
यस गरिमा विकास बैंक लिमिटेडको मिति २०८३ भाद्र ३० गते मंगलबार दिउँसो ४:०० बजे बसेको सञ्चालक समितिको ३५३औं बैठकको निर्णय अनुसार बीसौं वार्षिक साधारण सभा निम्न मिति, स्थान र समयमा देहायका विषयहरुमा छलफल गर्न बस्ने भएकोले सम्पूर्ण शेयरधनी महानुभावहरुको जानकारी एवं उपस्थितिको लागि यो सूचना प्रकाशित गरिएको छ ।

सभा बस्ने मिति,स्थान र समय

मिति : २०८३ आश्विन २६ गते सोमबार (तदनुसार १२ अक्टोवर २०२६)
स्थान : होटल पोखरा ग्राण्ड, बिरौटा, पोखरा, कास्की ।
समय : बिहान १०:३० बजे

क. सामान्य प्रस्तावहरु

१. आर्थिक वर्ष २०८२/८३ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहितको विकास बैंकको २०८३ आषाढ मसान्तको वासलात तथा आर्थिक वर्ष २०८२/८३ को नाफा नोक्सान हिसाब, नगद प्रवाह विवरण, नाफा-नोक्सान बाँडफाँड हिसाब, इक्वीटीमा भएको परिवर्तन लगायत वार्षिक वित्तीय विवरणसँग सम्बन्धित अनुसूचीहरु उपर छलफल गरी पारित गर्ने ।
३. सञ्चालक समितिको प्रस्ताव बमोजिम हाल कायम चुक्ता पूँजी रु.६,०२,१३,४८,३६७।२२ (अक्षरेपी छ अर्ब दुई करोड तेह्र लाख अड्चालिस हजार तीन सय सतसठ्ठी र पैसा बाईस मात्र) को १० प्रतिशत ले हुन आउने रकम रु.६०,२१,३४,८३६।७२ (अक्षरेपी साठी करोड एक्काईस लाख चौंतीस हजार आठ सय छत्तीस र पैसा बहत्तर मात्र) नगद लाभांश (प्रस्तावित बोनस शेयर र नगद लाभांशको कर सहित) वितरण गर्ने प्रस्ताव उपर छलफल गरी पारित गर्ने ।
४. आर्थिक वर्ष २०८३/८४ को लेखापरीक्षण गर्नका लागि लेखापरीक्षकको नियुक्ती तथा निजको पारिश्रमिक निर्धारण गर्ने ।

ख. विशेष प्रस्तावहरु

१. संचालक समितिको प्रस्ताव तथा नेपाल राष्ट्र बैंकको स्वीकृति बमोजिम हाल कायम चुक्ता पूँजी रु.६,०२,१३,४८,३६७।२२ (अक्षरेपी छ अर्ब दुई करोड तेह्र लाख अड्चालिस हजार तीन सय सतसठ्ठी र पैसा बाईस मात्र) को १० प्रतिशतले हुन आउने रकम रु.६०,२१,३४,८३६।७२ (अक्षरेपी साठी करोड एक्काईस लाख चौंतीस हजार आठ सय छत्तीस र पैसा बहत्तर मात्र) बराबरको बोनस शेयर वितरण गर्ने प्रस्ताव उपर छलफल गरी पारित गर्ने ।
२. विकास बैंकको हाल कायम अधिकृत पूँजी वृद्धि गरी रु.६,६५,००,००,०००/- (अक्षरेपी छ अर्ब पैसठ्ठी करोड मात्र) कायम गर्ने सम्बन्धी प्रस्ताव उपर छलफल गरी पारित गर्ने ।
३. सञ्चालकहरुलाई प्रदान गरिने बैठक भत्ता, दैनिक भ्रमण भत्ता तथा टेलिफोन पत्रपत्रिका र इन्टरनेट खर्च बापत प्रदान गरिने रकम बृद्धि गर्ने सम्बन्धी प्रस्ताव पारित गर्ने ।
४. गरिमा विकास बैंक लिमिटेडले अन्य ईजाजतपत्रप्राप्त बैंक तथा वित्तीय संस्था (हरु) गाभ्ने (Merger) तथा अन्य बैंक तथा वित्तीय संस्था(हरु) प्राप्ति गर्ने (Acquisition) सम्बन्धमा उपयुक्त बैंक तथा वित्तीय संस्था (हरु) खोजी गर्न, उपयुक्त लागेको बैंक तथा वित्तीय संस्थासँग 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 प्राप्ति गर्ने (Acquisition) सम्बन्धमा नियमनकारी निकायहरुसँग सहमति लिने, गाभ्ने (Merger) वा प्राप्ति गर्ने (Acquisition) सम्बन्धी कार्यको लागि प्रबन्धपत्र तथा नियमावलीमा आवश्यक संशोधन गर्नुपर्ने भएमा सो समेत गर्ने लगायतका सम्पूर्ण प्रक्रिया अवलम्बन गरी गाभ्ने (Merger) वा प्राप्ति गर्ने (Acquisition) सम्बन्धी सम्पूर्ण कार्य गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने सम्बन्धी प्रस्ताव पारित गर्ने ।
५. विशेष प्रस्ताव नं. १, २ र ३ पारित भए बमोजिम हुने गरी विकास बैंकको प्रबन्धपत्र र नियमावलीमा आवश्यक संशोधन गर्ने सम्बन्धी प्रस्ताव पारित गर्ने ।
६. विकास बैंकको प्रबन्धपत्र तथा नियमावलीको प्रस्तावित संशोधनसँग सम्बन्धित कार्यहरु स्वीकृतिको क्रममा नियमनकारी निकायहरुबाट कुनै विषय, शर्तहरु 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. बोनश शेयर, नगद लाभांश तथा साधारण सभामा भाग लिने प्रयोजनको लागि मिति २०८३ आश्विन १४ गते शेयरधनी दर्ता पुस्तिका बन्द रहनेछ । मिति २०८३ आश्विन १३ गतेसम्म नेपाल स्टक एक्सचेञ्ज लिमिटेडमा कारोबार भई प्रचलित नियमानुसार शेयरधनी दर्ता किताबमा कायम रहेका शेयरधनीहरु सो सभामा भाग लिन तथा लाभांश प्राप्त गर्नको लागि योग्य हुनु हुनेछ ।
२. शेयरधनी महानुभावहरुले आर्थिक वर्ष २०८२/८३ को वार्षिक प्रतिवेदन पुस्तिका यस विकास बैंकको केन्द्रीय कार्यालय, बालुवाटार, काठमाण्डौ वा सभागृहचोक, पोखरा, कास्की स्थित विकास बैंकको क्षेत्रीय कार्यालय, पोखरा वा शेयर रजिष्ट्रार, एनआइएमवि एस क्यापिटल लिमिटेड, लाजिम्पाट, काठमाण्डौबाट प्राप्त गर्न सक्नु हुनेछ । उक्त प्रतिवेदन विकास बैंकको वेवसाईट www.garimabank.com.np मा हेर्न र डाउनलोड गर्न समेत सकिनेछ ।
३. सभामा उपस्थित हुने सम्पूर्ण शेयरधनीहरुले शेयर प्रमाण-पत्र वा डि-म्याट खाताको विवरण र आफ्नो परिचय खुल्ने प्रमाण (जस्तैः नागरिकता, मतदाता परिचय पत्र वा अन्य कुनै परिचय-पत्र) अनिवार्य रुपमा 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 शेयरधनीहरुले सो सम्बन्धी निवेदन (प्रोक्सी फारम) भरी काठमाण्डौ जिल्ला काठमाण्डौ महानगरपालिका वडा नं. ३ बालुवाटारस्थित 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 अर्थात मिति २०८३ आश्विन २४ गते बिहान १०:३० 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 शेयरधनीहरुको सन्दर्भमा शेयरधनी दर्ता किताबमा संरक्षकको रुपमा नाम लेखिएको व्यक्तिले मात्र संरक्षकको हैसियतले सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मतदान गर्न सक्नु हुनेछ ।
६. संयुक्त रुपमा शेयर खरिद गर्ने शेयरधनीको हकमा शेयरधनी दर्ता किताबमा जसको नाम पहिले उल्लेख गरिएको छ, सो व्यक्ति वा संयुक्त शेयरधनीहरुको सर्वसम्मतिबाट आफूहरु मध्ये नियुक्त व्यक्तिले मात्र सभामा भाग लिन, छलफल गर्न, प्रतिनिधि नियुक्त गर्न र मतदान गर्न सक्नु हुनेछ ।
७. शेयरधनी महानुभावहरुको सुविधाको लागि हाजिरी पुस्तिका सभा स्थलमा साधारण सभा सम्पन्न हुने दिन बिहान ९:३० बजे देखि नै खुल्ला गरिनेछ । साधारण सभामा भाग लिने प्रत्येक शेयरधनी महानुभावहरुले सभा हुने स्थानमा उपस्थित भई तहाँ रहेको हाजिरी पुस्तिकामा दस्तखत गर्नु पर्नेछ ।
८. विविध शीर्षक अन्तर्गत कुनै विषयमा छलफल गर्न आवश्यक ठानेमा शेयरधनी महानुभावहरुले आफूले प्रस्तुत गर्न चाहेको विषय बारे सभा हुनु भन्दा ७ (सात) दिन अगावै कार्यालय समय भित्र विकास बैंकको केन्द्रीय कार्यालय, बालुवाटार, काठमाण्डौमा लिखित रुपमा जानकारी दिनु पर्नेछ । ७ (सात) दिन अगाडि सार्वजनिक बिदा पर्न गएमा सार्वजनिक बिदा पश्चात् कार्यालय खुल्ने पहिलो दिन समेत त्यस्तो लिखित जानकारी दिन सकिनेछ । यसरी लिखित रुपमा पूर्व जानकारी नगराएको विषयमा सभामा छलफल तथा निर्णय गरिने छैन ।
९. साधारण सभा सम्बन्धमा थप जानकारी आवश्यक परेमा यस विकास बैंकको केन्द्रीय कार्यालय, बालुवाटार, काठमाण्डौ को फोन नं.०१-४५४५४२५ मा सम्पर्क राख्न समेत अनुरोध छ ।

सञ्चालक समितिको आज्ञाले,
अनिल रेग्मी
कम्पनी सचिव

Consolidated Statement of Cash Flows
As on 32nd Ashad 2083

Particulars	Group 2082-83 NPR	Group 2081-82 NPR	Bank 2082-83 NPR	Bank 2081-82 NPR
Cash flows from operating activities				
Interest Received	7,619,670,261	8,568,248,708	7,615,416,149	8,563,503,166
Fee and other income received	684,874,311	573,759,193	631,526,658	516,914,447
Dividend Received	52,081,125	21,960,766	51,180,057	21,556,019
Receipts from other operating activities			-	-
Interest paid	(3,790,007,184)	(4,847,627,922)	(3,781,674,122)	(4,836,933,002)
Commission and fee paid	(16,554,162)	(10,999,709)	(9,899,472)	(5,480,318)
Cash payments to employee	(1,183,281,714)	(895,744,992)	(1,155,911,610)	(877,000,220)
Other expense paid	(705,645,758)	(198,416,022)	(678,537,584)	(168,963,326)
Operating cash flows before change in operating assets and liabilities	**2,661,136,879**	**3,211,180,022**	**2,672,100,076**	**3,213,596,766**
(Increase)/Decrease in operating assets	**(8,405,795,676)**	**(5,451,839,483)**	**(8,418,685,706)**	**(5,453,511,776)**
Due from Nepal Rastra Bank	(290,345,685)	(28,920,226)	(290,345,685)	(28,920,226)
Placement with bank and financial institutions	-	-	-	-
Other Trading assets	-	-	-	-
Loan and advances to bank and financial institutions	1,214,766,398	(241,080,899)	1,214,766,398	(241,080,899)
Loan and advances to customer	(9,185,937,013)	(5,359,485,817)	(9,185,937,013)	(5,359,485,817)
Other Assets	(144,279,375)	177,647,459	(157,169,406)	175,975,166
Increase/(Decrease) in operating liabilities	**7,178,116,949**	**6,708,727,948**	**7,182,385,468**	**6,639,320,227**
Due to bank and financial institutions	(1,174,057,906)	782,696,499	(1,174,057,906)	782,696,499
Due to Nepal Rastra Bank	-	-	-	-
Deposits from customers	8,357,066,787	5,861,652,948	8,356,443,375	5,862,873,728
Borrowings	(17,567,556)	43,386,536	-	(6,250,000)
Other Liabilities	12,675,624	20,991,966	-	-
Net Cash flow from operating activities before tax paid	**1,433,458,152**	**4,468,068,488**	**1,435,799,839**	**4,399,405,217**
Income taxes paid	(667,441,235)	(267,788,311)	(665,312,123)	(261,830,234)
Net Cash flow from operating activities	**766,016,918**	**4,200,280,177**	**770,487,716**	**4,137,574,984**
Cash flows from investing activities				
Purchase of investment securities	(722,080,597)	(3,572,718,259)	(756,363,566)	(3,465,326,430)
Receipts from sale of investment securities	25,754,970	38,380,764	25,754,970	38,380,764
Purchase of property and equipment	(101,329,538)	(1,585,479,614)	(100,173,717)	(1,585,189,395)
Receipt from sale of property and equipment	966,699	59,395,826	966,699	59,395,826
Purchase of intangible assets	-	-6333990.75	-	(5,495,760.90)
Receipt from sale of intangible assets	1,407,129	-	3,007,033	-
Purchase of investment properties	-	(461,244,166)	-	(461,244,166)
Receipt from the sale of investment properties	44,610,173	(1,279,971)	44,610,173	(1,279,971)
Interest received				
Dividend received				
Net cash used in investing activities	**(750,671,164)**	**(5,529,279,411)**	**(782,198,408)**	**(5,420,759,132)**
Cash flows from financing activities				
Receipt from issue of debt securities	(380,661)	1,028,858	(380,661)	1,028,858
Repayment of debt securities				
Receipt from issue of subordinated liabilities			-	-
Repayment of subordinated liabilities				
Receipt from issue of shares	340,831,040	0	340,831,040	0
Dividend paid	(598,158,474)	(284,025,866)	(598,158,474)	(284,025,866)
Interest paid			-	-
Other receipt/payment			-	-
Net cash from financing activities	**(257,708,095)**	**(282,997,009)**	**(257,708,095)**	**(282,997,009)**
Net increase/(decrease) in cash and cash equivalents	**(242,362,342)**	**(1,611,996,243)**	**(269,418,788)**	**(1,566,181,157)**
Cash and Cash Equivalents at Shrawan 01, 2082	3,166,029,248	4,716,277,304	3,165,470,476	4,714,599,338
Effect of exchange rate fluctuations on cash and cash equivalents held	28,415,131	61,748,186	55,463,713	17,052,296
Closing Cash and Cash Equivalents at Ashad End, 2083	**2,952,082,037**	**3,166,029,248**	**2,951,515,401**	**3,165,470,476**

गरिमा विकास बैंक लिमिटेडको आ.व. २०८२/०८३ को संक्षिप्त आर्थिक विवरण कम्पनी ऐन, २०६३ को दफा ८४ (४) को प्रयोजनको निमित्त प्रकाशित

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

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, 2083 (July 16, 2026), 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, 2083 (July 16, 2026), 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.	**Interest Income** Ref. Note no. 4.29 and accounting policies to the financial statements.	
	The Bank has total interest income of Rs. 7,591,774,168 including Rs. 6,285,937,636 on loans and advances to customers. Interest income of the Bank is recognized in accordance with the Guidance Note on Interest Income Recognition, 2026, 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. 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. 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.	We applied following procedures in respect of verification of interest income: • 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 of 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. Accounting policies and recognition of interest income has been considered acceptable.
2.	**Investment Securities Valuation** Ref. Note no. 4.8 and accounting policies to the financial statements.	
	The Bank has total investment securities of Rs. 20,900,552,740 as at Ashad 32, 2083 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 18.49 % of the total assets of the Bank. 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. 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.	We applied following procedures in respect of investment verification: • 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. Accounting policies, classification, valuation, and impairment allowances for the investments are considered acceptable.
3.	**Impairment of Loans and Advances**	
	As per NFRS 9, the Bank shall measure impairment loss on loans and advances, which is the higher of: a) Amount derived as per norms prescribed by NRB for loan loss provisioning or b) Amount determined as per para 5.5 of NFRS adopting the expected credit loss model. As per the norms prescribed by NRB, provision at the prescribed rate shall be created on the loans 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. Loan loss provision on loans and advances measured at amortized cost is Rs. 77,328,049 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. This is a key audit matter due to • 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. 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.	Our audit approach included: a. Reviewing the overdue status of loans and advances by obtaining data from the system and matching the same with NRB 2.2 report. 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. c. Assessed the alignment of the Bank's Impairment for expected credit losses computations and underlying methodology including responses to current economic conditions with its accounting policies, based on the best available information up to the date of our report 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. 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. f. Evaluated the reasonableness of credit quality assessments and related stage classifications. In addition to the above, the following procedures were performed: g. For loans and advances assessed on an individual basis for impairment: • 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. h. For loans and advances assessed on a collective basis for impairment: • 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. We applied following procedures in respect of verification of loan loss provision: • 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. • Reviewed the ECL validation report and assessed key assumptions, model methodology, and recommendations provided. Loan loss provision made by the Bank is considered acceptable.
4.	**Information Technology**	
	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. 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.	We applied following procedures in respect of information technology: • 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. Based on the above audit procedures performed, control over the information technology prevailing in the Bank has been considered adequate.

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 through 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.

Manmohan Raj Kafle, FCA
Executive Partner
Joshi & Bhandary
Chartered Accountants
UDIN: 260907CA00106wwaNK
Date: 2083/05/18
Place: Kathmandu

Consolidated Statement of Financial Position
As on 32nd Ashad 2083

Particulars	Notes	Group 32 Ashad 2083	Group 32 Ashad 2082	Bank 32 Ashad 2083	Bank 32 Ashad 2082
Assets					
Cash and cash equivalent	4.1	2,952,082,037	3,166,029,248	2,951,515,401	3,165,470,476
Due from Nepal Rastra Bank	4.2	4,068,883,377	3,778,537,693	4,068,883,377	3,778,537,693
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	3,359,449,873	4,574,216,271	3,359,449,873	4,574,216,271
Loans and advances to customers	4.7	78,215,661,746	69,130,694,763	78,215,661,746	69,130,694,763
Investment securities	4.8	21,201,711,844	20,527,268,246	20,900,552,740	20,195,712,972
Current Tax Assets	4.9	2,671,142	100,761,449	-	83,859,471
Investment in subsidiaries	4.10	-	-	123,900,000	123,900,000
Investment in Associates	4.11	-	-	-	-
Investment property	4.12	630,034,975	675,496,243	630,034,975	675,496,243
Property and equipment	4.13	1,808,433,931	1,933,138,287	1,788,555,725	1,908,698,292
Goodwill and Intangible Assets	4.14	104,009,884	105,417,013	100,533,935	103,540,968
Deferred tax assets	4.15	80,800,531	35,302,344	79,647,977	38,835,344
Other assets	4.16	868,278,738	723,999,363	842,266,151	685,096,745
Total Assets		**113,292,018,077**	**104,750,860,918**	**113,061,001,901**	**104,464,059,239**
Liabilities					
Due to Bank and Financial Institutions	4.17	1,391,929,724	2,565,987,630	1,391,929,724	2,565,987,630
Due to Nepal Rastra Bank	4.18	-	-	-	-
Derivative Financial instruments	4.19	-	-	-	-
Deposit from customers	4.20	98,469,870,197	90,112,803,410	98,472,073,233	90,115,629,859
Borrowings	4.21	81,020,263	98,587,819	-	-
Current Tax Liabilities	4.9	-	-	16,367,050	-
Provisions	4.22	-	-	-	-
Deferred tax liabilities	4.15	-	-	-	-
Other liabilities	4.23	1,554,539,523	1,589,846,482	1,499,347,671	1,522,124,839
Debt securities issued	4.24	996,682,331	997,062,992	996,682,331	997,062,992
Subordinated Liabilities	4.25	-	-	-	-
Total liabilities		**102,494,042,037**	**95,364,288,332**	**102,376,400,009**	**95,200,805,319**
Equity					
Share Capital	4.26	6,021,348,367	5,680,517,328	6,021,348,367	5,680,517,328
Share Premium		-	-	-	-
Retained Earnings		1,196,425,514	595,617,329	1,206,628,392	599,214,090
Reserves	4.27	3,471,582,530	2,996,938,444	3,456,625,133	2,983,522,502
Total equity attributable to equity holders		10,689,356,411	9,273,073,101	10,684,601,892	9,263,253,919
Non-controlling interest		108,619,629	113,499,485	-	-
Total equity		**10,797,976,040**	**9,386,572,586**	**10,684,601,892**	**9,263,253,919**
Total liabilities and equity		**113,292,018,077**	**104,750,860,918**	**113,061,001,901**	**104,464,059,239**
Contingent liabilities and commitment	4.28	6,607,713,963	4,199,916,128	6,607,713,963	4,199,916,128
Net assets value per share		177.52	163.24	177.45	163.07

Consolidated Statement of Profit or Loss
For the year ended 32nd Ashad 2083

Particulars	Notes	Group 2082-83 NPR	Group 2081-82 NPR	Bank 2082-83 NPR	Bank 2081-82 NPR
Interest Income	4.29	7,596,028,279	8,395,995,496	7,591,774,168	8,391,249,954
Interest Expense	4.30	3,717,796,313	4,789,877,717	3,709,463,251	4,779,182,798
Net interest income		**3,878,231,967**	**3,606,117,778**	**3,882,310,917**	**3,612,067,156**
Fees and Commission Income	4.31	683,542,625	571,434,860	630,253,427	516,374,447
Fees and Commission Expense	4.32	16,554,162	10,999,709	9,899,472	5,480,318
Net fee and Commission income		**666,988,463**	**560,435,151**	**620,353,955**	**510,894,129**
Net interest fee and commission income		**4,545,220,430**	**4,166,552,929**	**4,502,664,871**	**4,122,961,285**
Net Trading Income	4.33	(2,056,895)	61,105,210	24,991,688	16,409,319
Other Operating Income	4.34	108,423,725	120,884,695	107,522,657	118,695,614
Total operating income		**4,651,587,259**	**4,348,542,835**	**4,635,179,216**	**4,258,066,217**
Impairment charge/(reversal) for loans and other losses	4.35	77,328,049	647,055,737	77,328,049	647,055,737
Net Operating income		**4,574,259,210**	**3,701,487,097**	**4,557,851,167**	**3,611,010,480**
Operating expenses					
Personnel Expense	4.36	1,267,186,310	1,135,508,554	1,246,206,349	1,110,598,014
Other Operating Expenses	4.37	474,157,623	471,161,568	465,885,596	463,841,760
Depreciation and amortisation	4.38	226,033,894	233,508,417	220,316,283	227,880,797
Operating Profit		**2,606,881,383**	**1,861,308,559**	**2,625,442,939**	**1,808,689,908**
Non operating income	4.39	1,331,686	540,000	1,273,231	540,000
Non operating expense	4.40	110,408,698	2,926,571	110,387,824	2,765,132
Profit before income tax		**2,497,804,371**	**1,858,921,988**	**2,516,328,347**	**1,806,464,776**
Income tax expense	4.41	767,461,289	574,296,624	773,319,986	558,772,635
Current tax Expenses		780,247,438	589,749,505	780,254,541	589,742,344
Deferred tax Expense/(Income)		(12,786,148)	(15,452,881)	(6,934,554)	(30,969,709)
Profit for the period		**1,730,343,082**	**1,284,625,365**	**1,743,008,360**	**1,247,692,141**
Profit attributable to:					
Equity holders of the bank		1,736,550,714	1,266,601,341	1,743,008,360	1,247,692,141
Non-controlling interest		(6,207,632)	18,024,024	-	-
Profit for the period		**1,730,343,082**	**1,284,625,365**	**1,743,008,360**	**1,247,692,141**
Earnings per share:					
Basic earnings per share		28.74	22.61	28.95	21.96
Diluted earnings per Share		28.74	22.61	28.95	21.96

Consolidated Statement of Other Comprehensive Income
For the year ended 32nd Ashad 2083

Particulars	Group 2082-83 NPR	Group 2081-82 NPR	Bank 2082-83 NPR	Bank 2081-82 NPR
Profit for the period	1,730,343,082	1,284,625,365	1,743,008,360	1,247,692,141
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	(47,636,999)	102,897,858	(51,523,799)	97,814,258
• Gains/(losses) on revaluation				
• Acturial gain/(losses) on defined benefit plans	(61,403,129)	(41,072,534)	(61,403,129)	(41,072,534)
• Income tax relating to above items	32,712,038	(18,547,597)	33,878,078	(17,022,517)
Net other comprehensive income that will not be reclassified to profit or loss	**(76,328,089)**	**43,277,727**	**(79,048,849)**	**39,719,207**
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	**(76,328,089)**	**43,277,727**	**(79,048,849)**	**39,719,207**
Total comprehensive income for the period	**1,654,014,992**	**1,327,903,092**	**1,663,959,511**	**1,287,411,348**
Total comprehensive income attributable to:		-	-	-
Equity holders of the Bank	1,658,894,849	1,308,142,451	1,663,959,511	1,287,411,348
Non-controlling interest	(4,879,856)	19,760,640	-	-
Total Comprehensive income for the period	**1,654,014,992**	**1,327,903,092**	**1,663,959,511**	**1,287,411,348**

Statement of Distributable Profit or Loss
As on 32nd Ashad 2083 (As per NRB Regulation)

Particulars	Bank Current Year	Bank Previous Year
Net profit or (loss) as per statement of profit or loss	**1,743,008,360**	**1,247,692,141**
Appropriations:		
a. General reserve	(351,544,851)	(249,506,565)
b. Foreign exchange fluctuation fund	(7,618,006)	(160,744)
c. Capital redemption reserve	(166,666,667)	(166,666,667)
d. Corporate social responsibility fund	(17,430,084)	(12,476,921)
e. Employees' training fund	(18,922,445)	(18,922,445)
f. Other	-	-
Investment Adjustment Reserve		
Corporate social responsibility fund utilization	4,590,809	10,979,918
Employees' training fund utilization	17,366,708	9,648,011
Unrealised Gain on Investment in Associates	-	-
Other Adjustment/restatement	14,715,896	159,316
Profit or (loss) before regulatory adjustment	**1,217,499,720**	**820,746,043**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	11,766,614	85,730,424
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 (+)	22,626,073	(229,561,221)
e. Deferred tax assets recognised (-)/ reversal (+)	(6,934,554)	(53,918,056)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Acturial loss recognised (-)/reversal (+)	(42,982,190)	(28,750,774)
i. Other (+/-)	3,597,114	2,590,485
Lease Payment	-	
Dividend Income from Associates	-	
Income Attributable from Associates	-	
Share Issued Expenses Directly Charged to equity	-	
Share Issued Expenses- Directly Charged to Equity- Tax Impact	-	
Gain on Disposal of Share Classified into OCI	-	
Current Tax on Gain on Disposal of Share Classified into OCI		
Distributable profit or (loss)	**1,205,572,776**	**596,836,899**
Opening Retained Earning as on Shrawan	599,214,090	286,403,056
Adjustment(+/-)	-	-
Distribution		
Bonus Share Issued	(340,831,040)	-
Cash Dividend Paid	(257,327,435)	(284,025,866)
Total Distributable Profit or (Loss) as on end Date	**1,206,628,392**	**599,214,090**
Annualised Distributable Profit/Loss per Share	**20.04**	**10.55**