

२८ औं

वार्षिक प्रतिवेदन

२०७६ / २०७७



सेन्ट्रल फाईनान्स लिमिटेड

CENTRAL FINANCE LIMITED

Serving Your Financial Needs

सञ्चालक समिति



संजोज मान श्रेष्ठ
अध्यक्ष
संस्थापक समूहबाट



चण्डिका श्रेष्ठ
सञ्चालक
संस्थापक समूहबाट



चैत्य राज शाक्य
सञ्चालक
संस्थापक समूहबाट



विद्या भूषण ध्वज जोशी
सञ्चालक
सर्वसाधारण शेयरधनीको तर्फबाट



डा. किशोर हाकुदुवाल
सञ्चालक
सर्वसाधारण शेयरधनीको तर्फबाट



रमेश थापा श्रेष्ठ
सञ्चालक
सर्वसाधारण शेयरधनीको तर्फबाट



कृष्ण प्रसाद न्यौपाने
स्वतन्त्र सञ्चालक

कानूनी सल्लाहकार

कृष्ण प्रसाद भण्डारी (अधिवक्ता)
हाउस अफ अटोर्नीज
अनामनगर
काठमाडौं

लेखा परीक्षक

सि.ए. केशव प्रसाद न्यौपाने
के.पि. एन. एण्ड एसोसियट्स
चार्टर्ड एकाउण्टेन्ट्स
काठमाडौं

विषय : प्रतिनिधि नियुक्त गरेको बारे ।

.....जिल्ला.....न.पा./गा.वि.स., वडा नं.....वस्ने म/हामी

..... ले त्यस संस्थाको शेयरधनीको हैसियतले मिति २०७७ साल माघ २३ गते शुक्रवारका दिन हुने २४ औं वार्षिक साधारण सभामा म/हामी स्वयम् उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा भाग लिन तथा मतदान गर्नका लागिजिल्ला.....न.पा./गा.वि.स., वडा नं..... वस्ने त्यस संस्थाका शेयरधनी श्री लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु / पठाएका छौं ।

प्रतिनिधि नियुक्त भएको व्यक्तिको :

हस्ताक्षरको नमुना :

शेयरधनी प्रमाणपत्र नं. :

हितग्राहि (डिम्याट) खाता नं.:

शेयरधनी (क्रम संख्या) नं. :

मिति :

द्रष्टव्य :

यो प्रतिनिधि (प्रोक्सी) फाराम सभा शुरु हुनुभन्दा ४८ घण्टा अगावै संस्थाको रजिष्टर्ड कार्यालय कुपण्डोल ललितपुरमा दर्ता गरी सक्नुपर्ने छ ।

निवेदक :

दस्तखत:

नाम:

ठेगाना:

शेयरधनी प्रमाणपत्र नं. :

हितग्राहि (डिम्याट) खाता नं.:

शेयर संख्या

कित्ता नं.: देखि सम्म

सेन्ट्रल फाईनान्स लिमिटेड को

चौबिसौ वार्षिक साधारण सभामा उपस्थितिको लागि

प्रवेश पत्र

१) शेयरधनीको नाम :

२) ठेगाना :

३) शेयरधनी (क्रम संख्या) नं.

४) शेयर संख्या :

५) हितग्राहि (डिम्याट) खाता नं. :

६) शेयरधनीको दस्तखत :

यो प्रवेशपत्र साधारण सभामा भाग लिन आउँदा पेश गर्नुपर्ने छ ।



रजाज मान श्रेष्ठ
कम्पनी सचिव



सेन्ट्रल फाईनान्स लिमिटेडको २४ औं वार्षिक साधारण सभासम्बन्धी सूचना

शेयरधनी महानुभावहरु,

यस वित्तीय संस्थाको मिति २०७७ साल पौष २८ गते बसेको सञ्चालक समितिको २९७ औं बैठकको निर्णय अनुसार यस वित्तीय संस्थाको २४ औं वार्षिक साधारण सभा निम्न विषयमा छलफल गर्न निम्न मिति, समय र स्थानमा बस्ने भएकोले शेयरधनी महानुभावहरुको जानकारीको लागि यो सूचना प्रकाशित गरिएको छ ।

मिति, समय र स्थान

मिति : २०७७ साल माघ २३ गते शुक्रबार ।

समय : दिनको ११.०० बजे

स्थान : सेन्ट्रल फाईनान्स लि. (नयाँ कर्पोरेट भवन), कुपण्डोल, ललितपुर ।

छलफलका विषयहरू

(क) सामान्य प्रस्ताव

१. सञ्चालक समितिको तर्फबाट अध्यक्षज्युले पेश गर्ने वार्षिक प्रतिवेदन पारित गर्ने बारे ।
२. लेखा परीक्षकको प्रतिवेदन सहितको २०७७ साल असार मसान्तको वासलात तथा मिति २०७६/०४/०१ देखि २०७७/०३/३१ सम्मको नाफा नोक्सान हिसाव तथा सोही अवधिको नगद प्रवाहको विवरण पारित गर्ने बारे ।
३. आर्थिक वर्ष २०७७/७८ को लागि लेखा परीक्षण कार्य गर्न लेखा परीक्षकको नियुक्ति र निजको पारिश्रमिक अनुमोदन गर्ने बारे । (वर्तमान लेखा परीक्षक श्री के.पी.एन. एण्ड एसोसियट्स पुनः नियुक्त हुन सक्ने)
४. सञ्चालक समितिले सिफारिस गरेको चुक्ता पूँजीको ३ प्रतिशतले हुने रकम रु. २ करोड ४७ लाख १ हजार ९ सय ३५ पैसा ७७ नगद लाभांश दिने प्रस्ताव पारित गर्ने बारे ।

(ख) विशेष प्रस्ताव

१. सञ्चालक समितिले सिफारिस गरेको चुक्ता पूँजीको ७ प्रतिशतले हुने रकम रु. ५ करोड ७६ लाख ३७ हजार ८ सय ५० पैसा १३ बोनस शेयर जारी गर्ने सम्बन्धी प्रस्ताव पारित गर्ने बारे ।
२. बोनस शेयर जारी गर्दा संस्थाको जारी तथा चुक्ता पूँजी वृद्धि हुने हुँदा सो बमोजिम प्रवन्ध पत्रमा संशोधन गर्ने सम्बन्धमा ।
३. संस्थाको प्रवन्ध पत्रको प्रस्तावित संशोधनमा नियमन निकायबाट कुनै निर्देशन वा सुझाव दिएमा सोही अनुरूप आवश्यक समायोजन गर्न संस्थाको सञ्चालक समितिलाई अधिकार प्रत्यायोजन गर्ने सम्बन्धमा ।

(ग) विविध

सञ्चालक समितिको आज्ञाले,
कम्पनी सचिव

साधारण सभा सम्बन्धी जानकारी

१. यस वित्तीय संस्थाको २४ औं वार्षिक साधारण सभा, बोनश शेयर तथा नगद लाभांश प्रयोजनको लागि कम्पनीको शेयर दाखिला खारेज कार्य मिति २०७७/१०/१२ गते देखि २०७७/१०/२३ गते सम्म बन्द रहने छ। साथै शेयरधनी दर्ता पुस्तिका बन्द भएको मिति २०७७/१०/१२ को अघिल्लो दिन सम्म नेपाल स्टक एक्सचेन्ज लिमिटेडबाट कारोबार भएका शेयरधनीहरूले मात्र साधारण सभामा सहभागी जनाउन मतदान गर्न बोनश शेयर तथा नगद लाभांश प्राप्त गर्न सक्ने छन्।
२. विश्वव्यापी रूपमा फैलिएको कोभिड १९ को संक्रमण न्यूनिकरण गर्न नेपाल सरकारले तोकेको सुरक्षा मापदण्डको पूर्णपालना गरी सभा सम्पन्न गर्नुपर्ने भएकोले Virtual माध्यमबाट वार्षिक साधारण सभामा भाग लिने व्यवस्था मिलाइएको र यस किसिमको उपस्थितिलाई सभा हलमा उपस्थित भए सरह मान्यता प्रदान गरिने छ। Virtual माध्यम मार्फत आफ्नो मन्तव्य राख्न चाहने शेयरधनी महानुभावहरूले cflagm2077@centralfinance.com.np मा इमेल गरी वा फोन नं. ५४४४५१७ मा सम्पर्क गरि सभा शुरु हुनु भन्दा ७ दिन अगावै आफ्नो नाम तथा इमेल टिपाउनुपर्नेछ। Virtual मार्फत उपस्थित हुने शेयरधनी महानुभावहरूलाई Meeting ID र Password उपलब्ध गराई सभामा सहभागी हुने व्यवस्था मिलाइने छ। Virtual माध्यम मार्फत सहभागी हुने शेयरधनीहरूको लागि साधारण सभा शुरु हुनुभन्दा १ घण्टा अगाडिदेखि Virtual माध्यम खुला गरिने छ। उक्त समयवधि भित्रमा सहभागी हुने शेयरधनीहरूले दिइएको ID र Password को माध्यमबाट लग इन गरी आफ्नो परिचय, डिम्याट खाता नं. र शेयर संख्या सहित उपस्थितिको जानकारी सभालाई दिनुपर्नेछ।
३. सभामा भाग लिनको लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले प्रतिनिधिपत्र (प्रोक्सी फारमहरू) सभा शुरु हुनुभन्दा कम्तीमा ४८ घण्टा अगाडि कार्यालय सभयभित्र दर्ता गरी सक्नुपर्नेछ।
४. कम्पनीको आर्थिक विवरण समयभित्र प्राप्त नभएमा शेयरधनी महानुभावहरूले कम्पनीको वेबसाइट www.centralfinance.com.np तथा केन्द्रीय कार्यालय, कुपण्डोलबाट प्राप्त गर्न सकिने छ।
५. छलफलको विषय अन्तर्गत विविध शीर्षकमा शेयरधनी महानुभावहरूले छलफल गर्न चाहनु भएको विषयमा साधारण सभाको मिति भन्दा कम्तीमा सात (७) दिन अगावै कम्पनीको कार्यालय मार्फत कम्पनीका अध्यक्षलाई लिखित रूपमा जानकारी दिनुपर्नेछ।
६. शेयरधनीहरूले व्यक्त गरेको मन्तव्य वा जिज्ञासाको सम्बन्धमा सञ्चालक समितिका तर्फबाट सामूहिक रूपले वा समितिबाट अख्तियारी पाएका व्यक्तिले जवाफ दिन सक्नेछन्।
७. सभा सम्बन्धी अन्य जानकारीको लागि कार्यालय समय भित्र संस्थाको केन्द्रीय कार्यालयमा सम्पर्क गर्न अनुरोध छ।

सेन्ट्रल फाईनान्स लिमिटेडको २४औं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट

अध्यक्ष श्री संजोज मान श्रेष्ठज्यूद्वारा प्रस्तुत वार्षिक प्रतिवेदन

श्री शेयरधनी महानुभावहरु,

यस सेन्ट्रल फाईनान्स लिमिटेडको २४औं वार्षिक साधारण सभामा भाग लिन आउनु भएका तथा भर्चुअल माध्यमबाट भाग लिईरहनुभएका आदरणीय शेयरधनी महानुभावहरु, विभिन्न संस्थाबाट पाल्नु भएका प्रतिनिधि तथा अतिथिज्यूहरुलाई संस्थाको सञ्चालक समिति र मेरो व्यक्तिगत तर्फबाट हार्दिक स्वागत एवं अभिवादन गर्दछु ।

विगत २४ वर्षदेखि नेपालको वित्तीय क्षेत्रमा क्रियाशिल यस सेन्ट्रल फाईनान्स लिमिटेड तत्कालिन कम्पनी ऐन २०२१ बमोजिम मिति २०५३ बैशाख ६ गते नेपाल सरकार, कम्पनी रजिष्ट्रारको कार्यालयमा पब्लिक लिमिटेडको रुपमा दर्ता भई नेपाल राष्ट्र बैंकबाट मिति २०५४ बैशाख २ गते वित्तीय कारोवार गर्ने इजाजतपत्र प्राप्त गरी राष्ट्रिय स्तरको “ग” वर्गको वित्तीय संस्थाको रुपमा आफ्नो वित्तीय कारोवार संचालन गरिरहेको यस संस्था स्थापनाकाल देखि नै निरन्तर नाफामा संचालन हुँदै आएको छ ।

यस वित्तीय संस्थाले “बैंक तथा वित्तीय संस्था सम्बन्धी ऐन २०७३” तथा नेपाल राष्ट्र बैंकबाट जारी नीति निर्देशनको पारदर्शिताका साथ पालना गर्दै ग्राहक र निक्षेपकर्ताहरुको हित सर्वोपरी राख्दै स्तरीय वित्तीय सेवा तथा सुविधा प्रदान गर्दै आएको छ ।

आजको यस सभामा आर्थिक वर्ष २०७६/७७ को लेखापरीक्षण प्रतिवेदन, २०७७ असार मसान्तको वासलात तथा २०७६ श्रावण १ गते देखि २०७७ असार मसान्त सम्मको नाफा नोक्सान हिसाब, नगद प्रवाह विवरण एवं तत् सम्बन्धी अनुसूचीहरुमा छलफल हुंदा यहाँहरुबाट अमूल्य सुझाव र सहयोग पाउने आशा गरेको छु ।

(क) विगत वर्षको कारोबारको सिंहावलोकन

देशको पुंजिगत बजेट खर्चमा देखापरेको शिथिलताको कारण लक्षित विकास खर्च समेत हुन नसकि अर्थतन्त्रले अपेक्षाकृत गति लिन सकेको छैन । लगानीको वातावरण बनि नरहेको अवस्थामा Covid-19 को महामारीले २०७६ साल चैत्र ११ गते देखि आर्थिक वर्षको अन्त सम्म नेपाल पनि बन्दाबन्दी भएकोले सम्पूर्ण आर्थिक गतिविधि ठप्प भई बैंकिङ्ग सेवा पनि प्रभावित हुन गएको प्रतिकुल अवस्थाको बावजुद पनि आर्थिक वर्ष २०७६/७७ मा उल्लेख्य मुनाफा आर्जन गर्न सफल भएको छ ।

समिक्षा आर्थिक वर्ष २०७६/७७ मा यस संस्थाले हासिल गरेको उपलब्धिको संक्षिप्त विवरण निम्नानुसार रहेको छ ।

विवरण	आ.व. २०७६/७७	आ.व. २०७५/७६	वृद्धि/(हास)%
पुंजी कोष पर्याप्तता	२६.२६	२६.०८	०.७०
कुल सम्पत्ति	५,६३,९४,२९,६७९	४,७३,३६,०३,७७९	१९.१४
शेयर पुंजी	८२,३३,९७,८५९	८२,३३,९७,८५९	०
जगेडा तथा कोषहरु	२५,०१,१६,६८९	२०,८०,६१,८३८	२०.२१
निक्षेप	४,५१,६२,४८,५१२	३,६५,१२,८६,२७६	२३.६९
कर्जा तथा सापटी	३,५८,६४,९६,२०१	३,२२,५६,७६,४४७	११.१९
वितरण योग्य नाफा	८,८०,११,९००	६,२५,२५,२५०	४०.७६

समिक्षा आर्थिक वर्ष २०७६/७७ मा गत वर्षको निक्षेप भन्दा २३.६९ प्रतिशतले वृद्धि गरी कुल रु.४ अर्ब ५१ करोड ६२ लाख निक्षेप संकलन गरेको छ । कर्जा लगानी गत आ.व. भन्दा ११.१९ प्रतिशतले वृद्धि भई रु.३ अर्ब ५८ करोड

६४ लाख पुगेको छ। समिक्षा आर्थिक वर्ष २०७६/७७ मा रु.१ अर्ब ९९ करोड ९४ लाख कर्जा लगानी रु.१ अर्ब ६३ करोड ८६ लाख कर्जा असुली भएको छ।

(ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई परेको असर

आर्थिक वर्ष २०७६/०७७ को पछिल्लो अर्धवार्षिक अवधिमा विश्वभर कोभिड-१९ को महामारीले मानवीय संकटका साथै आर्थिक संकट उत्पन्न गरेको छ। विश्वले एकैपटक स्वास्थ्य संकट र आर्थिक संकट व्यहोर्नु परेका कारण गरिबी, बेरोजगारी र आय असमानता बढ्ने अनुमान छ। अन्तर्राष्ट्रिय मुद्रा कोषले जुन २०२० मा अद्यावधिक गरेको वर्ल्ड इकोनोमिक आउटलुक अनुसार सन् २०२० मा विश्व अर्थतन्त्र ४.९ प्रतिशतले संकुचन हुने प्रक्षेपण गरेको छ। एशियाली अर्थतन्त्र सन् २०२० मा १.६ प्रतिशतले संकुचन हुने अन्तर्राष्ट्रिय मुद्रा कोषको प्रक्षेपण छ।

नेपालको आर्थिक वृद्धि भने १ प्रतिशतमा सीमित हुने अन्तर्राष्ट्रिय मुद्रा कोषको प्रक्षेपण छ। कोभिड-१९ को संकटबाट सिर्जित अनिश्चितताका बावजूद धेरै मुलुकहरूले आर्थिक क्रियाकलाप सहज बनाउन बन्दाबन्दी (Lock down) लगायतका व्यवस्थाहरू क्रमशः खुकुलो बनाउँदै लगेका छन् हाल आगामी दिनमा अहिलेको यस महामारीबाट केही निकास हुनसक्ने देखिएकोले भविष्यप्रति आशावादी हुन सकिन्छ।

आर्थिक वर्ष २०७६/७७ मा नेपालको वार्षिक औषत उपभोक्ता मुद्रास्फीति ६.१५ प्रतिशत रहेको छ। अघिल्लो वर्ष सो मुद्रास्फीति ४.६४ प्रतिशत रहेको थियो। २०७७ असारमा वार्षिक विन्दुगत थोक मुद्रास्फीति ४.७८ प्रतिशत रहेको छ। २०७६ असारमा यस्तो मुद्रास्फीति ६.०२ प्रतिशत रहेको थियो। कोभिड संक्रमणले अर्थतन्त्रमा पारेको संक्रमणका कारण समिक्षा आ.व. मा २.२८ प्रतिशत मात्र आर्थिक वृद्धि हासिल हुने केन्द्रिय तथ्यांक विभागले अनुमान गरेको थियो। गत आ.व. मा उक्त वृद्धि दर ७ प्रतिशत रहेको थियो। विप्रेषण आप्रवाह ०.५ प्रतिशतले कमी आई रु.८७५ अर्ब ३ करोड भएको छ। अघिल्लो वर्ष विप्रेषण आप्रवाह १६.५ प्रतिशतले वृद्धि भएको थियो। समिक्षा आर्थिक वर्षमा वैदेशिक रोजगारीका लागि अन्तिम श्रम स्वीकृति लिने नेपालीको संख्या २०.५ प्रतिशतले घटेको छ।

२०७६ साल चैत्र ११ गते देखि अन्त सम्म नेपालमा पनि बन्दाबन्दीको अवस्थामा रहेको हुंदा सम्पूर्ण आर्थिक गतिविधिनै बन्द हुन गई बैंकिङ्ग सेवा पनि प्रभावित हुन गएकोले बैंक तथा वित्तीय संस्थाको कारोबारलाई समेत असर पुर्याएको देखिन्छ। एकातिर लगानीको बातावरण बन्न नसकेको र अर्कोतर्फ कोरोना महामारीको असहज परिस्थिति कहिले सम्म रहने भन्ने अन्यौलका कारण समेत वित्तीय कारोबार समेत प्रभावित भएको देखिन्छ।

समिक्षा आर्थिक वर्ष २०७६/७७ मा बैंक तथा वित्तीय संस्थाहरूको निक्षेप १८.७ प्रतिशतले बढेको छ। अघिल्लो वर्ष सोही अवधिमा यस्तो निक्षेप १८ प्रतिशतले बढेको थियो। त्यस्तै सोही अवधिमा बैंक तथा वित्तीय संस्थाहरूको कर्जा लगानी १२ प्रतिशतले वृद्धि भएको छ। अघिल्लो वर्ष यस्तो कर्जा तथा लगानी २९.४ प्रतिशतले बढेको थियो। प्रवाहित कर्जा मध्य वाणिज्य बैंकहरूको कर्जा प्रवाह १६ प्रतिशतले र वित्त कम्पनीहरूको ८ प्रतिशतले बढेको छ भने विकास बैंकहरूको कर्जा १६.२ प्रतिशतले घटेको छ।

नेपाल राष्ट्र बैंकबाट इजाजतपत्र प्राप्त बैंक तथा वित्तीय संस्थाहरूको संख्या २०७६ साल असार मसान्तमा १७१ रहेकोमा २०७७ असार मसान्तमा १५५ कायम भएको छ। यस अनुसार २०७७ असार मसान्तमा २७ वाणिज्य बैंक, २० विकास बैंक, १९ वटा राष्ट्रियस्तर र ३ वटा क्षेत्रीयस्तरका गरी २२ वटा वित्त कम्पनी, ८५ लघुवित्त वित्तीय संस्था र १ पूर्वाधार विकास बैंक सञ्चालनमा रहेका छन्। बैंक तथा वित्तीय संस्थाहरूको शाखा संख्या २०७६ असार मसान्तमा ८,६८६ रहेकोमा २०७७ असार मसान्तमा ९,७६५ पुगेको छ।

बैंकिङ्ग क्षेत्रमा हुने अस्वस्थ प्रतिस्पर्धाबाट उत्पन्न हुन सक्ने जोखिम, वित्तीय कारोबार गर्दा हुन सक्ने सञ्चालन जोखिम लगायत विविध चुनौतिहरूको सामना गर्दै संस्थाले आफ्नो कार्य प्रभावकारी रूपमा सञ्चालन गरी ग्राहक सन्तुष्टी, सेवाको गुणस्तर, अवसरहरूको पहिचान र प्रयोग जस्ता पक्षहरूलाई ध्यानमा राखि आन्तरिक तथा बाह्य बातावरणको विश्लेषण गर्दै आफ्ना कृयाकलापहरू सञ्चालन गर्दै अघि बढि रहेको छ।

(ग) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा:

प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि

२०७७ साल पौष मसान्तमा संस्थाको निक्षेप रु.५ अर्ब २५ करोड ७६ लाख, कर्जा रु.३ अर्ब ६२ करोड ११ लाख, लगानी रु.८८ करोड ५२ लाख र नगद तथा बैंक मौज्जात रु.१ अर्ब ६७ करोड ८ लाख रहेको छ ।

भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा

१. संस्थाले आफ्नो ग्राहकहरूको माग बमोजिम सेवा, नयाँ निक्षेप र कर्जा योजनाहरू तर्जुमा जारी लागू गर्ने तथा बजारमा आउने परिवर्तन अनुरूप ब्याजदरमा समसामयिक परिवर्तन गरिने छ ।
२. कृषि, घरेलु, साना उद्योग तथा विपन्न वर्गमा लगानी बढाउन प्राथमिकता दिई लगानीका योजनाहरू संचालन गरिने छ ।
३. संस्थाले SMS Banking, IPS, Connect IPS जस्ता डिजिटल बैंकिङ्ग सेवाहरू सञ्चालनमा ल्याई सकेको छ । संस्थाको Mobile Banking App तयार भई सकेको र छिट्टै सञ्चालनमा ल्याउने छ ।
४. संस्थाले RTGS जस्ता आधुनिक बैंकिङ्ग सेवाहरूको सञ्चालनमा ल्याउन तयारी गरीसकेको छ ।
५. संस्थाले ग्राहकहरूको पहिचान गर्न KYC Conductor Module, सम्पत्ति शुद्धीकरणका लागि प्रयोगमा आउने goAML सफ्टवेयर लागू गरि सो मार्फत रिपोर्टिङ्ग शुरु गरेको छ ।
६. विज्ञापन तथा व्यापार प्रवर्द्धन कार्यक्रमद्वारा संस्थाले आफ्नो ब्रान्ड विस्तार गरी व्यापार बढाउँदै लगिने छ ।
७. संस्थाको आन्तरिक नियन्त्रण प्रणाली तथा सुशासनलाई अझ बढी सुदृढ गरिने छ ।
८. संस्थाले दैनिक काममा डीजिटाइजेसनलाई बढवा दिन Nimble Infosys को HR & Payroll Management System, Assets and Inventory Management System र Credit Automation Software सञ्चालनमा ल्याएको छ ।
९. कर्मचारीहरूको मनोबल बढाउन, वृत्ती विकास तथा सेवा प्रवाहमा चुस्तता ल्याउन उपयुक्त तालिम, प्रविधियुक्त सीप आदी प्रदान गरी दक्ष बनाइनेछ ।
१०. ललितपुरको कुपण्डोल स्थित संस्थाको जग्गामा कर्पोरेट भवन निर्माण सम्पन्न भएकोले यथाशिघ्र संस्थाको केन्द्रीय कार्यालय सारी त्यस आधुनिक भवनबाट सम्पूर्ण सेवा प्रदान गरीनेछ ।

(घ) **शाखा विस्तार**

यस संस्थाले कुनै पनि शाखाबाट ग्राहकहरूले कारोबार गर्नसक्ने ABBS सुविधा सहितको ललितपुरको कुपण्डोल स्थित केन्द्रीय कार्यालय, काठमाण्डौको चावहिल र गोंगवु गणेशस्थान, चितवनको नारायणगढ, रुपन्देहीको बुटवल, भक्तपुरको च्यामासिंह, महोत्तरीको बर्दिबास, नवलपरासीको बर्दघाट, बाराको सिमरा, सिन्धुलीको भिमान र डकाहा, सर्लाहीको लालबन्दी, जनकपुरको जनकपुरधाममा शाखा र भक्तपुरको सल्लाघारीमा एक्सटेन्सन काउण्टर खोली कारोबार विस्तार गरिएकोछ । भापाको विर्तामोड, सुनसरीको इटहरी र पर्साको वीरगंजमा थप शाखा सञ्चालनमा ल्याउने गरी तयारी भईरहेको छ ।

कार्यक्षेत्र, सञ्जाल विस्तार तथा व्यवसाय बृद्धि गर्नको लागि सम्भाव्यताको अध्ययन गरी थप शाखा विस्तार गर्ने नीति अवलम्बन गरिएको छ ।

(ङ) **संस्थागत सामाजिक उत्तरदायित्व**

आर्थिक वर्षको खुद मुनाफाको १ प्रतिशत रकम संस्थागत सामाजिक उत्तरदायित्व वहन गर्न यस वर्ष २०७६/७७ को खुद मुनाफाबाट रु.८ लाख ६३ हजार ५ सय ३९ छुट्याइएको छ । उक्त कोषबाट यस संस्थाले विभिन्न किसिमको सामाजिक कार्यहरूमा रकम खर्च गरी संस्थागत सामाजिक उत्तरदायित्व वहन गर्ने नीति लिएको छ ।

समिक्षा आर्थिक वर्ष २०७६/७७ मा यस शीर्षक अन्तर्गत शिक्षा, स्वास्थ्य, सांस्कृतिक तथा पुरातात्विक सम्पदा मर्मत तथा संभार क्षेत्रमा र सामाजिक रूपले पिछडिएका वर्गको आय आर्जन क्षमता अभिवृद्धि तथा वित्तीय साक्षरता,

वृद्धाश्रम र अन्य सामाजिक कार्यमा खर्च गरिएको र सो पश्चात यस कोषमा बाकि रहेको रकम रु ७ लाख ४ हजार ७ सय १३ नेपाल सरकारले स्थापना गरेको कोरोना भाइरस संक्रमण रोकथाम, नियन्त्रण तथा उपचार कोषमा जम्मा गरिएको छ ।

(च) कारोबारलाई असर पार्ने मुख्य कुराहरु

१. नेपाल सरकार र नेपाल राष्ट्र बैंकले बैंकिङ नीतिमा परिवर्तन गर्दा सृजना हुन सक्ने सम्भावित जोखिमहरु ।
२. तरलतामा हुने उतार चढावका कारणले व्याजदरमा हुने परिवर्तनले उत्पन्न हुन सक्ने सम्भावित जोखिम र त्यसले व्यवसाय वृद्धिमा पर्ने असरहरु ।
३. बैंकिङ क्षेत्रमा तीव्रतर प्रतिस्पर्धाका कारण पर्न सक्ने असरहरु ।
४. पुंजी बजारको उतार चढावबाट बैंकिङ कारोवारमा पर्न सक्ने असरहरु ।
यी चुनौती र अवसरहरुलाई ध्यानमा राख्दै संस्थाले आफ्नो सेवाको दायरा तथा गुणस्तर वृद्धि गर्दै लैजाने, थप सेवाहरु प्रदान गर्ने तथा नयां बजार र क्षेत्रहरुमा आफ्ना सेवाहरु विस्तार गर्दै लैजाने रणनीति लिएको छ ।

(छ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण

मिति २०७६/११/१३ गतेको सञ्चालक समितिको बैठक नं.२८५ बाट यस संस्थाको स्वतन्त्र सञ्चालकमा श्री कृष्ण प्रसाद न्यौपाने नियुक्त हुनु भएको छ । यस वाहेक समीक्षा आर्थिक वर्ष २०७५/७६ मा सञ्चालक समितिमा कुनै हेरफेर भएको छैन ।

(ज) लाभांश बाण्डफाण्ड गर्न सिफारिस गरिएको रकम

समीक्षा आर्थिक वर्ष २०७६/७७ को खुद मुनाफाबाट विभिन्न नियमनकारी कोषहरुमा रकम छुट्टाए पश्चात लाभांशको लागि उपलब्ध कुल नाफा रु.८ करोड ८० लाख ११ हजार ८ सय ९९ मध्येबाट बोनश शेयरको लागि चुक्ता पूंजीको ७ प्रतिशतले रु.५ करोड ७६ लाख ३७ हजार ८ सय ५० पैसा १३ र नगद लाभांशको लागि ३ प्रतिशतले रु.२ करोड ४७ लाख १ हजार ९ सय ३५ पैसा ७७ छुट्ट्याई बाकि रहेको रकम रु.५६ लाख ७२ हजार १ सय १३ पैसा १० वासलातमा सारिएको छ ।

(झ) कृतज्ञता तथा आभार

यस संस्थामा निरन्तर रुपमा विश्वास गरी सौहार्दपूर्ण रुपमा कारोवार गर्दै आउनु भएका सम्पूर्ण ग्राहकवर्गहरु प्रति हार्दिक कृतज्ञता ज्ञापन गर्दछु । भविष्यमा पनि यहाँहरु सबैको सहयोग तथा सद्भावको अपेक्षा गर्दै यस संस्थालाई उचित मार्ग दर्शन तथा सुझावहरु दिनु भई सहयोग गर्नु हुने सहयोगी शेयरधनी महानुभावहरु, शुभेच्छुक, ग्राहकवर्गहरु, नेपाल सरकारका सम्बन्धित निकायहरु, नेपाल राष्ट्र बैंक, वाणिज्य बैंक तथा वित्तीय संस्थाहरु तथा यस संस्थाका प्रमुख कार्यकारी अधिकृत लगायत सम्पूर्ण कर्मचारीहरुलाई हार्दिक धन्यवाद तथा कृतज्ञता ज्ञापन गर्दछु ।

धन्यवाद ।

(संजोज मान श्रेष्ठ)

अध्यक्ष

मिति: २०७७/१०/२३

सेन्ट्रल फाईनान्स लि.

आर्थिक वर्ष २०७६/७७

कम्पनी ऐन २०६३ को दफा १०९(४) बमोजिम सञ्चालक समितिको प्रतिवेदन

- क) विगत वर्षको कारोबारको सिंहावलोकन वार्षिक प्रतिवेदनमा उल्लेख भई सकेको ।
- ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई परेको असर: वार्षिक प्रतिवेदनमा उल्लेख भई सकेको ।
- ग) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा: वार्षिक प्रतिवेदनमा उल्लेख भई सकेको ।
- (घ) कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध: उद्यम तथा व्यवसायलाई अल्पकालिन वा दीर्घकालिन आर्थिक सेवा पुऱ्याउने उद्देश्य अनुरूप सरलकृत तथा सौहार्दपूर्ण वित्तीय कारोबार गर्ने गरेको हुंदा संस्थाको ग्राहकवर्ग, वाणिज्य क्षेत्र, विभिन्न निकाय तथा अन्य सबैसंग सुमधुर सम्बन्ध कायम रहेको छ । यस्ता समुहहरूसंगको आफ्नो सम्बन्धलाई व्यवसायिकता तथा पारदर्शिताका साथ अझ विस्तार गर्दै लगिनेछ ।
- ङ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण: वार्षिक प्रतिवेदनमा उल्लेख भई सकेको ।
- च) कारोबारलाई असर पार्ने मुख्य कुराहरु: वार्षिक प्रतिवेदनमा उल्लेख भई सकेको ।
- छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया: आ.व. २०७६/७७ को लेखा परीक्षकको प्रतिवेदन माथि सञ्चालक समितिको बैठकमा छलफल भई सर्वसम्मतिबाट पारित भएको छ ।
- ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम: वार्षिक प्रतिवेदनमा उल्लेख भई सकेको ।
- (झ) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मूल्य, त्यस शेयर जफत हुनु भन्दा अगावै सो बापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण: संस्थाले समीक्षा आर्थिक वर्ष २०७६/७७ मा कुनै शेयर जफत गरेको छैन ।
- ञ) विगत आर्थिक वर्षमा कम्पनी र यस सहायक कम्पनीको कारोबारको प्रगति र आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन: यस संस्थाको समीक्षा आर्थिक वर्ष २०७६/७७ मा कुनै सहायक कम्पनी रहेको छैन भने काठमाण्डौको चावहिल र गोंगवु गणेशस्थान, चितवनको नारायणगढ, रुपन्देहीको वुटवल, भक्तपुरको च्यामासिंह, महोत्तरीको बर्दिबास र नवलपरासीको बर्दघाट, बाराको सिमरा, सिन्धुलीको भिमानमा शाखा कार्यालय र भक्तपुरको सल्लाघारीमा एक्सटेन्सन काउण्टर स्थापना गरि सञ्चालन गरिएको छ ।
- ट) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरु र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन: संस्थाको शाखा कार्यालयहरुले वित्तीय कारोबार प्रवर्द्धनमा महत्वपूर्ण योगदान पुऱ्याएको छ ।
- ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारी : त्यस्तो कुनै जानकारी नगरिएको ।
- ड) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरुले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुबाट कम्पनीले प्राप्त गरेको जानकारी :

- आर्थिक वर्ष २०७६/७७ मा सञ्चालक तथा पदाधिकारीहरु कोही पनि कम्पनीको शेयर कारोवारमा संलग्न रहेको जानकारी प्राप्त गरेको छैन ।
- ढ) विगत आर्थिक वर्षमा कम्पनीसंग सम्बन्धित सम्झौताहरुमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको ब्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा :
त्यस्तो विवरण उपलब्ध गराइएको छैन ।
- ण) कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अंकित मूल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम :
संस्थाले आफ्नो शेयर आफै खरिद गरेको छैन ।
- त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण :
संस्थाले पुमोरी प्लस बैंकिंग सफ्टवेयर प्रयोग गरी सम्पूर्ण हिसाव किताब तथा लेखा कम्प्युटराइज प्रविधिमा राखेको छ र स्वतन्त्र आन्तरिक लेखा परीक्षकको व्यवस्था छ । कम्प्युटराइज्ड प्रविधिमा आन्तरिक नियन्त्रण प्रणाली प्रभावकारी रहेको छ ।
- थ) विगत आर्थिक वर्षको कुल ब्यवस्थापन खर्चको विवरण :
आर्थिक वर्ष २०७६/७७ मा संस्थाको कुल व्यवस्थापन खर्चमा कर्मचारी खर्च रु.५ करोड ५ लाख ७० हजार २ सय ३१ र अन्य संचालन खर्च रु.३ करोड ६२ लाख १७ हजार ८ सय ७७ रहेको छ ।
- द) लेखापरीक्षण समितिका सदस्यहरुको नामावली, निजहरुले प्राप्त गरेको पारिश्रमिक भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण :
लेखापरीक्षण समितिमा गैर कार्यकारी सञ्चालक रमेश थापा श्रेष्ठ संयोजक, सञ्चालक श्री विद्या भुषण ध्वज जोशी र लेखा अधिकृत श्री दिपेश साह सदस्य रहनुभएको छ । बैठक भत्ता बाहेक लेखा परीक्षण समितिका सदस्यहरुलाई कुनै पारिश्रमिक वा सुविधा प्रदान गरिएको छैन । सो समितिले लेखा परीक्षकले औल्याएका कैफियतहरुलाई आवश्यक सुधार गर्न सुझाव दिने काम गरेको छ ।
- ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभुत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बांकी भए सो कुरा :
त्यस्तो कुनै रकम बांकी रहेको छैन ।
- न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरुलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :
संस्थाको सञ्चालक समितिका सदस्यहरुलाई समितिको बैठकमा उपस्थित भए बापत भत्ता रु.३ लाख ६१ हजार, प्रमुख कार्यकारी अधिकृत लगायत व्यवस्थापकिय पदाधिकारीहरुलाई पारिश्रमिक र भत्ता रु.७० लाख ७४ हजार ६ सय ८४ भुक्तानी गरिएको छ ।
- प) शेयरधनीहरुले बुझिलिन बांकी रहेको लाभांशको रकम :
शेयरधनीहरुले २०७७ साल असार मसान्तमा रु.४८ हजार ८ सय ९ पैसा ६१ लाभांश बुझिलिन बांकी रहेको छ ।
- फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण :
समिक्षा आ.व. २०७६/७७ मा कार्यालय सामग्री बाहेक अन्य कुनै सम्पत्ति खरिद बिक्री गरिएको छैन ।
- व) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोवारको विवरण :
नरहेको ।
- भ) यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुराहरु:
नरहेको ।
- म) अन्य आवश्यक कुराहरु :
नरहेको ।

(संजोज मान श्रेष्ठ)
अध्यक्ष

(डा. किशोर हाकुदुवाल)
संचालक

**धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६(२) संग
सम्बन्धित अनुसूची १५ बमोजिमको वार्षिक विवरण**

१. संचालक समितिको प्रतिवेदन : सम्बन्धित शीर्षक अन्तर्गत राखिएको ।
२. लेखापरीक्षकको प्रतिवेदन : सम्बन्धित शीर्षक अन्तर्गत राखिएको ।
३. लेखापरीक्षण भएको वित्तीय विवरण : सम्बन्धित शीर्षक अन्तर्गत राखिएको ।
४. कानूनी कारवाही सम्बन्धी विवरण
 - (क) त्रैमासिक अवधिमा संगठित संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएका भए,
 - नभएको ।
 - (ख) संगठित संस्थाको संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै दायर गरेको वा भएका भए,
 - यस संस्थाको जानकारीमा नरहेको ।
 - (ग) कुनै संस्थापक वा संचालक विरुद्धमा आर्थिक अपराध गरेको सम्बन्धमा कुनै दायर भएका भए,
 - यस संस्थाको जानकारीमा नरहेको ।
५. संगठित संस्थाका शेयर कारोवार तथा प्रगतिका विश्लेषण :
 - (क) धितोपत्र बजारमा भएको संगठित संस्थाको शेयर कारोवार सम्बन्धमा व्यवस्थापनको धारणा
 - नेपाल स्टक एक्सचेन्ज तथा धितोपत्र बोर्डको सुपरिवेक्षण व्यवस्थाको अधिनमा रही कारोवार गरि रहेको ।
 - (ख) आ.व. २०७६/७७ मा संगठित संस्थाको शेयरको अधिकतम, न्यूनतम र अन्तिम मुल्यका साथै कूल कारोवार शेयर संख्या र कारोवार दिन :

त्रैमासिक	अधिकतम मुल्य	न्यूनतम मुल्य	अन्तिम मुल्य	कूल कारोवार दिन	कूल कारोवार संख्या	कूल कारोवार शेयर संख्या
प्रथम त्रैमासिक	१२३	१०७	१२१	५३	२८३	९६,१४२
दोश्रो त्रैमासिक	१४५	१०५	१०५	५५	६५२	२,२३,९८३
तेश्रो त्रैमासिक	१६३	११२	१४१	४६	१३४१	४,५१,७१५
चौथो त्रैमासिक	१३०	११६	१२०	१३	९०	२१,४४८

६. समस्या तथा चुनौति
 - (क) आन्तरिक समस्या तथा चुनौति
 - आयको विविधिकरण ।
 - (ख) वाह्य समस्या तथा चुनौति
 - वित्तीय संस्थाको बीच तीव्र प्रतिस्पर्धा ।
 - (ग) रणनीति
 - निक्षेप तथा कर्जाको विविधिकरण ।
 - समय सापेक्ष प्रविधिमा आधारित नयां सेवाहरुको विकास ।
 - पुंजी कोष बृद्धि ।

७. संस्थागत सुशासन

- बैंक तथा वित्तीय संस्था सम्बन्धि ऐन, २०७३, नेपाल राष्ट्र बैंकद्वारा जारी गरिएका निर्देशन तथा परिपत्रहरूको पुर्ण रुपमा पालना गरिएको छ। संस्थागत सुशासनलाई सदैव उच्च प्राथमिकतामा राख्दै आएको र संस्थागत सुशासन सम्बन्धी निर्देशन तथा परिपत्रहरूको पुर्ण रुपमा पालना गरिएको छ।
- आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न लेखापरीक्षण समिति (Audit Committee) गठन छ। जसले वाह्य र आन्तरिक नियन्त्रण प्रणालीलाई अभि सुदृढ बनाउन व्यवस्थापनलाई सल्लाह र सुझावहरू दिदै आईरहेको छ।
- नेपाल राष्ट्र बैंकको निर्देशन, स्थलगत निरिक्षण प्रतिवेदन, आन्तरिक तथा वाह्य लेखापरीक्षण प्रतिवेदनमा औल्याईएका सुझाव तथा निर्देशनहरूलाई यस वित्तीय संस्थाले सदैव पालना गर्दै आएको छ। संस्थागत सुशासनको पुर्ण पालना गर्दै यसलाई अभि सुदृढ बनाउँदै लैजान यस वित्तीय संस्थाको संचालक समिति र व्यवस्थापन पूर्ण प्रतिवद्ध रहेको छ।

K. P. N. & ASSOCIATES

CHARTERED ACCOUNTANTS

| GPO Box: 3738
| House No. 65, Kumari Marga-6
| Dillibazar, Kathmandu, Nepal

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of *Central Finance Limited*

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Central Finance Limited**, which comprise the statement of financial position as at 31 Ashad 2077 (15 July 2020), and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Central Finance Limited** as at 31 Ashad 2077 (15 July 2020), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSS).

Basis for Opinion

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

Key Audit Matters

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

On the basis of our audit and our professional judgement we have not noted reportable Key Audit Matters.

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 NFRSS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 Responsibilities for the Audit of the Financial Statements

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



☎ 01-4420903 | ✉ info@kpn.com.np | 🌐 www.kpn.com.np

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international omissions, misrepresentations, or the override of internal control.
- Obtain and 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, further events or conclusions 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 they may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

We further report that;

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit,
- The accounts and records of the Company has been maintained as required by law,
- Financial statements are in agreement with the books of account maintained by the Company,
- The Capital Fund, Risk Bearing Fund and the provision for possible impairment of assets of the Company are adequate as per the directives issued by the Nepal Rastra Bank,



- In our opinion and to the best of our information and according to explanation given to us, the Board of Directors, the representative or any employee of the Company has not acted contrary to the legal provisions relating to accounts nor caused direct loss or damage to the Company deliberately or acted in a manner that would jeopardize the interest and security of the Company,
- The operations of the Company were within its jurisdiction,
- The Company has not acted in a manner to jeopardize the interest and security of the depositors and investors,
- The Company has a centralized core accounting system and details received from branches though the statements are not independently audited, were adequate for the purpose of our audit, and
- We have not come across any fraudulence in accounts, so far as it appeared from our examination of books of account.

Date: 2077/09/12
Place: Dillibazar, Kathmandu
UDIN: 201227CA00469Z9m3b



CA. Keshab Prasad Neupane
Principal
K.P.N. & Associates
Chartered Accountants

CENTRAL FINANCE LTD.
Statement of Financial Position
As on Ashad end 2077

IN NPR

ASSETS	NOTE	ASHAD END 2077	ASHAD END 2076
Cash and cash equivalent	4.1	885,255,062	926,076,689
Due from Nepal Rastra Bank	4.2	305,601,002	207,179,720
Placement with Bank and Financial Institutions	4.3	-	-
Derivative financial instruments	4.4	-	-
Other trading assets	4.5	-	-
Loans and advances to BFIS	4.6	91,080,000	86,130,000
Loans and advances to customers	4.7	3,470,988,517	3,105,626,720
Investment securities	4.8	741,733,677	283,607,526
Current tax assets	4.9	3,977,035	-
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	-	-
Investment property	4.12	8,239,662	13,739,662
Property Plant and Equipment	4.13	102,924,988	84,120,073
Goodwill and Intangible assets	4.14	566,882	950,880
Deferred tax assets	4.15	3,638,782	9,261,152
Other assets	4.16	25,424,072	16,911,357
TOTAL ASSETS		5,639,429,680	4,733,603,779

LIABILITIES	NOTE	ASHAD END 2077	ASHAD END 2076
Due to Bank and Financial Institutions	4.17	-	-
Due to Nepal Rastra Bank	4.18	(702,621)	4,495,815
Derivative financial instruments	4.19	-	-
Deposits from customers	4.20	4,516,248,512	3,651,286,276
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	4,890,850
Provisions	4.22	-	-
Deferred tax liabilities	4.15	-	-
Other liabilities	4.23	49,926,694	41,028,594
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
TOTAL LIABILITIES		4,565,472,586	3,701,701,535

EQUITY			
Share Capital	4.26	823,397,859	823,397,859
Share premium		442,546	442,547
Retained Earnings		88,011,900	62,525,250
Reserves	4.27	162,104,789	145,536,588
Total Equity Attributable to Equity Holders		1,073,957,094	1,031,902,244
Non-Controlling Interest		-	-
Total Equity		1,073,957,094	1,031,902,244
Total Liabilities & Equity		5,639,429,680	4,733,603,779
Contingent liabilities and commitment	4.28	15,577,224	3,358,224
Net assets value per share		130.43	125.32

Note 4.1 to 4.28 are integral part of Statement of Financial Position

Dipesh Sah Account Head	Rajoj Man Shrestha Chief Executive Officer	Sanjoj Man Shrestha Chairman	Chandika Shrestha Director	CA. Keshab Prasad Neupane Principal K.P.N & Associates Chartered Accountants
Chaitya Raj Shakya Director	Dr. Kishor Hakuduwal Director	Ramesh Thapa Shrestha Director	Bidya Bhusan Dhoj Joshi Director	Krishna Prasad Neupane Independent Director
				Date: 12/09/2077 Place: Lalitpur

CENTRAL FINANCE LTD.
Statement of Profit or Loss
As on Ashad end 2077

IN NPR

PARTICULARS	NOTE	ASHAD END 2077	ASHAD END 2076
Interest income	4.29	569,960,928	496,112,121
Interest expense	4.30	362,201,611	313,510,442
Net interest income		207,759,317	182,601,679
Fee and commission income	4.31	32,190,805	35,848,726
Fee and commission expense	4.32	-	-
Net fee and commission income		32,190,805	35,848,726
Net interest, fee and commission income		239,950,122	218,450,405
Net trading income	4.33	-	-
Other operating income	4.34	7,533,724	3,000,741
Total operating income		247,483,846	221,451,146
Impairment charge/(reversal) for loans and other losses	4.35	29,575,359	8,545,146
Net operating income		217,908,487	212,906,000
Operating expense			
Personnel expenses	4.36	64,196,083	56,967,832
Other operating expenses	4.37	27,452,313	25,218,887
Depreciation & Amortization	4.38	8,622,521	5,823,365
Operating Profit		117,637,570	124,895,916
Non operating income	4.39	5,138,145	-
Non operating expense	4.40	143,043	114,285
Profit before income tax		122,632,672	124,781,631
Income tax expense	4.41		
Current Tax expenses		36,373,016	41,900,953
Deferred Tax (Expenses)/Income		(94,255)	(4,117,473)
Profit for the period		86,353,911	86,998,151
Profit attributable to:			
Equity holders of the Bank		86,353,911	86,998,151
Non-controlling interest		-	-
Profit for the period		86,353,911	86,998,151
Earnings per share			
Basic earnings per share		10.49	10.57
Diluted earnings per share		10.49	10.57

Note 4.29 to 4.41 are integral part of Statement of Profit & Loss

Dipesh Sah
Account Head

Rajoj Man Shrestha
Chief Executive Officer

Sanjoj Man Shrestha
Chairman

Chandika Shrestha
Director

Auditor
CA. Keshab Prasad Neupane
Principal

Chaitya Raj Shakya
Director

Dr. Kishor Hakuduwal
Director

Ramesh Thapa Shrestha
Director

Bidya Bhusan Dhoj Joshi
Director

K.P.N & Associates
Chartered Accountants

Krishna Prasad Neupane
Independent Director

Date: 12/09/2077
Place: Lalitpur

CENTRAL FINANCE LTD.
Statement of Cash Flows
As on Ashad end 2077

PARTICULARS	ASHAD END 2077	ASHAD END 2076
CASH FLOW FROM OPERATING ACTIVITIES		
Interest received	516,760,949	495,263,745
Fees and other income received	32,190,805	35,848,726
Dividend received	-	-
Receipts from other operating activities	5,138,145	-
Interest paid	(369,876,453)	(321,177,101)
Commission and fees paid	-	-
Cash payment to employees	(64,091,148)	(57,340,206)
Other expenses paid	(27,595,356)	(25,661,050)
Operating cash flows before changes in operating assets and liabilities	92,526,942	126,934,114
(Increase)/ Decrease in operating assets		
Due from Nepal Rastra Bank	(98,421,282)	(148,762,669)
Placement with bank and financial institutions	-	-
Other trading assets	-	-
Loan and advances to bank and financial institutions	(5,000,000)	(30,000,000)
Loan and advances to customers	(356,598,603)	(517,612,604)
Other assets	(8,198,973)	15,407,835
(Increase)/ Decrease in operating liabilities		
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	(5,198,436)	(17,402,321)
Deposits from Customers	864,962,236	466,726,424
Borrowings	-	-
Other Liabilities	15,253,447	(1,860,839)
Net Cash flow from operating activities before tax paid	499,325,332	(106,570,060)
Income taxes paid	(45,240,901)	(42,580,249)
Net Cash flow from operating activities	454,084,431	(149,150,309)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investment securities	(443,729,939)	(374,139)
Receipt from the sale of investment securities	6,780,726	-
Purchase of property and equipment	(27,037,839)	(36,307,941)
Receipt from the sale of property and equipment	143,861	32,500
Purchase of intangible assets	(123,000)	-
Receipt from the sale of intangible assets	-	-
Purchase of investment properties	-	-
Receipt from the sale of investment properties	5,500,000	-
Interest received	14,597,684	8,815,279
Dividend received	6,624,275	3,025,560
Net cash used in investing activities	(437,244,232)	(24,808,741)
CASH FLOW FROM FINANCING ACTIVITIES		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of subordinated liabilities	-	-
Receipt from issue of shares	-	21,706,000
Dividends paid	(57,661,831)	(57,628,250)
Interest paid	-	-
Other receipt/ payment	-	-
Net cash from financing activities	(57,661,831)	(35,922,250)
Net increase/ (decrease) in cash and cash equivalents	(40,821,633)	(209,881,300)
Cash and cash equivalents at Shrawan 1, 2076	926,076,695	1,135,957,989
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
Cash and cash equivalents at Ashad end, 2077	885,255,062	926,076,689

Auditor

CA. Keshab Prasad Neupane
Principal
K.P.N & Associates
Chartered Accountants

Dipesh Sah
Account Head

Rajoj Man Shrestha
Chief Executive Officer

Sanjoj Man Shrestha
Chairman

Chandika Shrestha
Director

Chaitya Raj Shakya
Director

Dr. Kishor Hakuduwal
Director

Ramesh Thapa Shrestha
Director

Bidya Bhusan Dhoj Joshi
Director

Krishna Prasad Neupane
Independent Director

Date: 12/09/2077
Place: Lalitpur

CENTRAL FINANCE LTD.
STATEMENT OF COMPREHENSIVE INCOME
For the year ended Ashad 2077

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Profit for the year	86,353,911	86,998,151
Other comprehensive income, net of income tax		
a) Items that will not be reclassified to profit or loss		
"Gains/(Losses) from investments in equity instruments measured at fair value"	20,293,952	(8,162,541)
Gains/(Losses) on revaluation	-	
Actuarial gain/(loss) on defined benefit plans	(1,238,537)	(3,592,449)
Income tax relating to above terms	(5,716,625)	3,526,497
Net other comprehensive income that will not be reclassified to profit or loss	13,338,790	(8,228,493)
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 terms	-	-
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 year, net of income tax	13,338,790	(8,228,493)
Total comprehensive income for the period	99,692,701	78,769,658
Total comprehensive income attributable to:		
Equity holders of the bank	99,692,701	78,769,658
Non-controlling interest	-	-
Total comprehensive income for the period	99,692,701	78,769,658

Dipesh Sah
Account Head

Rajoj Man Shrestha
Chief Executive Officer

Sanjoj Man Shrestha
Chairman

Chandika Shrestha
Director

Auditor
CA. Keshab Prasad Neupane
Principal
K.P.N & Associates
Chartered Accountants

Chaitya Raj Shakya
Director

Dr. Kishor Hakuduwal
Director

Ramesh Thapa Shrestha
Director

Bidya Bhusan Dhoj Joshi
Director

Krishna Prasad Neupane
Independent Director

Date: 12/09/2077
Place: Lalitpur

CENTRAL FINANCE LTD.
STATEMENT OF CHANGES IN EQUITY
For the Ashad End 2077

Particulars	Share Capital	General Reserve	Share Premium	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Investment Adjustment Reserve	Other Reserve	Total
Balance as at Shrawan 1, 2076	823,397,859.00	117,626,531.00	442,546.00	45,846,381.00	(15,863,142.00)	-	62,525,250.00	-	(2,073,181.00)	1,031,902,244.00
Comprehensive income for the year										-
Profit for the year							86,353,911.00			86,353,911.00
Other Comprehensive income, net of tax										-
Gains/(losses) from investments in equity instruments measured at fair value					14,205,766.00					14,205,766.00
Gains/(losses) on revaluation										-
Actuarial gains/(losses) on defined benefit plans									(866,976.00)	-
Total comprehensive income for the year					14,205,766.00		86,353,911.00		(866,976.00)	99,692,701.00
Transfer to reserve during the year		17,270,782.00		15,370,522.00			(33,504,843.00)		863,539.00	-
Transfer from reserve during the year				(28,702,925.00)			30,275,432.00		(1,572,509.00)	-
Transactions with owners, directly recognised in equity										-
Right shares issued										-
Share issue expenses										-
Bonus shares issued										-
Cash dividend paid							(57,637,850.00)			(57,637,850.00)
Others										-
Total contributions by and distributions										-
Balance as at ASHAD end, 2077	823,397,859.00	134,897,313.00	442,546.00	32,513,980.00	(1,657,376.00)	-	88,011,900.00	-	(3,649,127.00)	1,073,957,094.00

Auditor
C.A. Keshab Prasad Neupane
Principal
K.P.N & Associates
Chartered Accountants

Director
Ramesh Thapa Shrestha
Independent Director

Director
Krishna Prasad Neupane

Director
Ramesh Thapa Shrestha

Director
Dr. Kishor Hakuduwal

Director
Chaitya Raj Shakya

Director
Dr. Chaitya Raj Shakya

Director
Bidyaa Bhusan Dhoj Joshi

Director
Chandika Shrestha

Chairman
Sanjoj Man Shrestha

Chief Executive Officer
Rajoj Man Shrestha

Account Head
Dipesh Sah

Date: 12/09/2077
Place: Lalitpur

CENTRAL FINANCE LTD.
STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS
For the year ended Ashad 2077
(As per NRB Regulation)

IN NPR

PATICULARS	ASHAD END 2077	ASHAD END 2076
Opening restated retained earning	62,525,250	161,219,335
Less: Dividend distributed	(57,637,850)	(57,637,850)
Less: Bonus Share issued	-	(66,384,509)
Less: Share issue expenses		
Add: Gain from sale of investment securities measured at fair value through OCI		
Remaining balance of Retained Earnings	4,887,400	37,196,976
Net profit or (loss) as per statement of profit or loss	86,353,911	86,998,151
Appropriations:		
a. General reserve	(17,270,782)	(17,399,630)
b. Foreign exchange fluctuation fund	-	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(863,539)	(869,982)
e. Employees' training fund	-	(517,036)
f. Other	-	
Investment adjustment reserve	-	2,943,152
CSR Fund	1,572,509	20,000
Profit or (loss) before regulatory adjustment	69,792,098	71,174,655
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(12,846,170)	(1,949,836)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	19,615,553	(19,615,553)
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	3,465,000	(8,655,987)
e. Deferred tax assets recognised (-)/ reversal (+)	5,622,370	(9,261,152)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Acturial loss recognised (-)/reversal (+)	(866,976)	(6,363,853)
i. Other (+/-) (Fairvalue Reserve Negative Balance)	(1,657,376)	-
Distributable profit or (loss)	88,011,899	62,525,250

Dipesh Sah
Account Head

Rajoj Man Shrestha
Chief Executive Officer

Sanjoj Man Shrestha
Chairman

Chandika Shrestha
Director

Auditor
C.A. Keshab Prasad Neupane
Principal
K.P.N & Associates
Chartered Accountants

Chaitya Raj Shakya
Director

Dr. Kishor Hakuduwal
Director

Ramesh Thapa Shrestha
Director

Bidya Bhusan Dhoj Joshi
Director

Krishna Prasad Neupane
Independent Director

Date: 12/09/2077
Place: Lalitpur

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Cash & Cash equivalent

NOTE 4.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Cash in hand	74,382,763.00	46,258,650.00
Balances with B/FIs	810,872,299	879,818,039
Money at call and short notice	-	-
Other	-	-
TOTAL	885,255,062	926,076,689

Due from Nepal Rastra Bank

NOTE 4.2

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Statutory balances with NRB	305,601,002	207,179,720
Securities purchased under resale agreement	-	-
Other deposit and receivable from NRB	-	-
TOTAL	305,601,002	207,179,720

Placements with Bank and Financial Institutions

NOTE 4.3

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Placement with domestic B/FIs	-	-
Placement with foreign B/FIs	-	-
Less: Allowances for impairment	-	-
TOTAL	-	-

Derivative Financial Instruments

NOTE 4.4

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
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	-	-

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Other Trading Assets

NOTE 4.5

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Treasury bills	-	-
Government bonds	-	-
NRB Bonds	-	-
Domestic Corporate bonds	-	-
Investment in equity instruments	-	-
Other - Investment in units of mutual funds	-	-
TOTAL	-	-
Pledged	-	-
Non-pledged	-	-

Loan and Advances to B/FIs

NOTE 4.6

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Loans to microfinance institutions	92,000,000	87,000,000
Other		
Less: Allowances for impairment	(920,000)	(870,000)
TOTAL	91,080,000	86,130,000

Allowances for Impairment

NOTE 4.6.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Balance at Shrawan 1	870,000	570,000
Impairment loss for the year		
Charge for the year	50,000	300,000
Recoveries/reversal	-	-
Amount written off	-	-
Balance at Asadh end	920,000	870,000

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Loans and Advances to customers

NOTE 4.7

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Loans and advances measured at amortized cost	3,556,594,580	3,161,707,424
Less: Impairment allowances		
Collective impairment	(47,813,980)	(38,867,310)
Individual Impairment	(37,792,083)	(17,213,394)
Net amount	3,470,988,517	3,105,626,720
Loan and advances measured at FVTPL	-	-
TOTAL	3,470,988,517	3,105,626,720

Analysis of loan and Advances - By Product

NOTE 4.7.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Product		
Term Loans	152,975,230	194,882,748
Overdraft	-	-
Trust Receipt/Import loans	-	-
Demand and other working capital loans	603,925,200	665,633,682
Personal residential loans	672,896,880	693,640,307
Real estate loans	138,890,000	88,316,655
Margin lending loans	18,836,970	20,321,738
Hire purchase loans	313,547,000	261,652,581
Deprived sector loans	155,571,080	48,907,917
Bills purchased	-	-
Staff loans	12,436,310	10,922,319
Other	1,438,667,840	1,167,183,702
Subtotal	3,507,746,510	3,151,461,649
Interest receivable	48,848,070	10,245,775
GRAND TOTAL	3,556,594,580	3,161,707,424

Analysis of Loan and Advances - By Currency

NOTE 4.7.2

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Nepalese rupee	3,556,594,580	3,161,707,424
Indian rupee	-	-
United State dollar	-	-
Great Britain pound	-	-
Euro	-	-
Japanese yen	-	-
Chinese Yuan	-	-
Other	-	-
TOTAL	3,556,594,580	3,161,707,424

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Analysis of Loan and Advances - By Collateral
NOTE 4.7.3
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Secured		
Movable/immovable assets	3,442,457,563	3,102,749,003
Gold and silver	4,494,780	2,557,500
Guarantee of domestic B/FIs	-	-
Government guarantee	-	-
Guarantee of international rated bank	-	-
Collateral of export document	-	-
Collateral of fixed deposit receipt	30,472,780	33,369,945
Collateral of Government securities	-	-
Counter guarantee	-	-
Personal guarantee	-	-
Other collateral	79,169,457	23,030,976
Subtotal	3,556,594,580	3,161,707,424
Unsecured	-	-
GRAND TOTAL	3,556,594,580	3,161,707,424

Analysis of Loan and Advances - By Collateral
NOTE 4.7.4
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Specific allowances for impairment		
Balance at Shrawan 1	17,213,393	15,274,575
Impairment loss for the year:		
Charge for the year	20,578,689	
Recoveries/reversal during the year		1,938,818
Write-offs	-	-
Exchange rate variance on foreign currency	-	-
Other movement	-	-
Balance at Ashad end	37,792,082	17,213,393
Collective allowances for impairment		
Balance at Shrawan 1	38,867,309	32,560,981
Impairment loss for the year:		
Charge/(reversal) for the year	8,946,670	6,306,328
Exchange rate variance on foreign currency	-	-
Other movement	-	-
Balance at Ashad end	47,813,979	38,867,309
Total allowances for impairment	85,606,061	56,080,702

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Investment Securities

NOTE 4.8

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Investment securities measured at amortized cost	582,800,000	156,314,061
Investment in equity measured at FVTOCI	158,933,677	127,293,465
TOTAL	741,733,677	283,607,526

Investment Securities measured at amortized cost

NOTE 4.8.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Debt securities	-	-
Government bonds	582,800,000	156,314,061
Government treasury bills	-	-
Nepal Rastra Bank bonds	-	-
Nepal Rastra Bank deposits instruments	-	-
Other	-	-
Total	582,800,000	156,314,061
Less: specific allowances for impairment	-	-
TOTAL	582,800,000	156,314,061

Investment in equity measured at fair value through other comprehensive income

NOTE 4.8.2

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Equity instruments		
Quoted equity securities	156,355,403	113,819,865
Unquoted equity securities	2,578,274	13,473,600
TOTAL	158,933,677	127,293,465

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

NOTE 4.8.3
IN NPR

Information relating to investment in equities

PARTICULARS	ASHAD END 2077		ASHAD END 2076	
	COST	FAIR VALUE	COST	FAIR VALUE
INVESTMENT IN EQUITY MEASURED AT FVOCI				
Investment in quoted equity				
Lumbini General Insurance Co. Ltd.	200	1,359	200	860
3 nos. of ordinary shares of Rs. 100 each				
Butuwal Power Co. Ltd.	8,578,432	5229,194	8,578,432	5,415,978
14,566 nos. of ordinary shares of Rs. 100 each				
Ridi Hydropower Development Co. Ltd.	13,000	13,860	13,000	14,850
165 nos. of ordinary shares of Rs. 100 each				
Nepal Life Insurance Co. Ltd.	2,480,925	4,866,120	2,480,925	2,784,090
3862 nos. of ordinary shares of Rs. 100 each				
Oriental Hotel Ltd.	1,493,441	1,349,887	1,493,441	2,372,156
41,103 nos. of ordinary shares of Rs. 100 each				
Nepal Doorsanchar Co. Ltd.	8,041,802	7,886,200	8,041,802	8,343,720
12,040 nos. of ordinary shares of Rs. 100 each				
Sanima Mai Hydropower Ltd.	31,885,048	14,451,292	31,885,048	14,433,685
64,804 nos. of ordinary shares of Rs. 100 each				
Chilime Hydropower Company Limited	8,746,314	6,385,114	8,746,314	6,965,249
16,043 nos. of ordinary shares of Rs. 100 each				
Himalayan Power Partner Limited Company	2,977,167	1,135,200	2,977,167	1,496,400
8,600 nos. of ordinary shares of Rs. 100 each				
Lumbini General Insurance Co. Ltd.	10,937,700	30,562,599	8,693,700	11,219,700
134,637 nos. of promoter shares of Rs. 100 each				
Siddhartha Equity Oriented Scheme - Mutual Fund	-	-	5,897,740	6,381,355
589,774 nos. of ordinary shares of Rs. 10 each				
NIBL Pragati Fund - Mutual Fund	8,561,920	6,977,965	8,561,920	6,370,068
856,192 nos. of ordinary shares of Rs. 100 each				
NIBL Sambridhhi Fund -1- Mutual Fund	6,955,640	6,886,084	6,955,640	6,440,923
695,564 nos. of ordinary shares of Rs. 100 each				
NMB Hybrid Fund L - 1 Mutual Fund	3,154,800	2,997,060	3,154,800	3,164,264
315,480 nos. of ordinary shares of Rs. 100 each				
Siddhartha Equity Fund	9,677,470	9,677,470	9,677,470	9,764,567
967,747 nos. of ordinary shares of Rs. 100 each				
Sanima Equity Fund	24,000,000	23,832,000	24,000,000	22,560,000
2,400,000 nos. of ordinary shares of Rs. 100 each				
Citizen Mutual Fund	2,000,000	2,012,000	2,000,000	2,036,000
200,000 nos. of ordinary shares of Rs. 100 each				
NIC Asia Growth Fund	2,000,000	2,038,000	2,000,000	2,056,000



200,000 nos. of ordinary shares of Rs. 100 each					
NIBL Sababhagita Fund	2,000,000	2,214,000	2,000,000	2,000,000	2,000,000
200,000 nos. of ordinary shares of Rs. 100 each					
Chautari Lagubitta Bittiya Sanstha	12,000,000	12,840,000	12,000,000	12,000,000	12,000,000
120,000 nos. of promoter shares of Rs. 100 each					
SUNRISE FIRST MUTUAL FUND	10,000,000	10,000,000	10,000,000		
10,00,000 nos. of ordinary shares of Rs. 100 each					
NMB 50 (MUTUAL FUND)	5,000,000	5,000,000			
5,00,000 nos. of ordinary shares of Rs. 100 each					
Total Of Quoted Share	160,503,858	156,355,403	149,157,599	125,819,865	
Investment in unquoted equity					
Credit Information Beureau Ltd.	94,500	1,181,300	94,500	630,000	
11813 nos. of ordinary shares of Rs. 100 each					
Nepal Clearing House	703,000	1,396,974	703,000	843,600	
13969.74 nos. of ordinary shares of Rs. 100 each					
Total Of Unquoted Share	797,500	2,578,274	797,500	1,473,600	
TOTAL	161,301,358	158,933,677	149,955,099	127,293,465	

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Current tax assets

NOTE 4.9

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Current tax assets		
Current Year income tax assets	40,350,051	36,380,798
Tax assets of prior periods	-	-
Current tax liabilities		
Current year income tax liabilities	36,373,016	41,271,648
Tax liabilities of prior periods	-	-
TOTAL	3,977,035	(4,890,850)

Investment in subsidiaries

NOTE 4.10

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Investment in quoted subsidiaries	-	-
Investment in unquoted subsidiaries	-	-
Total investment	-	-
Less: Impairment allowances	-	-
Net Carrying Amount	-	-

Investment in associates

NOTE 4.11

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Investment in quoted associates	-	-
Investment in unquoted associates	-	-
Total investment	-	-
Less: Impairment allowances	-	-
Net Carrying Amount	-	-

Investment properties

NOTE 4.12

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
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	13,739,658	6,309,142
Addition/disposal during the year	(5,500,000)	7,430,520
Adjustment/transfer	-	-
Accumulated depreciation	-	-
Accumulated impairment loss	-	-
Net amount	8,239,658	13,739,662
TOTAL	8,239,662	13,739,662

Name of Loanee	ASAD END 2076	
	Date Of NBA	Amount
Gyanendra Das Shrestha	14/07/2006	248,675
Anita Malakar	25/01/2015	432,595
Nawaraj Adhikari	22/02/2017	5,627,873
Ritu kumari Acharaya	06/03/2019	1,930,519
Total Recognised as Investment in property		8,239,662

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

NOTE 4.13
IN NPR

Property and Equipment

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixture	Machinery	Equipment & Others	ASHAD END 2077	ASHAD END 2076
Cost										
As on Shrawan 1, 2075	37,622,000	-	9,281,640	4,043,999	17,540,717	6,666,732	11,869,480	248,265	87,272,833	77,334,297
Addition during the Year	-	-	-	-	-	-	-	-	-	-
Acquisition	-	-	2,517,076.00	354,946	2,932,900	1,787,155	4,969,497	-	12,561,574	10,119,732
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	(311,724)	-	-	-	(311,724)	(181,196)
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
Balance as on Asar end 2076	37,622,000	-	11,798,716	4,398,945	20,161,893	8,453,887	16,838,977	248,265	99,522,683	87,272,833
Addition during the Year	-	-	2,201,706	375,130	8,915,702	927,259	4,028,890	-	16,448,687	-
Acquisition	-	-	-	-	-	-	-	-	-	12,561,574
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	(121,764)	(308,800)	(4,925)	(236,548)	-	(672,037)	(311,724)
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
Balance as on Asar end 2077	37,622,000	-	14,000,422	4,652,311	28,768,795	9,376,221	20,631,319	248,265	115,299,333	99,522,683
Depreciation and Impairment										
As on Shrawan 1, 2075	-	-	5,992,949	2,940,820	12,278,710	3,715,998	9,642,368	215,850	34,786,695	31,405,072
Depreciation charge for the Year	-	-	1,138,850	334,108	1,256,118	985,414	1,783,812	8,103	5,506,405	3,521,757
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(254,406)	-	-	-	(254,406)	(140,134)
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2076	-	-	7,131,799	3,274,928	13,280,422	4,701,412	11,426,180	223,953	40,038,694	34,786,695
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the Year	-	-	1,712,364	374,311	2,566,531	1,143,227	2,313,013	6,078	8,115,524	5,506,405
Disposals	-	-	-	(107,435)	(271,799)	(4,795)	(170,608)	-	(554,637)	(254,406)
Adjustment	-	-	-	-	-	-	-	-	-	-
As on Asar end 2077	-	-	8,844,163	3,541,804	15,575,154	5,839,844	13,568,585	230,031	47,599,581	40,038,694
Capital Work in Progress Net										
Book Value as on Asar end 2076		24,636,084								
Capital Work in Progress Net										
Book Value as on Asar end 2077		35,225,236								
As on Asar end 2075	37,622,000	-	3,288,691	1,103,179	5,262,007	2,950,734	2,227,112	32,415	52,486,138	45,929,225
As on Asar end 2076	37,622,000	24,636,084	4,666,917	1,124,017	6,881,471	3,752,475	5,412,797	24,312	84,120,073	53,375,855
As on Asar end 2077	37,622,000	35,225,236	5,156,259	1,110,507	13,193,641	3,536,377	7,062,734	18,234	102,924,988	84,120,073

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

NOTE 4.14
IN NPR

Goodwill and Intangible Assets

Particulars	Software					ASHAD END 2076
	Goodwill	Purchased	Developed	Other	ASHAD END 2077	
Cost						
As on Shrawan 1, 2075		3,283,837			3,283,837	2,403,287
Addition during the Year					-	
Acquisition					-	880,550
Capitalization					-	-
Disposal during the year					-	-
Adjustment/Revaluation					-	-
Balance as on Asar end 2076		3,283,837			3,283,837	3,283,837
Addition during the Year		123,000			123,000	
Acquisition					-	-
Capitalization					-	-
Disposal during the year					-	-
Adjustment/Revaluation					-	-
Balance as on Asar end 2077		3,406,837			3,406,837	3,283,837
Amortization and Impairment						
As on Shrawan 1, 2075		2,015,997			2,015,997	1,604,496
Amortization charge for the Year		316,960			316,960	411,501
Impairment for the year					-	-
Disposals					-	-
Adjustment					-	-
As on Asar end 2076		2,332,957			2,332,957	2,015,997
Amortization charge for the Year		506,998			506,998	316,960
Impairment for the year		-			-	-
Disposals					-	-
Adjustment					-	-
As on Asar end 2077		2,839,955			2,839,955	2,332,957
Capital Work in Progress Net Book Value						
As on Asar end 2075		1,267,840			1,267,840	798,791
As on Asar end 2076		950,880			950,880	1,267,840
As on Asar end 2077		566,882			566,882	950,880

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Deferred Tax
NOTE 4.15
IN NPR

PARTICULARS	CURRENT YEAR		
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax assets/(Liabilities)
Deferred tax on temporary differences on following items			
Loan and Advance to B/FIs	-	-	-
Loans and advances to customers	-	-	-
Interest Receivable on Loans and advances	-	-	-
Investment properties	-	-	-
Investment securities	-	(710,304)	710,304
Property & equipment	888,208	-	888,208
Employees' defined benefit plan	2,040,270	-	2,040,270
Lease liabilities	-	-	-
Provisions			-
Other temporary differences	-	-	-
Deferred tax on temporary differences	2,928,478	(710,304)	3,638,782
Deferred tax on carry forward of unused tax losses	-	-	-
Deferred tax due to changes in tax rate	-	-	-
Net Deferred tax asset/(liabilities) as on year end of 2077			3,638,782
Deferred tax (asset)/liabilities as on Shrawan 1, 2076			(9,261,152)
Origination/(Reversal) during the year			5,622,370
Deferred tax expense/(income) recognised in profit or loss			(94,255)
Deferred tax expense/(income) recognised in other comprehensive income			5,716,625
Deferred tax expense/(income) recognised in directly in equity			-

PARTICULARS	PREVIOUS YEAR		
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets/(Liabilities)
Deferred tax on temporary differences on following items			
Loan and Advance to B/Fis	-	-	-
Loans and advances to customers	-	-	-
Interest Receivable on Loans and advances	-	-	-
Investment properties	-	-	-
Investment securities	-	(6,798,490)	6,798,490
Property & equipment	795,565	-	795,565
Employees' defined benefit plan	1,565,596	-	1,565,596
Lease liabilities			-
Provisions			-
Other temporary differences	101,501	-	101,501
Deferred tax on temporary differences	2,462,662	(6,798,490)	9,261,152
Deferred tax on carry forward of unused tax losses			-
Deferred tax due to changes in tax rate			-
Net Deferred tax asset/(liabilities) as on year end of 2076			9,261,152
Deferred tax (asset)/liabilities as on Shrawan 1, 2075			(1,617,182)
Origination/(Reversal) during the year			(7,643,970)
Deferred tax expense/(income) recognised in profit or loss			(4,117,473)
Deferred tax expense/(income) recognised in other comprehensive income			(3,526,497)
Deferred tax expense/(income) recognised in directly in equity			-

CENTRAL FINANCE LTD.
Deferred Tax Calculation
CLOSING FY -2075/76 NFRS (Previous Year)

Particulars	Book Carrying Amount	Tax Base Amount	Diff Asset/(Liability)	Tax Rate	Def. Tax Asset/(Liability)
Temporary Difference for:					
Provision for Gratuity	2,462,022.00	-	2,462,022.00	30%	738,607.00
Provision for Leave Encashment	2,756,630.00	-	2,756,630.00	30%	826,989.00
Provision for Loan Receivable	338,338.31	-	338,338.31	30%	101,501.00
Total Deferred Tax Assets/(Liability)					1,667,097.00

Accrued Interest Income Receivable		-	-	30%	-
Investment property (Reversal of Provision for NBA)		-	-	30%	-
Investment fair value through PL		-	-	30%	-
Investment fair value through OCI	127,293,465.00	149,955,099.00	22,661,634.00	30%	6,798,490.00
Staff Loan - Housing Loan (Insurance tie up)				30%	-
Staff Loan - Vehicle Loan				30%	-
Staff Loan -Home Loan				30%	-
Deferred Employee Expenditure				30%	-
Total Deferred Tax Assets/(Liability)					6,798,490.00

Fixed Assets (including Repairs)					
WDV of Fixed Assets	85,070,950.68				
Less: WDV of Land	62,258,084.08				
WDV of Assets included under Tax	22,812,866.60	25,464,750.00	2,651,883.40	30%	795,565.00
Total Deferred Tax Assets/(Liability)					795,565.00

Net Deferred Tax Assets / (Liabilities)					9,261,152.00
Deferred Tax Expenses/(Income) for the year					

CLOSING FY -2076/77 NFRS

Particulars	Book Carrying Amount	Tax Base Amount	Diff Asset/(Liability)	Tax Rate	Def. Tax Asset/(Liability)
Temporary Difference for:					
Provision for Gratuity	3,467,949.00	-	3,467,949.00	30%	1,040,385.00
Provision for Leave Encashment	3,332,949.00	-	3,332,949.00	30%	999,885.00
Provision for Loan Receivable		-	-	30%	-
Total Deferred Tax Assets/(Liability)					2,040,270.00

Accrued Interest Income Receivable	-	-	-	30%	-
Investment property (Reversal of Provision for NBA)	-	-	-	30%	-
Investment fair value through PL	-	-	-	30%	-
Investment fair value through OCI	158,933,677.40	161,301,358.21	2,367,680.81	30%	710,304.00
Staff Loan - Housing Loan (Insurance tie up)				30%	-
Staff Loan - Vehicle Loan				30%	-
Staff Loan -Home Loan				30%	-
Deferred Employee Expenditure				30%	-
Total Deferred Tax Assets/(Liability)					710,304.00

Fixed Assets (including Repairs)					
WDV of Fixed Assets	103,491,870.67				
Less: WDV of Land	72,847,236.27				
WDV of Assets included under Tax	30,644,634.40	33,605,329.14	2,960,694.74	30%	888,208.00
Total Deferred Tax Assets/(Liability)					888,208.00

Net Deferred Tax Assets / (Liabilities)					3,638,782.00
---	--	--	--	--	--------------

CENTRAL FINANCE LTD.

DEFERRED TAX RECONCILIATION

For the year ended Ashad 2077

Particulars	FY 2076.77		FY 2075.76	
	Amount	Amount	Amount	Amount
Accounting Profit(Loss)	122,632,671.57		124,781,631.00	
Rate of Income Tax	30%		30%	
Income tax at the applicable tax rate	36,789,801.00		37,434,489.00	
Interest as per Income Tax Act	-		171,361.00	
Tax effect of expenses that are not deductible for tax purpose				
Donation	150.00	500.00	359.00	1,205.00
Others	-	-	-	-
Tax effect on exempt income				
Dividend Income	(612,691.00)	(2,042,303.00)	(452,034.00)	(1,506,780.00)
Additional Tax of Previous Year	-		629,305.00	
Others	101,501.00	338,337.00		
Total Tax Expenses	36,278,761.00		37,783,480.00	
Current Tax	36,373,016.00		41,900,953.00	
Deferred Tax	(94,255.00)		(4,117,473.00)	
	36,278,761.00		37,783,480.00	
Difference	-		-	-

Schedule of Fixed Assets as per the Income Tax Act 2058
Financial Year 2076-77

Particulars	Rate	WDV as at 1 Shrawan 2076	Addition	Proceeds from Disposal	Dep. Base for Depreciation	Depreciation	WDV as at 32nd Ashad 2076	Unabsorbed Additions	Unabsorbed Rep. Carried forward	Total DBV For Next Year
	(1)	(2)	(3)	(4)	(5=2+3-4)	(6=6*1)	(7=5-6)	(8)	(9)	(10=7+8+9)
Pool A: Building	5.00%	-	-	-	-	-	-	-	-	-
Addition:										
From Shrawan 2076 to Poush 2076										
From Magh 2076 to Chaitra 2076										
From Baishak 2077 to Ashad 2077										
Total										
Additions to be carried forward										
Pool B: Furniture, Office Equipment, Computers etc.	25.00%	10,603,221.00	1,122,910.00	20,360.00	11,705,771.00	2926,443.00	8,779,328.00	179,479.26	-	8,958,807.26
Addition:										
From Shrawan 2076 to Poush 2076		778,351.65								
From Magh 2076 to Chaitra 2076		509,637.61								
From Baishak 2077 to Ashad 2077		14,400.00								
Total		1,302,389.26								
Additions to be carried forward		179,479.26								
Pool C: Vehicles	20.00%	7,888,219.00	5,943,801.00	100,000.00	13,732,020.00	2,746,404.00	10,985,616.00	2,971,901.00	-	13,957,517.00
Addition:										
From Shrawan 2076 to Poush 2076										
From Magh 2076 to Chaitra 2076		8,915,702.00								
From Baishak 2077 to Ashad 2077										
Total		8,915,702.00								
Additions to be carried forward		2,971,901.00								
Pool D: Plant & Machinery, Other Assets	15.00%	1,064,034.00	3,931,854.00	23,500.00	4,972,388.00	745,858.00	4,226,530.00	97,035.73	-	4,323,565.73
Addition:										
From Shrawan 2076 to Poush 2076		3,761,482.23								
From Magh 2076 to Chaitra 2076		243,707.50								
From Baishak 2077 to Ashad 2077		23,700.00								
Total		4,028,889.73								
Additions to be carried forward		97,035.73								
Pool E: Leasehold Improvement	20.00%	5,104,054.00	2,182,538.00	-	7,286,592.00	1,457,318.00	5,829,274.00	19,168.15	-	5,848,442.15
Addition:										
From Shrawan 2076 to Poush 2076		2,160,201.15								
From Magh 2076 to Chaitra 2076		25,505.00								
From Baishak 2077 to Ashad 2077		16,000.00								
Total		2,201,706.15								
Additions to be carried forward		19,168.15								
Pool E: Computer Software		805,222.00	47,667.00	-	852,889.00	411,225.00	441,664.00	75,333.00	-	516,997.00
Addition:										
From Shrawan 2076 to Poush 2076		10,000.00								
From Magh 2076 to Chaitra 2076		1,13,000.00								
From Baishak 2077 to Ashad 2077		1,23,000.00								
Total		1,23,000.00								
Additions to be carried forward		75,333.00								
TOTAL		25,464,750.00	13,228,770.00	143,860.00	38,549,660.00	8,287,248.00	30,262,412.00	3,342,917.14	-	33,605,329.14

Repairs & Improvement allowable under the Act.

Pool	Dep. Base (1)	7% (2=1*7%)	Actual Repairs (3)	Repairs Allowable under the Act (4)	Unabsorbed Repairs Carried forward (5=3-4)
Pool A	-	-	-	-	-
Pool B	11,705,771.00	819,404.00	182,403.79	182,403.79	-
Pool C	13,732,020.00	961,241.00	495,210.23	495,210.23	-
Pool D	4,972,388.00	348,067.00	273,128.71	273,128.71	-
Pool E	8,139,481.00	569,764.00	-	-	-
Total	38,549,660.00	2,698,476.00	950,742.73	950,742.73	-

Account Name	Code	Pool	Amount
REPAIR COMPUTER & EQUIPMENT	9481011000006	Pool B	147,723.74
FURNITURE REPAIR MAINTAINANCE	9481011000007	Pool B	34,680.05
REPAIR OF VEHICLES	9481011000005	Pool C	495,210.23
REPAIR OF MACH & ELECT.EQUIPMENT	9481011000010	Pool D	273,128.71
			950,742.73

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Other assets

NOTE 4.16

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Assets held for sale	-	-
Other non banking assets	-	-
Bills receivable	-	-
Accounts receivable	10,988,327	3,005,896
Accrued income	-	-
Prepayments and deposit	3,872,367	2,180,867
Income tax deposit	-	-
Deferred employee expenditure	7,758,499	7,444,757
Other	2,804,879	4,279,837
TOTAL	25,424,072	16,911,357

Due to Bank and Financial Institutions

NOTE 4.17

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Money market deposits	-	-
Interbank borrowing	-	-
Other deposits from BFIs	-	-
Settlement and clearing accounts	-	-
Other deposits from BFIs	-	-
TOTAL	-	-

Due to Nepal Rastra Bank

NOTE 4.18

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Refinance from Nepal Rastra Bank	(702,621)	4,495,815
Standing Liquidity Facility	-	-
Lender of last report facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other payable to NRB	-	-
TOTAL	(702,621)	4,495,815

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Derivative financial instruments

NOTE 4.19

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Held for trading		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Others	-	-
Held for risk management		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Other	-	-
TOTAL	-	-

Deposits from customers

NOTE 4.20

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Institutions customers:		
Term deposits	1,114,002,930	598,838,949
Call deposits	-	-
Current deposits	14,178,550	-
Other	673,886,280	743,916,531
Individual customers:		
Term deposits	1,798,151,070	1,396,050,892
Call deposits	916,029,682	903,729,412
Current deposits	-	8,750,492
Other	-	-
TOTAL	4,516,248,512	3,651,286,276

Currency wise analysis of deposit from customers

NOTE 4.20 .1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Nepalese rupee	4,516,248,512	3,651,286,276
Indian rupee	-	-
United State dollar	-	-
Great Britain pound	-	-
Euro	-	-
Japenese yen	-	-
Chinese yuan	-	-
Other	-	-
TOTAL	4,516,248,512	3,651,286,276

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Borrowing
NOTE 4.21
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Domestic Borrowing		
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
Sub total	-	-
Foreign Borrowing		
Foreign Bank and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub total	-	-
TOTAL	-	-

Provisions
NOTE 4.22
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Provisions for redundancy	-	-
Provision for restructuring	-	-
Pending legal issues and tax litigation	-	-
Onerous contracts	-	-
Other	-	-
TOTAL	-	-

Provisions
NOTE 4.22.1
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Balance at Shrawan 1	-	-
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of discount	-	-
TOTAL	-	-

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Other Liabilities

NOTE 4.23

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Liability for employees defined benefit obligations	3,467,949	2,462,022
Liability for long-service leave	3,332,949	2,756,630
Short-term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	3,070,714	2,790,110
Interest payable on deposit	3,821,493	11,496,335
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	49,620	73,601
Liabilities under Finance Lease	-	-
Employee bonus payable	13,625,852	13,864,626
Other	22,558,117	7,585,270
TOTAL	49,926,694	41,028,594

Defined benefit obligations

NOTE 4.23.1

The amounts recognised in the statement of financial position are as follows:

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Present value of unfunded obligations	-	-
Present value of funded obligations	24,184,634	20,268,241
Total present value of obligations	24,184,634	20,268,241
Fair value of plan assets	20,716,685	17,806,219
Present value of net obligations	3,467,949	2,462,022
Recognised liability for defined benefit obligations	24,184,634	20,268,241

Plan assets

NOTE 4.23.2

Plan assets comprise

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Equity securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	20,716,685	17,806,219
TOTAL	20,716,685	17,806,219

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Movement in the present value of defined benefit obligations

NOTE 4.23.3

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Defined benefit obligations at Shrawan 1	20,268,241	16,237,728
Actuarial losses	760,191	3,300,634
Benefits paid by the plan	(365,038)	(2,064,964)
Current service costs and interest	3,521,240	2,794,843
Defined benefit obligations at Ashad end	24,184,634	20,268,241

Movement in the fair value of plan assets

NOTE 4.23.4

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Fair value of plan assets at Shrawan 1	17,806,219	14,519,180
Contributions paid into the plan	2,074,370	4,314,099
Benefits paid during the year	(365,038)	(2,064,964)
Actuarial (losses) gains	(478,346)	(291,815)
Expected return on plan assets	1,679,480	1,329,719
Fair value of plan assets at Asar end	20,716,685	17,806,219

Amount recognised in profit or loss

NOTE 4.23.5

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Current service costs	1,713,525	1,502,397
Interest on obligation	1,807,715	1,292,446
Expected return on plan assets	(1,679,480)	(1,329,719)
TOTAL	1,841,760	1,465,124

Amount recognised in other comprehensive income

NOTE 4.23.6

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Actuarial (gain)/loss	1,238,537	3,592,449
TOTAL	1,238,537	3,592,449

Actuarial assumptions

NOTE 4.23.7

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Discount rate	9.00%	9.00%
Expected return on plan asset	9.00%	8.50%
Future salary increase	8.00%	8.00%
Withdrawal rate	10.00%	10.00%

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Debt securities issued

NOTE 4.24

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Debt securities issued designated as at fair value through profit or loss		
Debt securities issued at amortised cost		
TOTAL		

Subordinated Liabilities

NOTE 4.25

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Redeemable preference shares		
Irredeemable cumulative preference shares		
Other		
TOTAL		

Share capital

NOTE 4.26

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Ordinary shares	823,397,859	823,397,859
Convertible preference shares (equity component)	-	-
Irredeemable preference shares (equity component)	-	-
Perpetual debt (equity component only)	-	-
TOTAL	823,397,859	823,397,859

Ordinary shares

NOTE 4.26.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Authorized capital		
10,400,000 Ordinary share of Rs. 100 each	1,040,000,000	1,040,000,000
(2074-75: 10,400,000 Ordinary share of Rs. 100 each)		
(2073-74: 10,400,000 Ordinary share of Rs. 100 each)		
Issued capital		
8,233,978.59 Ordinary share of Rs. 100 each	823,397,859	823,397,859
(2074-75: 7,809,942.23 Ordinary share of Rs. 100 each)		
(2073-74: 5,206,628.15 Ordinary share of Rs. 100 each)		
Subscribed and paid up capital		
8,233,978.59 Ordinary share of Rs. 100 each	823,397,859	823,397,859
(2074-75: 7,353,633.5 Ordinary share of Rs. 100 each)		
(2073-74: 5,206,628.15 Ordinary share of Rs. 100 each)		
TOTAL		

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Ordinary share ownership

NOTE 4.26.2

IN NPR

PARTICULARS	ASHAD END 2077		ASHAD END 2076	
	Percent	Amount	Percent	Amount
Domestic ownership	100.00%	823,397,859	100.00%	823,397,859
Nepal Government	-	-	-	-
"A" class licensed institutions	-	-	-	-
Other licensed intitutions	-	-	-	-
Other Institutions	-	-	-	-
Public	48.76%	401,488,796	48.76%	401,488,796
Other	51.24%	421,909,063	51.24%	421,909,063
Foreign ownership	-	-	-	-
TOTAL	100.00%	823,397,859	100.00%	823,397,859

Reconciliation of number of shares outstanding

PARTICULARS	ASHAD END 2077	ASHAD END 2076
At the beginning of the year	8,233,978.59	7,353,633.50
Add: Share capital of Bhaktapur Finance	-	-
Add: ordinary shares issued as bonus shares during the year	-	663,845.09
Add: ordinary shares issued as right shares during the year	-	216,500.00
At the end of the year	8,233,978.59	8,233,978.59

Share Capital

List of Share holder holding 0.5% or more Share as on ASAD END 2077

Ordinary share ownership	Percentage	Share Capital
Monika Shrestha	5.94%	489,201
Dhurba Rudra Karmacharya	5.69%	468,219
Benuka Joshi	2.99%	246,608
Rajoj Man Shrestha	2.99%	246,149
Ganga Lal Bomjam	2.11%	173,416
Chandika Shrestha	2.00%	164,409
Premier Insurance Company Ltd	1.98%	163,154
Shikhar Insurance Company Ltd	1.98%	163,153
Sanjoj Man Shrestha	1.56%	128,201
Ratna Man Shrestha	1.49%	122,538
Dhirendra K.C.	1.15%	94,783
Laxmi Bhakta Chawal	1.13%	93,351
Bal Krishna Awale	1.10%	90,237
Dipak Krishna Prajapati	1.08%	89,000
Amir Das Ranjit	0.95%	78,251
Laxmi Prasad Twanabasu	0.85%	70,210
Prudential Capital Management Company Ltd.	0.66%	54,369
Indra Prajapati	0.62%	50,870
Ratna Man Shrestha	0.62%	50,858
Chandra Man Pradhan	0.60%	49,328
Chaitya Raj Shakya	0.59%	48,535
K eshari Chand Kucheria	0.58%	47,761
Bijay Gopal Rajbhandari	0.52%	42,738
Total		3,225,339

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Reserves
NOTE 4.27
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Statutory general reserve	134,897,313	117,626,531
Exchange equalisation reserve		
Corporate social responsibility reserve	1,568,252	2,277,222
Capital redemption reserve		
Regulatory reserve	32,513,980	45,846,381
Investment adjustment reserve	-	-
Capital reserve		
Assets revaluation reserve		
Fair value reserve	(1,657,376)	(15,863,142)
Dividend equalisation reserve		
Actuarial gain	(7,230,829)	(6,363,853)
Special reserve		
Other reserve	2,013,449	2,013,449
TOTAL	162,104,789	145,536,588

Statutory general reserve

There is a statutory requirement of Bank and Financial Institution Act, 2073 which required to set aside 20% of the net profit after tax to general reserve to build up capital until the balance of the reserve is twice of the paid-up share capital. This is the restricted reserve and cannot be utilised for distribution of profit.

During the year, the finance company has appropriated Rs.1,72,70,782/- (Previous year Rs.1,73,99,630/-) to this reserve being 20% of net profit for the year.

Corporate social responsibility reserve

Corporate social responsibility reserve has been created as per the circular issued by Nepal Rastra Bank, which required to apportion 1% of the net profit for the year to this reserve. During the year, CSR reserve of Rs. 863,539 has been appropriated as per the circular. The expense incurred by the Finance Company for corporate social responsibility as per the its policy is charged to statement of profit or loss with corresponding additions to retained earnings.

Regulatory reserve

Regulatory reserve has been created as per the directive issued by Nepal Rastra Bank and is not available for distribution of dividend (cash as well as bonus shares). The amount that is allocated from profit or retained earnings for the purpose of implementation of NFRS and include interest receivable, short provision for possible losses on investment, short loan loss provision on Non-Banking Assets, deferred tax assets recognized and actuarial loss recognized.

During the year Rs. 1,33,32,401/- has been transferred from regulatory reserve to retained earning as follows:

IN NPR

PARTICULARS	ASHAD END 2077
Regulatory adjustment :	
a. Interest receivable (-)/previous accrued interest received (+)	(12,846,170)
b. Short loan loss provision in accounts (-)/reversal (+)	-
c. Short provision for possible losses on investment (-)/reversal (+)	19,615,553
d. Short loan loss provision on Non-Banking Assets (-)/reversal (+)	3,465,000
e. Deferred tax assets recognised (-)/ reversal (+)	5,622,370
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-
g. Bargain purchase gain recognised (-)/reversal (+)	-
h. Actuarial loss recognised (-)/reversal (+)	(866,976)
i. Other (+/-) (Fairvalue Reserve Negative Balance)	(1,657,376)
TOTAL	13,332,401

a. Interest receivable (-)/previous accrued interest received (+)	Amount
Accrued Interest receivable as per Trial Balance	48,848,070.00
Interest received till ASHOJ 30, 2077 out of Interest Receivable	(25,362,345.00)
Interest not received but already booked income (As per NFRS)	23,485,725.00
Notional Bonus Amount (@ 10%)	(2,348,573.00)
Interest Income after Notional Bonus	21,137,152.00
Notional Tax Amount (@ 30%)	(6,341,146.00)
Interest not received transferred to Regulatory Reserve	14,796,006.00
Less: Transferred in PY	(1,949,836)
Amount to be transfered in CY	12,846,170
(As per Circular no. 6, 2076-77, Point no. (Aa))	

Ageing of Gross Interest Receivable	Amount
Not overdue	4,586,300
1-30 days	2,775,193
31-60 days	2,499,328
61-90 days	5,326,441
91-120 days	6,577,431
121-150 days	6,261,842
151-180 days	4,092,532
181 days & above	16,729,003
	48,848,070

Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of financial assets that are measured at fair value through other comprehensive income and the changes in fair value is recognized in other comprehensive income, until the assets are derecognized.

The cumulative amount of changes in fair value of those financial assets is presented under fair value reserve.

During the year, the finance company has negative balance of Rs. 16,57,376/- in this reserve.

Actuarial gain / (loss)

Actuarial gain or loss that represents change in actuarial assumptions used to determine the value employee obligations under defined benefit obligations.

During the year, the finance company has transferred negative balance of Rs. 8,66,976/- to this reserve.

Other reserve

There is no movement in Other Reserve as compared to previous year due to COVID 19 .

Retained earnings

Retained earnings is accumulated profit which has not been distributed to shareholders and has been ploughed back in the Finance Company's operations and is free for distribution of dividend to the shareholders.

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Contingent liabilities and commitments

NOTE 4.28

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Contingent liabilities	15,577,224	3,358,224
Undrawn and undisbursed facilities	-	-
Capital commitment	-	-
Lease Commitment	-	-
Litigation	-	-
TOTAL	15,577,224	3,358,224

Contingent liabilities

NOTE 4.28.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Acceptance and documentary credit	-	-
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	15,577,224	3,358,224
Underwriting commitment	-	-
Other commitments	-	-
TOTAL	15,577,224	3,358,224

Undrawn and undisbursed facilities

NOTE 4.28.2

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Undisbursed amount of loans	-	-
Undrawn limits of overdrafts	-	-
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	-	-
TOTAL	-	-

Capital commitments

NOTE 4.28.3

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

PARTICULARS	ASHAD END 2077	ASHAD END 2076
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

NOTE 4.28.4

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Operating lease commitments		
Future minimum lease payments under non cancellable operating lease, where the finance company 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 finance company 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

NOTE 4.28.5

The finance company's litigations are generally related to its ordinary course of business pending on various jurisdictions. There are no litigations related to Income Tax or VAT.

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Interest Income

NOTE 4.29

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Cash and cash equivalent	50,212,795	48,168,905
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	17,359,511	12,846,037
Loans and advances to customers	486,282,045	424,641,067
Investment securities	14,597,684	8,815,279
Loan and advances to staff	1,508,893	1,640,833
Other	-	-
Total interest income	569,960,928	496,112,121

Interest Expense

NOTE 4.30

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Due to bank and financial institutions	-	-
Due to Nepal Rastra Bank	-	-
Deposits from customers	362,201,611	313,510,442
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other	-	-
Total interest expense	362,201,611	313,510,442

Fees and Commission Income

NOTE 4.31

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Loan administration fees	30,283,825	32,766,027
Service fees	-	-
Consortium fees	-	-
Commitment fees	-	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	3,286	148
Prepayment and swap fees	-	-
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	511,064	384,458
Commission on letter of credit	-	-
Commission on guarantee contracts issued	166,800	42,927
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	1,225,830	2,655,166
Total fees and commission income	32,190,805	35,848,726

Fees and Commission Expense

NOTE 4.32

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
Total fees and commission expense	-	-

Net Trading Income

NOTE 4.33

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
Net trading income	-	-

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Other Operating Income
NOTE 4.34
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Foreign exchange revaluation gain		
Gain/loss on sale of investment securities	882,986	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	6,624,275	3,025,560
Gain/loss on sale of property and equipment	26,463	(24,819)
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Locker rent	-	-
Other	-	-
TOTAL	7,533,724	3,000,741

Impairment charge/(reversal) for Loan and Other Losses
NOTE 4.35
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Impairment charge/(reversal) on loan and advances to B/FIs	50,000	300,000
Impairment charge/(reversal) on loan and advances to customer	29,525,359	8,245,146
Impairment charge/(reversal) on financial Investment	-	-
Impairment charge/(reversal) on placement with banks and financial institutions	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
TOTAL	29,575,359	8,545,146

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Personnel Expense

NOTE 4.36

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Salary	23,703,071	19,753,657
Allowances	14,007,407	11,376,529
Gratuity expense	1,841,760	1,465,124
Provident fund	2,031,736	1,741,269
Uniform	742,993	782,009
Training & development expense	778,679	566,125
Leave encashment	2,420,793	2,647,825
Medical	2,711,299	2,179,145
Insurance	55,073	-
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	532,375	823,080
Other expenses related to staff	1,745,045	1,768,443
Sub total	50,570,231	43,103,206
Employees bonus	13,625,852	13,864,626
GRAND TOTAL	64,196,083	56,967,832

Other Operating expense

NOTE 4.37

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Directors' fee	361,000	526,000
Directors' expense	67,917	86,587
Auditors' remuneration	522,140	390,800
Other audit related expense	497,729	313,792
Professional and legal expense	329,492	963,050
Office administration expense	18,216,192	18,632,133
Operating lease expense	5,885,334	4,286,525
Operating expense of investment properties	-	-
Corporate social responsibility expense	1,572,509	20,000
Onerous lease provisions	-	-
Other	-	-
TOTAL	27,452,313	25,218,887

CENTRAL FINANCE LTD.
NOTES FORMING PART OF FINANCIAL STATEMENTS
For the year ended Ashad 2077

Office Administrative Expenses
NOTE 4.37.1
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Water & Electricity	1,782,677	1,540,769
Repair & Maintenance	952,734	1,224,914
a)Building	-	-
b)Vehicle	495,210	737,871
c)Computer & Accessories	147,724	164,991
d)Office Equipment & Furniture	273,129	322,051
e)Other	36,671	-
Insurance	1,506,907	1,219,435
Postage,telex,telephone,fax	2,351,618	1,927,813
Printing & Stationary	1,626,995	2,106,257
News paper,books and journal	193,325	174,156
Advertisement	435,212	537,954
Donation	500	1,205
Security expenses	3,385,840	2,762,160
Deposite & loan guarantee premium	-	-
Travel Allowance and expenses	563,056	737,717
Entertainment	-	-
Annual/Speial general meeting Expenses	454,205	658,927
Others	4,963,123	5,740,825
Total	18,216,192	18,632,133

Depreciation & Amortization
NOTE 4.38
IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Depreciation on property and equipment	8,115,524	5,506,405
Depreciation on investment property	-	-
Amortization of intangible assets	506,998	316,960
TOTAL	8,622,521	5,823,365

Non Operating Income

NOTE 4.39

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Recovery of loan written off	-	-
Other income	5,138,145	-
TOTAL	5,138,145	-

Non Operating Expense

NOTE 4.40

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	143,043	114,285
TOTAL	143,043	114,285

Income Tax expense

NOTE 4.41

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Current tax expense		
Current year	36,373,016	41,271,648
Adjustment for previous years	-	629,305
Deferred tax expense		
Origination and reversal of temporary differences	(94,255)	(4,117,473)
Changes in tax rate		
Recognition of previously unrecognised tax losses		
Total income tax expense	36,278,761	37,783,480

Reconciliation of Tax Expense and Accounting Profit

NOTE 4.41.1

IN NPR

PARTICULARS	ASHAD END 2077	ASHAD END 2076
Profit before tax	122,632,672	124,781,631
Tax amount at tax rate of 30%	36,789,802	37,434,489
Add: Tax effect of expense that are not deductible for tax purpose	150	360
Less: Tax effect on exempt income	(612,691)	(452,034)
Add/Less: Tax effect on other items	101,501	800,666
Total income tax expense	36,278,761	37,783,480
Effective tax rate	30%	30%

CENTRAL FINANCE LTD.
Capital Management
NOTE 5.2
Qualitative Disclosures

The Financial institution has developed its own internal policy and procedures and structures to manage credit, market and liquidity risk. For the purpose, the financial institution has regularly submitted report to NRB as per Internal Capital Adequacy Process (ICAAP), which acts as a guide for reporting the ongoing assessment of the financial institutions's risks, how the financial institution intends to mitigate those risks and how much current and future capital is necessary having considered other mitigating factors.

Quantitative Disclosures
1. Capital Structure and Capital Adequacy
a. Tier 1 capital and a breakdown of its components

PARTICULARS	AMOUNT
Paid up Capital (ordinary shares)	823,397,859
Proposed bonus share	-
Share premium	442,546
Irredeemable preferential share	-
General Reserve Fund	134,897,313
Accumulated profit/loss (Retained earnings)	88,011,900
Profit & loss a/c as per balance-sheet	-
Capital Redemption Reserve Fund	-
Capital Adjustment Fund	-
Calls in advance	-
Other Free Reserves	-
Deductions:	
Goodwill	-
Deferred tax assets	3,638,782
Investment on shares and securities in excess of limits	-
Investment to the company having financial interests	-
Fictitious Asset	-
Investment on land and building for self use not complying the Directives of NRB	-
Investment on land development and housing construction in excess of limits	-
Underwriting share not sold within the stipulated time	-
Credit and other facilities banned by the prevailing laws	-
Tier 1 Capital	1,043,110,836

b. Tier 2 Capital and a breakdown of its components

Supplementary Capital (Tier 2)	AMOUNT
Provisions of loan loss made for pass loan	33,564,728
Additional loan loss provision	-
Hybrid capital instruments	-
Unsecured Subordinated Term Debt	-
Exchange Equalization Fund	-
Assets revaluation Fund (max. 2% of Supplementary capital is added automatically)	-
Investment adjustment Fund	-
Tier 2 Capital	33,564,728

c. Deduction from Capital

Nil	
-----	--

d. Total Qualifying Capital

	AMOUNT
Tier 1 Capital	1,043,110,836
Tier 2 Capital	33,564,728
Total Capital Fund (Tier 1 and Tier 2)	1,076,675,564
Risk Weighted Exposures	4,099,529,359

e. Capital Adequacy Ratio

	AMOUNT
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	25.44%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposure Ratio (After Bank's adjustments of Pillar II)	26.26%

f. Summary of the bank's internal approach to assess the adequacy of its capital to support current and future activities, if applicable

The financial institution assesses the adequacy of capital on a regular basis taking into consideration of the present total risk exposure and expected future increase in this respect. The current paid up capital of the financial institution stands at NPR 823,397,859.

g. Summary of the terms and conditions and main features of all capital instruments specially in case of subordinated term debts including hybrid capital instruments.

There is no subordinated term debts and hybrid capital instruments of the financial institution.

2. Risk exposures

a. Total risk weighted exposure of the finance company is detailed as below:

On-Balance-sheet Items

Description	Weight (%)	Amount	RWA
Cash Balance	0%	74,382,763	-
Balance With Nepal Rastra Bank	0%	305,601,002	-
Gold	0%	-	-
Investment in Nepalese Government Securities	0%	582,800,000	-
All Claims on Government of Nepal	0%	-	-
Investment in Nepal Rastra Bank securities	0%	-	-
All claims on Nepal Rastra Bank	0%	-	-
Claims on Foreign Government and Central Bank (ECA 0-1)	0%	-	-
Claims on Foreign Government and Central Bank (ECA -2)	20%	-	-
Claims on Foreign Government and Central Bank (ECA -3)	50%	-	-
Claims on Foreign Government and Central Bank (ECA-4-6)	100%	-	-
Claims on Foreign Government and Central Bank (ECA -7)	150%	-	-
Claims On BIS, IMF, 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	20%	-	-
Claims on domestic banks that do not meet capital adequacy requirements	100%	-	-
Claims on foreign bank (ECA Rating 0-1)	20%	-	-
Claims on foreign bank (ECA Rating 2)	50%	-	-
Claims on foreign bank (ECA Rating 3-6)	100%	-	-
Claims on foreign bank (ECA Rating 7)	150%	-	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	20%	-	-
Claims on Domestic Corporates	100%	921,281,340	921,281,340
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)	75%	1,013,177,140	759,882,855
Claims fulfilling all criterion of regularity retail except granularity	100%	-	-
Claims secured by residential properties	60%	669,073,880	401,444,328
Claims not fully secured by residential properties	150%	-	-
Claims secured by residential properties (Overdue)	100%	3,823,000	3,823,000
Claims secured by Commercial real estate	100%	138,890,000	138,890,000
Past due claims (except for claims secured by residential properties)	150%	-	-
High Risk claims	150%	788,032,900	1,182,049,350
Lending Against Securities (Bonds & Shares)	100%	-	-
Investments in equity and other capital instruments of institutions listed in stock exchange	100%	143,096,100	143,096,100
Investments in equity and other capital instruments of institutions not listed in the stock exchange	150%	983,000	1,474,500
Staff loan secured by residential property	50%	-	-
Interest Receivable/claim on government securities	0%	-	-
Cash in transit and other cash items in the process of collection	20%	444,000	88,800
Other Assets (as per attachment)	100%	206,563,116	206,563,116
Total On-Balance-sheet Items (A)		4,848,148,241	3,758,593,389

b. Off-Balance-sheet Items

Description	Weight (%)	Amount	RWA
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	50%	-	-
Foreign counterparty (ECA Rating 0-1)	20%	-	-
Foreign counterparty (ECA Rating 2)	50%	-	-
Foreign counterparty (ECA Rating 3-6)	100%	-	-
Foreign counterparty (ECA Rating 7)	150%	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	50%	-	-
Foreign counterparty (ECA Rating 0-1)	20%	-	-
Foreign counterparty (ECA Rating 2)	50%	-	-
Foreign counterparty (ECA Rating 3-6)	100%	-	-
Foreign counterparty (ECA Rating 7)	150%	-	-
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	100%	15,577,224	15,577,224
Financial Guarantee	100%	-	-
Acceptances and Endorsements	100%	-	-
Unpaid portion of Partly paid shares and Securities	100%	-	-
Irrevocable Credit commitments (short term)	20%	-	-
Irrevocable Credit commitments (long term)	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 Off-Balance-sheet Items (B)		15,577,224	15,577,224

c. Risk Weighted Exposure For Operational Risk

Particulars	2074/075	2075/076	2076/077
Net Interest Income	150,801,880	182,601,679	207,759,317
Commission and Discount Income	1,134,220	35,848,726	32,190,805
Other Operating Income	29,846,400	3,000,741	7,533,724
Exchange Fluctuation Income	-	-	-
Addition/Deduction in Interest Suspense during the period			
Gross income (a)	181,782,500	221,451,146	247,483,846
Alfa (b)	15%	15%	15%
Fixed Percentage of Gross Income [c=(a×b)]	27,267,375	33,217,672	37,122,577
Capital Requirement for operational risk (d) (average of c)	32,535,874.58		
Risk Weight (reciprocal of capital requirement of 10%) in times (e)	10		
Equivalent Risk Weight Exposure [f=(d×e)]	325,358,746		
Total Risk Weighted Exposure (A) + (B)+ (C)		4,863,725,465	4,099,529,359

Amount of NPAs (both Gross and Net)
NPR

Particulars	Current year		Previous Year	
	Gross NPA	Net NPA	Gross NPA	Net NPA
Restructure/Rescheduled loan	-	-	-	-
Substandard loan	17,167,387	12,875,540	1,940,000	1,455,000
Doubtful loan	8,329,034	4,164,517	21,601,000	10,800,500
Loss Loan	36,039,920	-	12,653,913	-
Total	61,536,341	17,040,057	36,194,913	12,255,500

Ratio of Non Performing Assets as per regulatory classification

Particulars	Percentage CY	Percentage PY
Gross NPA to Gross loans and Advance	1.73%	1.14%
Net NPA to Net Loan and Advance	0.49%	0.39%

Details of Loan Loss Provisions

Loan Category	Amount CY	Amount PY
Pass Loan	33,564,728	31,625,872
Watchlist	8,465,051	1,385,419
Rescheduled / Restructured		-
Sub-Standard	4,291,847	485,000
Doubtful	4,164,517	10,800,500
Loss	36,039,920	12,653,913
Additional		-
TOTAL	86,526,064	56,950,704

Details of Loan Classification

Loan Category	Amount CY	Amount PY
Pass Loan	3,356,472,831	3,162,587,200
Watchlist	169,301,030	27,708,380
Rescheduled / Restructured	-	-
Sub-Standard	17,167,387	1,940,000
Doubtful	8,329,034	21,601,000
Loss	36,039,920	12,653,913
Additional	-	-
TOTAL	3,587,310,202	3,226,490,493

Compliance with External Requirement

The financial institutions are required to attain minimum paid up capital of NPR 800 million as per Monetary Policy 2015/16. The financial institution's paid up capital is NPR 823.39 million and has complied with the requirement.

Classification of financial assets and financial liabilities

NOTE 5.3

Particulars	Notes	As on 15-Jul-2020		As on 16-Jul-2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Assets					
Assets carried at Amortised Cost					
Cash and Cash equivalent	4.1	885,255,062	885,255,062	926,076,689	926,076,689
Due from Nepal Rastra Bank	4.2	305,601,002	305,601,002	207,179,720	207,179,720
Other Trading Assets- Government Bonds	4.5	-	-	-	-
Loans and advances to BFIs	4.6	91,080,000	91,080,000	86,130,000	86,130,000
Loans and advances to customers	4.7	3,470,988,517	3,470,988,517	3,105,626,720	3,105,626,720
Investment securities- Government Bonds	4.8	582,800,000	582,800,000	156,314,061	156,314,061
Other Assets- Account Receivable	4.16	10,988,327	10,988,327	3,005,896	3,005,896
Total Assets at Amortized cost		5,346,712,908	5,346,712,908	4,484,333,086	4,484,333,086
Assets carried at Fair Value through Profit and Loss (FVTPL)					
Other Trading Assets- Investment in Equity	4.5	-	-	-	-
Other Trading Assets- Investment in Units of Mutual Fund	4.5	-	-	-	-
Total Assets carried at FVTPL		-	-	-	-
Assets carried at Fair Value through Other Comprehensive Income (FVTOCI)					
Investment securities- Investment in Equity	4.8	158,933,677	158,933,677	127,293,465	127,293,465
Total Assets carried at FVTOCI		158,933,677	158,933,677	127,293,465	127,293,465

Liabilities

Liabilities carried at Amortised Cost

Due to Bank and Financial Institutions	4.17	-	-	-	-
Due to Nepal Rastra Bank	4.18	(702,621)	(702,621)	4,495,815	4,495,815
Deposits from customers	4.20	4,516,248,512	4,516,248,512	3,651,286,276	3,651,286,276
Other Liabilities- Bills payable	4.23	-	-	-	-
Other Liabilities- Creditors & Accruals	4.23	3,070,714	3,070,714	2,790,110	2,790,110
Other Liabilities- Interest payable on deposits	4.23	3,821,493	3,821,493	11,496,335	11,496,335
Other Liabilities- Interest payable on borrowings	4.23	-	-	-	-
Other Liabilities- Unpaid dividend	4.23	49,620	49,620	73,601	73,601
Total Liabilities carried at Amortised Cost		4,522,487,719	4,522,487,719	3,670,142,137	3,670,142,137

CENTRAL FINANCE LTD.
Fair Value of Financial Assets and Financial Liabilities
NOTE 5.3

Fair Value of Financial Assets and Financial Liabilities	Fair value Hierarchy (Level)	ASHAD END 2077	ASHAD END 2076
Fair Value through Profit and Loss			
Financial Assets			
Equity Securities	1	-	-
Other - Units of Mutual Funds	1	-	-
Total		-	-
Fair Value through Other Comprehensive Income			
Financial Assets			
Investment securities at OCI			
Quoted equity securities	1	156,355,403	113,819,865
Unquoted equity securities	3	2,578,274	13,473,600
Total		158,933,677	127,293,465

Financial Instruments held at amortised cost			
Financial Assets			
Cash and Cash equivalent	3	-	-
Due from Nepal Rastra Bank	3	305,601,002	207,179,720
Government bonds	3	582,800,000	156,314,061
Government treasury bills	3	-	-
Loan and advances to BFIs	3	91,080,000	86,130,000
Loans and advances to customers	3	3,470,988,517	3,105,626,720
Accounts receivable	3	-	-
Total		4,450,469,519	3,555,250,501

Financial Liabilities			
Due to Bank and Financial Institutions	3	-	-
Due to Nepal Rastra Bank	3	(702,621)	-
Deposits from customers	3	4,516,248,512	4,495,815
Other Liabilities- Bills payable	3	-	3,651,286,276
Other Liabilities- Creditors & Accruals	3	-	-
Other Liabilities- Interest payable on deposits	3	-	-
Other Liabilities- Interest payable on borrowings	3	-	-
Other Liabilities- Unpaid dividend	3	-	-
Total		4,515,545,892	3,655,782,091

CENTRAL FINANCE LTD.

Classification and fair value of financial assets and financial liabilities

NOTE 5.3

A. Financial assets and liabilities at fair value through profit and loss

Current year

Particulars	Carrying amount		
	Level 1	Level 2	Level 3
Government bonds	-	-	-
Equity Securities	-	-	-
Units of Mutual Funds	-	-	-

Previous year

Particulars	Carrying amount		
	Level 1	Level 2	Level 3
Government bonds	-	-	-
Equity Securities	-	-	-
Units of Mutual Funds	-	-	-

A. Financial assets and liabilities at fair value through profit and loss

B. Financial assets and liabilities measured at amortized cost

Following table contains detail of the carrying amount of financial assets and liabilities as on reporting date:

Current year

Particulars	Carrying amount		
	Level 1	Level 2	Level 3
Treasury bills	-	-	-
Government bonds	-	582,800,000	-
Loans and advances to B/FIs	-	-	91,080,000
Loans and advances to customers	-	-	3,470,988,517

Previous year

Particulars	Carrying amount		
	Level 1	Level 2	Level 3
Treasury bills	-	-	-
Government bonds	-	156,314,061	-
Loans and advances to B/FIs	-	-	86,130,000
Loans and advances to customers	-	-	3,105,626,720

C. Financial assets measured at fair value through other comprehensive income

Following table contains detail of the carrying amount and based on the hierarchy of fair value measurement of financial assets as on reporting date:

Current year

Particulars	Carrying amount		
	Level 1	Level 2	Level 3
Investment securities			
Quoted Equity	156,355,403	-	-
Unquoted Equity	-	-	2,578,274
TOTAL	156,355,403	-	2,578,274

Previous year

Particulars	Carrying amount		
	Level 1	Level 2	Level 3
Investment securities			
Quoted Equity	113,819,865	-	-
Unquoted Equity	-	-	13,473,600
TOTAL	113,819,865	-	13,473,600

CENTRAL FINANCE LTD.

Segment Analysis

The finance company has identified segments on the basis of each geographical presence in seven provinces.

Note 5.4

For the FY 2076-77

NPR

Particulars	Province 2	Province 3	Province 5	TOTAL
a. Revenues from external customers	77,745,797	456,131,376	75,808,284	609,685,457
b. Intersegment revenue/(expenses)	-	-	-	-
c. Gross Revenue	77,745,797	456,131,376	75,808,284	609,685,457
d. Interest Revenue	71,488,398	427,102,613	71,369,917	569,960,928
e. Interest Expenses	9,512,107	344,043,079	8,646,425	362,201,611
f. Net interest Revenue	61,976,291	83,059,534	62,723,492	207,759,317
g. Other Income	-	5,129,679	8,466	5,138,145
h. Other Expenses	8,620,599	73,980,532	9,300,310	91,901,441
i. Depreciation & Amortization	2,080,323	5,798,338	743,860	8,622,521
j. Segment Profit /(Loss)	57,557,143	3,944,754	57,125,689	118,627,586
k. Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-
l. Other material non-cash items	-	-	-	-
m. Impairment of assets	-	28,475,341	-	28,475,341
n. Segment assets	638,839,563	4,453,465,519	546,815,249	5,639,120,331
o. Segment liabilities	530,068,455	3,662,573,644	372,940,490	4,565,582,588

For the FY 2075-76

NPR

Particulars	Province 2	Province 3	Province 5	TOTAL
a. Revenues from external customers	53,665,345	416,687,637	64,608,606	534,961,588
b. Intersegment revenue/ (expenses)	-	-	-	-
c. Gross Revenue	53,665,345	416,687,637	64,608,606	534,961,588
d. Interest Revenue	48,551,286	388,178,393	59,382,442	496,112,121
e. Interest Expenses	2,118,641	303,945,791	7,446,010	313,510,442
f. Net interest Revenue	46,432,645	84,232,602	51,936,432	182,601,679
g. Other Income	-	-	-	-
h. Other Expenses	20,643,785	53,812,504	7,844,715	82,301,004
i. Depreciation & Amortization	1,527,026	3,394,316	902,023	5,823,365
j. Segment Profit /(Loss)	29,390,658	47,089,400	48,415,858	124,895,916
k. Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-
l. Other material non-cash items	-	-	-	-
m. Impairment of assets	-	8,545,146	-	8,545,146
n. Segment assets	704,176,797	3,490,656,575	538,520,487	4,733,353,859
o. Segment liabilities	418,858,550	2,859,111,492	423,235,679	3,701,205,721

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

	FY 2076-77	FY 2075-76
a. Revenue		
Total revenues for reportable segments	609,685,457	534,961,588
Other revenues		
Elimination of intersegment revenues		
Entity's revenues	609,685,457	534,961,588

b. Profit or Loss
NPR

Total profit or loss for reportable segments	118,627,586	124,895,916
Other profit or loss		(114,285)
Elimination of intersegment profits		
Unallocated amounts		
Profit before income tax		124,781,631

c. Assets
NPR

Total assets for reportable segments	5,639,120,331	4,733,353,859
Other assets		
Unallocated amounts		
Entity's assets	5,639,120,331	4,733,353,859

d. Liabilities
NPR

Total liabilities for reportable segments	4,565,582,588	3,701,205,721
Other liabilities		
Unallocated liabilities		
Entity's liabilities	4,565,582,588	3,701,205,721

5. Information about geographical areas
Revenue from following geographical areas
NPR

a. Domestic	609,685,457	534,961,588
Province 1	-	-
Province 2	77,745,797	53,665,345
Province 3	456,131,376	416,687,637
Province 4	-	-
Province 5	75,808,284	64,608,606
Province 6	-	-
Province 7	-	-
b. Foreign	-	-
TOTAL	609,685,457	534,961,588

6. Information about major customers

No any single external customer revenue amounts to 10% or more of the financial institution's revenue.

Share option and share based payment
Note 5.5

The finance company doesn't have arrangements of share based payment and share option as on reporting date

Contingent Liabilities and commitments
Note 5.6

The details of contingent liabilities and commitments has been presented in notes 4.28 above.

Related Party Disclosures

NOTE 5.7

Entity with significant influence over the Finance

No such entities have significant influence over the Finance company.

Transactions during the period

Particulars	ASHAD END 2077	ASHAD END 2076
Directors:		
Director's sitting fees	395,000	526,000
Other Expenses	67,917	86,587
Interest paid to directors on deposits	1,317,698	1,647,273
Key Management Personnel (KMP):		
Remuneration and benefits paid	6,828,058	6,230,570
Interest on account balances	809,389	137,356

Terms and conditions of transactions with related parties

The related party transactions are made at terms equivalent to those that prevail in an arms's length transactions. The following table provides the total amount of transaction that has been entered into with related parties for during the reporting period.

Transactions	Current Year	
	Amount	Nature of Relationship
Deposit	-	Director
Deposit	-	KMP

Transactions	Previous Year	
	Amount	Nature of Relationship
Deposit	-	Director
Deposit	-	KMP

Details of Directors

Particulars	Current year	Previous year
Chairman	Mr. Sanjoj Man Shrestha	Mr. Sanjoj Man Shrestha
Directors	Mrs. Chandika Shrestha	Mrs. Chandika Shrestha
	Mr. Chaitya Raj Shakya	Mr. Chaitya Raj Shakya
	Dr. Kishor Hakuduwal	Dr. Kishor Hakuduwal
	Mr. Ramesh Thapa Shrestha	Mr. Ramesh Thapa Shrestha
	Mr. Bidya Bhusan Dhoj Joshi	Mr. Bidya Bhusan Dhoj Joshi
	Mr. Krishna Pd Neupane	

Details of Key managerial personnel

Particulars	Current year	Previous year
Chief Executive Officer	Mr. Rajoj Man Shrestha	Mr. Rajoj Man Shrestha

Merger & Acquisition

NOTE 5.8

During the reporting period, there is no merger and acquisition.

Additional disclosures on non consolidated entities

NOTE 5.9

The Finance company has no subsidiary for consolidation.

Events after reporting date

NOTE 5.10

The events after the reporting date are all those events, whether favorable or unfavorable, which have occurred between the reporting date and the date of preparation or approval of the financial statements for its disclosure. During the review year there are no such events after reporting date.

CENTRAL FINANCE LTD.

Departure from NFRS

NOTE 5.11

The management of the finance company has concluded that the financial statements fairly present the company's financial position, performance and cash flows. The Institute of Chartered Accountants of Nepal (ICAN) issued "Notice regarding Decision on Carve-outs in NFRS with Alternative Treatments" on 20 September 2018 and alternative treatments as per carve outs has been adapted while preparing the financial statements.

Limitations of NFRS

NOTE 5.12

During NFRS implementation , wherever the information is not adequately available and the cost to develop the same would exceed the benefit derived, if any, has been noted and disclosed in respective sections.

Reclassification, Regrouping and rounding off

NOTE 5.13

Previous year figure have been reclassified and regrouped wherever necessary to make the same comparable with the current year figure. Figures in financial statement are rounded off to nearest rupee

Ratios as per NRB Directive

Particulars	Current year		Previous year	
	This quarter	Upto this quarter (YTD)	This quarter	Upto this quarter (YTD)
Capital fund to RWA		26.26%	-	26.90%
Non-performing loan (NPL) to total loan		1.73%	-	1.14%
Total loan loss provision to Total NPL		140.61%		157.34%
Cost of Funds		8.54%	-	9.76%
CCD Ratio (As per NRB Directives)		63.69%	-	70.42%
Base Rate		11.02%	-	12.42%
Interst Rate Spread		4.97%	-	4.82%

Significant Accounting Policies and Notes to the Accounts

1. Reporting entity

Central Finance Limited (hereinafter referred to as the “finance company”) is a public limited company registered under Companies Act of Nepal. The Finance Company is licensed as per the Nepal Rastra Bank (NRB) as “C” class financial institution to perform financial services as per the Bank and Financial Institutions Act (BAFIA) and its Memorandum and Articles of Association.

The head office of the finance company is located at Kupondole, Lalitpur, Nepal and carries out its financial services through its branches.

The finance company accepts deposits, issues loans, issues and processes debit cards, is engaged in investing and trading securities, as well as performs other activities set forth in the BAFIA and the Memorandum and Articles of Association of the finance company. The company offers range of financial products and services to wide range of clients encompassing individuals, mid markets and corporates.

The finance company’s shares are listed with Nepal Stock Exchange Ltd and its symbol is CFCL.

2. Basis of preparation of financial statements

These financial statements, which comprise the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity, statement of cash flows and notes thereto have been prepared in all material aspects in accordance with requirements of applicable Nepal Financial Reporting Standards (NFRS) issued by the Institute of Chartered Accountants of Nepal and in the format issued by Nepal Rastra Bank. These are prepared under accrual basis of accounting in accordance with the historical cost convention, except for certain items as follows:

- Investment in equity instruments and units of mutual fund are measured at fair value.
- Liability for defined benefit obligations is recognised at present value of the defined benefit obligation as determined by actuary.

The finance company presents its statement of financial position broadly in the order of liquidity.

The significant accounting policies applied in the preparation of financial statements are set out below in Note 3. These policies are consistently applied to all the years presented, except for the changes in accounting policies disclosed specifically.

2.1 Statement of compliance

The Financial Statement of the company which comprise of component mentioned above have been prepared in accordance with Nepal Financial Reporting Standard (hereafter referred as NFRS) issued by Accounting Standard Board of Nepal authorized by Institute of Chartered Accountants of Nepal and Nepal Rastra Bank and in compliance of requirement of the Companies Act 2006 and Generally Accepted Accounting Principles in the Banking industry in Nepal

2.2 Reporting Period and approval of financial statements

a. Reporting Dates

The finance company follows the Nepalese financial year based on the Nepalese calendar starting from first day of Shrawan (Mid July) of each year to the last day of Ashad (Mid July) of the next year.

Relevant financial statements date/ period	Nepalese calendar date period	English calendar
Reporting date	Ashad 31, 2077	July 15, 2020
Comparative reporting date	Ashad 31, 2076	July 16, 2019
Reporting period	Shrawan 01, 2076 to Ashad 31, 2077	July 17, 2018 to July 15, 2020
Comparative reporting period	Shrawan 01, 2075 to Ashad 31, 2076	July 17, 2018 to July 16, 2019

b. Approval of financial statements

The accompanied financial statements have been approved and authorized for issue by the Board of Directors in its meeting held 12th Poush 2077.

2.3 Functional and presentation Currency

The financial statements are presented in Nepalese Rupees (Rs.), which is the functional and presentation currency of the company. Amounts in the financial statements are rounded off to the nearest rupee.

2.4 Use of Estimates, assumptions and judgements

The preparation of the financial statements in accordance with NFRS requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ

from these estimates. Estimates, judgements and assumptions are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized prospectively.

Further information about key assumptions concerning the future, and other key sources of estimation uncertainty and judgement, are set out in the relevant disclosure notes for the following areas:

- Impairment of loans and advances
- Provisions, commitments and contingencies
- Retirement benefit obligations

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

2.5 New standards in issue but not yet effective

Standards as pronounced by the Institute of Chartered Accountants of Nepal (ICAN) has been used in the preparation of financial statements. Any departure from the requirements of NFRS, if any, has been separately disclosed in the explanatory notes.

A number of new standards and amendments to the existing standards and interpretations have been issued by International Accounting Standards Board (IASB) after the pronouncements of NFRS with varying effective dates. Those become applicable when ICAN incorporates them within NFRS.

2.6 New standards and interpretations not adapted

There have been amendments to the standards issued by IASB and applicability of the new standards have been notified for International Financial Reporting Standards (IFRS). These amendments and new standards become applicable only when ICAN pronounces them.

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 also replaces the existing 'incurred loss' impairment approach with an expected credit loss approach, resulting in earlier recognition of credit losses. The IFRS 9 impairment model has three stages. Entities are required to recognize a 12-month expected loss allowance on initial recognition (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 IFRS 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 IAS 39. IFRS 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 IFRS 9 impairment model. Loan commitments and financial guarantees not measured at fair value through profit or loss are also in scope.

These changes may result in a material increase in the finance company's impairment allowances for credit losses although the extent of any increase will depend upon, amongst other things, the composition of the finance company's lending portfolios and forecast economic conditions at the date of implementation. The requirement to transfer assets between stages and to incorporate forward looking data into the expected credit loss calculation, including multiple economic scenarios, is likely to result in impairment charges being more volatile when compared to the current IAS 39 impairment model.

The IFRS 9 expected credit loss model principally differs from the regulatory model of incurred loss model.

a. IFRS 15 Revenue from Contracts with Customers

IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts. The new standard introduces the core principle that revenue must be recognized when the goods are transferred or services are rendered to the customer, at the transaction price. Any bundled goods or services that are distinct must be separately recognized, and any discounts or rebates on the contract price must generally be allocated to the separate elements. When the consideration varies for any reason, minimum amounts must be recognized if they are not at significant risk of reversal. Costs incurred to secure contracts with customers have to be capitalized and amortized over the period when the benefits of the contract are consumed.

Financial instruments, leases and insurance contracts are out of scope of IFRS 15, and so this standard is not expected to have a significant impact on the finance company. IFRS 15 is effective for annual periods beginning on or after 1 January 2018.

b. IFRS 16 Leases

On 13 January 2016 the IASB issued IFRS 16 to replace IAS 17 Leases. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. All leases result in the lessee obtaining the right to use an asset at the start of the lease and, lease payments are made over time, also obtaining financing. Accordingly, IFRS 16 eliminates the

classification of leases as either operating leases or finance leases as is required by IAS 17 and instead, introduces a single lessee accounting model.

2.7 Provisions of carve-out adapted by the finance company

The Institute of Chartered Accountants of Nepal (ICAN) issued “Notice regarding Decision on Carve-outs in NFRS with Alternative Treatments” on September 20, 2018 and alternative treatments as per carve-outs has been adapted while preparing the financial statements. The detail of carve-out provisions adapted by the finance company is given hereunder:

a. Operating lease in the financial statements of Lessees (NAS 17 Leases, Para 33)

As per carve out prescribed by ICAN for fiscal year 2017-18, “Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the lease term unless either:

- Another systematic basis is more representative of the time pattern of the user’s benefit even if the payments to the lessors are not on that basis; or
- The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases. If payments to the lessor vary because of factors other general inflation, then this condition is not met.”

b. Incurred loss model to measure the impairment loss on loan and advances (NAS 39: Financial Instruments, Para 58: Recognition and Measurement)

As per carve out prescribed for fiscal year 2017-18, 2018-19 and 2019-20, “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 amortized cost is impaired. If any such evidence exists, the entity shall apply paragraph 63 of to determine the amount of any impairment loss unless the entity is bank or finance company registered as per Bank and Financial Institutions Act, 2073. Such entities shall measure impairment loss on loan and advances at the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 and shall apply paragraph 63 to measure the impairment loss on financial assets other than loan and advances. The entity shall disclose the impairment loss as per this carve-out and the amount of impairment loss determined as per paragraph 63.

c. Impracticability to determine transactions cost of all previous years which is the part of effective interest rate (NAS 39, Para 9: Financial Instruments: Recognition and Measurement)

As per carve out prescribed for fiscal year 2017-18 and 2018-19, “The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instruments (for example, prepayment call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received, unless it is immaterial or impracticable to determine reliably, between parties to the contract that are an integral part of the effective interest rate (see NAS 18 Revenue), transaction costs and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to estimate reliably the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).”

d. Impracticability to determine interest income on amortized cost (NAS 39, Para AG93: Financial Instruments: Recognition and Measurement)

As per carve out prescribed for fiscal year 2017-18, 2018-19 and 2019-20, “Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Interest income shall be calculated by applying the effective interest rate to the gross carrying amount of a financial asset unless the financial asset is written off either partially or fully.”

2.8 Discounting

When the realisation of assets and settlement of obligations is for more than one year, the finance company considers discounting of such assets and liabilities where is impact is material.

3. Significant accounting policies

3.1 Cash and cash equivalent

Cash and cash equivalent comprise the total amount of cash-in-hand, balances with other bank and financial institutions, money at call and short notice, and highly liquid financial assets with original maturities period of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the finance company in the management of its short-term commitments.

Cash and cash equivalents are measured at amortized cost in the statement of financial position.

3.2 Financial assets and financial liabilities

a. Recognition

The finance company initially recognizes a financial asset or a financial liability in its statement of financial position when, and only when, it becomes party to the contractual provisions of an instrument. The finance company initially recognizes loans and advances, deposits and debt securities/subordinated liabilities issued on the date that they are originated which is the date that the institution becomes party to the contractual provisions of the instruments. Investments in equity instruments, units of mutual funds, bonds, debenture, government securities and NRB bond are recognized on trade date at which the finance company commits to purchase/acquire the financial assets. Regular purchase and sale of financial assets are recognized on trade date.

b. Classification

The finance company classifies its financial assets and financial liabilities as per NFRS 9 into the following measurement categories:

Financial assets

- Financial assets held at fair value through profit or loss;
- Financial assets held at fair value through other comprehensive income, and
- Financial assets held at amortized cost.

Financial liabilities

- Held at fair value through profit or loss, or
- Held at amortized cost.

c. Financial assets

The finance company classifies the financial assets as subsequently measured at amortized cost or fair value on the basis of the finance company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Interest income from these financial assets is included in Interest Income using the effective interest rate method. The two classes of financial assets are as follows:

i. Financial assets recognized at amortized cost

The finance company 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.

ii. Financial assets recognized at fair value

Financial assets other than those measured at amortized cost are measured at fair value. Financial assets measured at fair value are further classified into two categories as below:

- Financial assets at fair value through profit or loss
Financial assets are classified as fair value through profit or loss (FVTPL) if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction costs that are directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are subsequently measured at fair value and changes in fair value are recognized in statement of profit or loss.
- Financial assets at fair value through other comprehensive income
Investment in an equity instrument that is not held for trading and at the initial recognition, the finance company makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value through other comprehensive income. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

d. Financial Liabilities

The finance company classifies financial liabilities as follows:

i. Financial liabilities recognized at fair value through profit or loss

Financial liabilities are classified as fair value through profit or loss (FVTPL) if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in statement of profit or loss as incurred. Subsequent changes in fair value is recognized at statement of profit or loss.

ii. Financial Liabilities recognized at amortized cost

All financial liabilities other than measured at fair value through statement of profit or loss are classified as subsequently measured at amortized cost using effective interest method.

e. Measurement

Initial Measurement

Financial assets and financial liabilities are recognised when the finance company becomes party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities unless the same is measured at fair value through profit or loss. The transaction cost of financial assets and financial liabilities measured at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement

A financial asset or financial liability is subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability.

Financial asset or liability classified as measured at amortized cost is subsequently measured at amortized cost using effective interest rate method. The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or non-collectability.

In case of loans and advances measured at amortized cost, the processing charge and documentation charges received from customers which are directly attributable to the acquisition or issue of such financial assets are booked as income in the statement of profit or loss in the reporting period in which they are received. The effective interest rate method is not applied as it is impracticable to determine the amount.

Further, once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter calculated by applying effective interest rate to the gross carrying amount of a financial asset. Interest income on financial assets (loans and advances) which has been individually impaired are not recognised.

Financial assets classified at fair value are subsequently measured at fair value. The subsequent changes in fair value of financial assets at fair value through profit or loss are recognized in statement of profit or loss whereas of financial assets at fair value through other comprehensive income are recognized in other comprehensive income.

f. Derecognition

▪ Derecognition of Financial Assets

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the finance company has transferred substantially all of the risks and rewards of ownership. Financial assets are also derecognised upon write off. Any gain or loss arising on the disposal or retirement of an item of financial asset is determined as the difference between the sales proceeds and its carrying amount and is recognised in the statement of profit or loss. The cumulative gain or loss that was recognised in other comprehensive income, is recognised to statement of profit or loss except for investment in equity instruments measured at fair value through other comprehensive income.

▪ Derecognition of Financial Liabilities

A financial liability is derecognized when, and only when it is extinguished (i.e. when the obligation specified in contract is discharged, cancelled or expired). If the liability is renegotiated with the original lender on substantially different contractual terms, the original liability is derecognized and new liability is recognized.

The difference between the carrying amount of a liability (or portion) extinguished or transferred to another party (including related unamortized cost) and the amount paid for it (including any non-cash assets transferred or liability assumed), are included in statement of profit or loss.

g. 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 finance company has access at that date.

The fair value of a liability reflects its non-performance risk. When available, the finance company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the finance company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the

factors that market participants would take into account in pricing a transaction.

The fair value measurement hierarchy is as follows:

Level 1: These are quoted prices in active markets for identical assets or liabilities that the finance company can access at the measurement date.

Level 2: These are the inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly. These would include prices for the similar, but not identical, assets or liabilities that were then adjusted to reflect the factors specific to the measured asset or liability.

Level 3: These are unobservable inputs for the assets or liability.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. Where available, the finance company measures the fair value of an instrument using quoted prices in an active market for that instrument. If a market for a financial instrument is not active, the finance company, establishes fair value using an appropriate fair valuation technique.

For all unquoted investment in equity instruments, their cost has been considered as their fair value and accordingly these are recognised at cost, net of impairment if any.

h. Impairment

At each reporting date, the finance company assesses whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through the Statement of Profit or Loss are impaired.

A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or advance by the finance company on terms that the finance company would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. In case of financial difficulty of the borrower, the finance company considers to restructure loans rather than take possession of collateral. This may involve extending the payment arrangements and agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms and the loan is no longer considered past due.

Management continually reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loan's original EIR.

However, in case of loans and advances, impairment loss is measured as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39 – Financial Instruments: Recognition and Measurement.

i. Impairment of financial assets measured at amortized cost

Impairment of loans and advances portfolios is based on the judgements of past experience of portfolio behavior. In assessing collective impairment, the finance company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. Further, management has taken additional external risk (inflation, market risk and risk of data incompleteness) for the impairment of loans and advances.

Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate. Impairment losses on assets measured at amortized cost are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the finance company.

If in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a write off is later recovered, the recovery is recognized in the 'recovery of loan written off' under Note no. 4.39.

However, in case of loans and advances, impairment loss is measured as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per para 63 of NAS 39 – Financial Instruments: Recognition and Measurement.

j. Impairment of investment in equity instrument classified as fair value though other comprehensive income

Objective evidence of impairment of investment in an equity instrument is a significant or prolonged decline in its fair value below its cost. Impairment losses are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and the current fair value, less any impairment loss recognized previously in profit or loss.

3.3 Trading assets

The finance company classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short term profit making through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking. Held for trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Changes in fair value are recognized in net trading income. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, short positions and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

3.4 Property, Plant and Equipment

All Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the finance company and the cost of the item can be measured reliably. At each balance sheet date, the assets' residual values and useful lives are reviewed, and adjusted if appropriate, including assessing 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 to the recoverable amount. Gains and losses on disposals are included in the statement of profit or loss.

Repairs and maintenance are charged to the statement of profit or loss in the year in which it is incurred.

Depreciation is calculated using the diminishing value method at the rate determined as follows:

Class of Assets	Depreciation Rate
Building	5%
Leasehold properties	5%
Computer and accessories	25%
Vehicles	20%
Furniture and fixtures	25%
Equipment and others - office equipment	25%
Equipment and others - other assets	15%

Land is not depreciated. Assets costing less than Rs. 5,000 are recognised in statement of profit or loss in the year of purchase.

Capital Work in Progress

The cost of property, plant and equipment which are not ready for their intended use till the date of statement of financial position, are disclosed under capital work-in-progress.

3.5 Intangible Assets

The intangible assets include software purchased by the finance company. All computer software costs incurred or licensed for use which are not integrally related to associated hardware, which can be clearly identified, reliably measured, and it's probable that they will lead to future economic benefits, are included in the statement of financial position under the category 'Intangible Assets'. Software is measured at cost less accumulated amortization and accumulated impairment loss if any. Software is amortized on a straight-line basis in profit or loss over its useful life, from the date that is available for use. The estimated useful life of software for the current and comparative periods is five years. Amortization method, useful lives and residual value are reviewed at each reporting date and adjusted, if any.

3.6 Investment property

Investment property is the land or building or both held either for rental income or for capital appreciation or for both, but not sold in ordinary course of business and owner-occupied property.

Investment property is initially measured at cost and subsequently at cost model. Accordingly, such properties are subsequently measured at cost less accumulated depreciation and impairment loss if any.

Any gain or loss on disposal of an investment property is recognized in statement of profit or loss. 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 reporting.

Investment property amounting to Rs.5,500,000/- has been written back from Regulatory Reserve to Retained Earning after adjustment of notional bonus and notional tax

3.7 Income tax

a. Current tax

Current tax in the statement of profit or loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws applicable during the period, together with any adjustment to tax payable in respect of previous years.

Current tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under the statement of other comprehensive income or equity, as applicable.

Current tax assets and liabilities are offset only when there is both a legal right of offset and the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that the future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Deferred tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under the statement of other comprehensive income or equity, as applicable.

3.8 Deposit, debt securities issued and subordinated liabilities

The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings without quoted market prices is based on discounting cash flows using the prevailing market rates for debts with a similar credit risk and remaining maturity period.

Debentures are recognized at amortized cost using effective interest rates. The coupon rates of these instruments represent the effective interest rates. Effective interest rate is expected to cover for the credit risk and time value of money on these instruments as these are solely for the purpose of principal and interest.

3.9 Provisions

Provisions are recognized when the finance company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the finance company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in statement of profit or loss net of any reimbursement in other operating expenses

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

A provision for onerous contract is recognized when the expected benefits to be derived by the finance company from a contract are lower than the unavoidable cost of meeting its obligation under the contract.

3.10 Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the entity. In some cases, this may not be probable until the consideration is received or until an uncertainty is removed.

Revenue comprises of interest income, fees and commission, disposal income, etc. Revenue is recognized to the extent it is probable that the economic benefits will flow to the finance company and the revenue can be reliably measured. Revenue is not recognized during the period in which its recoverability of income is not probable. The bases of income recognition are as below:

a. Interest income

Interest income is recognized in profit or loss using effective interest method. Effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of financial asset or liability to the carrying

amount of the asset or liability. The calculation of effective interest rate includes all transactions cost and fee and points paid or received that are integral part of the effective interest. The transaction costs include incremental costs that are directly attributable to the acquisition or issue of financial assets.

Interest income presented in statement of profit or loss includes:

- Interest income on financial assets measured at amortized cost is calculated on an effective interest rate to the gross carrying amount of financial assets unless the financial asset is written off either partially or fully. These financial assets include loans and advances including staff loans, investment in government securities, investment in corporate bonds, investment in NRB Bond and deposit instruments, etc.
- Interest income on loans and advances to customers which are individually impaired are not recognised as per the Guidelines on Recognition of Interest Income, 2019 issued by Nepal Rastra Bank.
- Out of Accrued Interest on Loan and Advances as on Ashad end 2077, an amount of Rs.25,362,345/- was recovered till Ashoj end 2077 leaving a balance of Rs.23,485,725/- which is transferred to Regulatory Reserve (after considering impact of Notional bonus and Notional tax).

b. Fees and Commission

Fees and commission income that are integral to the effective interest rate on a financial asset are included in measurement of effective interest rate. Other fees and commission income including management fee and service charges are recognized as the related services are performed.

c. Dividend Income

Dividend on investment in equity instruments and on units of mutual fund is recognized when the right to receive payment is established. Dividend income are presented in net trading income or other operating income based on the underlying classification of the equity instruments and units of mutual fund.

d. Net trading income

Net trading income comprises of gains less losses related to trading assets and liabilities and includes all realised and unrealized fair value changes, interest and dividends.

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 other financial instruments held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

3.11 Interest expenses

Interest expense on all financial liabilities including deposits are recognized in profit or loss using effective interest rate method. Interest expense on all trading liabilities are considered to be incidental to the finance company's trading operations and are presented together with all other changes in fair value of trading assets and liabilities in net trading income.

3.12 Employees benefits

a. Short-term employee benefits

Expenses in respect of short-term benefits are recognised on the basis of amount paid or payable during which services are rendered by the employees. Liabilities for salary and allowances that are expected to be settled wholly within 12 months after the end of the financial year in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

b. Post-employment benefits

The finance company operates post-retirement benefit schemes for its employees including both defined benefit and defined contribution plans. A defined benefit scheme is a plan that defines an amount of gratuity benefit that an employee will receive on retirement, dependent on one or more factors such as age, years of service and salary. A defined contribution plan is a plan into which the finance company pays fixed contributions; there is no legal or constructive obligation to pay further contributions.

i. Defined contribution plan

These are plans in which the finance company pays pre-defined amounts to publicly administered funds as per local regulations and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the social security fund with the government on account of provident fund. The Company's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

ii. Defined benefit plan

The finance company's defined benefit plans comprise of gratuity. The liability or asset recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Service costs and net interest expense or income is reflected in the statement of profit or loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in actuarial gain/(loss) reserve in the statement of changes in equity and in the statement of financial position.

c. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. This benefit is unfunded.

3.13 Leases

Minimum lease payments made under finance lease are apportioned between the finance expense and reduction of outstanding liabilities. The finance expense is allocated to each period during the lease term so as to produce the constant periodic rate of interest on the remaining balance of liabilities.

The leases entered into by the finance company are primarily operating leases. When an operating lease is terminated before the end of the lease period, any payment made to the lessor by way of penalty is recognized as an expense in the period of termination.

Actual lease payments as per the contract with lessor for the reporting period under operating lease are recognized as an expense in statement of profit or loss since the payment to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.14 Foreign currency translation

Foreign currency transactions are translated into the appropriate functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss, except when recognized in other comprehensive income.

Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Translation differences on equities and similar non-monetary items held at fair value through profit and loss are recognized in statement of profit or loss as part of the fair value gain or loss.

3.15 Financial guarantee and loan commitment

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or those present obligations where the outflow of resources are uncertain or cannot be measured reliably. Contingent liabilities are not recognized in financial statements but are disclosed unless they are remote. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs. Detail of financial guarantee and commitments provided by the Finance company on the reporting date is given as Note 4.28.

3.16 Share capital and reserve

The Finance company applies NAS 32 – Financial Instruments: Presentation, to determine whether funding is either a financial liability (debt) or equity. Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the finance company having a present obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument.

Expenses incurred of issue of share capital are deducted from equity. Dividends and other returns to equity holders are recognized in the period when they are declared by the members at the annual general meeting and are treated as a deduction from equity.

3.16.1 Statutory General Reserve

There is a statutory requirement of Bank and Financial Institution Act, 2073 which required to set aside 20% of the net profit after tax to general reserve to build up capital until the balance of the reserve is twice of the paid-up share capital. This is the restricted reserve and cannot be utilised for distribution of profit. During the year, the finance company has appropriated Rs.1,72,70,782/- (Previous year Rs.1,73,99,630/-) to this reserve being 20% of net profit for the year.

3.16.2 Corporate Social Responsibility Reserve

Corporate social responsibility reserve has been created as per the circular issued by Nepal Rastra Bank, which required to apportion 1% of the net profit for the year to this reserve. During the year, CSR reserve of Rs. 863,539 has been appropriated as per the circular. The expense incurred by the Finance Company for corporate social responsibility as per the its policy is charged

to statement of profit or loss with corresponding additions to retained earnings.

The movement in Corporate Social Responsibility Fund is as

Particulars	FY 2076-77	FY 2075-76
Opening Balance	2,277,222	1,427,240
Transfer During the Year	863,539	869,982
Expenses during the year	1,572,509	20000
Closing balance	1,568,252	2,277,222

3.16.3 Regulatory reserve

Regulatory reserve has been created as per the directive issued by Nepal Rastra Bank and is not available for distribution of dividend (cash as well as bonus shares). The amount that is allocated from profit or retained earnings for the purpose of implementation of NFRS and include interest receivable, short provision for possible losses on investment, short loan loss provision on Non-Banking Assets, deferred tax assets recognized and actuarial loss recognized. During the year Rs. 1,33,32,401/- has been transferred from regulatory reserve to retained earning.

Regulatory adjustment :	Amount
a. Interest receivable (-)/previous accrued interest received (+)	(12,846,170)
b. Short loan loss provision in accounts (-)/reversal (+)	-
c. Short provision for possible losses on investment (-)/reversal (+)	19,615,553
d. Short loan loss provision on Non-Banking Assets (-)/reversal (+)	3,465,000
e. Deferred tax assets recognised (-)/ reversal (+)	5,622,370
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-
g. Bargain purchase gain recognised (-)/reversal (+)	-
h. Actuarial loss recognised (-)/reversal (+)	(866,976)
i. Other (+/-) (Fairvalue Reserve Negative Balance)	(1,657,376)
TOTAL	13,332,401

3.16.4 Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of financial assets that are measured at fair value through other comprehensive income and the changes in fair value is recognized in other comprehensive income, until the assets are derecognized. The cumulative amount of changes in fair value of those financial assets is presented under fair value reserve. During the year, the finance company has negative balance of Rs. 16,57,376/- in this reserve.

3.16.5 Actuarial gain / (loss)

Actuarial gain or loss that represents change in actuarial assumptions used to determine the value employee obligations under defined benefit obligations. During the year, the finance company has transferred negative balance of Rs. 8,66,976/- to this reserve.

3.16.6 Other reserve

There is no movement in Other Reserve as compared to previous year.

The Movement in Staff Training Fund incorporated under other reserve is as

Particulars	FY 2076-77	FY 2075-76
Opening Balance	1,053,247	536,212
Transfer During the Year	-	517,036
Expenses during the year	-	-
Closing balance	1,053,248	1,053,248

3.16.7 Retained earnings

Retained earnings is accumulated profit which has not been distributed to shareholders and has been ploughed back in the Finance Company's operations and is free for distribution of dividend to the shareholders.

3.17 Earnings per share including diluted

Basic earnings per share are calculated by dividing the net profit attributable to equity shareholders by the weighted average

number of ordinary shares in issue during the year. Diluted earnings per shares is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential ordinary shares that arise in respect of convertible preference shares. The finance company does not have any convertible instruments and the diluted earning per share is same as the basic earnings per share.

3.18 Segment reporting

An operating segment is a component of the finance company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relating to transactions with any of the finance company's other components, whose operating results are reviewed by the management to make decision about resource allocation to each segment and assess its performance.

The finance company manages its branch networks under regional demarcation for supervision, monitoring and control. Inter unit charges and revenues are applied to assess the performance of the business units. These charges are nullified at the overall finance company's level. The finance company has identified segments on the basis of each geographical presence in seven provinces of the country.

Segment results that are reported by the finance company include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the finance company's corporate building), head office expenses, and tax assets and liabilities that are categorized as banking assets/liabilities.

3.19 Impact of COVID -19

- NRB had directed Bank and Financial Institutions to provide 10% discount for interest paid during the monthly of chaitra 2076 and rebate by 2% during last quarter of FY 2076-77 due to which Rs. 14,061,493/- was refunded customer. Further repayment period was extended as per the circular.

Note 5 – Disclosure and additional information

Note 5.1 – Risk Management

Board Level Risk Committee

The Board is the one who set policy, strategy and objectives, and oversee the executive function. It sets risk appetite and ensures that it is reflected in business strategy and cascaded throughout the organization.

The Finance Company has a Risk Management Committee (RMC) comprising of 3 members of the board and 2 members from the management. RMC assists the board in setting risk strategy policies, including risk tolerance and appetite levels, as stipulated by Nepal Rastra Bank for effective risk management. It frames risk management policies for credit risk, market risk and operational risk including risk integration, implementation of best risk management practices and setting up various risk limits. The Committee receives reports from management and after discussion and deliberations reaches in a conclusion that existing action taken by the management are appropriate or elevate the situations to the Board where further action is required with its recommendation.

Risk Governance

The risk management framework consists of board set of risk appetite, clear organization setup, well defined roles, well developed tools and processes and well defined policy on each risk areas.

Risk management framework is supervised by Risk Management Committee (RMC), and supported by functional committee, namely, Asset and Liability Management Committee (ALCO). The finance company has separate risk management department for managing, mitigating and controlling different risks which acts as second line of defense whereas all business functions lies as first line of defense and internal audit function and audit committee as third line of defense. Further, the financial institution has different policies which directs/supplements the risk management framework. The finance company has Board approved operational instructions, book of instructions and clear role definition for each unit which makes the process simple and robust. The finance company has also set tolerance limits on different parameters above the regulatory requirement maintaining extra caution level in managing these risks.

Credit Risk

Credit risk is defined as the potential that a finance borrower or counterparty will fail to meet its obligations in accordance with agreed terms. For measurement of credit risk, the finance company has adopted Simplified Standardized Approach (SSA) and for management of credit risk, has formulated various policies, procedure and internal guideline that is approved by the Board. The financial institution has a clear guiding document related to loaning power approved by the Board.

The credit risk department reviews all types of loan. Assessment ground for sanctioning of new loan, renewal of loan or enhancement of existing loan is defined in Credit Policy Guidelines and individual loan product paper. A separate vertical credit administration department in head office and branches are administrating loan related documents, examining loan repayment, record keeping of loan files and related security documents.

All revolving loans are reviewed/renewed annually. For overdraft loan facilities, stock verification is done quarterly. Credit administration department performs the recovery of loan.

Operational Risk

Operational risk is a risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including legal risks. For management of operational risk, the finance company has policies in place, three line of defense in practice, risk identification, defined assessment and monitoring tools, risk control and mitigation tools. Formal channel is defined whereby various policies, procedure and internal guidelines are approved by Board in recommendation of Risk Management Committee (RMC).

The finance company has effective internal control system and information system for managing operational risk.

Risk events of the financial institution are compiled, and related function is instructed to take corrective measures wherever necessary. Such risk events are presented in RMC.

Market Risk

Market risk refers to the risk resulting from movements in market prices, in particular, changes in liquidity, interest rates, and equity prices. For measurement of market risk, the finance company has adopted net open position approach and for management of the market risk guidance, policies such as assets and liabilities management policy, investment policy and procedure are in place.

The finance company assesses interest rate risk, and equity price risk at a regular interval as per NRB guidelines and the internal policy in managing market risk and reporting to RMC and the Board.

Liquidity Risk

Liquidity risk is the risk that the finance company will encounter difficulty in meeting obligations associated with financial instruments as they fall due.

The finance company has been maintaining cash reserve ratio, statutory liquidity ratio, net liquidity ratio and credit to core capital and deposit ratios within the limit as prescribed by NRB and are being monitored on continuous basis. Further, maturity wise structural liquidity table are being prepared as per the regulatory guidelines on monthly basis and reported to the Board on quarterly basis.

Internal Control

Internal control system i.e. internal audit and compliance department has been reinforcing on the effective implementation of laid down policies and procedure. Regular financial activities are being closely monitored through internal control mechanism. The finance company has an appropriate control structure with well-defined control activities at every business level. Duties of officials and staff members are well defined at all level to avoid conflicting responsibilities. Members of the Board of Directors and management employees are required to pledge an oath for the Code of Ethics as per Staff Service Regulations. These laid down system are being monitored and reviewed periodically to identify the areas of potential conflicts of interest to minimize operational risk. Information system of the financial institution is upgraded continuously to cover activities of the finance company. Internal audit independently evaluates the adequacy and compliance of established guidelines for internal control system.

Note 5.2 – Capital Management

1. Qualitative disclosures

The finance company manages its capital with the following management objectives and approaches:

- To maintain the minimum paid up capital as required by its regulator, Nepal Rastra Bank.
- To maintain required level of stability for providing a degree of security to the deposit holders.
- To allocate capital efficiently that supports the development of the finance company's business so that it can continue to provide returns to the shareholders.
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders.

Capital management of the finance company is also subject to regulatory requirements of the Nepal Rastra Bank which has prescribed the maintenance of capital adequacy norms which are based on Internal Capital Adequacy Assessment Process (ICAAP). This acts as a guideline for reporting the ongoing assessment of the finance company's risks as to how it intends to mitigate those risks and how much current and future capital is necessary having considered other mitigating factors.

2. Quantitative disclosures

i. Capital structure and capital adequacy

a. Tier 1 capital and a breakdown of its components

Particulars	Amount (NPR)
Paid up Capital (ordinary shares)	823,397,859
Share premium	442,547
Irredeemable preferential share	-
Statutory general reserve	134,897,313
Retained earnings	88,011,900
Capital redemption reserve	-
Calls in advance	-
Other free reserves	-
Deductions:	-
Goodwill	-
Deferred tax assets	3,638,782
Investment on shares and securities in excess of prescribed limits	-
Investment in company having financial interests	-
Fictitious asset	-

Investment in land and building for self-use not complying the directives of NRB	-
Investment on land development and housing construction in excess of prescribed limits	-
Underwriting share not sold within the stipulated time	-
Credit and other facilities restricted by the prevailing laws	-
Tier 1 Capital	1,043,110,836

b. Tier 2 capital and a breakdown of its components

Particulars	Amount (NPR)
Provisions of loan loss made for pass loan	33,564,728
Additional loan loss provision	-
Hybrid capital instruments	-
Unsecured subordinated term debt	-
Exchange equalization reserve	-
Assets revaluation Fund (max 2% of supplementary capital)	-
Investment adjustment reserve	-
Tier 2 Capital	33,564,728

c. Total qualifying capital

Particulars	Amount (NPR)
Tier 1 capital	1,043,110,836
Tier 2 capital	33,564,728
Total capital Fund (Tier 1 and Tier 2)	1,076,675,564
Risk weighted exposures	4,099,529,359

d Capital adequacy ratio

Particulars	Ratio
Tier 1 capital to total risk weighted exposures	25.44%
Tier 1 and Tier 2 capital to total risk weighted exposure ratio	26.26%

e. Summary of the finance company's internal approach to assess the adequacy of its capital to support current and future activities, if applicable

The finance company assesses the adequacy of its capital on a regular basis taking into consideration the present total risk exposure and expected future increase in this respect. The paid-up share capital as at the end of the year is Rs. 823,397,859.

f. Summary of the terms and conditions and main features of all capital instruments specially in case of subordinated term debts including hybrid capital instruments

There are no subordinated term debts and hybrid capital instruments of the financial institution.

i. Risk exposures

a. Total risk weighted exposure of the finance company is detailed as below:

Balance sheet items

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
Cash Balance	0%	74,382,763	-
Balance With Nepal Rastra Bank	0%	305,601,002	-
Gold	0%	-	-
Investment in Nepalese Government Securities	0%	582,800,000	-
All Claims on Government of Nepal	0%	-	-
Investment in Nepal Rastra Bank securities	0%	-	-
All claims on Nepal Rastra Bank	0%	-	-
Claims on Foreign Government and Central Bank (ECA 0-1)	0%	-	-

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
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	20%	-	-
Claims on domestic banks that do not meet capital adequacy requirements	100%	-	-
Claims on foreign bank (ECA Rating 0-1)	20%	-	-
Claims on foreign bank (ECA Rating 2)	50%	-	-
Claims on foreign bank (ECA Rating 3-6)	100%	-	-
Claims on foreign bank (ECA Rating 7)	150%	-	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	20%	-	-
Claims on Domestic Corporates	100%	921,281,340	921,281,340
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)	75%	1,013,177,140	759,882,855
Claims fulfilling all criterion of regularity retail except granularity	100%	-	-
Claims secured by residential properties	60%	669,073,880	401,444,328
Claims not fully secured by residential properties	150%	-	-
Claims secured by residential properties (Overdue)	100%	3,823,000	3,823,000
Claims secured by Commercial real estate	100%	138,890,000	138,890,000
Past due claims (except for claims secured by residential properties)	150%	-	-
High Risk claims	150%	788,032,900	1,182,049,350
Lending Against Securities (Bonds & Shares)	100%	-	-
Investments in equity and other capital instruments of institutions listed in stock exchange	100%	143,096,100	143,096,100
Investments in equity and other capital instruments of institutions not listed in the stock exchange	150%	983,000	1,474,500
Staff loan secured by residential property	50%	-	-
Interest Receivable/claim on government securities	0%	-	-
Cash in transit and other cash items in the process of collection	20%	444,000	88,800
Other Assets (as per attachment)	100%	206,563,116	206,563,116
Total On-Balance-sheet Items (A)		4,848,148,241	3,758,593,389
Cash Balance	0%	74,382,763	-
Balance With Nepal Rastra Bank	0%	305,601,002	-
Gold	0%	-	-
Investment in Nepalese Government Securities	0%	582,800,000	-
All Claims on Government of Nepal	0%	-	-
Investment in Nepal Rastra Bank securities	0%	-	-
All claims on Nepal Rastra Bank	0%	-	-
Claims on Foreign Government and Central Bank (ECA 0-1)	0%	-	-
Claims on Foreign Government and Central Bank (ECA -2)	20%	-	-
Claims on Foreign Government and Central Bank (ECA -3)	50%	-	-

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
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	20%	-	-
Claims on domestic banks that do not meet capital adequacy requirements	100%	-	-
Claims on foreign bank (ECA Rating 0-1)	20%	-	-
Claims on foreign bank (ECA Rating 2)	50%	-	-
Claims on foreign bank (ECA Rating 3-6)	100%	-	-
Claims on foreign bank (ECA Rating 7)	150%	-	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	20%	-	-
Claims on Domestic Corporates	100%	921,281,340	921,281,340
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)	75%	1,013,177,140	759,882,855
Claims fulfilling all criterion of regularity retail except granularity	100%	-	-
Claims secured by residential properties	60%	669,073,880	401,444,328
Claims not fully secured by residential properties	150%	-	-
Claims secured by residential properties (Overdue)	100%	3,823,000	3,823,000
Claims secured by Commercial real estate	100%	138,890,000	138,890,000
Past due claims (except for claims secured by residential properties)	150%	-	-
High Risk claims	150%	788,032,900	1,182,049,350
Lending Against Securities (Bonds & Shares)	100%	-	-
Investments in equity and other capital instruments of institutions listed in stock exchange	100%	143,096,100	143,096,100
Investments in equity and other capital instruments of institutions not listed in the stock exchange	150%	983,000	1,474,500
Staff loan secured by residential property	50%	-	-
Interest Receivable/claim on government securities	0%	-	-
Cash in transit and other cash items in the process of collection	20%	444,000	88,800
Other Assets (as per attachment)	100%	206,563,116	206,563,116
Total On-Balance-sheet Items (A)		4,848,148,241	3,758,593,389

Off-balance sheet Items

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
Revocable Commitments	0%	-	-
Bills Under Collection	0%	-	-
Forward Exchange Contract Liabilities	10%	-	-
LC Commitments With Original Maturity Upto 6 months domestic counter-party	20%	-	-
Foreign counterparty (ECA Rating 0-1)	20%	-	-
Foreign counterparty (ECA Rating 2)	50%	-	-

Particulars	Weight (%)	Amount (NPR)	Risk weighted Assets
Foreign counterparty (ECA Rating 3-6)	100%	-	-
Foreign counterparty (ECA Rating 7)	150%	-	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	50%	-	-
Foreign counterparty (ECA Rating 0-1)	20%	-	-
Foreign counterparty (ECA Rating 2)	50%	-	-
Foreign counterparty (ECA Rating 3-6)	100%	-	-
Foreign counterparty (ECA Rating 7)	150%	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	50%	-	-
Foreign counterparty (ECA Rating 0-1)	20%	-	-
Foreign counterparty (ECA Rating 2)	50%	-	-
Foreign counterparty (ECA Rating 3-6)	100%	-	-
Foreign counterparty (ECA Rating 7)	150%	-	-
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	100%	15,577,224	15,577,224
Financial Guarantee	100%	-	-
Acceptances and Endorsements	100%	-	-
Unpaid portion of Partly paid shares and Securities	100%	-	-
Irrevocable Credit commitments (short term)	20%	-	-
Irrevocable Credit commitments (long term)	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 Off-Balance-sheet Items (B)		15,577,224	15,577,224

Crisk Weighted Exposure For Operational Risk Amount in NPR

Particulars	2074/075	2075/076	2076/077
Net Interest Income	150,801,880	182,601,679	207,759,317
Commission and Discount Income	1,134,220	35,848,726	32,190,805
Other Operating Income	29,846,400	3,000,741	7,533,724
Exchange Fluctuation Income	-	-	-
Addition/Deduction in Interest Suspense during the period	-	-	-
Gross income (a)	181,782,500	221,451,146	247,483,846
Alfa (b)	15%	15%	15%
Fixed Percentage of Gross Income [c=(a×b)]	27,267,375	33,217,672	37,122,577
Capital Requirement for operational risk (d) (average of c)			32,535,874.58
Risk Weight (reciprocal of capital requirement of 10%) in times (e)			10
Equivalent Risk Weight Exposure C= [f=(d×e)]			325,358,746
Total Risk Weighted Exposure (A) + (B)+ (C)		4,863,725,465	4,099,529,359

b. Amount of NPAs (both gross and net)

Amount in NPR

Particulars	ASHAD 2077		ASAHD 2076	
	Gross NPA	Net NPA	Gross NPA	Net NPA
Restructure/Rescheduled loan	-	-	-	-
Sub-standard loan	17,167,387	12,875,540	1,940,000	1,455,000
Doubtful loan	8,329,034	4,164,517	21,601,000	10,800,500
Loss Loan	36,039,920		12,653,913	-
Total	61,536,341		36,194,913	12,255,500

Ratio of non-performing assets as per regulatory classification

Particulars	%	%
Gross NPA to gross loans and advance	1.73%	1.14%
Net NPA to Net Loan and Advance	0.49%	0.39%

Details of loan loss provision

Amount in NPR

Particulars	ASHAD END 2077	ASHAD END 2076
Pass Loan	33,564,728	31,625,872
Watchlist	8,465,051	1,385,419
Rescheduled / Restructured		-
Sub-Standard	4,291,847	485,000
Doubtful	4,164,517	10,800,500
Loss	36,039,920	12,653,913
Additional		-
Total	86,526,064	56,950,704

Details of loan Classification

Particulars	ASHAD END 2077	ASHAD END 2076
Pass Loan	3,356,472,831	3,162,587,200
Watchlist	169,301,030	27,708,380
Rescheduled / Restructured	-	
Sub-Standard	17,167,387	1,940,000
Doubtful	8,329,034	21,601,000
Loss	36,039,920	12,653,913
Additional		
Total	3,587,310,202	3,226,490,493

3. Compliance with external requirement

The finance company is required to maintain a paid up capital of Rs. 800,000,000 as per Monetary Policy 2015/16. The paid-up share capital is Rs. 823,397,859 as on Ashad 31, 2076 and has complied with this requirement.

Note 5.3 – Classification of financial assets and financial liabilities

1. The following presents the classification of financial assets and liabilities.

Amount in NPR '000

Particulars	Note	As on 15 July 2020		As on 16 July 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets		“000”	“000”	“000”	“000”
Measured at amortized cost					
Cash and cash equivalent	4.1	885,255	885,255	926,077	926,077
Due from Nepal Rastra Bank	4.2	305,601	305,601	207,180	207,180
Other Trading Assets - Government Bonds	4.5	-	-	-	-
Loans and advances to BFIs	4.6	91,080	91,080	86,130	86,130
Loans and advances to customers	4.7	3,470,989	3,470,989	3,105,627	3,105,627
Government bonds	4.8	582,800	582,800	156,314	156,314
Account receivable	4.16	10,988	10,988	3,006	3,006
Sub-total		5,346,713	5,346,713	4,484,333	4,484,333
Measured at fair value through profit and loss (FVTPL)					
Investment in equity instruments	4.5	-	-	-	-
Investment in units of mutual fund	4.5	-	-	-	-
Sub-total		-	-	-	-
Measured at fair value through other comprehensive income (FVTOCI)					
Investment in equity instruments	4.8	158,934	158,934	127,293	127,293
Sub-total					
Total financial assets		5,505,647	5,505,647	4,611,626	4,611,626
Financial liabilities					
Measured at amortized cost					
Due to BFIs	4.17	-	-	-	-
Due to Nepal Rastra Bank	4.18	(703)	(703)	4,496	4,496
Deposits from customers	4.20	4,516,249	4,516,249	3,651,286	3,651,286
Bills payable	4.23	-	-	-	-
Creditors and accruals	4.23	3,071	3,071	2,790	2,790
Interest payable on deposits	4.23	3,821	3,821	11,496	11,496
Interest payable on borrowings	4.23	-	-	-	-
Unpaid dividend	4.23	50	50	74	74
Total financial liabilities		4,522,488	4,522,488	3,670,142	3,670,142

2. The following presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis

Amount in NPR

Particulars	Fair value hierarchy (level)	ASHAD END 2077	ASHAD END 2076
Financial assets			
Measured at fair value through profit or loss			
Equity securities – quoted	1	-	-
Units of mutual fund – quoted	1	-	-
Sub-total		-	-

Particulars	Fair value hierarchy (level)	ASHAD END 2077	ASHAD END 2076
Measured at fair value through other comprehensive income			
Equity securities – quoted	1	156,355,403	113,819,865
Equity securities – unquoted	3	2,578,274	13,473,600
Sub-total		158,933,677	127,293,465
Measured at amortised cost			
Due from Nepal Rastra Bank	3	305,601,002	207,179,720
Government bonds	3	582,800,000	156,314,061
Loan and advances to BFIs	3	91,080,000	86,130,000
Loans and advances to customers	3	3,470,988,517	3,105,626,720
Sub-total		4,450,469,519	3,555,250,501
Total financial assets		4,609,403,196	3,682,543,966
Financial liabilities			
Measured at amortised cost			
Due to Nepal Rastra Bank	3	(702,621)	4,495,815
Deposits from customers	3	4,516,248,512	3,651,286,276
Total financial liabilities		4,515,545,892	3,655,782,091

The carrying amounts of cash and cash equivalents, account receivable, due to bank and financial institutions, bills payables, creditors and accruals, interest payable on deposits and borrowings and unpaid dividend are same as their fair values, due to their short-term nature.

Note 5.4 – Operating segment information

1. General information

The finance company has identified segments on the basis of each geographical presence in seven provinces. The finance company has presence in three provinces namely; Province 2, Province 3 and Province 5.

2. Information about profit or loss, assets and liabilities

i. For the financial year 2076-77

Amount in NPR

	Province 2	Province 3	Province 5	TOTAL
a. Revenues from external customers	77,745,797	456,131,376	75,808,284	609,685,457
b. Intersegment revenue/(expenses)	-	-	-	-
c. Gross Revenue	77,745,797	456,131,376	75,808,284	609,685,457
d. Interest Revenue	71,488,398	427,102,613	71,369,917	569,960,928
e. Interest Expenses	9,512,107	344,043,079	8,646,425	362,201,611
f. Net interest Revenue	61,976,291	83,059,534	62,723,492	207,759,317
g. Other Income	-	5,129,679	8,466	5,138,145
h. Other Expenses	8,620,599	73,980,532	9,300,310	91,901,441
i. Depreciation & Amortization	2,080,323	5,798,338	743,860	8,622,521
j. Segment Profit/(Loss)	57,557,143	3,944,754	57,125,689	118,627,586
k. Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-
l. Other material non-cash items	-	-	-	-
m. Impairment of assets	-	28,475,341	-	28,475,341

	Province 2	Province 3	Province 5	TOTAL
n. Segment assets	638,839,563	4,453,465,519	546,815,249	5,639,120,331
o. Segment liabilities	530,068,455	3,662,573,644	372,940,490	4,565,582,588

ii. For the financial year 2076-77

Amount in NPR

Particulars	Province 2	Province 3	Province 5	Total
a. Revenues from external customers	53,665,345	416,687,637	64,608,606	534,961,588
b. Intersegment revenue/ (expenses)	-	-	-	-
c. Gross Revenue	53,665,345	416,687,637	64,608,606	534,961,588
d. Interest Revenue	48,551,286	388,178,393	59,382,442	496,112,121
e. Interest Expenses	2,118,641	303,945,791	7,446,010	313,510,442
f. Net interest Revenue	46,432,645	84,232,602	51,936,432	182,601,679
g. Other Income	-	-	-	-
h. Other Expenses	20,643,785	53,812,504	7,844,715	82,301,004
i. Depreciation & Amortization	1,527,026	3,394,316	902,023	5,823,365
j. Segment Profit /(Loss)	29,390,658	47,089,400	48,415,858	124,895,916
k. Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-
l. Other material non-cash items	-	-	-	-
m. Impairment of assets	-	8,545,146	-	8,545,146
n. Segment assets	704,176,797	3,490,656,575	538,520,487	4,733,353,859
o. Segment liabilities	418,858,550	2,859,111,492	423,235,679	3,701,205,721

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

i. Revenue

Amount in NPR

Particulars	Current year	Previous year
Total revenues for reportable segments	609,685,457	534,961,588
Other revenues	-	-
Elimination of intersegment revenues	-	-
Entity's revenues	609,685,457	534,961,588

ii. Profit or Loss

Amount in NPR

Particulars	Current year	Previous year
Total profit or loss for reportable segments	118,627,586	124,895,916
Other profit or loss		(114,285)
Elimination of inter segment profits		-
Unallocated amounts		
Profit before tax		124,781,631

iii. Assets

Amount in NPR

Particulars	Current year	Previous year
Total assets for reportable segments	5,639,120,331	4,733,353,859
Other assets		-
Unallocated assets		-
Entity's assets	5,639,120,331	4,733,353,859

iv. Liabilities

Amount in NPR

Particulars	Current year	Previous year
Total liabilities for reportable segments	4,565,582,588	3,701,205,721
Other liabilities		-
Unallocated liabilities		-
Entity's liabilities	4,565,582,588	3,701,205,721

4. Information about geographical areas

The financial company has revenue from following geographical areas:

Amount in NPR

Particulars	Current year	Previous year
Domestic		
Province 2	77,745,797	53,665,345
Province 3	456,131,376	416,687,637
Province 5	-	64,608,606
Foreign	-	-
Total	609,685,457	534,961,588

5. Information about major customers

The revenue from a single customer does not exceed 10% or more of the total revenue of the finance company.

Note 5.5 – Share option and share based payment

The finance company does not have arrangements of share-based payment and share option as on reporting date.

Note 5.6 – Contingent Liabilities and commitments

The details of contingent liabilities and commitments has been presented in notes 4.28 of the financial statement.

Note 5.7 – Related party disclosures

The Company does not have any holding, subsidiary company and associate companies.

1. Key management personnel

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the finance company. Key management personnel include the board of directors and chief executive officer of the finance company as follows:

Name of key management personnel	Designation Current year	Designation Previous year
Mr. Sanjoj Man Shrestha	Chairman	Chairman
Mrs. Chandika Shrestha	Director	Director
Mr. Chaitya Raj Shakya	Director	Director
Dr. Kishor Hakuduwal	Director	Director
Mr. Ramesh Thapa Shrestha	Director	Director
Mr. Bidya Bhusan Dhoj Joshi	Director	Director
Mr. Krishna Pd Neupane	Independent Director	
Mr. Rajoj Man Shrestha	Chief Executive Officer	Chief Executive Officer

The related party transactions are made at terms equivalent to those that prevail in an arm's length transactions. The following table provides the total amount of transaction that has been entered into with related parties for during the reporting period.

Particulars	Current year	Previous year
With directors		
Director's sitting fees	395,000	526,000
Other Expenses	67,917	86,587
Interest paid on deposits	1,317,698	1,647,273
With chief executive officer		
Remuneration and benefits paid	6,828,058	6,230,570
Interest paid on deposits	809,389	137,356

Note 5.8 – Merger and acquisitions

During the reporting period, the finance company has not gone into merger and acquisition nor is pursuing any merger and acquisition.

Note 5.9 – Additional disclosures on non-consolidated entities

The finance company does not have any subsidiary company and therefore consolidated financial statement as per NFRS is not required to be prepared.

Note 5.10 – Events after reporting date

The events after the reporting date are all those events, whether favorable or unfavorable, which occurs between the reporting date and the date approval of the financial statements by the board of directors. During this period, there are no such events that require adjustment or additional disclosure.

Note 5.12 – Proposed Distributions (Dividend and Bonus Shares)

The board of directors in its meeting dated 12th Poush 2077 has proposed Rs.7 per share as Bonus share amounting to Rs.57,637,850.13 and Rs.3 per share as cash dividend amounting to Rs.24,701,935.77 including applicable taxes.

The amount proposed is subject to approval of Nepal Rastra Bank and subject to approval of the shareholders in the ensuing annual general meeting of the finance company.

Financial Indicator for Five Years
Institution Name: Central Finance Limited (13039)
Statement of Principal Indicators institution wise

FINANCIAL YEARS		2076-77	2075/76	2074/75	2073/74	2072/73
Indicators	Unit	Amount	Amount	Amount	Amount	Amount
Adequacy of Capital Fund on Risk Weighted Assets						
Core Capital	NPR	25.44%	26.08%	25.95%	22.97%	19.03%
Total Capital Fund	NPR	26.26%	26.90%	26.83%	23.85%	19.84%
Risk Weighted Exposure	NPR	4,099,529,358.91	3,849,552,209.00	3324268343	2769016659	1726617921
Earning Per Share (Average share outstanding)	NPR	10.49	10.57	9.31	15	31.58
Market Value Per Share	NPR	120.00	114.00	114	191	245
Book Net Worth Per Share	NPR	130.43	125.32	113.89	129.92	150.79
Net Profit Per Staff	NPR	872,261.72	906,230.74	932957.6625	1259473.839	1665238.864
Per Employee Staff Cost	NPR	510,810.41	435,385.92	590285.04	655741.4	708849.2
Number of Promotor Equity Shares	Nos.	4,219,090.63	4,219,090.63	3662654.8	2746134.8	1332489.96
Number of Public Equity Shares	Nos.	4,014,887.96	4,014,887.96	3690978.7	2460493.35	1135084.04
Number of Permanent Staffs	Nos.	84.00	56.00	65	56	42
Number of Branches	Nos.	10.00	9.00	7	5	4
Number of Extension Counters	Nos.	-	-	0	0	0
Number of ATM Machines	Nos.	4.00	3.00	0	0	0
Price Earning Ratio	Times	11.44	10.79	12.24	12.73	7.76
Dividend (including bonus) on Share Capital	Percent	10.00	7.00	7.00	8.76	23.68
Cash Dividend on Share Capital	Percent	3.00	7.00	7.00	-	1.18
Net Profit / Gross Income	Percent	14.16	16.26	15.94	23.1	27.5
Net Profit / Loans and Advances	Percent	2.42	2.73	7.19	0.67	1.18
Return on Total Assets	Percent	1.53	1.84	1.77	2.25	2.31
Return on Equity	Percent	8.04	8.43	10.15	15.00	29.69
Interest Income/ Loans and Advances	Percent	16	15.54	15.58	11.79	8.64
Exchange Gain / Total Income	Percent	0.00	0.00	0.00	0.00	0.00
Interest Expenses / Total Deposits and Borrowings	Percent	8.02	8.58	8.41	5.9	6.39
Total Operating Expenses/ Total Assets	Percent	1.78	1.86	8.07	6.33	5.1
Staff Expenses / Total Operating Expenses	Percent	58.36	58.13	13.84	15.52	18.35
Staff Bonus / Total Staff Expenses	Percent	15.73	18.70	25.29	27.48	35.01
Total Credit / Deposits	Percent	78.87	87.41	84.36	88.3	122.01
Non-Performing Loans/ Total Loans	Percent	1.73	1.14	0.87	1.89	2.47
Base Rate	Percent	11.02	13.26	15.75	NA	NA
Weighted Average Interest Rate Spread	Percent	4.97	4.82	4.18	5.1	5.68
CRR	Percent	7.15	5.67	8.67	8.09	6.94

CENTRAL FINANCE LTD.
Condensed Statement of financial position
As on quarter ended Ashad 2077

ASSETS	NOTE	Variance				Reason for variance
		As per UnAudited Financial	As per Audited Financial	In Amount	in %	
Cash and cash equivalent	4.1	885,255,062	885,255,062	-	-	
Due from Nepal Rastra Bank	4.2	305,601,002	305,601,002	-	-	
Placement with Bank and Financial Institutions	4.3	-	-	-	-	
Derivative financial instruments	4.4	-	-	-	-	
Other trading assets	4.5	-	-	-	-	
Loans and advances to B/FIs	4.6	94,170,000	91,080,000	(3,090,000)	-3.39%	Remarks 1
Loans and advances to customers	4.7	3,468,998,462	3,470,988,517	1,990,055	0.06%	Remarks 2
Investment securities	4.8	739,439,003	741,733,677	2,294,674	0.31%	Remarks 3
Current tax assets	4.9	3,606,477	3,977,035	370,558	9.32%	Remarks 4
Investment in subsidiaries	4.10	-	-	-	-	
Investment in associates	4.11	-	-	-	-	
Investment property	4.12	8,239,662	8,239,662	-	-	
Property Plant and Equipment	4.13	101,386,204	102,924,988	1,538,785	1.50%	Remarks 5
Goodwill and Intangible assets	4.14	824,243	566,882	(257,360)	-45.40%	Remarks 6
Deferred tax assets	4.15	3,861,369	3,638,782	(222,587)	-6.12%	Remarks 7
Other assets	4.16	25,417,256	25,424,072	6,816	0.03%	Remarks 8
TOTAL ASSETS		5,636,798,739	5,639,429,680	2,630,940		

LIABILITIES	NOTE					
Due to Bank and Financial Institutions	4.17	-	-	-	-	
Due to Nepal Rastra Bank	4.18	(702,621)	(702,621)	-	-	
Derivative financial instruments	4.19	-	-	-	-	
Deposits from customers	4.20	4,516,248,512	4,516,248,512	-	-	
Borrowing	4.21	-	-	-	-	
Current Tax Liabilities	4.9	-	-	-	-	
Provisions	4.22	-	-	-	-	
Deferred tax liabilities	4.15	-	-	-	-	
Other liabilities	4.23	48,768,714	49,926,694	1,157,980	2.32%	Remarks 9
Debt securities issued	4.24	-	-	-	-	
Subordinated Liabilities	4.25	-	-	-	-	
TOTAL LIABILITIES		4,564,314,606	4,565,472,586			

EQUITY						
Share Capital	4.26	823,397,859	823,397,859	-	-	
Share premium		442,546	442,546	-	-	
Retained Earnings		55,522,765	88,011,900	32,489,135	36.91%	Remarks 10
Reserves	4.27	193,120,964	162,104,789	(31,016,175)	-19.13%	Remarks 11
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS		1,072,484,134	1,073,957,094	1,472,960		
NON-CONTROLLING INTEREST		-	-	-	-	
TOTAL EQUITY		1,072,484,134	1,073,957,094	1,472,960	0.14%	

CENTRAL FINANCE LTD.
Condensed Statement of profit or loss
For the quarter ended Ashad 2077

IN NPR

Particulars	NOTE	Variance				Reason for variance
		As per Un Audited Financial	As per Audited Financial	In Amount	in %	
Interest income	4.29	569,434,936	569,960,928	525,992	0.09%	Remarks 12
Interest expense	4.30	362,201,611	362,201,611	-	-	
Net interest income		207,233,325	207,759,317			
Fee and commission income	4.31	32,135,304	32,190,805	55,501	0.17%	Remarks 13
Fee and commission expense	4.32	-	-	-	-	
Net fee and commission income		32,135,304	32,190,805			
Net interest, fee and commission income		239,368,629	239,950,122			
Net trading income	4.33	-	-	-	-	
Other operating income	4.34	7,533,724	7,533,724	-	-	
Total operating income		246,902,353	247,483,846			
Impairment charge/(reversal) for loans and other losses	4.35	28,475,414	29,575,359	1,099,945	3.72%	Remarks 14
Net operating income		218,426,939	217,908,487			
Operating expense						
Personnel expenses	4.36	63,817,037	64,196,083	379,046	0.59%	Remarks 15
Other operating expenses	4.37	27,355,297	27,452,313	97,016	0.35%	Remarks 16
Depreciation & Amortization	4.38	8,457,643	8,622,521	164,878	1.91%	Remarks 17
Operating Profit		118,796,962	117,637,570			
Non operating income	4.39	3,645,383	5,138,145	1,492,762	29.05%	Remarks 18
Non operating expense	4.40	127,707	143,043	15,336	10.72%	Remarks 19
Profit before income tax		122,314,638	122,632,672			
Income tax expense	4.41					
Current Tax expenses		36,694,391	36,373,016	(321,375)	-0.88%	Remarks 20
Deferred Tax Expenses/(Income)		-	(94,255)	(94,255)	-	
Profit for the period		85,620,246	86,353,911			

Remarks	
1	Reclassification as per NRB.
2	Reclassification as per NRB.
3	Interest Accrued on NRB Bond was booked seperately.
4	Effect due to chage in Income tax computation.
5	Adjustment due to PY difference .
6	Software older than 5 years are written off.
7	Effect of Actuarial valuation.
8	Reclassification as per Auditor.
9	Ommitted Liabilty booked.
10	Transfer of Reserve amount to retained earning as per NRB.
11	Transfer of Reserve amount to retained earning as per NRB.
12	Bank Interest difference amount booked during Audit.
13	Commission difference amount booked during Audit.
14	Addition of Loan Loss provision during Audit.
15	Expenses ommitted booked during Audit.
16	Expenses ommitted booked during Audit.
17	Sort depreciation booked during Audit.
18	Adjustment due to PY difference .
19	Income ommitted booked during Audit.
20	Recomputation during Tax Audit.

CENTRAL FINANCE LTD.
Condensed Statement of Financial Position
As on quarter ended ASHOJ 2077

ASSETS	NOTE	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	4.1	897,028,360	885,255,062
Due from Nepal Rastra Bank	4.2	712,444,008	305,601,002
Placement with Bank and Financial Institutions	4.3	-	-
Derivative financial instruments	4.4	-	-
Other trading assets	4.5	-	-
Loans and advances to B/FIs	4.6	100,980,000	91,080,000
Loans and advances to customers	4.7	3,411,752,565	3,470,988,517
Investment securities	4.8	976,886,128	741,733,677
Current tax assets	4.9	465,740	3,977,035
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	-	-
Investment property	4.12	8,239,662	8,239,662
Property Plant and Equipment	4.13	110,607,239	102,924,988
Goodwill and Intangible assets	4.14	824,243	566,882
Deferred tax assets	4.15	-	3,638,782
Other assets	4.16	50,545,834	25,424,072
TOTAL ASSETS		6,269,773,779	5,639,429,680

LIABILITIES	NOTE	This Quarter Ending	ASHAD END 2077
Due to Bank and Financial Institutions	4.17	-	-
Due to Nepal Rastra Bank	4.18	(2,286,339)	(702,621)
Derivative financial instruments	4.19	-	-
Deposits from customers	4.20	5,079,918,146	4,516,248,512
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred tax liabilities	4.15	18,837,850	-
Other liabilities	4.23	39,427,480	49,926,694
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
TOTAL LIABILITIES		5,135,897,137	4,565,472,586

EQUITY			
Share Capital	4.26	823,397,859	823,397,859
Share premium		442,546	442,546
Retained Earnings		50,966,731	88,011,900
Reserves	4.27	259,069,505	162,104,789
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS		1,133,876,641	1,073,957,094
NON-CONTROLLING INTEREST		-	-
TOTAL EQUITY		1,133,876,641	1,073,957,094

TOTAL LIABILITIES & EQUITY		6,269,773,779	5,639,429,680
---------------------------------------	--	----------------------	----------------------

CENTRAL FINANCE LTD.
Condensed Statement of profit or loss
For the quarter ended ASHOJ 2077

IN NPR

Particulars	NOTE	Current Year		Previous Year Corresponding	
		This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	4.29	147,032,381	147,032,381	139,412,676	139,412,676
Interest expense	4.30	98,796,944	98,796,944	87,537,856	87,537,856
Net interest income		48,235,437	48,235,437	51,874,820	51,874,820
Fee and commission income	4.31	6,461,680	6,461,680	6,934,544	6,934,544
Fee and commission expense	4.32	-	-	-	-
Net fee and commission income		6,461,680	6,461,680	6,934,544	6,934,544
Net interest, fee and commission income		54,697,117	54,697,117	58,809,364	58,809,364
Net trading income	4.33	509,048	509,048	-	-
Other operating income	4.34	6,540,686	6,540,686	6,022,574	6,022,574
Total operating income		61,746,851	61,746,851	64,831,938	64,831,938
Impairment charge/(reversal) for loans and other losses	4.35	28,917,392	28,917,392	1,926,095	1,926,095
Net operating income		32,829,459	32,829,459	62,905,843	62,905,843
Operating expense					
Personnel expenses	4.36	12,060,042	12,060,042	16,121,698	16,121,698
Other operating expenses	4.37	7,196,149	7,196,149	6,629,630	6,629,630
Depreciation & Amortization	4.38	2,705,230	2,705,230	1,343,158	1,343,158
Operating Profit		10,868,037	10,868,037	38,811,357	38,811,357
Non operating income	4.39	-	-	3,135,000	3,135,000
Non operating expense	4.40	368,193	368,193	23,270	23,270
Profit before income tax		10,499,844	10,499,844	41,923,087	41,923,087
Income tax expense	4.41				
Current Tax expenses		3,149,953	3,149,953	12,576,926	12,576,926
Deferred Tax Expenses/(Income)		-	-	-	-
Profit for the period		7,349,891	7,349,891	29,346,161	29,346,161

CENTRAL FINANCE LTD.
Statement of comprehensive income
For the quarter ended ASHOJ 2077

IN NPR

Particulars	NOTE	Current Year		Previous Year Corresponding	
		This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Profit for the year		7,349,891	7,349,891	29,346,161	29,346,161
Other comprehensive income, net of income tax					
a) Items that will not be reclassified to profit or loss					
Gains/(Losses) from investments in equity instruments measured at fair value		76,062,600	76,062,600	-	-
Gains/(Losses) on revaluation		-	-	-	-
Actuarial gain/(loss) on defined benefit plans		-	-		
Income tax relating to above terms		(22,818,780)	(22,818,780)	-	-
Net other comprehensive income that will not be reclassified to profit or loss		53,243,820	53,243,820	-	-
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 terms		-	-	-	-
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 year, net of income tax		53,243,820	53,243,820	-	-
Total comprehensive income for the period		60,593,711	60,593,711	29,346,161	29,346,161
Basic earnings per share		0.89	0.89	3.56	3.56
Diluted earnings per share		0.89	0.89	3.56	3.56
Total comprehensive income attributable to:		60,593,711	60,593,711	29,346,161	29,346,161
Equity holders of the bank		60,593,711	60,593,711	29,346,161	29,346,161
Non-controlling interest					
Total comprehensive income for the period		60,593,711	60,593,711	29,346,161	29,346,161

धितोपत्र दर्ता निष्काशन नियमावली २०७३ को अनुसूची १४

Particulars	ASHOJ 2077	Asad 2077
Liquidity (CRR)	46.11%	39.27%
Value of per share on total assets	761.45	684.58
Number of equity shares	8233978.59	8233978.59
Earnings per share (Annualized)	3.57	10.40
Net worth per share	137.71	130.25
Price earnings ratio	35.29	11.54
Closing Price	126	120

CENTRAL FINANCE LTD.
Ratios as per NRB Directive

Particulars	Current year		Previous year	
	This quarter	Upto this quarter (YTD)	This quarter	Upto this quarter (YTD)
Capital fund to RWA		21.79%		26.26%
Non-performing loan (NPL) to total loan		4.37%		1.73%
Total loan loss provision to Total NPL		73.89%		140.61%
Cost of Funds		7.97%		8.54%
CCD Ratio (As per NRB Directives)		58.40%		63.69%
Base Rate		10.20%		11.02%
Interst Rate Spread		4.94%		4.97%



नेपाल राष्ट्र बैंक
वित्त कम्पनी सुपरिवेक्षण विभाग
गैर-स्थलगत सुपरिवेक्षण इकाई



केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं
फोन : ४४९९८०४/४४९९२५०
फ्याक्स : ४४९५९५८
इमेल : fsidreportsfc@nrb.org.np
Web : www.nrb.org.np
पोष्ट बक्स : ७३

पत्रसंख्या:- वि.कं.सु.वि./अफसाइट/एजिएम/१०/२०७७-७८/१३०

मिति २०७७/०९/२३

श्री सेन्ट्रल फाइनेन्स लिमिटेड
कुपन्डोल, ललितपुर ।

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

महाशय,

तहाँबाट पेश गरिएका वित्तीय विवरण तथा अन्य कागजातका आधारमा आ.व. २०७६/७७ को वार्षिक हिसाब वार्षिक साधारण सभामा स्वीकृतिको लागि पेश गरी सार्वजनिक गर्न र प्रस्तावित नगद लाभांश रु.२,४७,०९,९३५।७७ र बोनस शेयर रु.५,७६,३७,८५०।९३ आयकर ऐन/नियमावली तथा अन्य प्रचलित कानुनी व्यवस्थाको समेत पालना गर्ने गरी वार्षिक साधारण सभाबाट स्वीकृत भए पश्चात् मात्रै वितरण गर्न देहायको निर्देशन सहित सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध गर्दछु ।

१. यस बैंकले दिएका निर्देशन पालना गर्न तथा लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरु सुधार गर्न तथा त्यस्ता कैफियतहरु पुनः दोहोरिन नदिने व्यवस्था गर्नुहुन ।
२. नियमित रुपमा System Audit गर्ने व्यवस्था मिलाउनु हुन ।
३. सम्पत्ति शुद्धीकरण (मनी लाउण्डरिङ्ग) निवारण ऐन, २०६४ (दोस्रो संशोधन, २०७०), सम्पत्ति शुद्धीकरण (मनि लाउण्डरिङ्ग) निवारण नियमावली, २०७३ तथा नेपाल राष्ट्र बैंकबाट जारी भएको एकीकृत निर्देशन तथा परिपत्रका व्यवस्थाहरुको पूर्ण पालना गर्न संचालक समिति र प्रमुख कार्यकारी अधिकृतको ध्यानाकर्षण गराइन्छ ।

उपर्युक्त निर्देशनहरुलाई त्यस संस्थाको वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्नु हुन समेत अनुरोध गर्दछु ।

भवदीय,

(बाल कुमार थापा)
सहायक निर्देशक

बोधार्थ :

१. नेपाल राष्ट्र बैंक
बैंक तथा वित्तीय संस्था नियमन विभाग ।
२. वित्त कम्पनी सुपरिवेक्षण विभाग, प्रतिवेदन कार्यान्वयन इकाई, श्री सेन्ट्रल फाइनेन्स लिमिटेड ।



सेन्ट्रल फाईनान्स लिमिटेड
CENTRAL FINANCE LIMITED
Serving Your Financial Needs

Head Office: Kupondole, Lalitpur
Tel. : 5544517, 5552126, 5522289, 5536420
Fax: 977-01-5540842, P.O. Box No. 7062 (Ktm.)
E-mail: central@ntc.net.np
Web: www.centralfinance.com.np

(नेपाल राष्ट्र बैंकबाट 'ग' वर्गको इजाजत पत्र प्राप्त संस्था)

च.नं.: ६०३/२०७७/७८



मिति: २०७७/१०/०५

श्री नेपाल राष्ट्र बैंक,
वित्त कम्पनी सुपरिवेक्षण विभाग
बालुवाटार, काठमाडौं ।

विषय : वित्तीय विवरण प्रकाशन गर्न स्वीकृति दिंदा जारी भएका निर्देशन सम्बन्धमा ।

महाशय,

त्यस विभागको मिति २०७७/०९/२३, पत्र संख्या वि.क.सु.वि./अफसाइट/एजिएम/१०/२०७७-७८/१३० को पत्र प्राप्त भई व्यहोरा अवगत भयो ।

उक्त पत्रमा उल्लेखित निर्देशनको सम्बन्धमा यस संस्थाको सञ्चालक समितिमा छलफल भई संस्थाको प्रतिक्रिया निम्न बमोजिम भएको व्यहोरा अनुरोध छ ।

१. त्यस बैंकले दिएका निर्देशन पालना गर्न तथा लेखा परिक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरु सुधार गरी त्यस्ता कैफियतहरु पुनः दोहोरिन नदिने व्यवस्था मिलाइएको व्यहोरा अनुरोध छ ।
२. निर्देशन बमोजिम System Audit गरिने छ ।
३. सञ्चालक समिति र प्रमुख कार्यकारी अधिकृतको ध्यानाकर्षण भएको जानकारी अनुरोध छ ।

भवदीय,

(रजो ज मान श्रेष्ठ)
प्रमुख कार्यकारी अधिकृत

बोधार्थ :

१. श्री नेपाल राष्ट्र बैंक
बैंक तथा वित्तीय संस्था नियमन विभाग
बालुवाटार, काठमाडौं ।
- ✓ २. श्री नेपाल राष्ट्र बैंक
वित्त कम्पनी सुपरिवेक्षण विभाग, प्रतिवेदन कार्यान्वयन इकाई
बालुवाटार, काठमाडौं ।

सेन्ट्रल फाईनान्स लिमिटेडको २४औं वार्षिक साधारण सभामा पेश गरेको स्वीकृत गरेको प्रबन्धपत्रमा संशोधन सम्बन्धी तीन महले

क्रसं	दफा	साविकको व्यवस्था	संशोधन	संशोधन गर्नुपर्ने कारण
२	५ (ख)	वित्तीय संस्थाको जारी पुंजी रु. ८२,३३,९७,८५९ (अक्षरेपी बयासी करोड तेत्तीस लाख सन्तानव्ये हजार आठ सय उनसाठी मात्र) हुनेछ। उक्त पुंजीलाई १०० दरका ८२,३३,९७.५९ (बयासी लाख तेत्तीस हजार नौ सय अठहत्तर दशमलब उनसाठी) थान साधारण शेयरमा विभाजन गरिएको छ।	वित्तीय संस्थाको जारी पुंजी रु. ८८,१०,३५,७०९/१३ (अक्षरेपी अठासी करोड दश लाख पैतीस हजार सात सय नौ पैसा तेह मात्र) हुनेछ। उक्त पुंजीलाई १०० दरका ८८,१०,३५.७०९ (अठासी लाख दश हजार तीन सय सन्ताउन्न दशमलब नौ) थान साधारण शेयरमा विभाजन गरिएको छ।	रु. ५,७६,३७,८५०/१३ बोनश शेयर जारी गर्दा जारी पुंजी वृद्धि हुने भएकोले।
३	५ (ग)	वित्तीय संस्थाको चुक्ता पुंजी रु. ८२,३३,९७,८५९ (अक्षरेपी बयासी करोड तेत्तीस लाख सन्तानव्ये हजार आठ सय उनसाठी मात्र) हुनेछ। उक्त पुंजीलाई १०० दरका ८२,३३,९७.५९ (बयासी लाख तेत्तीस हजार नौ सय अठहत्तर दशमलब उनसाठी) थान साधारण शेयरमा विभाजन गरिएको छ।	वित्तीय संस्थाको चुक्ता पुंजी रु. ८८,१०,३५,७०९/१३ (अक्षरेपी अठासी करोड दश लाख पैतीस हजार सात सय नौ पैसा तेह मात्र) हुनेछ। उक्त पुंजीलाई १०० दरका ८८,१०,३५.७०९ (अठासी लाख दश हजार तीन सय सन्ताउन्न दशमलब नौ) थान साधारण शेयरमा विभाजन गरिएको छ।	रु. ५,७६,३७,८५०/१३ बोनश शेयर जारी गर्दा चुक्ता पुंजी वृद्धि हुने भएकोले।

केन्द्रिय कार्यालय

कुपण्डोल, ललितपुर, पो.ब.नं. ७०६२ (काठमाडौं)

फोन नं.: ५४४४५१७ (हन्टिङ्ग लाईन), ५४४०८४२, ५४५२१२६, ५४२२२८८, ५४३६४२०

E-mail: info@centralfinance.com.np, Website: www.centralfinance.com.np

चावहिल शाखा

चावहिल, काठमाण्डौ

फोन नं.: ०१-४४६०६२४, ४४६०८०३, ४४८४६६३

बुटवल शाखा

मिलनचोक, बुटवल

फोन नं.: ०७१-५५०३५१, ५५०३५२

बर्दिबास शाखा

बर्दिबास, महोत्तरी

फोन नं.: ०४४-५५०७३४, ५५०६२३

सिमरा शाखा

सिमरा, बारा

फोन नं.: ०५३-५२००१५, ५२००१६, ५२००६५

गोगबु गणेश स्थान शाखा

टोखा, काठमाडौं

फोन नं.: ०१-४३८२१३०, ४३८२८४०, ४३५७२४०

लालबन्दी शाखा

लालबन्दी, सर्लाही

फोन नं.: ०४६-५०१७६३, ५०१७६४

जनकपुरधाम शाखा

रामचोक, जनकपुरधाम

फोन नं.: ०४१-५९०४३६, ५९०४३७

नारायणगढ शाखा

शहीदचोक, नारायणगढ

फोन नं.: ०५६-५७०९४५, ५७१९४१, ५७१८५३

भक्तपुर शाखा

च्याम्हासिंह, भक्तपुर

फोन नं.: ०१-६६१८४७१, ६६१८४७२, ६६१९६७१

बर्दघाट शाखा

बर्दघाट, नवलपरासी

फोन नं.: ०७८-५८०८१०, ५८०८११

मिमान शाखा

भिमान, सिन्धुली

फोन नं.: ०४७-४१००४२, ४१००४४

सल्लाघारी एक्सप्रेसवे काउन्टर

सल्लाघारी, भक्तपुर

फोन नं.: ०१-६६१९६७२

डकाहा शाखा

डकाहा, सिन्धुली

फोन नं.: ९८१७८३३७१३, ९८१७८३३७५६

नयाँ खुल्न लागेका शाखाहरू

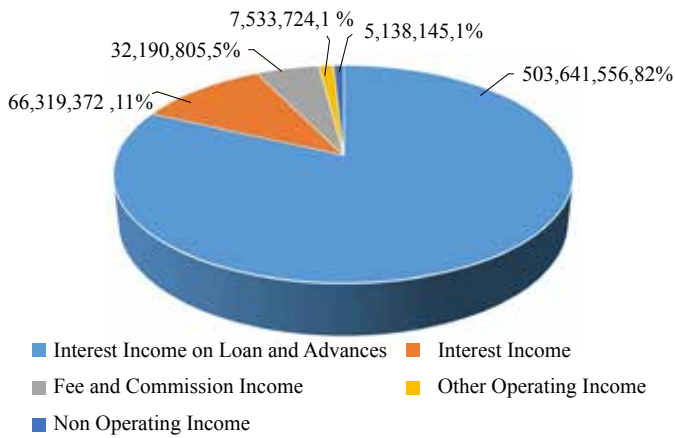
१. ईटहरी शाखा
ईटहरी, सुनसरी

२. बिर्तामोड शाखा
बिर्तामोड, भ्रपा

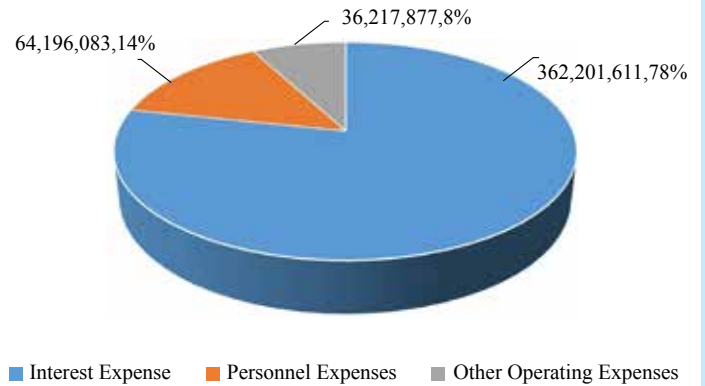
३. बीरगंज शाखा
बीरगंज, पर्सा

Financial Highlights

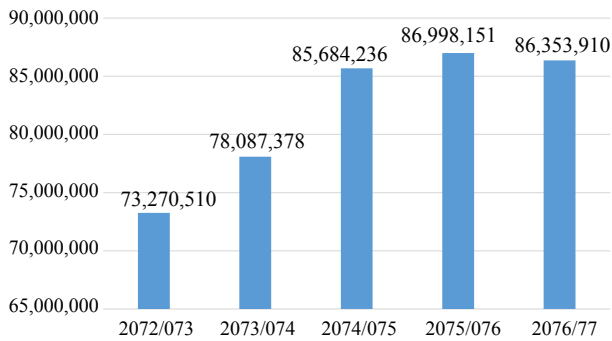
Income Structures



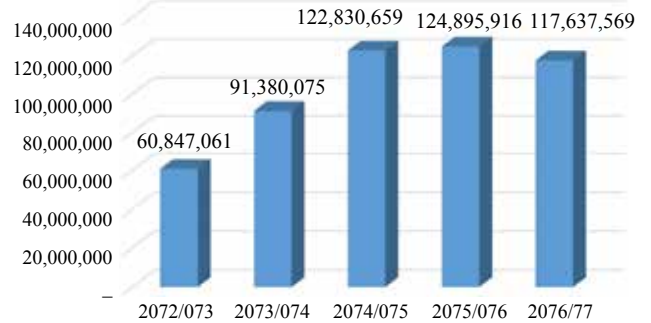
Expenses Structures



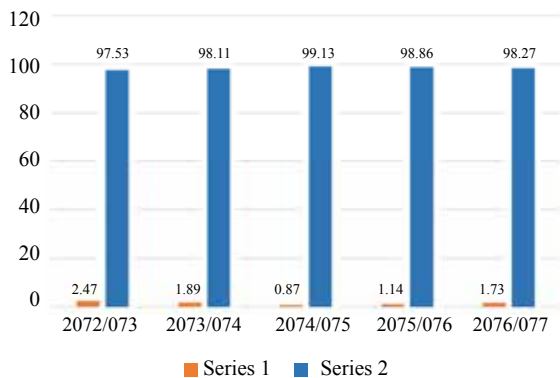
Net Profit



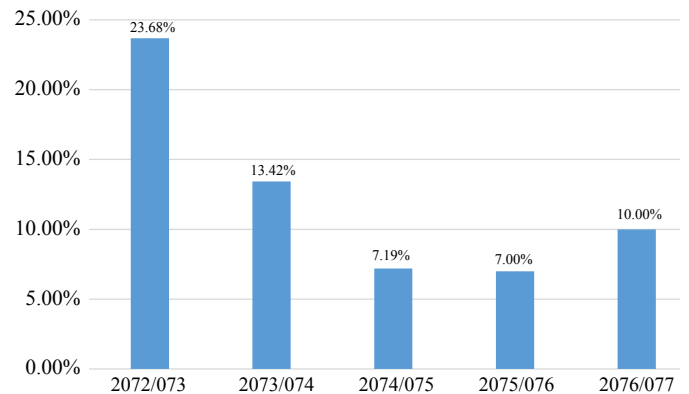
Operating Profit



Non Performing & Performing Loan



Dividend Distribution



नयाँ खुलेका शाखाहरू



सल्लाधारी एक्सटेन्सन



लालबन्दी शाखा



डकाहा शाखा

जनकपुरधाम शाखा उद्घाटन कार्यक्रम



२३ औं साधारण सभाको केहि भलकहरु



उच्च व्यवस्थापन तह



रजोर्ज ढन श्रेष्ठ

प्रढुख कर्यकररी अधरकृत/कढ्पनी सचरव



अशुकर कुढर ढुडेल

सहरयक ढहरप्रबन्धक

व्यवस्थापन तह तथा वरढरगीय प्रढुखहरु



प्रवरणन कुशुी
संवलन वरढरग



कुनरस तरढुरकर कुशुी
करुनर वरढरग



दरररेश सरहर
लेखर वरढरग



दरररेश ढदुरररर
करुनर कुखरढ वरढरग



अनरशर रकुनत
ढनव संशरधन तथर प्रशरसन वरढरग



अकुय ररकु कुशुी
सुुकनर प्रवरधर वरढरग

शरखर प्रढुखहरु



सररतर श्रेष्ठ
कररवहरल शरखर



ढधु सुदन ढुडेल
नरररररगढ शरखर



नरररररन प्रसरद श्रेष्ठ
बुटवल शरखर



करन्धी ढररर प्रकुनरत
ढक्तुपुर शरखर



गुररणकुनग थररर
बदरररवल शरखर



तुलुसी प्रसरद ढुडररल
बदररघरट शरखर



कृषुण कुढर ढनर
सररढरर शरखर



सरगर प्रधरन
ढररढरन शरखर



गुवनुद प्रसरद प्रसरद
गुगुवु गणेशस्थरन शरखर



हेढनुत लरखर
सलुलरघररी ँक्सटेनुसन



उढेश ढदुरररर
लरलबनुदी शरखर



दरररेश ढररररुडे
डकरहर शरखर



दररलरढ कुढर ररदव
कुनकपुरधरढ शरखर

संस्थाले प्रदान गर्ने सेवाहरूः

निक्षेप योजना (Deposit Scheme)

क) बचत खाता (Saving Account)

- चल्ती खाता (Current Account)
- संस्थागत/कल खाता (Corporate/Call Account)
- साधारण बचत (Normal Saving)
- सरल बचत (Simple Saving)
- ज्येष्ठ नागरिक बचत (Senior Citizenship Saving)
- महिला बचत (Mahila Saving)
- बाल बचत (Bal Saving)
- शेयरधनी बचत (Shareholder Saving)
- कर्मचारी बचत (Employee Saving)
- सञ्चयकोष बचत (Provident Fund Saving)

ख) विशेष बचत खाता (Special Saving)

बढ्दो मौज्जातमा सोही अनुसारको आकर्षक ब्याज प्राप्त गर्ने गरी खोलिने खाता

ग) क्रमिक निक्षेप योजना (Recurring Deposit Scheme)

न्यूनतम रु. ५००।- बाट खाता खोल्न सकिने, ४२ किस्ता भुक्तानी गर्दा ५० किस्ता बराबर रकम फिर्ता पाइने ।

घ) मुद्दती निक्षेप (Fixed Deposit)

३ महिनादेखि ६ वर्षसम्मका लागि विभिन्न अवधिका मुद्दती खाताहरू खोल्न सकिने ।

कर्जा तथा लगानी (Loan & Advance)

- १) आवधिक कर्जा (Term Loan)
- २) डिमाण्ड तथा अन्य चालू पूँजी कर्जा (Demand & Other Working Capital Loan)
- ३) व्यक्तिगत आवासीय घर/जग्गा कर्जा (Residential Personal Home/Land Loan)
- ४) रियल स्टेट कर्जा (Real Estate Loan)
- ५) मार्जिन कर्जा (Margin Loan)
- ६) हायरपचेज कर्जा (Hire Purchase Loan)
- ७) विपन्न वर्ग कर्जा (Deprived Sector Loan)
- ८) अधिविकर्ष कर्जा (Overdraft Loan)
- ९) अन्य प्रोडक्ट (Other Product)
 - क) शैक्षिक कर्जा (Educational Loan)
 - ख) साना तथा मझौला उद्यमी कर्जा (Small & Medium Industrial Loan)
 - ग) कृषि कर्जा (Agricultural Loan)
 - घ) व्यक्तिगत कर्जा (Personal Loan)
 - ङ) सुनचाँदी कर्जा (Gold & Silver Loan)
 - च) पर्यटन क्षेत्र कर्जा (Tourism Sector Loan)
 - छ) मुद्दती रसिद धितोमा कर्जा (Loan Against FDR)
 - ज) बण्ड/डिबेन्चर कर्जा (Loan Against Bonds/Debentures)

गैह कोषमा आधारित सुविधाहरू (Non-Fund Based Facilities)

- वित्तीय जमानतपत्र (Financial Guarantee)
- प्रत्याभूति (Underwriting)
- बिड बण्ड (Bid Bond)
- परफरमेन्स बण्ड (Performance Bond)
- अग्रिम भुक्तानी बैंक जमानी (Advance Payment Guarantee)

अन्य सेवा (Other Facilities)

- विदेशी विनिमय सटही कारोवार
- सरकारी बचत/ऋणपत्रको साँवा तथा व्याज भुक्तानी ।
- सरकारी ऋणपत्रको दोस्रो बजार मार्फत कारोबार ।

रेमिटेन्स सेवा (Remittance Service)

नेपाल भित्र तथा विदेशका विभिन्न स्थानबाट आफन्त तथा प्रियजनले पठाएको रकम बुझिलिन तथा नेपालभित्र रकम पठाउन विभिन्न रेमिट्यान्स सेवाहरूको सुविधा



सेवाहरू

- निःशुल्क ABBS सुविधा
- C-ASBA सुविधा
- Mobile Banking
- IPS सुविधा
- Debit Card सुविधा
- SMS Banking
- Remittance
- connect IPS सुविधा ।

विशेषताहरूः

- सुरक्षित, विश्वसनीय र छिटो छरितो कारोबार
- निक्षेपमा प्रत्येक तीन महिना तथा एकमुष्ट वार्षिक भुक्तानी गरिने
- शिघ्र तथा सजिलो कर्जा प्रक्रिया
- धितोको उचित मूल्यांकन
- कर्जामा घट्दो साँवा (Diminishing Balance) मा व्याज लाग्ने ।