



सेन्ट्रल फाईनान्स लिमिटेड

CENTRAL FINANCE LIMITED

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२८<sup>औ</sup>

वार्षिक प्रतिवेदन २०८०/८१

# सञ्चालक समिति



**संजोज मान श्रेष्ठ**  
अध्यक्ष  
संस्थापक समूहबाट



**चण्डिका श्रेष्ठ**  
सञ्चालक  
संस्थापक समूहबाट



**विश्वराम कवा**  
सञ्चालक  
संस्थापक समूहबाट



**विद्या भूषण ध्वज जोशी**  
सञ्चालक  
सर्वसाधारण शेयरधनीको तर्फबाट



**डा. किशोर हाकुदुवाल**  
सञ्चालक  
सर्वसाधारण शेयरधनीको तर्फबाट



**प्रनेश बाठी**  
सञ्चालक  
सर्वसाधारण शेयरधनीको तर्फबाट



**अशोक कुमार पौडेल**  
स्वतन्त्र सञ्चालक

**कानूनी सल्लाहकार**  
भिमसेन बन्जारा (अधिवक्ता)  
कमल ल एसोसियेट्स प्रा. लि.

## लेखा परीक्षक

सि.ए. मनिष अमात्य  
पार्टनर  
एन. अमात्य एण्ड कं.  
चार्टर्ड एकाउण्टेन्ट्स

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**विषय : प्रतिनिधि नियुक्त गरेको बारे ।**

.....जिल्ला.....न.पा./गा.पा., वडा नं.....बस्ने म/हामी .....  
 ..... ले त्यस संस्थाको शेयरधनीको हैसियतले मिति २०८२ साल जेष्ठ ४ गते आइतवारका दिन हुने २८ औं वार्षिक साधारण  
 सभामा म/हामी स्वयम् उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकाले उक्त सभामा भाग लिन तथा मतदान गर्नका  
 लागि .....जिल्ला.....न.पा./गा.पा., वडा नं..... बस्ने त्यस संस्थाका शेयरधनी  
 श्री ..... लाई मेरो/हाम्रो प्रतिनिधि नियुक्त गरी पठाएको छु /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 शुरू 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**

अठाइसौं 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 ।

  
 गोविन्द प्रसाद प्रसाई  
 कम्पनी सचिव





## सेन्ट्रल फाईनान्स लिमिटेडको २५ औं वार्षिक साधारण सभा सम्बन्धी सूचना

यस वित्तीय संस्थाको मिति २०८२ साल वैशाख १२ गते बसेको सञ्चालक समितिको ३५१ औं बैठकको निर्णय अनुसार यस वित्तीय संस्थाको २८ औं वार्षिक साधारण सभा निम्न विषयमा छलफल गर्न निम्न मिति, समय र स्थानमा बस्ने भएकोले शेयरधनी महानुभावहरूको जानकारीको लागि यो सूचना प्रकाशित गरिएको छ ।

### मिति, समय र स्थान :

मिति : २०८२ साल जेष्ठ ४ गते आइतबार ।

समय : बिहान १०.०० बजे

स्थान : सेन्ट्रल फाईनान्स लिमिटेड, केन्द्रीय कार्यालय भवन, कानदेवस्थान, कुपण्डोल, ललितपुर ।

### छलफलका विषयहरू :

#### (क) सामान्य प्रस्ताव

१. सञ्चालक समितिको तर्फबाट अध्यक्षज्यूले पेश गर्ने वार्षिक प्रतिवेदन पारित गर्ने बारे ।
२. लेखा परीक्षकको प्रतिवेदन सहितको २०८१ साल असार मसान्तको वासलात तथा मिति २०८०/०४/०१ देखि २०८१/०३/३१ सम्मको नाफा नोक्सान हिसाव तथा सोही अवधिको नगद प्रवाहको विवरण पारित गर्ने बारे ।
३. लेखा समितिको सिफारिस बमोजिम आर्थिक वर्ष २०८१/८२ को लागि लेखा परीक्षकको नियुक्ति र निजको पारिश्रमिक निर्धारण गर्ने बारे ।

#### (ख) विविध

सञ्चालक समितिको आज्ञाले,  
कम्पनी सचिव

## साधारण सभा सम्बन्धी जानकारी

१. यस वित्तीय संस्थाको २८ औं वार्षिक साधारण सभाको लागि कम्पनीको शेयर नामसारी, दाखिला खारेज कार्य मिति २०८२/०१/२२ गते बन्द रहने छ। साथै शेयरधनी दर्ता पुस्तिका बन्द हुनुभन्दा अघिल्लो दिनसम्म नेपाल स्टक एक्सचेन्ज लिमिटेडबाट कारोबार भई नियमानुसार नामसारी, दाखिला खारेज भई आएका शेयरधनीहरूले मात्र साधारण सभामा सहभागिता जनाउन, मतदान गर्न सक्ने छन्।
२. सभामा भाग लिनको लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले प्रतिनिधिपत्र (प्रोक्सी फारमहरू) सभा शुरू हुनुभन्दा कम्तीमा ४८ घण्टा अगाडि कार्यालय समयभित्र दर्ता गरी सक्नुपर्नेछ।
३. कम्पनीको आर्थिक विवरण समयभित्र प्राप्त नभएमा शेयरधनी महानुभावहरूले कम्पनीको वेबसाइट [www.centralfinance.com.np](http://www.centralfinance.com.np) तथा केन्द्रीय कार्यालय भवन, कानदेवस्थान, कुपण्डोल, ललितपुरबाट प्राप्त गर्न सकिने छ।
४. छलफलको विषय अन्तर्गत विविध शीर्षकमा शेयरधनी महानुभावहरूले छलफल गर्न चाहनु भएको विषयमा साधारण सभाको मितिभन्दा कम्तीमा सात (७) दिन अगावै कम्पनीको कार्यालय मार्फत कम्पनीका अध्यक्षलाई लिखित रूपमा जानकारी दिनुपर्नेछ।
५. शेयरधनीहरूले व्यक्त गरेको मन्तव्य वा जिज्ञासाको सम्बन्धमा सञ्चालक समितिका तर्फबाट सामूहिक रूपले वा समितिबाट अख्तियारी पाएका व्यक्तिले जवाफ दिन सक्नेछन्।
६. सभा सम्बन्धी अन्य जानकारीको लागि कार्यालय समयभित्र संस्थाको केन्द्रीय कार्यालयमा सम्पर्क गर्न अनुरोध छ।



## सेन्ट्रल फाईनान्स लिमिटेडको २८ औं वार्षिक साधारण सभामा सञ्चालक समितिको तर्फबाट अध्यक्ष श्री संजोज मान श्रेष्ठज्यूद्वारा प्रस्तुत वार्षिक प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

सेन्ट्रल फाईनान्स लिमिटेडको २८ औं वार्षिक साधारण सभामा भाग लिन आउनु भएका आदरणीय शेयरधनी महानुभावहरू, विभिन्न संस्थाबाट पाल्नु भएका प्रतिनिधि तथा अतिथिज्यूहरू लगायत सम्पूर्णलाई संचालक समितिको तर्फबाट यस गरिमामय सभामा हार्दिक स्वागत एवं अभिवादन व्यक्त गर्दछु ।

यहाँहरूको अमूल्य सल्लाह र सुझावहरू विगतका वर्षहरूमा भै पाईरहने विश्वासका साथ समयमै वार्षिक साधारण सभा गर्न नसकेकोमा क्षमा प्रार्थी छौं । यस वित्तीय संस्थाको २०८१ आषाढ ३१ गतेको वासलात र सोही मितिमा समाप्त आर्थिक वर्ष २०८०/८१ को नाफा नोक्सान हिसाब साथै नगद प्रवाह विवरण र सो उपर लेखापरीक्षकको प्रतिवेदन, सहितको वार्षिक प्रतिवेदन यहाँहरू समक्ष पेश गर्दछु ।

### (क) आर्थिक वर्ष २०८०/८१ को कारोबारको सिंहावलोकन

विगतका केही वर्ष देखि आर्थिक क्षेत्रमा देखिएको शिथिलता समिक्षा आर्थिक वर्ष २०८०/८१ मा पनि कायम रह्यो र अर्थतन्त्रले आशा गरे अनुरूप गति लिन सकेन । आन्तरिक अर्थतन्त्रमा समग्र वस्तु तथा सेवाको मागमा कमी आएको कारण अपेक्षाकृत गतिमा आर्थिक वृद्धि हुन नसकेकोले बैकिङ्ग क्षेत्रमा चुनौती थप हुँदै गइरहेको छ । आर्थिक शिथिलताका कारण एकातर्फ बैंक तथा वित्तीय संस्थाहरूमा अत्यधिक तरलता उत्पन्न भएको तथा व्याजदर न्यून अंकमा रहेको भएतापनि कर्जाको मागमा ह्रास आएकोछ, भने प्रतिकूल आर्थिक परिस्थितिका कारण कर्जा असुलीमा समेत समस्या बढेकोले समीक्षा वर्षमा अझ चुनौती थपिँदै गएको छ । समीक्षा वर्ष २०८०/८१ र सो भन्दा अघिल्लो आर्थिक वर्षको वित्तीय विवरण अनुसार यस वित्तीय संस्थाको तुलनात्मक अवस्था देहाय बमोजिम रहेको छ ।

### चुक्ता पूँजी तथा पूँजीकोष पर्याप्तता (Capital Adequacy):

आर्थिक वर्ष २०८०/८१ को अन्त्यमा यस वित्तीय संस्थाको चुक्ता पूँजी रु.९४ करोड ८८ लाख ७५ हजार ४ सय ५९ कायम रहेको छ । समीक्षा वर्षमा संस्थाको पूँजी संरचनामा केहि फेरवदल भएको छैन ।

### निक्षेप:

समीक्षा वर्ष २०८०/८१ मा अघिल्लो आर्थिक वर्षको निक्षेपको तुलनामा रु.७४ करोड ७९ लाख (१०.७५ प्रतिशत) ले वृद्धि गरी कूल रु.७ अर्ब ७० करोड १५ लाख निक्षेप परिचालन गरेको छ ।

### कर्जा सापटी:

कर्जा लगानीमा अघिल्लो आर्थिक वर्षको तुलनामा रु १७ करोड ४५ लाख (३.३६ प्रतिशत)ले ह्रास आई रु. ५ अर्ब १ करोड १७ लाख कर्जा लगानी रहेको छ ।

### लगानी तथा तरलता :

समिक्षा अवधीको अन्त्यमा यस संस्थाको नेपाल राष्ट्र बैंक लगायत विभिन्न बैंक तथा वित्तीय संस्थाहरूको खातामा एवं आफ्नो ढुकुटीमा रहेको मौज्जात समेत गर्दा रु. १,०४,५४,२७,१९२/०० रहेको छ । जुन गत आ.व.२०७९/०८० मा रु. १,१४,७८,६८,०३१/०० रहेको थियो । यसरी तरलता गत वर्ष भन्दा

रु. १०,२४,४०,८३९/०० ले घटेको छ। यसरी नै लगानी तर्फ गत वर्ष रु. १,७१,२५,०६,६६९/०० रहेकोमा यस वर्ष रु. २,८२,८५,५०,४७९/०० रहन आएको छ। यद्यपी लगानी एवं तरलताको हिसावले गत वर्षमा रु. २,८६,०३,७४,७००/०० रहेकोमा यस आ.व. २०८०/०८१ मा रु. ३,८७,३९,७७,६७१/०० रहेको छ। जुन गत आ.व.को तुलनामा ३५.४४ प्रतिशतले बढेको छ।

#### मुनाफाको स्थिती:

समीक्षा वर्ष २०८०/८१ मा समग्र बैकिङ्ग क्षेत्रमा देखिएको आर्थिक सुस्तता, कर्जाको मागमा आएको कमी र कर्जा असुलीमा देखिएको समस्याले गर्दा कर्जा नोक्सानी व्यवस्था बढ्न गएको कारणले संस्थाको संचालन मुनाफा अघिल्लो वर्ष रु. ६,४३,१८,८०६/०० रहेकोमा यस समिक्षा वर्षमा रु. ३४,५६,३५,६६५/०० ले ऋणात्मक रहको छ।

#### (ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई परेको असर:

देशको राजनितिक तथा आर्थिक परिदृश्यका कारण कतिपय ग्राहक तथा ऋणीको व्यवसाय प्रभावित हुन पुगेको छ। केही सहकारी संस्थाहरूमा आएको संकटको आर्थिक भार बैकिङ्ग प्रणालीमा समेत परेको देखिन्छ। शेयर बजार र घर जग्गा कारोबारमा देखिएको शिथिलताको कारण ग्राहकहरूको वित्तीय चक्रमा समस्या उत्पन्न भई खराब कर्जा बढ्न गएको छ। समीक्षा वर्षमा कोभिड महामारीको दीर्घकालिन प्रभाव र रूस (युक्रेन युद्धको असर रहेकै अवस्थामा मध्यपूर्वको भू-राजनैतिक तनावका कारण विश्वको आर्थिक वृद्धि आशातित नहुने अनुमान गरिएको छ। अन्तर्राष्ट्रिय मुद्रा कोषले सन् २०२५ मा विश्व अर्थतन्त्र र विकसित अर्थतन्त्रको आर्थिक वृद्धिमा सुधार आउने र उदीयमान तथा विकासोन्मुख अर्थतन्त्रको वृद्धिदर स्थिर रहने प्रक्षेपण गरेको छ। विश्व अर्थतन्त्रको वृद्धिदर सन् २०२४ मा ३.२ प्रतिशत र सन् २०२५ मा ३.३ प्रतिशत रहने प्रक्षेपण गरिएको छ।

समीक्षा वर्ष २०८०/८१ मा विप्रेषण आप्रवाह १६.५ प्रतिशतले वृद्धि भई रु. १४ खरब ४५ अर्ब ३२ करोड पुगेको छ। अघिल्लो वर्ष विप्रेषण आप्रवाह २३.२ प्रतिशतले बढेको थियो। बैकिङ्ग प्रणालीमा अधिक तरलता रहेका कारण निक्षेप र कर्जाको ब्याज दर घट्दो क्रममा रहेको छ। समिक्षा वर्ष बैंक तथा वित्तीय संस्थाहरूबाट निजी क्षेत्रमा प्रभावित कर्जा रु. २७६ अर्ब ९४ करोड (५.८ प्रतिशत) ले बढेको छ। अघिल्लो वर्ष यस्तो कर्जा रु. १७५ अर्ब ९४ करोड (३.८ प्रतिशत) ले बढेको थियो। मुलुकको अर्थतन्त्र तथा पूँजी निर्माणमा सुधार देखिएको, पर्यटक आगमनका केहि सकारात्मक लक्षण देखिए तापनि आर्थिक मन्दीको प्रभावले बजार मांग घटेको र व्यापार व्यवसायमा नकरात्मक असर देखिएको छ। आर्थिक वर्ष २०८०/८१ मा बाह्य क्षेत्र तथा मुल्य स्थितिमा केही सुधार आएको भएतापनि मुलुकको आर्थिक गतिविधिमा शिथिलता आई सरकारी वित्त स्थिति दबावमा परेको अवस्था रहेको छ। निजी क्षेत्रतर्फ प्रवाह हुने कर्जामा सामान्य वृद्धि रहेको तर बैकिङ्ग प्रणालीको निष्कृत्य कर्जा अनुपात बढ्न गएको र सोको कारणले पनि पूँजीकोष पर्याप्ततामा कमी आई बैंक तथा वित्तीय संस्थाबाट प्रवाह हुने कर्जा सापटी अपेक्षाकृत वृद्धि हुन नसक्ने देखिन्छ। तथापी बाह्य क्षेत्रमा सुधार भई ब्याजदर घट्दो क्रममा रहेकोले कर्जाको माग बिस्तार हुने र यसबाट आर्थिक क्रियाकलाप चलायमान बनाउन सहयोग पुग्ने अपेक्षा रहेको छ। बाह्य रोजगारीमा जानेको संख्या बढेको हुनाले विप्रेषण आप्रवाह पनि सन्तोषजनक रहने अनुमान छ। यस संस्थाले आफ्नो कार्य प्रभावकारी रूपमा सञ्चालन गरी ग्राहक सन्तुष्टी, सेवाको गुणस्तरमा नयाँ नयाँ प्रविधि तथा अवसरहरूको पहिचान र प्रयोग जस्ता पक्षहरूलाई ध्यानमा राखी आन्तरिक तथा बाह्य वातावरणको विश्लेषण गर्दै आफ्ना कृयाकलापहरू सञ्चालन गर्दै अघि बढि रहेको छ।

**(ग) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धी र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा संचालक समितिको धारणा**

**प्रतिवेदन तयार भएको मितिसम्म चालु आर्थिक वर्षको उपलब्धि:**

१. विद्युतीय भुक्तानी प्रणालीमा सहज र सुरक्षित पहुँचको लागि विभिन्न सेवा प्रदायकहरूसँगको सहकार्यमा ग्राहकवर्गको बैंक खाताबाट विना चेक वा ATM कार्ड आफ्नो खाता संचालन र रकम निकाल्न QR Teller सेवा, FonePay, Nepal Pay, Smart QR मार्फत भुक्तानी सेवा, e-Sewa तथा Khalti वालेट सेवा प्रदान गर्दै आएको छ । ग्राहक वर्गको व्यवसायमा हुने कारोबारलाई विद्युतीय माध्यमबाट सहज र सर्वसुलभ बनाउने अभिप्रायले QR Merchant सेवा पनि उपलब्ध गराएको छ ।
२. संस्थाको काम कारवाहिलाई डिजिटাইजेसन गरी प्रभावकारी बनाउने क्रममा Credit Management System र Office Memo Approval System सञ्चालनमा ल्याइएको छ ।
३. संस्थाले Connect IPS, IPS, तथा RTGS सेवामा प्रदान गर्दै आएको छ ।
४. संस्थागत ग्राहकहरूलाई विद्युतीय माध्यमबाट रकमान्तर, राजश्व भुक्तानी लगायतका सेवा प्रदान गर्ने उद्देश्यले नेपाल क्लियरिङ हाउस लिमिटेडसँगको सहकार्यमा Corporate Pay सुविधा सञ्चालनमा ल्याएको छ ।
५. ATM कार्डमा ग्राहकवर्गको सुविधाको लागि पर्यावरण मैत्री Green PIN सेवाको शुरुवात गरिएकोछ ।
६. सम्पत्ति शुद्धिकरण तथा आतंकवादी क्रियाकलापमा वित्तीय लगानीको रोकथाम कार्यलाई थप प्रभावकारी बनाउन संस्थाले प्रयोग गर्दै आएको GoAML Software मा थप PEPs Screening, Negative List Screening, कर्जा सूचना केन्द्र मार्फत कालोसूचीमा परेका व्यक्ति तथा संस्थाको पहिचान गर्न सक्ने गरी GoAML System लाई परिमार्जित गरी संचालनमा ल्याएको छ ।
७. संस्थाले प्रदान गर्दै आएको Central Smart Mobile Banking मार्फत मुद्दति निक्षेप खोल्न सकिने व्यवस्था मिलाइएको छ भने निकट भविष्यमा नै Mobile Banking बाट FonePay को QR Code मा मात्र रकमान्तर कार्य भई रहेकोमा Nepal Pay, Smart QR को मार्फत विद्युतिय माध्यमबाट पनि भुक्तानी लिनदिन आवश्यक व्यवस्था मिलाइने छ ।
८. नियमानुसार निक्षेप तथा कर्जा सुरक्षण निगमसँग व्यक्तिगत निक्षेप खाताको लागि रु ५ लाख सम्मको निक्षेप विमा गराउने गरेको छ ।
९. व्यक्तिगत कर्जालाई भन्दा साना तथा मझौला व्यवसायिक (SME) कर्जालाई प्राथमिकतामा राखी कर्जा प्रवाह गर्ने गरिएको छ ।
१०. २०८१ साल चैत्र मसान्तमा संस्थाको निक्षेप रु.७ अर्ब ३७ करोड ३८ लाख, कर्जा रु.४ अर्ब ९९ करोड १९ लाख, लगानी रु.२ अर्ब ७९ करोड र नगद तथा बैंक मौज्दात रु.८८ करोड ५२ लाख ७४ हजार ८ सय ३ रहेको छ ।

**भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा**

१. संस्थाको आन्तरिक नियन्त्रण प्रणाली तथा सुशासनलाई अझ सुदृढ बनाउने छ ।
२. निक्षेप र कर्जा लगानीमा प्रतिस्पर्धी ब्याजदर कायम गरी आफ्नो ग्राहकवर्गलाई नयाँ निक्षेप र कर्जा योजनाहरू तर्जुमा गरी गुणस्तरीय र आधुनिक बैंकिङ्ग सेवा प्रदान गर्ने छ ।
३. कर्जाको गुणस्तरमा सुधार गर्ने र कर्जा विस्तारमा विविधिकरण गर्दै कृषि, घरेलु, साना उद्योग तथा विपन्न वर्गमा लगानी बढाउन प्राथमिकता दिई कर्जा लगानीका परिचालन गर्ने छ ।

४. संस्थाले आधुनिक र समय सापेक्ष सेवा प्रदान गर्ने नीति अनुरूप डिजिटल बैंकिङ्ग, डिजिटल पेमेन्ट तथा सूचना प्रविधिसंग सम्बन्धित Online Payment, QR-Payment तथा Card Transactions मा आधारित थप आधुनिक सेवा प्रदान गरिनेछ ।
५. संस्थाले ई-बैंकिङ्ग तथा एम-बैंकिङ्ग सेवा मार्फत सेवाग्राही ग्राहकवर्गले घरमै बसेर खाता खोल्न, चेकबुक अनुरोध गर्ने, KYC अद्यावधिक गर्न सकिने, जस्ता सेवाहरू थप गर्ने लक्ष्य लिएको छ ।
६. ग्राहकवर्गको सेवामा सहजताको लागि संस्थाको वेबसाईटबाटै सुविधा लिन मिल्ने गरी Chat Bot आदि थप गरी अझ ग्राहक मैत्री बनाउदै लगिने छ ।
७. संस्थाको आन्तरिक नियन्त्रण प्रणाली, जोखिम व्यवस्थापन तथा संस्थागत सुशासनलाई अझ बढी सुदृढ बनाइनेछ ।
८. विज्ञापन तथा व्यापार प्रवर्द्धन कार्यक्रमद्वारा संस्थाले आफ्नो ब्राण्ड विस्तार गरी व्यापार बढाउदै लगिने छ ।
९. विस्तारित शाखा सञ्जालसंगै दक्ष मानव संसाधनको व्यवस्था, विद्यमान कर्मचारीहरूको कार्यक्षमता अभिवृद्धि तालिममा थप प्राथमिकता दिइने छ ।

#### (घ) शाखा सञ्जालमा विस्तार

यस वित्तीय संस्थालाई थप मजबुत एवं प्रतिस्पर्धी बनाउन संस्थाको उपस्थिति नभएका तर व्यवसाय रणनीतिक दृष्टिकोणले महत्व राख्ने स्थानहरूमा संस्थाको शाखा विस्तार गर्दै जाने नीति रहेको छ । यस संस्थाका शाखा कार्यालयहरू ललितपुरको कुपण्डोलस्थित केन्द्रीय कार्यालय तथा कुपण्डोल शाखा, काठमाण्डौको चावहिल र गोंगबु गणेशस्थान, भक्तपुरको च्याम्हासिंह, चितवनको नारायणगढ, नवलपरासीको बर्दघाट, रूपन्देहीको बुटवल र भैरहवा, महोत्तरीको बर्दिबास, बाराको सिमरा, सिन्धुलीको भिमान र डकाहा, सर्लाहीको लालबन्दी, धनुषाको जनकपुर, सुनसरीको इटहरी, झापाको बिर्तामोड, पर्साको वीरगंज, मोरङको विराटनगर र रौतहटको चन्द्रनिगाहपुरमा गरी जम्मा १९ शाखाहरू र भक्तपुरको सल्लाघारीमा १ एक्सटेन्सन काउण्टरबाट आधुनिक बैंकिङ्ग सेवा पुर्याउँदै आइरहेको छ ।

#### (ङ) संस्थागत सामाजिक उत्तरदायित्व

समीक्षा आर्थिक वर्षको खुद मुनाफा ऋणात्मक रहेकोले यस कोषमा कुनै रकम सारीएको छैन ।

#### (च) कारोबारलाई असर पार्ने मुख्य कुराहरू

१. नेपाल सरकार र नेपाल राष्ट्र बैंकले बैंकिङ्ग नीति, नियम तथा निर्देशिकाहरूमा परिवर्तन गर्दा सृजना हुन सक्ने सम्भावित अवसर, चुनौती तथा जोखिमहरू ।
२. अन्तर्राष्ट्रिय बजारको प्रभावले मुलुकको आर्थिक अवस्थामा आउने परिवर्तनबाट पर्न सक्ने सम्भावित अवसर, चुनौती तथा जोखिमहरू ।
३. तरलतामा हुने उतारचढावका कारणले निक्षेप तथा कर्जा लगानीको ब्याजदरमा हुने परिवर्तन तथा निक्षेप र कर्जाको अनुपातमा आउने हेरफेरले व्यवसायमा पर्न सक्ने सम्भावित अवसर, चुनौती तथा जोखिमहरू ।
४. सूचना प्रविधिको विकास संगै जोडिएका संचालन जोखिम सम्बन्धी चुनौतीहरू ।
५. पूँजी बजार को उतार चढावबाट बैंकिङ्ग कारोबारमा पर्न सक्ने असरहरू ।
६. बैंकिङ्ग क्षेत्रमा तीव्र प्रतिस्पर्धाका कारण पर्न सक्ने नकारात्मक असरहरू ।

७. सम्पत्ति शुद्धीकरण निवारणसँग सम्बन्धित राष्ट्रिय तथा अन्तर्राष्ट्रिय नियम, कानून र अभ्यासहरूको परिपालनाको लागि संस्थाका आन्तरिक नियमन र नियन्त्रण प्रक्रियामा निहित जोखिमहरू ।
  ८. दक्ष कर्मचारीहरूको कमी एवं दक्ष कर्मचारीले संस्था छोड्दा हुन सक्ने जोखिमहरू ।
  ९. बजार अवस्थाको कारण कर्जा असुलीमा उत्पन्न जोखिमहरू ।
- यी चुनौती र अवसरहरूलाई ध्यानमा राख्दै संस्थाले आफ्नो सेवाको दायरा तथा गुणस्तर वृद्धि गर्दै लैजाने, थप सेवाहरू प्रदान गर्ने तथा नयाँ बजार र क्षेत्रहरूमा आफ्ना सेवाहरू विस्तार गर्दै लैजाने रणनीति लिएको छ ।

**(छ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण**

आर्थिक वर्ष ०८०/८१ मा सञ्चालक समितिमा कुनै हेरफेर भएको छैन ।

**(ज) लाभांश बाण्डफाण्ड गर्न सिफारिस गरिएको रकम**

समीक्षा आर्थिक वर्ष २०८०/८१ कुनै लाभांश सिफारिस गरिएको छैन । लाभांश दिन नसकेकोमा क्षमा प्रार्थी छौं ।

**(झ) कृतज्ञता तथा आभार**

यस संस्थामा निरन्तर सहयोग, प्रोत्साहन, र मार्गदर्शन प्रदान गरी यस वित्तीय संस्थाको मनोबल वृद्धि गर्न सहयोग गर्नु हुने हाम्रा आदरणीय शेयरधनी महानुभावहरू, ग्राहक महानुभावहरू, संस्थालाई प्राप्त अमूल्य मार्गदर्शनका लागि नेपाल राष्ट्र बैंक, नेपाल धितोपत्र बोर्ड, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल स्टक एक्सचेन्ज लगायतका सम्पूर्ण नियामक निकायहरू लगायत अन्य प्रत्यक्ष तथा अप्रत्यक्ष रूपमा सहयोग गर्ने सम्पूर्ण सम्बद्ध पक्षहरू र आम जनसमुदाय प्रति हार्दिक धन्यवाद तथा कृतज्ञता ज्ञापन गर्दछु । भविष्यमा पनि यहाँहरू सबैको सहयोग तथा सद्भावको अपेक्षा गर्दै यस संस्थाको प्रगतिका लागि सदैव मार्गदर्शन दिने संचालक समिति, अमूल्य श्रम शक्ति, र समयका साथ दत्तचित्तका भई निरन्तर सेवा गर्ने संस्थाका प्रमुख कार्यकारी अधिकृत लगायत सम्पूर्ण कर्मचारीहरूलाई हार्दिक धन्यवाद तथा कृतज्ञता ज्ञापन गर्दछु ।

धन्यवाद ।

(संजोज मान श्रेष्ठ)

अध्यक्ष

मिति: २०८२/०२/०४

**सेन्ट्रल फाईनान्स लिमिटेड**

**आर्थिक वर्ष २०८०/८१**

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

- क) विगत वर्षको कारोबारको सिंहावलोकन :  
सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको ।
- ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई परेको असर :  
राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई पर्ने असरहरू सञ्चालक समितिको प्रतिवेदनमा विस्तृत रूपमा उल्लेख गरिएको छ ।
- ग) प्रतिवेदन तयार भएको मितिसम्म चालू वर्षको उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा :  
सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको ।
- घ) कम्पनीको औद्योगिक वा व्यवसायिक सम्बन्ध :  
सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको ।
- ङ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण :  
सञ्चालक समितिमा हेरफेर नभएको ।
- च) कारोबारलाई असर पार्ने मुख्य कुराहरू :  
सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको ।
- छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया:  
नियमित कारोबारमा देखिएका सामान्य कैफियतबाहेक प्रचलित कानून उल्लंघन हुने कुनै नकारात्मक कुराहरू लेखापरीक्षण प्रतिवेदनमा उल्लेख भएको छैन ।
- ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम :  
सञ्चालक समितिको प्रतिवेदनमा उल्लेख गरिएको ।
- 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 वर्ष २०८०/८१ 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 वर्ष २०८०/८१ मा कुनै सहायक कम्पनी रहेको छैन । काठमाण्डौको चावहिल र गोंगबु गणेशस्थान, चितवनको नारायणगढ, रूपन्देहीको बुटवल, भक्तपुरको च्यामासिंह, महोत्तरीको बर्दिबास र नवलपरासीको बर्दघाट, बाराको सिमरा, सिन्धुलीको भिमान र डकाहा, सर्लाहीको लालबन्दी, धनुषाको जनकपुर, सुनसरीको इटहरी, भापाको विर्तामोड, रूपन्देहीको भैरहवा, पर्साको वीरगञ्ज, मोरङको विराटनगर र रौतहटको चन्द्रपुरमा शाखा कार्यालयहरू तथा भक्तपुरको सल्लाघारीमा एक्सटेन्सन काउन्टर स्थापना गरी सञ्चालन गरिएको छ ।
- ट) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन :  
संस्थाको शाखा कार्यालयहरूले वित्तीय कारोबार प्रवर्द्धनमा महत्वपूर्ण योगदान पुऱ्याएको छ ।
- ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी :  
त्यस्तो कुनै जानकारी नगरिएको ।
- ड) विगत आर्थिक वर्षमा कम्पनीका सञ्चालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी :  
आर्थिक वर्ष २०८०/८१ मा सञ्चालक तथा पदाधिकारीहरू कोही पनि कम्पनीको शेयर कारोबारमा संलग्न रहेको जानकारी प्राप्त गरेको छैन ।



- ढ) विगत आर्थिक वर्षमा कम्पनीसाग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत 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 आफैले खरिद गरेको छैन ।
- त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण :  
संस्थाले पुमोरी प्लस बैकिङ्ग सफ्टवेयर प्रयोग गरी सम्पूर्ण हिसाब किताब तथा लेखा कम्प्युटराइज प्रविधिमा राखेको छ र स्वतन्त्र आन्तरिक लेखापरीक्षकको व्यवस्था छ । कम्प्युटराइज्ड प्रविधिमा आन्तरिक नियन्त्रण प्रणाली प्रभावकारी रहेको छ । विभिन्न तहमा सम्पन्न हुने काम कारवाही एक तह माथिको कर्मचारीबाट परीक्षण हुने व्यवस्था मिलाएको छ । संस्थामा जोखिम व्यवस्थापन समिति, सम्पत्ति शुद्धीकरण समिति र लेखा परीक्षण समिति समेत रहेको छ । संस्थाले KYC को मापदण्ड तथा सम्पत्ति शुद्धीकरण विरोधी (Anti Money Laundering) सम्बन्धी नीति प्रचलित कानून तथा नेपाल राष्ट्र बैकबाट जारी निर्देशनका आधारमा तर्जुमा गरी लागू गरेको छ ।
- थ) विगत आर्थिक वर्षको कूल व्यवस्थापन खर्चको विवरण :  
आर्थिक वर्ष २०८०/८१ मा यस संस्थाको कूल व्यवस्थापन खर्चमा कर्मचारी खर्च रु.९ करोड २४ लाख ३८ हजार ७ सय ९१ र अन्य संचालन खर्च रु.६ करोड ९८ लाख २६ हजार ६ सय ९६ रहेको छ ।
- द) लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको पारिश्रमिक भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण :  
लेखापरीक्षण समितिमा गैर कार्यकारी सञ्चालक डा.किशोर हाकुदुवाल संयोजक, सञ्चालक श्री विद्या भूषण ध्वज जोशी, सञ्चालक श्री प्रनेश बाटी र लेखा अधिकृत रोजिना श्रेष्ठ सदस्य रहनु भएको छ । बैठक भत्ता बाहेक लेखा परीक्षण समितिका सदस्यहरूलाई कुनै पारिश्रमिक वा सुविधा प्रदान गरिएको छैन । सो समितिले लेखा परीक्षकले औल्याएका कैफियतहरूलाई 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 बाँकी भए सो कुरा :  
त्यस्तो कुनै रकम बाँकी रहेको छैन ।
- न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :  
संस्थाको सञ्चालक समितिका सदस्यहरूलाई समितिको बैठकमा उपस्थित भए बापत भत्ता रु.४ लाख ५६ हजार , प्रमुख कार्यकारी अधिकृत लगायत व्यवस्थापकीय पदाधिकारीहरूलाई पारिश्रमिक र भत्ता रु.१ करोड ६० लाख ९३ हजार ९ सय १७ भुक्तानी गरिएको छ ।
- प) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम :  
शेयरधनीहरूले २०८१ साल असार मसान्तमा रु. ५ लाख ७८ हजार ६ सय १ लाभांश बुझिलिन बाँकी रहेको छ ।
- फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण :  
समीक्षा आ.व. २०८०/८१ मा कार्यालय सामग्री बाहेक अन्य कुनै सम्पत्ति खरिद बिक्री गरिएको छैन ।
- ब) दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच भएको कारोवारको विवरण :  
यस वित्तीय संस्थाको कुनै सम्बद्ध कम्पनी छैन ।
- भ) यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुराहरू:  
नभएको ।
- म) अन्य आवश्यक कुराहरू :  
नरहेको ।

(संजोज मान श्रेष्ठ)  
अध्यक्ष

(डा. किशोर हाकु दुवाल)  
सञ्चालक

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

१. संचालक समितिको प्रतिवेदन : सम्बन्धित शीर्षक अन्तर्गत समावेश गरिएको ।
२. लेखापरीक्षकको प्रतिवेदन : सम्बन्धित शीर्षक अन्तर्गत समावेश गरिएको ।
३. लेखापरीक्षण भएको वित्तीय विवरण : सम्बन्धित शीर्षक अन्तर्गत समावेश गरिएको ।
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 संस्थाको 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 गरिरहेको ।
  - (ख) आ.व. २०८०/८१ मा संगठित संस्थाको शेयरको अधिकतम, न्यूनतम र अन्तिम मूल्यका साथै कूल कारोवार शेयर संख्या र कारोवार दिन :

त्रैमासिक	अधिकतम मूल्य	न्यूनतम मूल्य	अन्तिम मूल्य	कूल कारोवार दिन	कूल कारोवार संख्या	कूल कारोवार शेयर संख्या
प्रथम त्रयमास	४१२.९	२९९.९	३१२	६१	४,९६४	६,९५,१९३
दोश्रो त्रयमास	३७६.९	२९८	३५९	४९	३,५२९	५,६१,८७१
तेस्रो त्रयमास	३९६.२	३१८	३७७	५८	८,३७३	१४,५६,०३६
चौथो त्रयमास	५५८	३५४	५३२	६१	२३,०५०	४१,५६,९१४

६. समस्या तथा चुनौति
  - (क) आन्तरिक समस्या तथा चुनौति
    - बढ्दो सञ्चालन खर्च ।
    - दक्ष कर्मचारी ब्यस्थापनमा चुनौति ।
    - शाखा वृद्धि सँगसँगै संचालन जोखिम व्यवस्थापन चुनौति ।
    - आयमा विविधिकरण ।
  - (ख) बाह्य समस्या तथा चुनौति
    - बैंक संस्थाको बीच तीव्र प्रतिस्पर्धा ।
    - तरल राजनैतिक अवस्था तथा खस्किदो व्यवसायिक मनोबल ।
    - बढ्दो मुद्रास्फीति दर तथा ब्याजदर ।
    - लगानीका सिमित अवसरहरु ।
    - लगानीको लागि उपयुक्त वातावरण नभएको ।



- कर्जा मागमा कमी आएको ।
- कर्जा असुलीमा कठिनाई रहेको ।

**(ग) रणनीति**

- व्यवसाय विविधिकरण तथा नयाँ लगानी योग्य क्षेत्रको खोजी गर्ने ।
- समय सापेक्ष प्रविधिमा आधारित नयाँनयाँ सेवाहरुको उत्पादन तथा उपलब्ध गराउने ।
- संस्थागत सुशासनको सुदृढीकरण गर्ने ।
- आन्तरिक कार्य प्रणालीमा खर्च मितव्ययिता अपनाउने ।

**७. संस्थागत सुशासन**

- बैंक तथा वित्तीय संस्था सम्बन्धि ऐन, २०७३, नेपाल राष्ट्र बैंकद्वारा जारी गरिएका निर्देशन तथा परिपत्रहरु, कम्पनी ऐन २०६३ तथा धितो पत्र सम्बन्धी ऐन २०६३, सूचीकृत संगठित संस्थाहरुको संस्थागत सुशासन सम्बन्धी निर्देशिका २०७४का व्यवस्थाहरु पूर्ण रुपमा पालना गरिएको छ । संस्थागत सुशासनलाई सदैव उच्च प्राथमिकतामा राख्दै आएको र संस्थागत सुशासन सम्बन्धी निर्देशन तथा परिपत्रहरुको पूर्ण रुपमा पालना गरिएको छ ।
- आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न लेखापरीक्षण समिति (Audit Committee) रहेको छ । जसले बाह्य र आन्तरिक नियन्त्रण प्रणालीलाई अभि सुदृढ बनाउन व्यवस्थापनलाई सल्लाह र सुझावहरु दिदै आईरहेको छ ।
- नेपाल राष्ट्र बैंकको निर्देशन, स्थलगत निरीक्षण प्रतिवेदन, आन्तरिक तथा बाह्य लेखापरीक्षण प्रतिवेदनमा औल्याईएका सुझाव तथा निर्देशनहरुलाई यस वित्तीय संस्थाले सदैव पालना गर्दै आएको छ । संस्थागत सुशासनको पुर्ण पालना गर्दै यसलाई अभि सुदृढ बनाउदै लैजान यस वित्तीय संस्थाको संचालक समिति र व्यवस्थापन पूर्ण प्रतिबद्ध रहेको छ ।

## N. Amatya & Co.

Chartered Accountants

UDIN: 250327CA00209qtKq9

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CENTRAL FINANCE LTD.

#### Report on the audit of the financial statements

##### Opinion

We have audited the financial statements of Central Finance Ltd. (*hereinafter referred to as "the finance company"*), which comprise the statement of financial position as at Ashad 31, 2081 (July 15, 2024), the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the 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 the finance company as at Ashad 31, 2081 (July 15, 2024), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

##### 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 finance company in accordance with the code of ethics for professional accountant issued by Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2063 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics for professional accountants. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

##### Emphasis of matter

We draw attention to Note 5.10 of the financial statements, which states that the loan loss provision has been computed after classifying the loans, considering the recovery of loans subsequent to the reporting date up to 29 Poush, 2081. Our opinion is not modified in respect of this matter.

##### 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 financial year ended on Ashad 31, 2081 (July 15, 2024). 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. We have determined the matters described below to be the key audit matters to be communicated in our report.



House No. 409, Indrapuri Awash Chhetra, Dhapasi, Kathmandu, Nepal  
T : 977-1-4010660, Fax: 977-1-4010661, E: info@namatya.com.np

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment of loans and advances to customers including interest income recognition</b> (Refer Note 4.35 "Loan impairment allowance charge/(reversal)", Note 4.7.4 and Note 3.4.6 of the financial statements for impairment of loans and advances to customers) (Refer Note 4.29 "Interest income" and Note 3.13 of the financial statements for the interest income recognition)</p> <p>Allowances for impairment of loans and advances to customers have been made based on incurred loss model. The finance company is required to apply its judgement and estimation to determine allowances for impairment. In addition, the assessment of impairment is significant as carve out by ICAN provides for higher of incurred loss model or as per NRB directive for determining the impairment allowance.</p> <p>The carrying value of loans and advances to the customers can be materially misstating if the finance company's judgement and estimation are inappropriate.</p> <p>In addition to above, interest income on loans and advances to customers has been recognized on accrual basis and following the interest income recognition guidelines 2019 issued by NRB. Recognition of interest income on non-performing loans and advances involves estimation and judgements.</p> <p>Considering the significance of above matters, we have identified this as a key audit matter for the current year audit.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>▪ We planned and tested the operating effectiveness of key controls established by the finance company to identify loss events and for determining the extent of provisioning required against non-performing loans and advances to customers.</li> <li>▪ The testing of controls includes testing of controls over correct identification and classification of non-performing loans and advances to customers on time-based criteria, control over statistical models used to calculate the incurred loss in accordance with incurred loss model; control over monitoring of loans and advances to customers with higher risk default; control over accurate computation and recording of provisions; control over the governance and approval process related to provisions including continuous reassessment by management.</li> <li>▪ We selected a sample of loans and advances to customers, checked installments of repayments and tested classification of non-performing loans and advances to customers based on number of days overdue; evaluated the finance company's assessment for classification of loans and advances to customers as performing and non-performing based on repayment pattern, documentation, inspection and thorough discussion with management; assessment of control over mortgage value of loans and advances to customers.</li> <li>▪ We selected sample of loans and advances to customers and independently performed and reassessed whether there was need to classify loans and advances to customers as non-performing and compared our outcome to that prepared by the finance company and challenged various assumptions and judgements which were used by management.</li> <li>▪ We assessed the appropriateness and adequacy of disclosures against the relevant accounting standards and NRB requirements relating to allowances and interest</li> </ul>





<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
	recognition and considered it to be acceptable.
<b>Information technology system and control impacting financial reporting in relation to the finance company</b>	
The finance company's information technology environment is complex and involves a large number of independent and inter-dependent information technology systems used in operations of the finance company for processing and recording a large volume of transactions at numerous locations. Due to this, there is high degree of reliance and dependency on such information technology systems for the finance company's financial reporting process. Due to the importance of the impact of the information technology systems and related control environment on financial reporting process of the finance company, we have identified testing of such information technology system and related control environment as a key audit matter for the current year audit.	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>▪ In assessing the integrity of the IT systems, we involved our team to obtain understanding of IT infrastructure and IT systems relevant to finance company's financial reporting process.</li> <li>▪ Access rights were tested over applications, operating systems, networks and databases, which are relied upon for financial reporting. We also assessed the operating effectiveness of controls over granting, removal and periodic review of access rights.</li> <li>▪ We further tested segregation of duties, including preventive controls to ensure that the access to change applications, the operating system or databases were granted only to authorized personnel.</li> <li>▪ Other areas such as security configurations and controls around the change management were also assessed.</li> <li>▪ We also evaluated the design and tested the operating effectiveness of the key automated controls within various business processes. This included testing the integrity of system interfaces, the completeness and accuracy of data feeds and automated calculations and considered to be acceptable.</li> </ul>

**Information other than the financial statement and auditor's report thereon**

The management of the finance company is responsible for the other information. The other information comprises the information included in the statement of the Board of Directors and Chairman.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.



### ***Responsibilities of management and those charged with governance for the financial statements***

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

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

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

### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the finance company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the finance company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the finance company to cease to continue as a going concern.



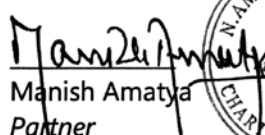
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


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.

#### **Report on other legal and regulatory requirements**

We report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the finance company, so far as it appears from our examination of those books.
- c. The enclosed statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows have been prepared in conformity with format prescribed by Nepal Rastra Bank and the same are in agreement with the books of account maintained by the finance company.
- d. In our opinion, the finance company has maintained adequate capital funds and adequate provisions for possible impairment of assets in accordance with the directives of Nepal Rastra Bank.
- e. To the best of our information and according to explanations given to us and so far, appeared from our examination of the books of account of the finance company necessary for the purpose of our audit, we have not come across cases where Board of Directors or any employees of the finance company have acted contrary to the provisions of law relating to the accounts or committed any misappropriation or caused loss or damage to the finance company relating to the accounts in the finance company.

  
Manish Amatya  
Partner  
For: N. Amatya & Co.  
Chartered Accountants



Address: Kathmandu

Date: Chaitra 13, 2081 (March 26, 2025)



**CENTRAL FINANCE LTD.**  
 Statement of Financial Position  
 As on Ashad End 2081

IN NPR

ASSETS	NOTE	ASHAD END 2081	ASHAD END 2080
Cash and cash equivalent	4.1	710,333,543	819,902,679
Due from Nepal Rastra Bank	4.2	335,093,649	327,965,352
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	215,633,845	169,385,773
Loans and advances to customers	4.7	4,355,849,862	4,921,963,398
Investment securities	4.8	2,828,550,479	1,712,506,669
Current tax assets	4.9	59,111,802	34,192,318
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	-	-
Investment property	4.12	248,675	681,270
Property Plant and Equipment	4.13	187,909,887	207,931,677
Goodwill and Intangible assets	4.14	1,915,601	2,305,743
Deferred tax assets	4.15	-	6,306,430
Other assets	4.16	34,762,066	48,488,541
<b>TOTAL ASSETS</b>		<b>8,729,409,409</b>	<b>8,251,629,850</b>
LIABILITIES	NOTE	ASHAD END 2081	ASHAD END 2080
Due to Bank and Financial Institutions	4.17	194,115,795	197,748,634
Due to Nepal Rastra Bank	4.18	-	-
Derivative financial instruments	4.19	-	-
Deposits from customers	4.20	7,507,392,022	6,755,855,320
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred tax liabilities	4.15	15,504,987	-
Other liabilities	4.23	93,741,236	96,957,881
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>TOTAL LIABILITIES</b>		<b>7,810,754,040</b>	<b>7,050,561,835</b>
EQUITY			
Share Capital	4.26	948,875,459	948,875,459
Share premium		442,546	442,546
Retained Earnings		(333,932,289)	(2,886,923)
Reserves	4.27	303,269,653	254,636,933
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>		<b>918,655,369</b>	<b>1,201,068,015</b>
<b>NON-CONTROLLING INTEREST</b>			
<b>TOTAL EQUITY</b>		<b>918,655,369</b>	<b>1,201,068,015</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>8,729,409,409</b>	<b>8,251,629,850</b>
Contingent liabilities and commitment	4.28	21,626,851	20,914,782
Net assets value per share		96.82	126.58

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

As per our report of even date

**Dipesh Sah**  
 Account Head

**Rajoj Man Shresth**  
 Chief Executive Officer

**Sanjoj Man Shrestha**  
 Chairman

Auditor  
**Manish Amatya, FCA**  
 Partner  
 For : N. Amatya & Co.  
 Chartered Accountants

**Chandika Shrestha**  
 Director

**Bishworam Kawan**  
 Director

**Dr. Kishor Hakuduwal**  
 Director

**Bidya Bhusan Dhoj Joshi**  
 Director

**Pranesh Bati**  
 Director

**Ashok Kumar Poudel**  
 Independent Director

Date: 13.12.2081  
 Place: Lalitpur

**CENTRAL FINANCE LTD.**  
 Statement of Profit or Loss  
 For the year ended Ashad end 2081

IN NPR

Particulars	NOTE	ASHAD END 2081	ASHAD END 2080
Interest income	4.29	806,515,262	928,731,201
Interest expense	4.30	657,087,775	670,399,761
<b>Net interest income</b>		<b>149,427,487</b>	<b>258,331,440</b>
Fee and commission income	4.31	19,466,891	21,334,593
Fee and commission expense	4.32	-	-
<b>Net fee and commission income</b>		<b>19,466,891</b>	<b>21,334,593</b>
<b>Net interest, fee and commission income</b>		<b>168,894,378</b>	<b>279,666,033</b>
Net trading income	4.33	-	-
Other operating income	4.34	7,532,412	1,375,578
<b>Total operating income</b>		<b>176,426,790</b>	<b>281,041,611</b>
Impairment charge/(reversal) for loans and other losses	4.35	359,796,968	53,949,056
<b>Net operating income</b>		<b>(183,370,178)</b>	<b>227,092,555</b>
<b>Operating expense</b>			
Personnel expenses	4.36	92,438,791	90,092,538
Other operating expenses	4.37	38,869,621	41,701,723
Depreciation & Amortization	4.38	30,957,075	30,979,488
<b>Operating Profit</b>		<b>(345,635,665)</b>	<b>64,318,806</b>
Non operating income	4.39	1,634,256	263,189
Non operating expense	4.40	140,781	10,243,759
<b>Profit before income tax</b>		<b>(344,142,190)</b>	<b>54,338,236</b>
Income tax expense	4.41		
Current Tax expenses		674,439	21,693,424
Deferred Tax Expenses/(Income)		(3,453,203)	(8,537,505)
<b>Profit for the period</b>		<b>(341,363,426)</b>	<b>41,182,317</b>
<b>Profit attributable to:</b>			
Equity holders of the Bank		(341,363,426)	41,182,317
Non-controlling interest		-	-
<b>Profit for the period</b>		<b>(341,363,426)</b>	<b>41,182,317</b>
<b>Earnings per share</b>			
Basic earnings per share		(35.98)	4.34
Diluted earnings per share		(35.98)	4.34

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

As per our report of even date

**Dipesh Sah**  
 Account Head

**Rajoj Man Shrestha**  
 Chief Executive Officer

**Sanjoj Man Shrestha**  
 Chairman

Auditor  
**Manish Amatya, FCA**  
 Partner  
 For : N. Amatya & Co.  
 Chartered Accountants

**Chandika Shrestha**  
 Director

**Bishworam Kawan**  
 Director

**Dr. Kishor Hakuduwal**  
 Director

**Bidya Bhusan Dhoj Joshi**  
 Director

**Pranesh Bati**  
 Director

**Ashok Kumar Poudel**  
 Independent Director

Date: 13.12.2081  
 Place: Lalitpur



**CENTRAL FINANCE LTD.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended Ashad end 2081**

IN NPR

PARTICULARS	NOTE	ASHAD END 2081	ASHAD END 2080
<b>Profit for the year</b>		<b>(341,363,426)</b>	<b>41,182,317</b>
<b>Other comprehensive income, net of income tax</b>			
<b>a) Items that will not be reclassified to profit or loss</b>			
Gains/(Losses) from investments in equity instruments measured at fair value		79,227,679	(1,820,962)
Gains/(Losses) on revaluation		-	-
Actuarial gain/(loss) on defined benefit plans		4,987,721	(3,762,215)
Income tax relating to above terms		(25,264,620)	1,674,953
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>		<b>58,950,780</b>	<b>(3,908,224)</b>
<b>b) Items that are or may be reclassified to profit or loss</b>			
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		-	-
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>		<b>-</b>	<b>-</b>
<b>c) Share of other comprehensive income of associate accounted as per equited method</b>		<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year, net of income tax</b>		<b>58,950,780</b>	<b>(3,908,224)</b>
<b>Total comprehensive income for the period</b>		<b>(282,412,646)</b>	<b>37,274,093</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the bank		(282,412,646)	37,274,093
Non-controlling interest		-	-
<b>Total comprehensive income for the period</b>		<b>(282,412,646)</b>	<b>37,274,093</b>

**Dipesh Sah**  
Account Head

**Rajoj Man Shrestha**  
Chief Executive Officer

**Sanjoj Man Shrestha**  
Chairman

**Chandika Shrestha**  
Director

**Bishworam Kawan**  
Director

**Dr. Kishor Hakuduwal**  
Director

**Bidya Bhusan Dhoj Joshi**  
Director

**Pranesh Bati**  
Director

**Ashok Kumar Poudel**  
Independent Director

Auditor  
**Manish Amatya, FCA**  
 Partner  
 For : N. Amatya & Co.  
 Chartered Accountants

Date: 13.12.2081  
 Place: Lalitpur

**CENTRAL FINANCE LTD.**  
**Statement of Cash Flows**  
**For the year ended Ashad end 2081**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Interest received	840,348,588	802,492,271
Fees and other income received	19,466,891	21,134,814
Receipts from other operating activities	1,634,256	263,189
Interest paid	(650,846,696)	(664,304,185)
Cash payment to employees	(93,033,908)	(90,420,686)
Other expenses paid	(50,566,519)	(53,003,864)
<b>Operating cash flows before changes in operating assets and liabilities</b>	<b>67,002,612</b>	<b>16,161,539</b>
<b>(Increase)/ Decrease in operating assets</b>		
Due from Nepal Rastra Bank	(7,128,297)	(15,565,156)
Loan and advances to bank and financial institutions	(46,650,293)	(4,810,252)
Loan and advances to customers	94,563,391	78,362,249
Other assets	15,970,848	(10,330,668)
<b>(Increase)/ Decrease in operating liabilities</b>		
Due to bank and financial institutions	(3,632,839)	(39,425,230)
Due to Nepal Rastra Bank	-	(300,230,137)
Deposits from Customers	751,536,702	666,394,390
Other Liabilities	243,019	(3,650,905)
<b>Net Cash flow from operating activities before tax paid</b>	<b>871,905,143</b>	<b>386,905,829</b>
Income taxes paid	(25,593,923)	(29,347,604)
<b>Net Cash flow from operating activities</b>	<b>846,311,220</b>	<b>357,558,225</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investment securities	(1,036,816,131)	(84,981,406)
Receipt from the sale of investment securities	-	-
Purchase of property and equipment	(2,891,636)	(25,012,950)
Receipt from the sale of property and equipment	8,317	30,008
Purchase of intangible assets	(226,000)	(1,181,980)
Receipt from the sale of investment properties	3,680,249	-
Interest received	76,077,699	70,744,185
Dividend received	4,287,146	1,357,377
<b>Net cash used in investing activities</b>	<b>(955,880,356)</b>	<b>(39,044,766)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	-	(47,068,017)
<b>Net cash from financing activities</b>	<b>-</b>	<b>(47,068,017)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(109,569,136)</b>	<b>271,445,442</b>
<b>Cash and cash equivalents at Shrawan 1, 2080</b>	<b>819,902,679</b>	<b>548,457,237</b>
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
<b>Cash and cash equivalents at Ashad end, 2081</b>	<b>710,333,543</b>	<b>819,902,679</b>

**Dipesh Sah**  
Account Head

**Rajoj Man Shrestha**  
Chief Executive Officer

**Sanjoj Man Shrestha**  
Chairman

As per our report of even date

**Chandika Shrestha**  
Director

**Bishworam Kawan**  
Director

**Dr. Kishor Hakuduwal**  
Director

Auditor  
**Manish Amatya, FCA**  
 Partner

**Bidya Bhusan Dhoj Joshi**  
Director

**Pranesh Bati**  
Director

**Ashok Kumar Poudel**  
Independent Director

For : N. Amatya & Co.  
 Chartered Accountants

Date: 13.12.2081  
 Place: Lalitpur

**CENTRAL FINANCE LTD.**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended Ashad end 2081**

IN NPR

Particulars	Share Capital	General Reserve	Share Premium	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Other Reserve	Total
Balance as at Shrawan 1, 2079	948,875,459	168,342,036	442,546	23,334,029	20,393,576	-	50,650,223	(800,174)	1,211,237,695
Comprehensive income for the year									-
Profit for the year							41,182,317	-	41,182,317
Other Comprehensive income, net of tax							-	-	-
Gains/(losses) from investments in equity instruments measured at fair value					(1,274,673)		-	-	(1,274,673)
Gains/(losses) on revaluation							-	-	-
Actuarial gains/(losses) on defined benefit plans							-	(2,633,551)	(2,633,551)
<b>Total comprehensive income for the year</b>							-	-	-
Transfer to reserve during the year		8,236,463		40,082,633	-		(43,502,610)	2,098,090	6,914,576
Transfer from reserve during the year					-		(4,733,283)	(2,181,293)	(6,914,576)
Transactions with owners, directly recognised in equity							-	-	-
Right shares issued							-	-	-
Share issue expenses							-	-	-
Bonus shares issued	-						-	-	-
Cash dividend paid							(47,443,773)	-	(47,443,773)
Others							960,203	(960,203)	-
<b>Total contributions by and distributions</b>							-	-	-
Balance as at Ashad end, 2080	948,875,459	176,578,499	442,546	63,416,662	19,118,903	-	(2,886,923)	(4,477,131)	1,201,068,015

Particulars	Share Capital	General Reserve	Share Premium	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Other Reserve	Total
Balance as at Shrawan 1, 2080	948,875,459	176,578,499	442,546	63,416,662	19,118,903	-	(2,886,923)	(4,477,131)	1,201,068,015
Comprehensive income for the year									-
Profit for the year							(341,363,426)	-	(341,363,426)
Other Comprehensive income, net of tax							-	-	-
Gains/(losses) from investments in equity instruments measured at fair value					55,459,375		-	-	55,459,375
Gains/(losses) on revaluation							-	-	-
Actuarial gains/(losses) on defined benefit plans							-	3,491,405	3,491,405
<b>Total comprehensive income for the year</b>							-	-	-
Transfer to reserve during the year		-		(11,166,018)	-		9,292,560	1,873,458	-
Transfer from reserve during the year					-		1,025,500	(1,025,500)	-
Transactions with owners, directly recognised in equity							-	-	-
Right shares issued							-	-	-
Share issue expenses							-	-	-
Bonus shares issued	-						-	-	-
Cash dividend paid							-	-	-
Others							-	-	-
<b>Total contributions by and distributions</b>							-	-	-
Balance as at Ashad end, 2081	948,875,459	176,578,499	442,546	52,250,644	74,578,278	-	(333,932,289)	(137,768)	918,655,369

Manish Amatya, FCA  
 Partner  
 For : N. Amatya & Co.  
 Chartered Accountants

Ashok Kumar Poudel  
 Independent Director

Pranesh Bati  
 Director

Bidya Bhushan Dhoj Joshi  
 Director

Dr. Kishor Hakuduwal  
 Director

Bishworam Kawan  
 Director

Chandika Shrestha  
 Director

Sanjog Man Shrestha  
 Chairman

Rajoj Man Shrestha  
 Chief Executive Officer

Dipesh Sah  
 Account Head

Date: 13.12.2081  
 Place: Lalitpur

**CENTRAL FINANCE LTD.**  
**STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS**  
**For the year ended Ashad end 2081**  
**(As per NRB Regulation)**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Net profit or (loss) as per statement of profit or loss</b>	<b>(341,363,426)</b>	<b>41,182,317</b>
<i>Appropriations:</i>		
a. General reserve	-	(8,236,463)
b. Foreign exchange fluctuation fund	-	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	-	(411,823)
e. Employees' training fund	(1,873,458)	(1,686,267)
f. Other		
Writeback from Corporate social responsibility fund	308,979	1,581,893
Deferred tax reserve added back to retained earning	-	960,203
Writeback from Employee's training fund	716,521	599,400
<b>Profit or (loss) before regulatory adjustment</b>	<b>(342,211,384)</b>	<b>33,989,260</b>
<i>Regulatory adjustment :</i>		
a. Interest receivable (-)/previous accrued interest received (+)	1,095,648	(30,534,506)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	272,535	-
e. Deferred tax assets recognised (-)/ reversal (+)	6,306,430	(6,914,576)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	3,491,405	(2,633,551)
i. Other (+/-)		-
<b>Opening Retained Earning</b>	<b>(2,886,923)</b>	<b>50,650,223</b>
Less: Dividend distributed	-	(47,443,773)
Less: Bonus Share issued	-	-
<b>Distributable profit or (loss) as on year end date</b>	<b>(333,932,289)</b>	<b>(2,886,923)</b>
<b>Annualised Profit/(Loss) per share</b>	<b>-35.19%</b>	<b>-0.30%</b>

As per our report of even date

**Dipesh Sah**  
Account Head

**Rajoj Man Shresth**  
Chief Executive Officer

**Sanjoj Man Shrestha**  
Chairman

Auditor  
**Manish Amatya, FCA**  
 Partner  
 For : N. Amatya & Co.  
 Chartered Accountants

**Chandika Shrestha**  
Director

**Bishworam Kawan**  
Director

**Dr. Kishor Hakuduwal**  
Director

**Bidya Bhusan Dhoj Joshi**  
Director

**Pranesh Bati**  
Director

**Ashok Kumar Poudel**  
Independent Director

Date: 13.12.2081  
 Place: Lalitpur

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Cash & Cash equivalent**

**NOTE 4.1**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Cash in hand	93,184,391	83,452,348
Balances with B/FIs	617,149,152	736,450,331
Money at call and short notice	-	-
Other	-	-
<b>TOTAL</b>	<b>710,333,543</b>	<b>819,902,679</b>

**Due from Nepal Rastra Bank**

**NOTE 4.2**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Statutory balances with NRB	328,420,850	322,118,630
Securities purchased under resale agreement	-	-
Other deposit and receivable from NRB	6,672,799	5,846,722
<b>TOTAL</b>	<b>335,093,649</b>	<b>327,965,352</b>

**Placements with Bank and Financial Institutions**

**NOTE 4.3**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Placement with domestic B/FIs	-	-
Placement with foreign B/FIs	-	-
Less: Allowances for impairment	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Derivative financial instruments**

**NOTE 4.4**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
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	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Other trading assets**

**NOTE 4.5**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Treasury bills	-	-
Government bonds	-	-
NRB Bonds	-	-
Domestic Corporate bonds	-	-
Investment in equity instruments	-	-
Other - Investment in units of mutual funds	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
Pledged	-	-
Non-pledged	-	-

**Loan and advances to B/FIs**

**NOTE 4.6**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Loans to microfinance institutions	218,252,880	171,602,587
Other	-	-
Less: Allowances for impairment	(2,619,035)	(2,216,814)
<b>TOTAL</b>	<b>215,633,845</b>	<b>169,385,773</b>

**Allowances for impairment**

**NOTE 4.6.1**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Balance at Shrawan 1	2,216,814	2,168,300
Impairment loss for the year		
Charge for the year	402,221	48,514
Recoveries/reversal	-	-
Amount written off	-	-
Balance at Asadh end	2,619,035	2,216,814

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Loans and advances to customers**

**NOTE 4.7**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Loans and advances measured at amortized cost	4,909,500,371	5,116,219,160
Less: Impairment allowances		
Collective impairment	(61,176,447)	(83,590,120)
Individual Impairment	(492,474,062)	(110,665,642)
<b>Net amount</b>	<b>4,355,849,862</b>	<b>4,921,963,398</b>
Loan and advances measured at FVTPL	-	-
<b>TOTAL</b>	<b>4,355,849,862</b>	<b>4,921,963,398</b>

**Analysis of loan and advances - By Product**

**NOTE 4.7.1**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Product</b>		
Term Loans	1,324,506,967	1,167,711,299
Overdraft	151,114,017	203,587,453
Trust Receipt/Import loans	-	-
Demand and other working capital loans	887,771,216	1,031,486,200
Personal residential loans	694,730,677	677,206,670
Real estate loans	183,680,697	219,075,000
Margin lending loans	25,002,000	6,581,000
Hire purchase loans	203,978,524	270,558,770
Deprived sector loans	90,099,352	75,075,643
Bills purchased	-	-
Staff loans	21,807,458	19,457,196
Other	1,224,359,403	1,355,495,582
<b>Subtotal</b>	<b>4,807,050,311</b>	<b>5,026,234,813</b>
<b>Interest receivable</b>	<b>102,450,060</b>	<b>89,984,347</b>
<b>GRAND TOTAL</b>	<b>4,909,500,371</b>	<b>5,116,219,160</b>

**Analysis of loan and advances - By Currency**

**NOTE 4.7.2**

IN NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Nepalese rupee	4,909,500,371	5,116,219,160
Indian rupee	-	-
United State dollar	-	-
Great Britain pound	-	-
Euro	-	-
Japanese yen	-	-
Chinese Yuan	-	-
Other	-	-
<b>TOTAL</b>	<b>4,909,500,371</b>	<b>5,116,219,160</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Analysis of loan and advances - By Collateral**

**NOTE 4.7.3**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Secured</b>		
Movable/immovable assets	4,850,712,546	5,024,805,270
Gold and silver	-	-
Guarantee of domestic B/FIs	-	-
Government guarantee	-	-
Guarantee of international rated bank	-	-
Collateral of export document	-	-
Collateral of fixed deposit receipt	58,787,825	91,413,890
Collateral of Government securities	-	-
Counter guarantee	-	-
Personal guarantee	-	-
Other collateral	-	-
<b>Subtotal</b>	<b>4,909,500,371</b>	<b>5,116,219,160</b>
Unsecured		-
<b>GRAND TOTAL</b>	<b>4,909,500,371</b>	<b>5,116,219,160</b>

**Allowances for impairment**

**NOTE 4.7.4**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Specific allowances for impairment</b>		
<b>Balance at Shrawan 1</b>	<b>110,665,642</b>	<b>67,773,789</b>
Impairment loss for the year:		
Charge for the year	381,808,420	42,891,853
Recoveries/reversal during the year	-	-
Write-offs	-	-
Exchange rate variance on foreign currency	-	-
Other movement	-	-
<b>Balance at Ashad end</b>	<b>492,474,062</b>	<b>110,665,642</b>
<b>Collective allowances for impairment</b>		
<b>Balance at Shrawan 1</b>	<b>83,590,120</b>	<b>72,243,093</b>
Impairment loss for the year:		
Charge/(reversal) for the year	(22,413,673)	11,008,689
Exchange rate variance on foreign currency	-	-
Other movement	-	338,338
<b>Balance at Ashad end</b>	<b>61,176,447</b>	<b>83,590,120</b>
<b>Total allowances for impairment</b>	<b>553,650,509</b>	<b>194,255,762</b>



**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Investment Securities**

**NOTE 4.8**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Investment securities measured at amortized cost	2,354,587,158	1,344,466,528
Investment in equity measured at FVTOCI	473,963,321	368,040,141
<b>TOTAL</b>	<b>2,828,550,479</b>	<b>1,712,506,669</b>

**Investment securities measured at amortized cost**

**NOTE 4.8.1**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Debt securities	-	-
Government bonds	2,354,587,158	1,344,466,528
Government treasury bills	-	-
Nepal Rastra Bank bonds	-	-
Nepal Rastra Bank deposits instruments	-	-
Other	-	-
<b>Total</b>	<b>2,354,587,158</b>	<b>1,344,466,528</b>

Less: specific allowances for impairment		-
<b>TOTAL</b>	<b>2,354,587,158</b>	<b>1,344,466,528</b>

**Investment in equity measured at fair value through other comprehensive income**

**NOTE 4.8.2**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Equity instruments		
Quoted equity securities	470,854,121	364,930,941
Unquoted equity securities	3,109,200	3,109,200
<b>TOTAL</b>	<b>473,963,321</b>	<b>368,040,141</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Information relating to investment in equities**

**NOTE 4.8.3**

**IN NPR**

PARTICULARS	ASHAD END 2081		ASHAD END 2080	
	COST	FAIR VALUE	COST	FAIR VALUE
<b>INVESTMENT IN EQUITY MEASURED AT FVOCI</b>				
Investment in quoted equity				
Sagarmatha Lumbini Insurance Co. Ltd.	200	2,908	200	2,992
4 nos. of ordinary shares of Rs. 100 each				
Butwal Power Co. Ltd.	8,578,432	5,736,860	8,578,432	6,116,233
18,506 nos. of ordinary shares of Rs. 100 each				
Nagarik Lagani Kosh (Promoter Share)	12,044,229	1,625,000	12,044,229	1,300,000
2080-81: 16,250 nos. of Promoter shares of Rs. 100 each				
2079-80: 13,000 nos. of Promoter shares of Rs. 100 each				
Ridi Hydropower Development Co. Ltd.	-	4,572	-	5,832
24 nos. of ordinary shares of Rs. 100 each				
Sanima Mai Hydropower Ltd.	46,522,599	41,350,081	46,522,599	39,307,020
2080-81: 121,797 nos. of ordinary shares of Rs. 100 each				
2079-80: 110,724 nos. of ordinary shares of Rs. 100 each				
Chilime Hydropower Company Limited	11,655,394	13,032,090	11,655,394	13,674,043
2080-81: 28,026 nos. of ordinary shares of Rs. 100 each				
2079-80: 25,478 nos. of ordinary shares of Rs. 100 each				
Sagarmatha Lumbini General Insurance Co. Ltd.	10,937,700	38,680,740	10,937,700	14,326,200
143,262 nos. of promoter shares of Rs. 100 each				
Aarambha Chautari Lagubitta Bittiya Sanstha	12,000,000	40,141,119	12,000,000	73,059,845
167,185 nos. of promoter shares of Rs. 100 each				
SUNRISE BLUECHIP FUND	2,500,000	2,067,500	2,500,000	1,962,500
250,000 nos. of ordinary shares of Rs. 10 each				
NIC ASIA GROWTH FUND	2,000,000	1,980,000	2,000,000	2,058,000
200,000 nos. of ordinary shares of Rs. 10 each				
NIBL SAHABHAGITA FUND	2,000,000	2,108,000	2,000,000	2,126,000
200,000 nos. of ordinary shares of Rs. 10 each				
SANIMA LARGE CAP FUND	25,000,000	23,225,000	25,000,000	22,300,000
2,500,000 nos. of ordinary shares of Rs. 10 each				
NIBL SAMRIDDHI FUND II	20,000,000	16,500,000	20,000,000	18,220,000
2,000,000 nos. of ordinary shares of Rs. 10 each				
PRABHU SELECT FUND	14,680,900	14,372,601	14,680,900	12,992,596
146,809 nos. of ordinary shares of Rs. 10 each				
NIC ASIA SELECT 30 INDEX FUND	40,000,000	38,400,000	40,000,000	35,960,000
4,000,000 nos. of ordinary shares of Rs. 10 each				
CITIZENS MUTUAL FUND 1	2,000,000	1,928,000	2,000,000	1,876,000
200,000 nos. of ordinary shares of Rs. 10 each				
API	606,900	1,306,440	411,400	962,345

2080-81: 6,840 nos. of ordinary shares of Rs. 100 each				
2079-80: 4,885 nos. of ordinary shares of Rs. 100 each				
NLIC	-	619	-	744
1 nos. of ordinary shares of Rs. 100 each				
RBB First Mutual fund 1	39,920,870	32,575,430	39,920,870	32,256,063
3,992,087 units of Rs. 10 each				
Siddhartha Systematic Investment Scheme	53,200	51,657	53,200	47,774
5,320 units of Rs. 10 each				
Megha Mutual Fund -1	4,363,400	3,368,545	4,363,400	3,486,356
4,36,340 units of Rs. 10 each				
Nabil balance Fund -3	166,700	130,026	166,700	126,192
16,670 units of Rs. 10 each				
NMB Saral Bachat Fund -3	94,900	92,433	94,900	89,206
9,490 units of Rs. 10 each				
Global IME Balance Fund	30,000,000	27,300,000	30,000,000	28,020,000
3,000,000 units of Rs. 10 each				
NMB Sulav Investment Fund	20,000,000	20,120,000	20,000,000	19,980,000
2,000,000 units of Rs. 10 each				
Sanima Growth Fund	5,000,000	5,070,000	5,000,000	4,995,000
500,000 units of Rs. 10 each				
Nabil Flexi Capital Fund	5,000,000	5,320,000	5,000,000	5,000,000
500,000 units of Rs. 10 each				
NIBL Growth Fund	5,000,000	5,320,000	5,000,000	5,320,000
500,000 units of Rs. 10 each				
Sunrise Focused Equity Fund	20,000,000	16,480,000	20,000,000	19,360,000
2,000,000 units of Rs. 10 each				
Vision Limbini Urja Company Ltd	20,000,000	105,800,000	-	-
200,000 units of Rs. 100 each				
Himalayan 80-20 Mutual Fund	2,500,000	2,497,500	-	-
250,000 units of Rs. 10 each				
UPPER Tamakoshi Hydropower Ltd	1,500,000	1,767,000	-	-
10,000 units of Rs. 100 each				
NIBL STABLE FUND	2,500,000	2,500,000	-	-
250,000 units of Rs. 10 each				
<b>Total Investment in quoted equity</b>	<b>366,625,423</b>	<b>470,854,121</b>	<b>339,929,923</b>	<b>364,930,941</b>
<i>Investment in unquoted equity</i>				
Credit Information Beureau Ltd.	94,500	1,927,900	94,500	1,181,300
11,813 nos. of ordinary shares of Rs. 100 each				
Nepal Clearing House	703,000	1,181,300	703,000	1,927,900
19,279 nos. of ordinary shares of Rs. 100 each				
<b>Total of Investment in unquoted equity</b>	<b>797,500</b>	<b>3,109,200</b>	<b>797,500</b>	<b>3,109,200</b>
<b>TOTAL</b>	<b>367,422,923</b>	<b>473,963,321</b>	<b>340,727,423</b>	<b>368,040,141</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Current tax assets**

**NOTE 4.9**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Current tax assets		
Current Year income tax assets	229,072,794	203,874,927
Tax assets of prior periods	-	-
Current tax liabilities		
Current year income tax liabilities	278,383	21,693,424
Tax liabilities of prior periods	169,682,609	147,989,185
<b>TOTAL</b>	<b>59,111,802</b>	<b>34,192,318</b>

**Investment in subsidiaries**

**NOTE 4.10**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Investment in quoted subsidiaries	-	-
Investment in unquoted subsidiaries	-	-
<b>Total investment</b>	<b>-</b>	<b>-</b>
Less: Impairment allowances	-	-
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>

**Investment in associates**

**NOTE 4.11**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Investment in quoted associates	-	-
Investment in unquoted associates	-	-
<b>Total investment</b>	<b>-</b>	<b>-</b>
Less: Impairment allowances	-	-
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>

**Investment properties**

**NOTE 4.12**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Investment properties measured at fair value</b>		
Balance as on Shrawan 1	-	-
Addition/disposal during the year	-	-
Net changes in fair value during the year	-	-
Adjustment/transfer	-	-
<b>Net Amount</b>	<b>-</b>	<b>-</b>
<b>Investment properties measured at cost</b>		
Balance as on Shrawan 1	681,270	681,270
Addition/disposal during the year	(432,595)	-
Adjustment/transfer	-	-
Accumulated depreciation	-	-
Accumulated impairment loss	-	-
<b>Net amount</b>	<b>248,675</b>	<b>681,270</b>
<b>TOTAL</b>	<b>248,675</b>	<b>681,270</b>

Name of Loanee	NBA booked date	ASHAD END 2081	ASHAD END 2080
Gyanendra Das Shrestha	14/07/2006	248,675	248,675
Anita Malakar	25/01/2015	-	432,595
<b>Total</b>		<b>248,675</b>	<b>681,270</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
 For the year ended Ashad end 2081

**Property and Equipment**

**NOTE 4.13**

IN NPR

Particulars	Land	Right of Use Asset	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixture	Machinery	Equipment & Others	ASHAD END 2081	ASHAD END 2080
<b>Cost</b>											
<b>As on Shrawan 1, 2079</b>	37,622,000	57,440,702	53,077,084	25,812,189	8,053,117	29,800,613	12,635,015	38,162,370	13,859,425	276,462,515	125,025,069
Addition during the Year											
Acquisition	-	12,069,603	-	11,488,846	1,158,943	1,595,291	4,770,961	6,447,673	1,642,996	39,174,313	90,468,462
Capitalization	-	-	-	-	-	-	-	-	-	-	60,992,704
Disposal during the year	-	-	-	-	-	(4,123)	-	(7,684)	-	(11,807)	(23,720)
Adjustment/Revaluation	-	(1,401,315)	-	(354,418)	-	-	-	-	-	(1,755,733)	-
<b>Balance as on Asar end 2080</b>	37,622,000	68,108,990	53,077,084	36,946,617	9,212,060	31,391,781	17,405,976	44,602,359	15,502,421	313,869,288	276,462,515
Addition during the Year											
Acquisition	-	7,467,424	-	360,260	282,194	963,583	222,653	562,946	500,000	10,359,060	39,174,313
Capitalization	-	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	(420)	-	(15,522)	(23,975)	-	(39,917)	(11,807)
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	(1,755,733)
<b>Balance as on Asar end 2081</b>	37,622,000	75,576,414	53,077,084	37,306,877	9,493,834	32,355,364	17,613,107	45,141,330	16,002,421	324,188,431	313,869,288
Depreciation and Impairment											
<b>As on Shrawan 1, 2079</b>	-	7,654,341	2,653,854	13,849,532	4,537,032	17,211,651	6,791,504	19,863,023	3,027,877	75,588,811	48,850,656
Depreciation charge for the Year	-	8,820,580	2,521,161	4,520,842	1,072,955	2,767,251	2,253,958	5,476,693	2,915,360	30,348,800	26,739,601
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	(1,446)
Adjustment	-	-	-	-	-	-	-	-	-	-	-
<b>As on Asar end 2080</b>	-	16,474,921	5,175,015	18,370,374	5,609,987	19,978,902	9,045,462	25,339,716	5,943,237	105,937,611	75,588,811
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the Year	-	9,102,922	2,395,103	6,041,250	949,241	2,346,814	2,138,850	4,935,290	2,431,463	30,340,933	30,348,800
Disposals	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
<b>As on Asar end 2081</b>	-	25,577,843	7,570,118	24,411,624	6,559,228	22,325,716	11,184,312	30,275,006	8,374,700	136,278,544	105,937,611
Capital Work in Progress Net Book Value as on Ashad 2079	-	-	-	2,088,868	-	-	-	-	-	2,088,868	60,992,704
Capital Work in Progress Net Book Value as on Ashad 2080	-	-	-	-	-	-	-	-	-	-	2,088,868
Capital Work in Progress Net Book Value as on Ashad 2081	-	-	-	-	-	-	-	-	-	-	-
<b>As on Asar end 2079</b>	37,622,000	49,786,361	50,423,230	14,051,525	3,516,085	12,588,962	5,843,511	18,299,347	10,831,548	202,962,572	137,167,117
<b>As on Asar end 2080</b>	37,622,000	51,634,069	47,902,069	18,576,243	3,602,073	11,412,879	8,360,514	19,262,643	9,559,184	207,931,677	202,962,572
<b>As on Asar end 2081</b>	37,622,000	49,998,571	45,506,966	12,895,253	2,934,606	10,029,648	6,428,795	14,866,324	7,627,721	187,909,887	207,931,677

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Goodwill and Intangible Assets**

**NOTE 4.14**  
**IN NPR**

Particulars	Goodwill	Software			ASHAD END 2081	ASHAD END 2080
		Purchased	Developed	Other		
<b>Cost</b>						
As on Shrawan 1, 2079	-	5,569,317	-	-	5,569,317	3,406,837
Addition during the Year	-	-	-	-	-	-
Acquisition	-	1,181,980	-	-	1,181,980	2,162,480
Capitalization	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-
<b>Balance as on Asar end 2080</b>	-	<b>6,751,297</b>	-	-	<b>6,751,297</b>	<b>5,569,317</b>
Addition during the Year	-	-	-	-	-	-
Acquisition	-	226,000	-	-	226,000	1,181,980
Capitalization	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-
<b>Balance as on Asar end 2081</b>	-	<b>6,977,297</b>	-	-	<b>6,977,297</b>	<b>6,751,297</b>
<b>Amortization and Impairment</b>						
As on Shrawan 1, 2079	-	3,814,866	-	-	3,814,866	2,981,676
Amortization charge for the Year	-	630,688	-	-	630,688	833,190
Impairment for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Adjustment</b>	-	-	-	-	-	-
<b>As on Asar end 2080</b>	-	<b>4,445,554</b>	-	-	<b>4,445,554</b>	<b>3,814,866</b>
Amortization charge for the Year	-	614,160	-	-	616,142	630,688
Impairment for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Adjustment</b>	-	-	-	-	-	-
<b>As on Asar end 2081</b>	-	<b>5,059,714</b>	-	-	<b>5,061,696</b>	<b>4,445,554</b>
<b>Capital Work in Progress Net Book Value</b>						
As on Asar end 2079	-	1,754,451	-	-	1,754,451	425,161
As on Asar end 2080	-	2,305,743	-	-	2,305,743	1,754,451
As on Asar end 2081	-	1,917,583	-	-	1,915,601	2,305,743

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Deferred Tax**

**NOTE 4.15**

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	-	31,962,119	(31,962,119)
Property & equipment	(12,064,964)	-	(12,064,964)
Employees' defined benefit plan	10,011,728	-	10,011,728
Lease liabilities	18,510,368	-	18,510,368
Provisions	-	-	-
Other temporary differences	-	-	-
<b>Deferred tax on temporary differences</b>	<b>16,457,132</b>	<b>-</b>	<b>(15,504,987)</b>
Deferred tax on carry forward of unused tax losses	-	-	-
Deferred tax due to changes in tax rate	-	-	-
<b>Net Deferred tax asset/(liabilities) as on Ashad end of 2081</b>	<b>16,457,132</b>	<b>-</b>	<b>(15,504,987)</b>
Recognised in profit or loss			14,750,269
Recognised in other comprehensive income			(30,255,256)
Recognised directly in equity			-
<b>Deferred tax (asset)/liabilities as on Shrawan 1, 2080</b>	<b>-</b>		<b>(6,306,430)</b>
Origination/(Reversal) during the year			21,811,417
<b>Deferred tax expense/(income) recognised in profit or loss</b>			<b>(3,453,203)</b>
<b>Deferred tax expense/(income) recognised in other comprehensive income</b>			<b>25,264,620</b>
<b>Deferred tax expense/(income) recognised in directly in equity</b>			<b>-</b>

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	-	8,193,815	(8,193,815)
Property & equipment	(13,420,137)	-	(13,420,137)
Employees' defined benefit plan	9,875,303	-	9,875,303
Lease liabilities	18,045,079	-	18,045,079
Provisions	-	-	-
Other temporary differences	-	-	-
<b>Deferred tax on temporary differences</b>	<b>14,500,245</b>	<b>8,193,815</b>	<b>6,306,430</b>
Deferred tax on carry forward of unused tax losses	-	-	-
Deferred tax due to changes in tax rate	-	-	-
<b>Net Deferred tax asset/(liabilities) as on Ashad end 2080</b>			<b>6,306,430</b>
Recognised in profit or loss			11,297,066
Recognised in other comprehensive income			(4,990,636)
Recognised directly in equity			-
<b>Deferred tax (asset)/liabilities as on Shrawan 1, 2079</b>			<b>3,906,028</b>
Origination/(Reversal) during the year			(10,212,458)
<b>Deferred tax expense/(income) recognised in profit or loss</b>			<b>(8,537,505)</b>
<b>Deferred tax expense/(income) recognised in other comprehensive income</b>			<b>(1,674,953)</b>
<b>Deferred tax expense/(income) recognised in directly in equity</b>			<b>-</b>

**CENTRAL FINANCE LTD.**  
**Deferred Tax Calculation**

**Closing FY 2079-80**

Particulars	Book Carrying	Tax Base	Diff	Tax	Def. Tax
	Amount	Amount	Asset/(Liability)	Rate	Asset/(Liability)
<b>Temporary Difference for:</b>					
Provision for Gratuity	27,636,499.00	-	27,636,499.00	30%	8,290,950.00
Provision for Leave Encashment	5,281,177.00	-	5,281,177.00	30%	1,584,353.00
Lease Liabilities	60,150,263.00	-	60,150,263.00	30%	18,045,079.00
Provision for Loan Receivable	-	-	-	30%	-
<b>Total Deferred Tax Assets/(Liability)</b>					<b>27,920,382.00</b>
Investment fair value through OCI	368,040,141.00	340,727,423.30	-27,312,717.70	30%	-8,193,815.00
<b>Total Deferred Tax Assets/(Liability)</b>					<b>-8,193,815.00</b>
<b>Fixed Assets (including Repairs)</b>					
WDV of Fixed Assets	210,237,420.00				
Less: WDV of Land & Capital WIP	37,622,000.00				
WDV of Assets included under Tax	172,615,420.00	127,881,630.06	-44,733,789.94	30%	-13,420,137.00
<b>Total Deferred Tax Assets/(Liability)</b>					<b>-13,420,137.00</b>
<b>Net Deferred Tax Assets / (Liabilities)</b>					<b>6,306,430.00</b>

**Closing FY 2080-81**

Particulars	Book Carrying	Tax Base	Diff	Tax	Def. Tax
	Amount	Amount	Asset/(Liability)	Rate	Asset/(Liability)
<b>Temporary Difference for:</b>					
Provision for Gratuity	23,821,700.00	-	23,821,700.00	30%	7,146,510.00
Provision for Leave Encashment	9,550,728.00	-	9,550,728.00	30%	2,865,218.00
Lease Liabilities	61,701,225.00	-	61,701,225.00	30%	18,510,368.00
Provision for Loan Receivable	-	-	-	30%	-
<b>Total Deferred Tax Assets/(Liability)</b>					<b>28,522,096.00</b>
Investment fair value through OCI	473,963,321.00	367,422,923.30	-106,540,397.70	30%	-31,962,119.00
<b>Total Deferred Tax Assets/(Liability)</b>					<b>-31,962,119.00</b>
<b>Fixed Assets (including Repairs)</b>					
WDV of Fixed Assets	189,825,488.00				
Less: WDV of Land & Capital WIP	37,622,000.00				
WDV of Assets included under Tax	152,203,488.00	111,986,941.78	-40,216,546.22	30%	-12,064,964.00
<b>Total Deferred Tax Assets/(Liability)</b>					<b>-12,064,964.00</b>
<b>Net Deferred Tax Assets / (Liabilities)</b>					<b>-15,504,987.00</b>



**CENTRAL FINANCE LTD.**  
**DEFERRED TAX RECONCILIATION**

For the year ended Ashad 2081

Particulars	FY 2080-81		FY 2077.78	
	Amount	Amount	Amount	Amount
<b>Accounting Profit (Loss)</b>	<b>-344,142,190.00</b>		<b>132,914,896.20</b>	
Rate of Income Tax	30%		30%	
<b>Income tax at the applicable tax rate</b>	<b>-103,242,657.00</b>		<b>39,874,469.00</b>	
<b>Interest as per Income Tax Act</b>	<b>-</b>		<b>-</b>	
<b>Tax effect of expenses that are not deductible for tax purpose</b>				
Prior period tax expenses	33,471.00	111,569.00	14,390.00	-
LLP in excess of 5% of gross loans and advances	91,501,315.00	305,004,384.00		
Tax effect on exempt income				
Dividend Income	-330,738.00	(1,102,460.65)	-2,030,521.00	(6,768,402.00)
<b>Tax effect on others</b>			<b>-19,346.00</b>	<b>(64,486.00)</b>
<b>Taxable loss available for set off against future profits</b>	<b>8,585,406.00</b>	<b>28,618,016.77</b>		
Additional interest for the year	278,383.00			
Additional Tax of Previous Year	396,056.00		-	
<b>Total Tax Expenses</b>	<b>-2,778,764.00</b>		<b>37,838,992.00</b>	

Central Finance Limited Kupondole, Lalitpur Schedule of Fixed Assets as per the Income Tax Act 2058 Financial Year 2080-81										
Particulars	Rate	WDV as at 1 Shrawan 2080	Addition	Proceeds from Disposal	Dep. Base for Depreciation	Depreciation	WDV as at 31st Ashad 2081	Unabsorbed Additions	Unabsorbed Rep. Carried forward	Total DBV For Next Year
<b>Pool A: Building</b>	(1)	(2)	(3)	(4)	(5=2+3-4)	(6=6*1)	(7=5-6)	(8)	(9)	(10=7+8+9)
Addition:	5.00%	47,902,068.00	-	-	47,902,068.00	2,395,103.00	45,506,965.00	-	-	45,506,965.00
From Shrawan 2080 to Poush 2080										
From Magh 2080 to Chaitra 2080										
From Baishak 2081 to Ashad 2081										
<b>Total</b>										
<b>Additions to be carried forward</b>										
<b>Pool B: Furniture, Office Equipment, Computers etc.</b>	25.00%	13,605,916.28	572,134.00	1,360.00	14,176,690.28	3,544,173.00	10,632,517.28	432,712.85	-	11,065,230.13
Addition:										
From Shrawan 2080 to Poush 2080										
From Magh 2080 to Chaitra 2080										
From Baishak 2081 to Ashad 2081										
<b>Total</b>										
<b>Additions to be carried forward</b>										
<b>Pool C: Vehicles</b>	20.00%	10,828,612.07	321,194.00	-	11,149,806.07	2,229,961.00	8,919,845.07	642,388.96	161,876.84	9,724,110.87
Addition:										
From Shrawan 2080 to Poush 2080										
From Magh 2080 to Chaitra 2080										
From Baishak 2081 to Ashad 2081										
<b>Total</b>										
<b>Additions to be carried forward</b>										
<b>Pool D: Plant &amp; Machinery, Other Assets</b>	15.00%	33,421,666.35	495,240.00	6,960.00	33,909,946.35	5,086,492.00	28,823,454.35	67,706.47	-	28,891,160.82
Addition:										
From Shrawan 2080 to Poush 2080										
From Magh 2080 to Chaitra 2080										
From Baishak 2081 to Ashad 2081										
<b>Total</b>										
<b>Additions to be carried forward</b>										
<b>Pool E: Leasehold Improvement</b>	20.00%	20,137,014.36	227,894.00	-	20,364,908.36	5,198,957.41	15,165,950.95	132,366.35	-	15,298,317.30
Addition:										
From Shrawan 2080 to Poush 2080										
From Magh 2080 to Chaitra 2080										
From Baishak 2081 to Ashad 2081										
<b>Total</b>										
<b>Additions to be carried forward</b>										
<b>Pool E: Computer Software</b>		1,986,353.00	150,667.00	-	2,137,020.00	711,195.33	1,425,824.67	75,333.00	-	1,501,157.67
Addition:										
From Shrawan 2080 to Poush 2080										
From Magh 2080 to Chaitra 2080										
From Baishak 2081 to Ashad 2081										
<b>Total</b>										
<b>Additions to be carried forward</b>										
<b>TOTAL</b>		127,881,630.06	1,767,129.00	8,320.00	129,640,439.06	19,165,881.75	110,474,557.31	1,350,507.63	161,876.84	111,986,941.78

**Repairs & Improvement allowable under the Act.**

Pool	Dep. Base	7%	Actual Repairs	Repairs Allowable under the Act	Unabsorbed Repairs Carried forward
	(1)	(2=1*7%)	(3)	(4)	(5=3-4)
Pool A	47,902,068.00	3,353,145.00	4,290.00	4,290.00	-
Pool B	14,176,690.28	992,368.00	291,623.84	291,623.84	-
Pool C	11,149,806.07	780,486.00	942,362.84	780,486.00	161,876.84
Pool D	33,909,946.35	2,373,696.00	710,321.98	710,321.98	-
Pool E	22,501,928.36	1,575,135.00	94,709.69	94,709.69	-
<b>Total</b>	<b>129,640,439.06</b>	<b>9,074,830.00</b>	<b>2,043,308.35</b>	<b>1,881,431.51</b>	<b>161,876.84</b>

**Poolwise repair & maintainance**

Pool	Amount
A	4,290.00
B	291,623.84
C	942,362.84
D	710,321.98
E	94,709.69
<b>Total</b>	<b>2,043,308.35</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Other assets**

**NOTE 4.16**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Assets held for sale	-	-
Other non banking assets	-	-
Bills receivable	-	-
Accounts receivable	3,137,359	3,471,289
Accrued income	-	-
Prepayments and deposit	2,267,458	1,529,988
Income tax deposit	9,153,065	5,242,018
Deferred employee expenditure	11,806,307	9,561,934
Other	8,397,877	28,683,312
<b>TOTAL</b>	<b>34,762,066</b>	<b>48,488,541</b>

**Due to Bank and Financial Institutions**

**NOTE 4.17**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Money market deposits	-	-
Interbank borrowing	-	-
Other deposits from BFIs	194,115,795	197,748,634
Settlement and clearing accounts	-	-
Other deposits from BFIs	-	-
<b>TOTAL</b>	<b>194,115,795</b>	<b>197,748,634</b>

**Due to Nepal Rastra Bank**

**NOTE 4.18**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Refinance from Nepal Rastra Bank	-	-
Standing Liquidity Facility	-	-
Lender of last resort facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other payable to NRB	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Derivative financial instruments**

**NOTE 4.19**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Held for trading</b>		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Others	-	-
<b>Held for risk management</b>		
Interest rate swap	-	-
Currency swap	-	-
Forward exchange contract	-	-
Other	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Deposits from customers**

**NOTE 4.20**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Institutions customers:</b>		
Term deposits	1,518,511,145	1,331,816,043
Call deposits	-	40,938,694
Current deposits	91,601,238	-
Other	543,861,960	746,472,667
<b>Individual customers:</b>		
Term deposits	3,891,367,608	3,535,896,758
Saving deposits	1,462,050,072	1,100,731,158
Current deposits	-	-
Other	-	-
<b>TOTAL</b>	<b>7,507,392,023</b>	<b>6,755,855,320</b>

**Currency wise analysis of deposit from customers**

**NOTE 4.20.1**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Nepalese rupee	7,507,392,023	6,755,855,320
Indian rupee	-	-
United State dollar	-	-
Great Britain pound	-	-
Euro	-	-
Japanese yen	-	-
Chinese yuan	-	-
Other	-	-
<b>TOTAL</b>	<b>7,507,392,023</b>	<b>6,755,855,320</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Borrowing**

**NOTE 4.21**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Domestic Borrowing</b>		
Nepal Government	-	-
Other Institutions	-	-
Other	-	-
<b>Sub total</b>	-	-
<b>Foreign Borrowing</b>		
Foreign Bank and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
<b>Sub total</b>	-	-
<b>TOTAL</b>	-	-

**Provisions**

**NOTE 4.22**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Provisions for redundancy	-	-
Provision for restructuring	-	-
Pending legal issues and tax litigation	-	-
Onerous contracts	-	-
Other	-	-
<b>TOTAL</b>	-	-

**Provisions**

**NOTE 4.22.1**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Balance at Shrawan 1	-	-
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
Unwind of discount	-	-
<b>TOTAL</b>	-	-



**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Other liabilities**

**NOTE 4.23**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Liability for employees defined benefit obligations	4,400,249	8,215,048
Liability for long-service leave	9,550,728	5,281,177
Short-term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	3,873,335	5,654,582
Interest payable on deposit	3,438,396	2,866,183
Interest payable on borrowing	-	-
Liabilities on deferred grant income	-	-
Unpaid Dividend	578,601	578,601
Liabilities under Finance Lease	-	-
Employee bonus payable	-	6,037,590
Other	10,198,702	8,174,437
Liabilities under lease	61,701,225	60,150,263
<b>TOTAL</b>	<b>93,741,236</b>	<b>96,957,881</b>

**Defined benefit obligations**

**NOTE 4.23.1**

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

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Present value of unfunded obligations		-
Present value of funded obligations	23,821,700	27,636,499
Total present value of obligations	23,821,700	27,636,499
Fair value of plan assets	19,421,451	19,421,451
Present value of net obligations	4,400,249	8,215,048
Recognised liability for defined benefit obligations	4,400,249	8,215,048

**Plan assets**

**NOTE 4.23.2**

**Plan assets comprise**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Equity securities	-	-
Government bonds	-	-
Bank deposit	-	-
Other	19,421,451	19,421,451
<b>TOTAL</b>	<b>19,421,451</b>	<b>19,421,451</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Movement in the present value of defined benefit obligations**

**NOTE 4.23.3**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Defined benefit obligations at Shrawan 1	27,636,499	24,715,816
Actuarial losses	(6,735,652)	1,765,641
Benefits paid by the plan	-	(1,512,940)
Current service costs and interest	2,920,853	2,667,982
<b>Defined benefit obligations at Ashad end</b>	<b>23,821,700</b>	<b>27,636,499</b>

**Movement in the fair value of plan assets**

**NOTE 4.23.4**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Fair value of plan assets at Shrawan 1	19,421,451	22,458,358
Adjustments to opening fund	-	(1,523,967)
Contributions paid into the plan	-	-
Benefits paid during the year	-	(1,512,940)
Actuarial (losses) gains	(1,747,931)	(1,996,574)
Expected return on plan assets	1,747,931	1,996,574
<b>Fair value of plan assets at Ashad end</b>	<b>19,421,451</b>	<b>19,421,451</b>

**Amount recognised in profit or loss**

**NOTE 4.23.5**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Current service costs	433,568	463,722
Interest on obligation	2,487,285	2,204,260
Expected return on plan assets	(1,747,931)	(1,996,574)
<b>TOTAL</b>	<b>1,172,922</b>	<b>671,408</b>

**Amount recognised in other comprehensive income**

**NOTE 4.23.6**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Actuarial (gain)/loss	(4,987,721)	3,762,215
<b>TOTAL</b>	<b>(4,987,721)</b>	<b>3,762,215</b>

**Actuarial assumptions**

**NOTE 4.23.7**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Discount rate	7.00%	9.00%
Expected return on plan asset	9.00%	9.20%
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 end 2081**

**Debt securities issued**

**NOTE 4.24**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Subordinated Liabilities**

**NOTE 4.25**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Redeemable preference shares	-	-
Irredeemable cumulative preference shares	-	-
Other	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Share capital**

**NOTE 4.26**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Ordinary shares	948,875,459	948,875,459
Convertible preference shares (equity component)	-	-
Irredeemable preference shares (equity component)	-	-
Perpetual debt (equity component only)	-	-
<b>TOTAL</b>	<b>948,875,459</b>	<b>948,875,459</b>

**Ordinary shares**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Authorized capital</b>		
10,400,000 ordinary share of Rs. 100 each	1,040,000,000	1,040,000,000
<b>Issued capital</b>		
9,488,754.59 ordinary share of Rs. 100 each	948,875,459	948,875,459
<b>Subscribed and paid up capital</b>		
9,488,754.59 ordinary share of Rs. 100 each	948,875,459	948,875,459
<b>TOTAL</b>	<b>948,875,459</b>	<b>948,875,459</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Ordinary share ownership**

PARTICULARS	ASHAD END 2081		ASHAD END 2080	
	Percent	Amount	Percent	Amount
<b>Domestic ownership</b>	<b>100%</b>	<b>948,875,459</b>	<b>100%</b>	<b>948,875,459</b>
Nepal Government	-	-	-	-
"A" class licensed institutions	-	-	-	-
Other licensed intitutions	-	-	-	-
<b>Other Institutions</b>	-	-	-	-
Public	48.76%	462,671,674	48.76%	462,671,674
Other	51.24%	486,203,785	51.24%	486,203,785
<b>Foreign ownership</b>				
<b>TOTAL</b>	<b>100.00%</b>	<b>948,875,459</b>	<b>100.00%</b>	<b>948,875,459</b>

**Reconciliation of number of shares outstanding**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
At the beginning of the year	9,488,754	9,488,754
Add: ordinary shares issued as bonus shares during the year	-	-
Add: ordinary shares issued as right shares during the year	-	-
<b>At the end of the year</b>	<b>9,488,754</b>	<b>9,488,754</b>

**Share Capital**

**List of Share holder holding 0.5% or more Share as on Ashad end 2081**

Ordinary share ownership	ASHAD END 2081		ASHAD END 2080	
	%	Share Capital	%	Share Capital
Dhruba Rudra Karmacharya	5.69%	539,571	5.69%	539,570
Monika Shrestha	5.51%	522,413	5.51%	522,413
Rajoj Man Shrestha	3.00%	284,900	3.00%	284,899
Benuka Joshi	2.99%	284,188	2.99%	284,187
Ratna Man Shrestha	2.11%	199,820	2.11%	199,819
Chandika Shrestha	2.00%	189,463	2.00%	189,463
Siddhartha Premier Insurance Limited	1.98%	188,017	1.98%	188,016
Shikhar Insurance Co Ltd	1.98%	188,017	1.98%	188,016
Sanjoj Man Shrestha	1.56%	147,737	1.56%	147,737
Laxmi Bhakta Chawal	1.13%	107,575	1.13%	107,576
Dipak Krishna Prajapati	1.08%	102,562	1.20%	114,182
Laxmi Prasad Twanabasu	0.85%	80,908	0.93%	87,946
Chandra Man Pradhan	0.60%	56,845	0.60%	56,844
Chaitya Raj Shakya	0.59%	55,930	0.59%	55,930
Indra Prajapati	0.56%	53,608	0.56%	53,608
Shrijana Nepal	0.00%	-	0.70%	66,359
Ashakaji Twanabasu	0.56%	53,595	0.00%	-
Bijaya Gopal Rajbhandari	0.52%	49,224	0.52%	49,224
<b>Total</b>		<b>3,104,373</b>		<b>3,135,789</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Reserves**

**NOTE 4.27**

**IN NPR**

<b>PARTICULARS</b>	<b>ASHAD END 2081</b>	<b>ASHAD END 2080</b>
Statutory general reserve	176,578,499	176,578,499
Exchange equalisation reserve		-
Corporate social responsibility reserve	63,973	372,952
Capital redemption reserve	-	-
Regulatory reserve	52,250,644	63,416,662
Investment adjustment reserve	-	-
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	74,578,278	19,118,903
Dividend equalisation reserve	-	-
Debenture Redemption Reserve	-	-
Actuarial gain	(3,982,681)	(7,474,086)
Special reserve	-	-
Other reserve	3,780,940	2,624,003
<b>TOTAL</b>	<b>303,269,653</b>	<b>254,636,933</b>

**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 not appropriated any amounts (Previous year Rs. 82,36,463) to this reserve as there is loss during the year.

**Corporate social responsibility reserve**

Corporate social responsibility reserve has been created as per the circular issued by Nepal Rastra Bank, which is required to apportion 1% of the net profit for the year to this reserve. During the year, the finance company has not appropriated any amounts to CSR reserve (Previous year Rs. 4,11,823) as there is loss during the year. The expense incurred by the Finance Company for corporate social responsibility as per 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. 11,166,018 (previous year Rs. 40,082,633 transferred to) has been transferred from regulatory reserve to retained earning as follows:

<b>PARTICULARS</b>	<b>ASHAD END 2081</b>	<b>ASHAD END 2080</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	1,095,648	(30,534,506)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non-Banking Assets (-)/reversal (+)	272,535	-

e. Deferred tax assets recognised (-)/ reversal (+)	6,306,430	(6,914,576)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	3,491,405	(2,633,551)
i. Other (+/-) (Fairvalue Reserve Negative Balance)		-
<b>TOTAL</b>	<b>11,166,018</b>	<b>(40,082,633)</b>

**a. Interest receivable (-)/previous accrued interest received (+)**

Accrued Interest receivable	102,462,895	91,062,809
Interest received till Shrawan 15, 2081 out of Interest Receivable	(26,095,758)	(12,956,548)
Interest not received but already booked income ( As per NFRS)	76,367,137	78,106,261
Notional Bonus Amount (@ 10%)	(7,636,714)	(7,810,626)
Interest Income after Notional Bonus	68,730,423	70,295,635
Notional Tax Amount (@ 30%)	(20,619,127)	(21,088,691)
Interest not received transferred to Regulatory Reserve	48,111,296	49,206,944
Less: Transferred in previous year	49,206,944	18,672,439
<b>Amount to be tranfered in current year</b>	<b>(1,095,648)</b>	<b>30,534,506</b>

**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 positive balance of Rs. 74,578,278 (Previous year Rs. 19,118,903) 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 balance of Rs. 3,491,405 from this reserve (Previous year Rs. 2,633,551 transferred to this reserve).

**Other reserve**

The movement in other reserve is due to CSR & Staff Training Fund movement.

**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. The retained earnings for the year is negative by Rs. 333,932,289 (Previous year negative by Rs. 2,886,923)



**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Contingent liabilities and commitments**

**NOTE 4.28**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Contingent liabilities	2,093,951	2,337,924
Undrawn and undisbursed facilities	-	-
Capital commitment	-	-
Lease Commitment	-	-
Litigation	19,532,900	18,576,858
<b>TOTAL</b>	<b>21,626,851</b>	<b>20,914,782</b>

**Contingent liabilities**

**NOTE 4.28.1**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Acceptance and documentary credit	-	-
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	2,093,951	2,337,924
Underwriting commitment	-	-
Other commitments	-	-
<b>TOTAL</b>	<b>2,093,951</b>	<b>2,337,924</b>

**Undrawn and undisbursed facilities**

**NOTE 4.28.2**

**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Undisbursed amount of loans	-	-
Undrawn limits of overdrafts	-	-
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**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 2081	ASHAD END 2080
<b>Capital commitments in relation to Property and Equipment</b>		
Approved and contracted for	-	-
Approved but not contracted for	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Capital commitments in relation to Intangible assets</b>		
Approved and contracted for	-	-
Approved but not contracted for	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**For the year ended Ashad end 2081**

**Lease commitments**

**NOTE 4.28.4**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Operating lease commitments</b>		
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	-	-
<b>Sub total</b>	-	-
<b>Finance lease commitments</b>		
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	-	-
<b>Sub total</b>	-	-
<b>GRAND TOTAL</b>	-	-

**Litigation**

**NOTE 4.28.5**

The finance company's litigations are generally related to its ordinary course of business pending on various jurisdictions. Additional liability on account of Income Tax of Rs. 19,532,900 (Previous year Rs. 18,576,858) demanded on final assessment by the Income Tax Authorities for earlier years are not provided for since the same are under appeal with appropriate authorities.

The Tax office has made decision in favour of Central Finance Limited for Litigation of FY 2073-74.

**Interest income**

**NOTE 4.29**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Cash and cash equivalent	17,102,406	10,783,177
Due from Nepal Rastra Bank	-	-
Placement with bank and financial institutions	-	-
Loan and advances to bank and financial institutions	28,722,650	33,429,409
Loans and advances to customers	681,746,467	811,169,413
Investment securities	76,077,699	70,744,185
Loan and advances to staff	2,866,040	2,605,017
Other	-	-
<b>Total interest income</b>	<b>806,515,262</b>	<b>928,731,201</b>

**Interest expense**

**NOTE 4.30**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Due to bank and financial institutions	4,930,923	9,540,668
Due to Nepal Rastra Bank	-	10,131,265
Deposits from customers	646,487,986	644,861,772
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other	5,668,866	5,866,056
<b>Total interest expense</b>	<b>657,087,775</b>	<b>670,399,761</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
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**Fees and Commission Income**

**NOTE 4.31**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Loan administration fees	16,892,341	18,418,000
Service fees	-	-
Consortium fees	-	-
Commitment fees	-	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	1,397,349	1,234,147
Prepayment and swap fees	-	-
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	-	-
Remittance fees	712,741	814,111
Commission on letter of credit	-	-
Commission on guarantee contracts issued	10,000	18,015
Commission on share underwriting/issue	-	-
Locker rental	-	-
Other fees and commission income	454,460	850,320
<b>Total fees and commission income</b>	<b>19,466,891</b>	<b>21,334,593</b>

**Fees and commission expense**

**NOTE 4.32**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
ATM management fees	-	-
VISA/Master card fees	-	-
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees	-	-
Remittance fees and commission	-	-
Other fees and commission expense	-	-
<b>Total fees and commission expense</b>	<b>-</b>	<b>-</b>

**Net trading income**

**NOTE 4.33**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
<b>Net trading income</b>	<b>-</b>	<b>-</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
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**Other operating income**

**NOTE 4.34**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Foreign exchange revaluation gain	-	-
Gain/loss on sale of investment securities	-	-
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	4,287,146	1,357,377
Gain/loss on sale of property and equipment	(2,388)	18,201
Gain/loss on sale of investment property	3,247,654	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Locker rent	-	-
Other	-	-
<b>TOTAL</b>	<b>7,532,412</b>	<b>1,375,578</b>

**Impairment charge/(reversal) for loan and other losses**

**NOTE 4.35**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Impairment charge/(reversal) on loan and advances to B/FIs	402,221	48,514
Impairment charge/(reversal) on loan and advances to customer	359,394,747	53,900,542
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	-	-
<b>TOTAL</b>	<b>359,796,968</b>	<b>53,949,056</b>

**Personnel Expense**

**NOTE 4.36**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Salary	42,296,848	39,184,454
Allowances	25,466,482	23,264,153
Gratuity expense	4,449,876	3,688,089
Provident fund	3,933,917	3,621,464
Uniform	1,612,831	1,432,475
Training & development expense	716,521	599,400
Leave encashment	4,718,221	3,740,782
Medical	4,669,783	4,297,794
Insurance	-	1,987
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	943,194	787,857
Other expenses related to staff (Tiffin)	3,631,118	3,436,501
<b>Sub total</b>	<b>92,438,791</b>	<b>84,054,956</b>
Employees bonus	-	6,037,582
<b>GRAND TOTAL</b>	<b>92,438,791</b>	<b>90,092,538</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
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**Other operating expense**

**NOTE 4.37**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Directors' fee	456,000	529,000
Directors' expense	57,486	49,504
Auditors' remuneration	565,000	349,170
Other audit related expense	394,347	359,678
Professional and legal expense	1,039,476	1,034,556
Office administration expense	36,048,333	37,712,366
Operating lease expense	-	85,556
Operating expense of investment properties	-	-
Corporate social responsibility expense	308,979	1,581,893
Onerous lease provisions	-	-
Other	-	-
<b>TOTAL</b>	<b>38,869,621</b>	<b>41,701,723</b>

**Office Administrative Expenses**

**NOTE 4.37.1**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Water & Electricity	4,196,209	3,743,620
Repair & Maintenance		
a) Building	4,290	10,410
b) Vehicle	942,363	739,295
c) Computer & Accessories	236,541	130,299
d) Office Equipment & Furniture	723,863	737,914
e) Other	136,252	222,193
Insurance	2,768,290	2,720,430
Postage, telex, telephone, fax	1,680,177	1,674,219
Printing & Stationary	3,215,551	3,387,807
News paper, books and journal	145,706	168,010
Advertisement	1,214,169	772,000
Donation	500	1,900
Security expenses	6,014,776	5,955,227
Deposit & loan guarantee premium	-	-
Travel Allowance and expenses	1,777,005	2,103,373
Entertainment	9,255	536,664
Annual/Special general meeting Expenses	208,038	381,860
Others	12,775,348	14,427,145
<b>Total</b>	<b>36,048,333</b>	<b>37,712,366</b>

**Depreciation & Amortization**

**NOTE 4.38**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Depreciation on property and equipment	21,238,011	21,528,220
Depreciation on investment property	-	-
Amortization of Right of use asset	9,102,922	8,820,580
Amortization of intangible assets	616,142	630,688
<b>TOTAL</b>	<b>30,957,075</b>	<b>30,979,488</b>

**CENTRAL FINANCE LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
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**Non operating income**

**NOTE 4.39**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Recovery of loan written off	-	-
Other income	1,634,256	263,189
<b>TOTAL</b>	<b>1,634,256</b>	<b>263,189</b>

**Non operating expense**

**NOTE 4.40**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Loan written off	-	9,811,061
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense	140,781	432,698
<b>TOTAL</b>	<b>140,781</b>	<b>10,243,759</b>

**Income tax expense**

**NOTE 4.41**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Current tax expense</b>		
Current year	278,383	21,693,424
Adjustment for previous years	396,056	-
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(3,453,203)	(8,537,505)
Changes in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
<b>Total income tax expense</b>	<b>(2,778,764)</b>	<b>13,155,919</b>

**Reconciliation of tax expense and accounting profit**

**NOTE 4.41.1**  
**IN NPR**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
<b>Profit before tax</b>	<b>(344,142,190)</b>	<b>54,338,236</b>
Tax amount at tax rate of 30%	(103,242,657)	16,301,471
Add: Tax effect of expense that are not deductible for tax purpose	91,534,786	2,966,802
<b>Less: Tax effect on exempt income</b>	<b>(330,738)</b>	<b>(285,918)</b>
Add/Less: Tax effect on other items	8,585,406	(5,826,436)
Add: Interest on tax for the year	278,383	-
Add: Additional tax of previous year	396,056	-
<b>Total income tax expense</b>	<b>(2,778,764)</b>	<b>13,155,919</b>
<b>Effective tax rate</b>	<b>0.81%</b>	<b>24.21%</b>

## 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 recognized 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, 2081	July 15, 2024
Comparative reporting date	Ashad 31, 2080	July 16, 2023
Reporting period	Shrawan 01, 2080 to Ashad 31, 2081	July 17, 2023 to July 15, 2024
Comparative reporting period	Shrawan 01, 2079 to Ashad 31, 2080	July 17, 2022 to July 16, 2023

##### 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 13.12.2081

#### 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 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 July 31, 2022 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. NFRS 9 (Para 5.4): Effective Interest Rate

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument but shall not consider the expected 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 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

### b. NFRS 9 (Para 5.5): Impairment and uncollectibility of financial assets measured at amortized cost

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 5 to determine the amount of any impairment loss unless the entity is a bank or financial institution registered as per Bank and Financial Institutions Act 2073. Such entities shall measure impairment loss on loan and advances as the higher of amount derived as per the norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 5 (given below) and shall apply paragraph 5 (given below) 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 amount of impairment loss determined as per paragraph 5.

(Paragraph 5): If there is objective evidence that an impairment loss on financial assets measured at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in Profit or loss account.

## 2.7 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 its 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.

##### 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.

**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.

c. **Measurement**

**Initial Measurement**

Financial assets and financial liabilities are recognized 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.

d. **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.

**e. Determination of Fair Value**

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the 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 recognized at cost, net of impairment if any.

**f. 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.

**ii. Impairment of investment in equity instrument classified as fair value through 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%
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 and Leasehold Properties is depreciated under Straight line method. Assets costing less than Rs. 10,000 are accounted under other expenses and recognized in statement of profit or loss in the year of purchase.

### 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.

### 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 realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that the future taxable amounts will be available to utilize 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 recognized as per the Guidelines on Recognition of Interest Income, 2019 issued by Nepal Rastra Bank.
- Out of Accrued Interest on Loan and Advances except bad loan as on Ashad end 2081, an amount of Rs.2,60,95,757.64/- was recovered till Shrawan End, 2081 leaving a balance of Rs.76,367,137/- 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 realized 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 is recognized in profit or loss using effective interest rate method. Interest expense on all trading liabilities is 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss. This benefit is unfunded.

**3.13 Leases**

On 13 January 2016 the ASB issued NFRS 16 to replace NAS 17 Leases. An entity shall apply this standard for annual reporting periods beginning on or after July 16, 2021. 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, NFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by NAS 17 and instead, introduces a single lessee accounting model.

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

A Lessee shall measure the right-of-use asset applying a cost model, unless it applies either of the measurement models described in para 34 and 35.

**To apply a cost model, a lessee shall measure the right-of-use asset at cost:**

- (a) Less any accumulated depreciation and any accumulated impairment losses; and
- (b) Adjusted for any remeasurement of the lease liability specified in paragraph 36(c)

**A Lessee shall measure the lease liability by:**

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and

Remeasuring the carrying amount to reflect any reassessment or lease modifications specified in para 39-46, or to reflect revised in-substance fixed lease payments.

### **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 NFRS 9 – 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 utilized for distribution of profit. During the year, the finance company has not appropriated any amounts (Previous year Rs. 82,36,463) to this reserve as there is loss during the year.

#### **3.16.2 Corporate Social Responsibility Reserve & Staff Training Fund**

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, the finance company has not appropriated any amounts to CSR reserve (Previous year Rs. 4,11,823) as there is loss during the year. The expense incurred by the Finance Company for corporate social responsibility as per its policy is charged to statement of profit or loss with corresponding additions to retained earnings. Further, the staff training fund has been created as required by NRB Directives amounting to 3% of staff salary costs of previous year and hence Rs. 1,873,458 has been appropriated accordingly.

The movement in Corporate Social Responsibility Reserve is as follows:

Particulars	FY 2080-81	FY 2079-80
Opening Balance	372,952	1,543,022
Transfer During the Year	-	411,823
Expenses during the year	308,979	1,581,893
Closing balance	63,973	372,952

The movement in Staff Training Fund is as follows:

Particulars	FY 2080-81	FY 2079-80
Opening Balance	2,624,003	1,537,136
Transfer During the Year	1,873,458	1,686,267
Expenses during the year	716,521	599,400
Closing balance	3,780,940	2,624,003

### 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. 11,166,018 (previous year Rs. 40,082,633 transferred to) has been transferred from regulatory reserve to retained earnings.

Regulatory adjustment:	Amount
a. Interest receivable (-)/previous accrued interest received (+)	1,095,648
b. Short loan loss provision in accounts (-)/reversal (+)	-
c. Short provision for possible losses on investment (-)/reversal (+)	-
d. Short loan loss provision on Non-Banking Assets (-)/reversal (+)	272,535
e. Deferred tax assets recognised (-)/ reversal (+)	6,306,430
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-
g. Bargain purchase gain recognised (-)/reversal (+)	-
h. Actuarial loss recognised (-)/reversal (+)	3,491,405
i. Other (+/-) (Fair value Reserve Negative Balance)	-
<b>Total</b>	<b>11,166,018</b>

a. Interest receivable (-)/previous accrued interest received (+)	CY	PY
Accrued Interest receivable as per Trial Balance (except bad loan)	102,462,895	91,062,809
Interest received till Shrawan end, 2081 out of Interest Receivable	(26,095,758)	(12,956,548)
<b>Interest not received but already booked income ( As per NFRS)</b>	<b>76,367,137</b>	<b>78,106,261</b>
Notional Bonus Amount (@ 10%)	(7,636,714)	(7,810,626)
<b>Interest Income after Notional Bonus</b>	<b>68,730,423</b>	<b>70,295,635</b>
Notional Tax Amount (@ 30%)	(20,619,127)	(21,088,691)
<b>Interest not received transferred to Regulatory Reserve</b>	<b>48,111,296</b>	<b>49,206,944</b>
<b>Less: Transferred in PY</b>	<b>49,206,944</b>	<b>18,672,439</b>
<b>Amount to be transferred in CY</b>	<b>(1,095,648)</b>	<b>30,534,506</b>

FY 2080-81											
Central Finance Limited											
RGA Movement											
FY	Interest Receivable	Short Loan Loss Provision	Short Provision for possible losses on investment	Short provision on NBA	Deferred Tax Asset	Goodwill	Gain on Bargain Purchase Sale	Acturial Loss Recognized	Fair Value Loss Recognized in OCI	Other	Total
2077-78	12,219,914	-	-	1,645,427	(608,146)	-	-	6,452,782	-	-	19,709,977
Transferred to Reserve during the year	6,452,525										6,452,525
Transferred from Reserve during the year				(1,216,227)				(1,612,246)			(2,828,473)
2078-79	18,672,439	-	-	429,200	(608,146)	-	-	4,840,536	-	-	23,334,029
Transferred to Reserve during the year	30,534,506										30,534,506
Transferred from Reserve during the year					6,914,576			2,633,551			9,548,127
2079-80	49,206,945	-	-	429,200	6,306,430	-	-	7,474,087	-	-	63,416,662
Transferred to Reserve during the year											-
Transferred from Reserve during the year	(1,095,648)			(272,535)	(6,306,430)			(3,491,405)			(11,166,018)
2080-81	48,111,297	-	-	156,665	0	-	-	3,982,682	-	-	52,250,644

#### **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 positive balance of Rs. 74,578,278/- 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 balance of Rs. 3,491,405 from this reserve (Previous year Rs. 2,633,551 transferred to this reserve).

#### **3.16.6 Other reserve**

The movement in other reserve is due to CSR & Staff Training Fund movement.

#### **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. The retained earnings for the year is negative by Rs. 333,932,289 (Previous year negative by Rs. 2,886,923).

#### **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 earnings 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.

## **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 lie 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 administering 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 lines 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 in '000) (NPR)
Paid up Capital (ordinary shares)	948,875
Proposed bonus share	-
Share premium	443
Irredeemable preferential share	-
General Reserve Fund	176,578
Accumulated profit/loss (Retained earnings)	(333,932)
Profit & loss a/c as per balance-sheet	-
Capital Redemption Reserve Fund	-
Capital Adjustment Fund	-
Calls in advance	-
Other Free Reserves	-
<b>Deductions:</b>	
Goodwill	-
Deferred tax assets	-
Investment on shares and securities in excess of limits	101,371
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	-
Other Deductions	3,983
<b>Tier 1 Capital</b>	<b>686,610</b>

**b. Tier 2 capital and a breakdown of its components**

Particulars	Amount in '000) (NPR)
General Loan provision	63,795
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	-
<b>Tier 2 Capital</b>	<b>63,795</b>

**c. Total qualifying capital**

Particulars	Amount
Tier 1 Capital	686,610
Tier 2 Capital	63,795
<b>Total Capital Fund (Tier 1 and Tier 2)</b>	<b>750,405</b>
<b>Risk Weighted Exposures</b>	<b>5,402,142</b>

**d. Capital adequacy ratio**

Particulars	Amount
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	12.71%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposure Ratio (After Bank's adjustments of Pillar II)	13.89%

**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. 948,875,459 /-

**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.

RISK WEIGHTED EXPOSURES		Amount in '000'
a	Risk Weighted Exposure for Credit Risk	4,791,546
b	Risk Weighted Exposure for Operational Risk	419,479
c	Risk Weighted Exposure for Market Risk	
<b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>		<b>5,211,026</b>
<b>Adjustments under Pillar II</b>		
	ALM policies & practices are not satisfactory, add 1% of net interest income to RWE	2,583
	Add .....% of the total deposit due to insufficient Liquid Assets	-
	Add RWE equivalent to reciprocal of capital charge of 3 % of gross income.	84,313
	Overall risk management policies and procedures are not satisfactory. Add 3% of RWE	104,220.52
	Desired level of disclosure requirement has not been achieved. Add 1% of RWE	-
<b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b>		<b>5,402,142</b>

## ii. Risk exposures

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

#### Balance sheet items

Particulars	Weight(%)	Amount ('000') (NPR)	Risk weighted Assets
Cash Balance	0%	93,184	0
Balance With Nepal Rastra Bank	0%	328,421	0
Gold	0%	0	0
Investment in Nepalese Government Securities	0%	2,337,400	0
All Claims on Government of Nepal	0%	0	0
Investment in Nepal Rastra Bank securities	0%	0	0
All claims on Nepal Rastra Bank	0%	0	0
Claims on Foreign Government and Central Bank (ECA 0-1)	0%	0	0
Claims on Foreign Government and Central Bank (ECA -2)	20%	0	0
Claims on Foreign Government and Central Bank (ECA -3)	50%	0	0
Claims on Foreign Government and Central Bank (ECA-4-6)	100%	0	0
Claims on Foreign Government and Central Bank (ECA -7)	150%	0	0
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	0%	0	0
Claims on Other Multilateral Development Banks	100%	0	0
Claims on Domestic Public Sector Entities	100%	0	0
Claims on Public Sector Entity (ECA 0-1)	20%	0	0
Claims on Public Sector Entity (ECA 2)	50%	0	0
Claims on Public Sector Entity (ECA 3-6)	100%	0	0
Claims on Public Sector Entity (ECA 7)	150%	0	0
Claims on domestic banks that meet capital adequacy requirements	20%	823,906	164,781
Claims on domestic banks that do not meet capital adequacy requirements	100%	0	0
Claims on foreign bank (ECA Rating 0-1)	20%	0	0
Claims on foreign bank (ECA Rating 2)	50%	0	0
Claims on foreign bank (ECA Rating 3-6)	100%	0	0
Claims on foreign bank (ECA Rating 7)	150%	0	0
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	20%	0	0
Claims on Domestic Corporates (Credit rating score equivalent to AAA)	80%	0	0
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	85%	0	0
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	90%	0	0
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	100%	0	0
Claims on Domestic Corporates (Unrated)	100%	0	0
Claims on Foreign Corporates (ECA 0-1)	20%	0	0
Claims on Foreign Corporates (ECA 2)	50%	0	0

Claims on Foreign Corporates (ECA 3-6)	100%	0	0
Claims on Foreign Corporates (ECA 7)	150%	0	0
Regulatory Retail Portfolio (Not Overdue)	75%	2,362,178	1,706,353
Claims fulfilling all criterion of regularity retail except granularity	100%	0	0
Claims secured by residential properties	60%	811049	480,816
Claims not fully secured by residential properties	150%	0	0
Claims secured by residential properties (Overdue)	100%	136,546	126,771
Claims secured by Commercial real estate	100%	73,855	72,480
Past due claims (except for claims secured by residential properties)	150%	786,313	610,181
High Risk claims	150%	575,691	768,051
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2007-point 3.3(j)(1)(j))	125%	0	0
Lending against Shares(above Rs.5 Million)	125%	13,000	16,250
Lending Against Securities (Bonds)	100%	0	0
Lending Against Shares(upto Rs. 5 Million)	100%	12,002	12,002
Real Estate loans for land acquisition and development (For institutions/projects registered/licensed and approved by Government of Nepal for land acquisition and development purposes)	100%	0	0
Personal Hire Purchase/Personal Auto Loans	100%	26,103	25,904
Investments in equity and other capital instruments of institutions listed in stock exchange	100%	470,540	470,540
Investments in equity and other capital instruments of institutions not listed in the stock exchange	150%	3,109	4,664
Staff loan secured by residential property	50%	21,807	10,904
Interest Receivable/claim on government securities	0%	17,187	0
Cash in transit and other cash items in the process of collection	20%	444	89
Other Assets (as per attachment)	100%	281,585	281,336
<b>TOTAL (A)</b>		<b>9,174,320</b>	<b>4,751,122</b>

#### Off-balance sheet Items

Particulars	Weight(%)	Amount ('000') (NPR)	Risk weighted Assets
Revocable Commitments	0%	0	0
Bills Under Collection	0%	0	0
Forward Exchange Contract Liabilities	10%	0	0
LC Commitments With Original Maturity up to 6 months domestic counterparty	20%	0	0
Foreign counterparty (ECA Rating 0-1)	20%	0	0
Foreign counterparty (ECA Rating 2)	50%	0	0
Foreign counterparty (ECA Rating 3-6)	100%	0	0
Foreign counterparty (ECA Rating 7)	150%	0	0
LC Commitments With Original Maturity Over 6 months domestic counterparty	50%	0	0
Foreign counterparty (ECA Rating 0-1)	20%	0	0
Foreign counterparty (ECA Rating 2)	50%	0	0

Foreign counterparty (ECA Rating 3-6)	100%	0	0
Foreign counterparty (ECA Rating 7)	150%	0	0
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	40%	2,094	838
Foreign counterparty (ECA Rating 0-1)	20%	0	0
Foreign counterparty (ECA Rating 2)	50%	0	0
Foreign counterparty (ECA Rating 3-6)	100%	0	0
Foreign counterparty (ECA Rating 7)	150%	0	0
Underwriting commitments	50%	0	0
Lending of Bank's Securities or Posting of Securities as collateral	100%	0	0
Repurchase Agreements, Assets sale with recourse	100%	0	0
Advance Payment Guarantee	100%	0	0
Financial Guarantee	100%	0	0
Acceptances and Endorsements	100%	0	0
Unpaid portion of Partly paid shares and Securities	100%	0	0
Irrevocable Credit commitments (short term)	20%	197,913	39,583
Irrevocable Credit commitments (long term)	50%	0	0
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	20%	0	0
Other Contingent Liabilities	100%	0	0
Unpaid Guarantee Claims	200%	0	0
<b>TOTAL (B)</b>		<b>200,007</b>	<b>40,420</b>

#### Risk Weighted Exposure For Operational Risk

S.N.	Particulars	Fiscal Year	Fiscal Year	Fiscal Year
		2077/078	2078/079	2079/080
1	Net Interest Income	187,136	228,993	258,331
2	Commission and Discount Income	42,826	38,111	21,334
3	Other Operating Income	55,375	5,475	1,375
4	Exchange Fluctuation Income			
5	Addition/Deduction in Interest Suspense during the period			
6	Gross income (a)	285,338	272,578	281,041
7	Alfa (b)	15%	15%	15%
8	Fixed Percentage of Gross Income [c=(a×b)]	42,801	40,887	42,156
9	Capital Requirement for operational risk (d) (average of c)	41,947.93		
10	Risk Weight (reciprocal of capital requirement of 10%) in times (e)	10		
11	<b>Equivalent Risk Weight Exposure [f=(d×e)]</b>	<b>419,479.32</b>		

#### SRP 6.4a (8) Adjustments under Pillar II (If Gross Income for the last three years is negative)

1	Total Credit and Investment (net of Specific Provision) of releted month			
2	Capital Requirement for Operational Risk (5% of net credit and investment)			
3	Risk Weight (reciprocal of capital requirement of 11%) in times	9.09		
4	Equivalent Risk Weight Exposure (g)			
5	Equivalent Risk Weight Exposure [h=f+g]	419,479.32		

**b. Amount of NPAs (both gross and net)**

Amount in NPR

Particulars	ASHAD 2081		ASHAD 2080	
	Gross NPA	Net NPA	Gross NPA	Net NPA
Restructure/Rescheduled loan	-	-	-	-
Sub-standard loan	77,668,891	58,251,668	104,731,635	78,548,726
Doubtful loan	238,119,959	119,059,979	117,944,143	58,332,072
Loss Loan	353,996,860	-	24,870,662	-
<b>Total</b>	<b>669,785,710</b>	<b>177,311,648</b>	<b>247,546,440</b>	<b>136,880,798</b>

Ratio of non-performing assets as per regulatory classification

PARTICULARS	%	%
Gross NPA to gross loans and advance	13.39%	4.77%
Net NPA to Net Loan and Advance	3.99%	2.74%

**Details of loan loss provision**

Amount in NPR

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Pass Loan	48,281,059	56,784,677
Watchlist	15,514,422	29,022,257
Rescheduled / Restructured	-	-
Sub-Standard	19,417,223	26,182,909
Doubtful	119,059,979	59,612,072
Loss	353,996,860	24,870,662
Additional	-	-
<b>Total</b>	<b>556,269,543</b>	<b>196,472,575</b>

**Details of loan Classification**

PARTICULARS	ASHAD END 2081	ASHAD END 2080
Pass Loan	4,023,421,577	4,368,051,732
Watchlist	310,288,446	570,665,140
Rescheduled/ Restructured	-	-
Sub-Standard	77,668,891	104,731,635
Doubtful	238,119,959	117,944,143
Loss	353,996,860	24,870,662
<b>Total</b>	<b>5,003,495,733</b>	<b>5,186,263,311</b>

**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. 948,875,459 as on Ashad 31, 2081 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.

In '000

Particulars		As on 15 July 2024 Carrying Value	As on 15 July 2024 Fair Value	As on 16 July 2023 Carrying Value	As on 16 July 2023 Fair Value
Financial assets					
Measured at amortized cost					
Cash and cash equivalent	4.1	710,334	710,334	819,903	819,903
Due from Nepal Rastra Bank	4.2	335,094	335,094	327,965	327,965
Other Trading Assets - Government Bonds	4.5	-	-	-	-

Loans and advances to BFIs	4.6	215,634	215,634	169,386	169,386
Loans and advances to customers	4.7	4,355,849	4,355,849	4,921,963	4,921,963
Government bonds	4.8	2,354,587	2,354,587	1,344,467	1,344,467
Account receivable	4.16	3,137	3,137	3,471	3,471
<b>Sub-total</b>		<b>7,974,635</b>	<b>7,974,635</b>	<b>7,587,155</b>	<b>7,587,155</b>
<b>Measured at fair value through profit and loss (FVTPL)</b>					
Investment in equity instruments	4.5	-	-	-	-
Investment in units of mutual fund	4.5	-	-	-	-
<b>Sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Measured at fair value through other comprehensive income (FVTOCI)</b>					
Investment in equity instruments	4.8	473,963	473,963	368,040	368,040
<b>Sub-total</b>		<b>473,963</b>	<b>473,963</b>	<b>368,040</b>	<b>368,040</b>
<b>Total financial assets</b>		<b>9,043,343</b>	<b>9,043,343</b>	<b>7,948,687</b>	<b>7,948,687</b>
<b>Financial liabilities</b>					
<b>Measured at amortized cost</b>					
Due to BFIs	4.17	194,116	194,116	197,749	197,749
Due to Nepal Rastra Bank	4.18	-	-	-	-
Deposits from customers	4.20	7,507,392	7,507,392	6,755,855	6,755,855
Bills payable	4.23	-	-	-	-
Creditors and accruals	4.23	3,873	3,873	5,655	5,655
Interest payable on deposits	4.23	3,438	3,438	2,866	2,866
Interest payable on borrowings	4.23	-	-	-	-
Unpaid dividend	4.23	579	579	579	579
<b>Total financial liabilities</b>		<b>7,709,398</b>	<b>7,709,398</b>	<b>6,962,704</b>	<b>6,962,704</b>

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 2081	ASHAD END 2080
<b>Financial assets</b>			
Measured at fair value through profit or loss			
Equity securities – quoted	1	-	-
Units of mutual fund – quoted	1	-	-
<b>Sub-total</b>		<b>-</b>	<b>-</b>
Measured at fair value through other comprehensive income			
Equity securities – quoted	1	470,854,121	364,930,941
Equity securities – unquoted	3	3,109,200	3,109,200
<b>Sub-total</b>		<b>473,963,321</b>	<b>368,040,141</b>
Measured at amortized cost			
Due from Nepal Rastra Bank	3	335,093,649	327,965,352
Government bonds	3	2,354,587,158	1,344,466,528
Loan and advances to BFIs	3	215,633,845	169,385,773
Loans and advances to customers	3	4,355,849,862	4,921,963,398
<b>Sub-total</b>		<b>7,261,164,514</b>	<b>6,763,781,051</b>
<b>Total financial assets</b>		<b>7,735,127,835</b>	<b>7,131,821,192</b>
<b>Financial liabilities</b>			
Measured at amortized cost			

Due to Nepal Rastra Bank	3	-	-
Deposits from customers	3	7,507,392,022	6,755,855,320
<b>Total financial liabilities</b>		<b>7,507,392,022</b>	<b>6,755,855,320</b>

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.

Investment in government bonds are measured at amortized cost which includes accrued interest receivable from government securities.

#### 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 1, Madhesh Pradesh, Bagmati Pradesh and Province 5.

##### 2. Information about profit or loss, assets and liabilities

i. For the financial year 2080-81

Amount in NPR

Particulars	Koshi	Madhesh Pradesh	Bagmati Pradesh	Lumbini	TOTAL
a. Revenues from external customers	54,657,372	241,454,736	437,473,067	99,929,390	833,514,565
b. Intersegment revenue/(expenses)	-	-	-	-	-
<b>c. Gross Revenue</b>	<b>54,657,372</b>	<b>241,454,736</b>	<b>437,473,067</b>	<b>99,929,390</b>	<b>833,514,565</b>
d. Interest Revenue	51,660,299	235,994,341	420,810,691	98,049,931	806,515,262
e. Interest Expenses	19,468,863	59,151,457	555,030,938	23,436,517	657,087,775
<b>f. Net interest Revenue</b>	<b>32,191,437</b>	<b>176,842,884</b>	<b>(134,220,247)</b>	<b>74,613,413</b>	<b>149,427,487</b>
g. Other Income	-	-	-	-	-
h. Other Expenses	11,195,589	27,198,183	440,212,677	12,498,930	491,105,380
i. Depreciation & Amortization	2,464,451	4,776,078	22,330,927	1,385,619	30,957,075
<b>j. Segment Profit /(Loss)</b>	<b>21,528,468</b>	<b>150,329,018</b>	<b>(580,101,475)</b>	<b>62,608,323</b>	<b>(345,635,665)</b>
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	-	-	359,796,968	-	359,796,968
<b>n. Segment assets</b>	<b>549,412,533</b>	<b>1,911,235,534</b>	<b>5,542,424,166</b>	<b>726,337,176</b>	<b>8,729,409,409</b>
<b>o. Segment liabilities</b>	<b>519,029,822</b>	<b>1,397,904,606</b>	<b>5,380,649,239</b>	<b>513,170,374</b>	<b>7,810,754,040</b>

ii. For the financial year 2079-80

Amount in NPR

Particulars	Koshi Province	Madhesh Province	Bagmati Province	Lumbini Province	Total
a. Revenues from external customers	15,407,575	275,166,168	549,357,647	111,509,983	951,441,372
b. Intersegment revenue/(expenses)	-	-	-	-	-
<b>c. Gross Revenue</b>	<b>15,407,575</b>	<b>275,166,168</b>	<b>549,357,647</b>	<b>111,509,983</b>	<b>951,441,372</b>
d. Interest Revenue	13,055,829	269,422,775	537,417,623	108,834,975	928,731,201



e. Interest Expenses	17,535,181	59,062,267	574,271,029	19,531,284	670,399,761
<b>f. Net interest Revenue</b>	<b>(4,479,353)</b>	<b>210,360,507</b>	<b>(36,853,406)</b>	<b>89,303,691</b>	<b>258,331,440</b>
g. Other Income	-	3,786	256,403	3,000	263,189
h. Other Expenses	9,461,517	23,937,800	93,994,526	14,644,178	142,038,020
i. Depreciation & Amortization	2,621,671	3,773,376	22,972,050	1,612,391	30,979,488
<b>j. Segment Profit /(Loss)</b>	<b>(14,210,795)</b>	<b>188,392,725</b>	<b>(185,585,255)</b>	<b>75,722,130</b>	<b>64,318,806</b>
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	-	-	53,949,058	-	53,949,058
<b>n. Segment assets</b>	<b>380,851,659</b>	<b>1,973,561,590</b>	<b>5,094,424,097</b>	<b>802,792,504</b>	<b>8,251,629,850</b>
<b>o. Segment liabilities</b>	<b>378,573,908</b>	<b>1,611,806,436</b>	<b>4,400,519,409</b>	<b>659,662,081</b>	<b>7,050,561,835</b>

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

#### i. Revenue

Amount in NPR

Particulars	Current year	Previous year
<b>Total revenues for reportable segments</b>	<b>833,514,565</b>	<b>951,441,372</b>
Other revenues	-	-
Elimination of intersegment revenues	-	-
Entity's revenues	833,514,565	951,441,372

#### ii. Profit or Loss

Amount in NPR

Particulars	Current year	Previous year
<b>Total profit or loss for reportable segments</b>	<b>(345,635,665)</b>	<b>64,318,806</b>
Other profit or loss	1,493,475	(9,980,570)
Elimination of inter segment profits	-	-
Unallocated amounts	-	-
Loan loss provision	-	-
Bonus expense	-	-
Profit/ (Loss) from Extra-Ordinary Nature	-	-
Income Tax	(2,778,764)	(13,155,919)
Other adjustments	-	-
<b>Profit After Income Tax</b>	<b>(341,363,426)</b>	<b>41,182,317</b>

#### iii. Assets

Amount in NPR

Particulars	Current year	Previous year
<b>Total assets for reportable segments</b>	<b>8,729,409,409</b>	<b>8,251,629,850</b>
Other assets	-	-
Unallocated assets	-	-
<b>Entity's assets</b>	<b>8,729,409,409</b>	<b>8,251,629,850</b>

#### iv. Liabilities

Amount in NPR

Particulars	Current year	Previous year
<b>Total liabilities for reportable segments</b>	<b>7,810,754,040</b>	<b>7,050,561,835</b>
Other liabilities	-	-
Unallocated liabilities	-	-
<b>Entity's liabilities</b>	<b>7,810,754,040</b>	<b>7,050,561,835</b>

#### 4. Information about geographical areas

The financial company has revenue from following geographical areas:

Amount in NPR

Particulars	Current year	Previous year
<b>Domestic</b>		
Koshi Pradesh	54,657,372	15,407,575
Madhesh Pradesh	241,454,736	275,166,168
Bagmati Pradesh	437,473,067	549,357,647
Gandaki Pradesh	-	-
Lumbini Pradesh	99,929,390	111,509,983
Karnali Pradesh	-	-
Sudurpachim Pradesh	-	-
<b>Foreign</b>	-	-
<b>Total</b>	<b>833,514,565</b>	<b>951,441,372</b>

#### 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. Bishworam Kawan	Director	Director
Dr. Kishor Hakuduwal	Director	Director
Mr. Pranesh Bati	Director	Director
Mr. Bidya Bhusan Dhoj Joshi	Director	Director
Mr. Ashok Kumar Poudel	Independent Director	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.

Amount in NPR

Particulars	Current year	Previous year
<b>With directors</b>		
Director's sitting fees	672,000	799,000
Other Expenses	57,486	49,503
Interest paid on deposits		
<b>With chief executive officer</b>		
Remuneration and benefits paid	8,917,957.63	8,956,273.67
Interest paid on deposits	191,854	364,690

##### 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. The Company has computed the loan loss provision in accordance with applicable regulations. The classification of loans has been done after considering the recovery of loans subsequent to the reporting date, and the loan loss provision has been calculated accordingly as at 29.09.2081.

#### Recovery of Interest after year end and up to Shrawan 32, 2081

Nepal Rastra Bank Directives requires the Bank and Financial Institutions to transfer the equivalent amount of interest on loans and advances accounted as an interest income under the accrual basis of accounting but not recovered as on reporting period to the Regulatory Reserve from the Retained Earnings. However, the same Directive has relaxed this provision with which Bank may not transfer such amount in case it is recovered within the one month after the year end, i.e Shrawan 32, 2081. The bank has realized accrued interest income of NPR 26,095,757.64 till Shrawan 32, 2081. The accrued interest of Bad loan has not been recognized as interest income so the same is not transferred to regulatory reserve. Bank has transferred NPR 76,367,137 (Net off Staff Bonus and Tax) from Retained earnings to Regulatory reserve as below in tabular form.

#### Reconciliation of AIR

Particulars	Amount
A) Total Interest Suspense as at 31 Ashad 2081	180,564,333
B) Interest Suspense on Bad Loans	78,101,438
<b>Amount to RGA</b>	<b>102,462,895</b>
C) Suspense Realized up to Shrawan 32, 2081	26,095,758
Unrealized Interest Suspense (A-B-C)	76,367,137

a. Interest receivable (-)/previous accrued interest received (+)	CY	PY
Accrued Interest receivable as per Trial Balance (except bad loan)	102,462,895	91,062,809
Interest received till Shrawan end, 2081 out of Interest Receivable	(26,095,758)	(12,956,548)
Interest not received but already booked income ( As per NFRS)	76,367,137	78,106,261
Notional Bonus Amount (@ 10%)	(7,636,714)	(7,810,626)
<b>Interest Income after Notional Bonus</b>	<b>68,730,423</b>	<b>70,295,635</b>
Notional Tax Amount (@ 30%)	(20,619,127)	(21,088,691)
<b>Interest not received transferred to Regulatory Reserve</b>	<b>48,111,296</b>	<b>49,206,944</b>
<b>Less: Transferred in PY</b>	<b>49,206,944</b>	<b>18,672,439</b>
<b>Amount to be transferred in CY</b>	<b>(1,095,648)</b>	<b>30,534,506</b>

#### Note 5.11 - Departure from NFRS

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, 31 July 2022 and other alternative treatments as per carve outs published on different dates has been adapted while preparing the financial statements.

#### Note 5.12 – Additional Disclosure as required by NFRS 16 Leases

As required by Para 53 of NFRS 16 Leases, the disclosures regarding leases are as follows:

Particulars	Amount
<b>Assets/Liabilities (shown in SOFP)</b>	
Right-of-use Assets (ROU asset)	49,998,572.12
Lease Liabilities	61,701,225
<b>Other Expense (shown in SPL)</b>	
Depreciation charge for ROU asset	9,102,922
Interest Expense on Lease Liabilities	5,668,865.60
<b>Others</b>	
<b>Total cash outflow for leases</b>	<b>11,585,329</b>

**Central Finance Limited**  
**Financial Indicator for Five Years**

FINANCIAL YEARS		2080-81	2079-80	2078-79	2077-78	2076-77
Indicators	Unit	Amount	Amount	Amount	Amount	Amount
Adequacy of Capital Fund on Risk Weighted Assets						
Core Capital	Percent	12.71%	16.46%	21.09%	25.03%	25.44%
Total Capital Fund	Percent	13.89%	17.73%	22.44%	26.30%	26.26%
Risk Weighted Exposure	NPR	5,402,142,130	6,713,408,339	5,515,863,580	4,550,966,095	4,099,529,359
Earning Per Share (Average share outstanding)	NPR	-35.98	4.34	5.90	12.40	10.49
Market Value Per Share	NPR	532.00	393.00	302	485	120.00
Book Net Worth Per Share	NPR	96.82	126.58	127.65	136.21	130.43
Net Profit Per Staff	NPR	-2094254.15	260,647.58	405,723.33	895,136.43	872,261.72
Per Employee Staff Cost	NPR	567109.15	570,205.94	621,597.88	608,121.48	510,810.41
Number of Promotor Equity Shares	Nos.	4,862,037.85	4,862,037.85	4,862,037.85	4,514,426.97	4,219,090.63
Number of Public Equity Shares	Nos.	4,626,716.74	4,626,716.74	4,626,716.74	4,295,930.12	4,014,887.96
Number of Permanent Staffs	Nos.	132.00	116.00	113	99	84.00
Number of Branches	Nos.	19.00	19.00	16	14	10.00
Number of Extension Counters	Nos.	1.00	1.00	1	1	-
Number of ATM Machines	Nos.	6.00	6.00	6	6	4.00
Price Earning Ratio	Times	-14.79	90.55	51.19	39.11	11.44
Dividend (including bonus) on Share Capital	Percent	-	-	-	7.7	7.00
Cash Dividend on Share Capital	Percent	-	-	5	3.3	3.00
Net Profit / Gross Income	Percent	-40.87	4.33	7.27	16.29	14.16
Net Profit / Loans and Advances	Percent	-6.82	0.79	1.06	2.58	2.42
Return on Total Assets	Percent	-3.91	0.50	0.71	1.6	1.53
Return on Equity	Percent	-37.16	3.43	4.62	9.10	8.04
Interest Income / Loans and Advances	Percent	14.26	16.34	12.31	11.93	16
Exchange Gain / Total Income	Percent	-	-	-	-	-
Interest Expenses / Total Deposits and Borrowings	Percent	8.53	9.41	7.69	7.19	8.02
Total Operating Expenses / Total Assets	Percent	1.86	1.97	1.95	1.79	1.78
Staff Expenses / Total Operating Expenses	Percent	56.97	51.64	49.77	49.20	58.36
Staff Bonus / Total Staff Expenses	Percent	0.00	7.18	11.53	22.04	15.73
Total Credit / Deposits	Percent	64.97	74.58	83.23	81.27	78.87
Non-Performing Loans / Total Loans	Percent	13.39	4.77	2.59	1.72	1.73
Base Rate	Percent	10.38	13.01	11.98	9.01	11.02
Weighted Average Interest Rate Spread	Percent	4.53	4.59	4.92	4.9	4.97
CRR	Percent	4.26	4.63	4.94	4.93	7.15

**CENTRAL FINANCE LTD.**  
**Condensed Statement of Financial Position**  
**As on quarter ended Ashad 2081**

ASSETS	NOTE	Audited	Unaudited	Varinace		Remarks
		ASHAD END 2081	ASHAD END 2081	Amount	%	
Cash and cash equivalent	4.1	710,333,543	710,410,599	(77,056)	-0.011%	Reclassified by auditor
Due from Nepal Rastra Bank	4.2	335,093,649	335,093,649	-	0.00%	
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	215,633,845	215,633,845	(0.10)	0.00%	Reclassified by auditor
Loans and advances to customers	4.7	4,355,849,862	4,629,085,769	(273,235,907)	-5.90%	Reclassified by auditor and NRB
Investment securities	4.8	2,828,550,479	2,828,306,998	243,481	0.01%	Reclassified by auditor
Current tax assets	4.9	59,111,802	64,524,988	(5,413,186)	-8.39%	Reclassified by auditor
Investment in subsidiaries	4.10	-	-	-		
Investment in associates	4.11	-	-	-		
Investment property	4.12	248,675	248,675	(0)	0.00%	
Property Plant and Equipment	4.13	187,909,887	190,882,175	(2,972,288)	-1.56%	Reclassified by auditor
Goodwill and Intangible assets	4.14	1,915,601	1,949,646	(34,045)	-1.75%	Reclassified by auditor
Deferred tax assets	4.15	-	-	-	0.00%	
Other assets	4.16	34,762,066	27,050,969	7,711,097	28.51%	Reclassified by auditor
<b>TOTAL ASSETS</b>		<b>8,729,409,409</b>	<b>9,003,187,313</b>	<b>(273,777,904)</b>	<b>-3.04%</b>	

LIABILITIES	NOTE	Audited	Unaudited			Remarks
		ASHAD END 2081	ASHAD END 2081	Difference		
Due to Bank and Financial Institutions	4.17	194,115,795	194,115,795	(0)	0.00%	
Due to Nepal Rastra Bank	4.18	-	-	-		
Derivative financial instruments	4.19	-	-	-		
Deposits from customers	4.20	7,507,392,022	7,507,392,022	-	0.00%	
Borrowing	4.21	-	-	-		
Current Tax Liabilities	4.9	-	-	-		
Provisions	4.22	-	-	-		
Deferred tax liabilities	4.15	15,504,987	17,367,489	(1,862,502)	-10.72%	Reclassified by auditor
Other liabilities	4.23	93,741,236	91,885,427	1,855,809	2.02%	Reclassified by auditor
Debt securities issued	4.24	-	-	-		
Subordinated Liabilities	4.25	-	-	-		
<b>TOTAL LIABILITIES</b>		<b>7,810,754,040</b>	<b>7,810,760,733</b>	<b>(6,693)</b>	<b>0.00%</b>	

<b>EQUITY</b>						
Share Capital	4.26	948,875,459	948,875,459	0	0.00%	
Share premium		442,546	442,546	(0)	0.00%	
Retained Earnings		(333,932,289)	(116,668,042)	(217,264,247)	186.22%	Change in LLP, Loss & tax
Reserves	4.27	303,269,653	359,776,617	(56,506,964)	-15.71%	Change in LLP, Loss & tax
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>		<b>918,655,369</b>	<b>1,192,426,580</b>	<b>(273,771,211)</b>	<b>-22.96%</b>	
NON-CONTROLLING INTEREST						
<b>TOTAL EQUITY</b>		<b>918,655,369</b>	<b>1,192,426,580</b>	<b>(273,771,211)</b>	<b>-22.96%</b>	
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>8,729,409,409</b>	<b>9,003,187,313</b>	<b>(273,777,904)</b>	<b>-3.04%</b>	

**CENTRAL FINANCE LTD.**  
**Condensed Statement of Profit or Loss**  
**For the quarter ended Ashad 2081**

Particulars	NOTE	Audited	Unaudited	Variance		Remarks
		ASHAD END 2081	ASHAD END 2081	Amount	%	
Interest income	4.29	806,515,262	882,751,023	(76,235,761)	-8.64%	Interest suspense of bad loans not recognised as income in Audited
Interest expense	4.30	657,087,775	651,418,908	5,668,867	0.87%	Reclassified by auditor
<b>Net interest income</b>		<b>149,427,487</b>	<b>231,332,115</b>	<b>(81,904,628)</b>	<b>-35.41%</b>	
Fee and commission income	4.31	19,466,891	21,859,092	(2,392,201)	-10.94%	Reclassified by auditor
Fee and commission expense	4.32		-	-		
Net fee and commission income		19,466,891	21,859,092	(2,392,201)	-10.94%	
<b>Net interest, fee and commission income</b>		<b>168,894,378</b>	<b>253,191,207</b>	<b>(84,296,829)</b>	<b>-33.29%</b>	
Net trading income	4.33	-	-	-		
Other operating income	4.34	7,532,412	4,291,738	3,240,674	75.51%	Reclassified by auditor
<b>Total operating income</b>		<b>176,426,790</b>	<b>257,482,944</b>	<b>(81,056,154)</b>	<b>-31.48%</b>	
Impairment charge/(reversal) for loans and other losses	4.35	359,796,968	166,750,911	193,046,057	115.77%	Revised by auditor and NRB
<b>Net operating income</b>		<b>(183,370,178)</b>	<b>90,732,034</b>	<b>(274,102,212)</b>	<b>-302.10%</b>	
<b>Operating expense</b>			-			
Personnel expenses	4.36	92,438,791	86,053,125	6,385,666	7.42%	Reclassified by auditor
Other operating expenses	4.37	38,869,621	50,094,557	(11,224,936)	-22.41%	Reclassified by auditor
Depreciation & Amortization	4.38	30,957,075	20,485,376	10,471,699	51.12%	Reclassified by auditor
<b>Operating Profit</b>		<b>(345,635,665)</b>	<b>(65,901,024)</b>	<b>(279,734,641)</b>	<b>424.48%</b>	
Non operating income	4.39	1,634,256	2,482,758	(848,502)	-34%	Reclassified by auditor
Non operating expense	4.40	140,781	462,316	(321,535)	-70%	Reclassified by auditor
<b>Profit before income tax</b>		<b>(344,142,190)</b>	<b>(63,880,581)</b>	<b>(280,261,609)</b>	<b>438.73%</b>	
Income tax expense	4.41		-			
Current Tax expenses		674,439	-	674,439		Reclassified by auditor
Deferred Tax Expenses/(Income)		(3,453,203)	-	(3,453,203)		Reclassified by auditor
<b>Profit for the period</b>		<b>(341,363,426)</b>	<b>(63,880,581)</b>	<b>(277,482,845)</b>	<b>434.38%</b>	

**CENTRAL FINANCE LTD.**  
**Statement of Comprehensive Income**  
**For the quarter ended Ashad 2081**

Particulars	NOTE	Audited	Unaudited	Variance		Remarks
		ASHAD END 2081	ASHAD END 2081	Amount	%	
<b>Profit for the year</b>		<b>(341,363,426)</b>	<b>(63,880,581)</b>	<b>(277,482,845)</b>	<b>434.38%</b>	<b>Change in Audited Profit</b>
<b>Other comprehensive income, net of income tax</b>						
<b>a) Items that will not be reclassified to profit or loss</b>						
Gains/(Losses) from investments in equity instruments measured at fair value		79,227,679	78,913,066	314,613	0.40%	
Gains/(Losses) on revaluation						
Actuarial gain/(loss) on defined benefit plans		4,987,721		4,987,721		Actuarial Loss booked
Income tax relating to above terms		(25,264,620)	(23,673,920)	(1,590,700)	6.72%	Change in Profit & Actuarial Loss booked
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>		<b>58,950,780</b>	<b>55,239,146</b>	<b>3,711,634</b>	<b>6.72%</b>	<b>Change in Profit &amp; Actuarial Loss booked</b>
<b>b) Items that are or may be reclassified to profit or loss</b>						
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						
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>						
<b>c) Share of other comprehensive income of associate accounted as per equited method</b>						
<b>Other comprehensive income for the year, net of income tax</b>		<b>58,950,780</b>	<b>55,239,146</b>	<b>3,711,634</b>	<b>6.72%</b>	<b>Change in Profit &amp; Actuarial Loss booked</b>
<b>Total comprehensive income for the period</b>		<b>(282,412,646)</b>	<b>(8,641,436)</b>	<b>3,711,634</b>	<b>-42.95%</b>	<b>Change in Profit &amp; Actuarial Loss booked</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the bank		(282,412,646)	(8,641,436)	(273,771,210)	3168.12%	Change in Profit & Actuarial Loss booked
Non-controlling interest				-		
<b>Total comprehensive income for the period</b>		<b>(282,412,646)</b>	<b>(8,641,436)</b>	<b>(273,771,210)</b>	<b>3168.12%</b>	<b>Change in Profit &amp; Actuarial Loss booked</b>



**CENTRAL FINANCE LTD.**  
**STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS**  
**For the year ended Ashad end 2081**  
**(As per NRB Regulation)**

Particulars	Audited	Unaudited	Variance		
	ASHAD END 2081	ASHAD END 2081	Amount	%	Remarks
Opening Retained Earnings	(2,886,923)	(2,886,923)	-	0.00%	
Net profit or (loss) as per statement of profit or loss	(341,363,426)	(63,880,581)	(277,482,845)	434.38%	Change in Audited Profit
<b>Appropriations:</b>			-		
a. General reserve			-		
b. Foreign exchange fluctuation fund			-		
c. Capital redemption reserve			-		
d. Corporate social responsibility fund			-		
e. Employees' training fund	(1,873,458)	(1,873,458)	-	0.00%	
f. Other	1,025,500	1,025,500	-	0.00%	Deferred Tax reserve carried forward adjusted
<b>Profit or (loss) before regulatory adjustment</b>	<b>(342,211,384)</b>	<b>(64,728,539)</b>	<b>(277,482,845)</b>	<b>428.69%</b>	
			-		
a) Transferred to Regulatory Reserve	(11,166,018)	49,052,580	(60,218,598)	-122.76%	Deferred Tax Asset Revised during Audit
b) Transferred from Regulatory Reserve		-	-		
<b>Distributable profit or (loss)</b>	<b>(333,932,289)</b>	<b>(116,668,042)</b>	<b>(217,264,247)</b>	<b>186.22%</b>	<b>Change in profit, Regulatory and other Reserve</b>

**CENTRAL FINANCE LTD.**  
**Condensed Statement of Financial Position**  
**As on quarter ended Chaitra End 2081**

ASSETS	NOTE	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	4.1	531,337,296	710,333,543
Due from Nepal Rastra Bank	4.2	353,937,507	335,093,649
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	171,620,645	215,633,845
Loans and advances to customers	4.7	4,321,083,752	4,355,849,862
Investment securities	4.8	2,790,003,120	2,828,550,479
Current tax assets	4.9	64,080,123	59,111,802
Investment in subsidiaries	4.10	-	-
Investment in associates	4.11	-	-
Investment property	4.12	61,272,288	248,675
Property Plant and Equipment	4.13	181,384,343	187,909,887
Goodwill and Intangible assets	4.14	1,553,170	1,915,601
Deferred tax assets	4.15	-	-
Other assets	4.16	49,218,262	34,762,066
<b>TOTAL ASSETS</b>		<b>8,525,490,506</b>	<b>8,729,409,409</b>
LIABILITIES	NOTE	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	4.17	140,412,259	194,115,795
Due to Nepal Rastra Bank	4.18	-	-
Derivative financial instruments	4.19	-	-
Deposits from customers	4.20	7,233,424,698	7,507,392,022
Borrowing	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred tax liabilities	4.15	44,347,092	15,504,987
Other liabilities	4.23	104,375,164	93,741,236
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>TOTAL LIABILITIES</b>		<b>7,522,559,213</b>	<b>7,810,754,040</b>
EQUITY			
Share Capital	4.26	948,875,459	948,875,459
Share premium		442,546	442,546
Retained Earnings		(363,135,121)	(333,932,289)
Reserves	4.27	416,748,408	303,269,653
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>		<b>1,002,931,293</b>	<b>918,655,369</b>
NON-CONTROLLING INTEREST			
<b>TOTAL EQUITY</b>		<b>1,002,931,293</b>	<b>918,655,369</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>8,525,490,506</b>	<b>8,729,409,409</b>

**CENTRAL FINANCE LTD.**  
**Condensed Statement of Profit or Loss**  
**For the quarter ended Chaitra End 2081**

*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	136,955,104	514,652,936	216,553,113	674,586,208
Interest expense	4.30	113,356,753	384,497,054	156,972,825	494,080,581
Net interest income		23,598,351	130,155,882	59,580,288	180,505,627
Fee and commission income	4.31	5,210,534	16,391,908	4,259,554	12,730,672
Fee and commission expense	4.32	-	-	-	-
Net fee and commission income		5,210,534	16,391,908	4,259,554	12,730,672
Net interest, fee and commission income		28,808,885	146,547,790	63,839,841	193,236,299
Net trading income	4.33	-	19,478,577	-	-
Other operating income	4.34	362,346	17,605,318	(242,993)	3,297,562
Total operating income		29,171,231	183,631,685	63,596,849	196,533,862
Impairment charge/(reversal) for loans and other losses	4.35	(29,745,231)	37,558,459	40,312,444	141,757,105
Net operating income		58,916,462	146,073,226	23,284,405	54,776,757
Operating expense					
Personnel expenses	4.36	24,244,992	72,192,274	20,532,884	65,574,944
Other operating expenses	4.37	11,447,947	36,761,425	12,597,575	36,546,851
Depreciation & Amortization	4.38	4,143,053	13,053,011	5,079,435	15,226,481
Operating Profit		19,080,470	24,066,516	(14,925,490)	(62,571,519)
Non operating income	4.39	187,309	187,309	1,269,643	1,269,643
Non operating expense	4.40	-	-	182,992	182,992
Profit before income tax		19,267,779	24,253,825	(13,838,839)	(61,484,867)
Income tax expense	4.41	-	-	-	-
Current Tax expenses		5,780,333	7,276,147	-	-
Deferred Tax Expenses/(Income)		-	-	-	-
Profit for the period		13,487,446	16,977,677	(13,838,839)	(61,484,867)

**CENTRAL FINANCE LTD.**  
**STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS**  
**For the quarter ended Chaitra End 2081**  
**(As per NRB Regulation)**

Particulars	Chaitra End 2081	Chaitra End 2080
<b>Net profit or (loss) as per statement of Profit or loss</b>	<b>16,977,677</b>	<b>(61,484,867)</b>
Appropriations:		-
a. General reserve	(3,395,535)	-
b. Foreign exchange fluctuation fund		-
c. Capital redemption reserve		-
d. Corporate social responsibility fund	(169,777)	-
e. Employees' training fund	(1,524,675)	(1,405,094)
f. Other	326,711	888,585
<b>Profit or (loss) before regulatory adjustment</b>	<b>12,214,401</b>	<b>(62,001,376)</b>
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(2,972,357)	(89,465,140)
b. Short loan loss provision in accounts (-)/reversal (+)		
c. Short provision for possible losses on investment (-)/reversal (+)		
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	(38,444,876)	-
e. Deferred tax assets recognised (-)/ reversal (+)		
f. Goodwill recognised (-)/ impairment of Goodwill (+)		
g. Bargain purchase gain recognised (-)/resersal (+)		
h. Actuarial loss recognised (-)/reversal (+)		
i. Other (+/-)		
<b>Net Profit for the Quarter Ended Ashwin available for distribution</b>	<b>(29,202,832)</b>	<b>(151,466,516)</b>
<b>Opening Retained Earning</b>	<b>(333,932,289)</b>	<b>(2,886,923)</b>
Adjustment(+/-)		
Distribution		
Bonus Share issued		
Cash Dividend Paid		
<b>Total Distributable profit or (loss) as on Quarter End date</b>	<b>(363,135,121)</b>	<b>(154,353,439)</b>
Annualised Distributable Profit/Loss per share	-51.03%	-21.69%

**CENTRAL FINANCE LTD.**  
**Statement of Comprehensive Income**  
**For the quarter ended Chaitra End 2081**

IN NPR

Particulars	NOTE	Current Year		Previous Year Corresponding	
		This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
<b>Profit for the year</b>		<b>13,487,446</b>	<b>16,977,677</b>	<b>(13,838,839)</b>	<b>(61,484,867)</b>
<b>Other comprehensive income, net of income tax</b>				-	-
<b>a) Items that will not be reclassified to profit or loss</b>				-	-
Gains/(Losses) from investments in equity instruments measured at fair value		(4,977,319.00)	96,140,352.00	9,754,610	57,247,922
Gains/(Losses) on revaluation		-	-	-	-
Actuarial gain/(loss) on defined benefit plans		-	-	-	-
Income tax relating to above terms		1,493,195.00	(28,842,106)	(2,926,383)	(17,174,377)
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>		<b>(3,484,124)</b>	<b>67,298,246</b>	<b>6,828,227</b>	<b>40,073,545</b>
<b>b) Items that are or may be reclassified to profit or loss</b>					
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				-	-
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>					
<b>c) Share of other comprehensive income of associate accounted as per equited method</b>		-	-	-	-
<b>Other comprehensive income for the year, net of income tax</b>		<b>(3,484,124)</b>	<b>67,298,246</b>	<b>6,828,227</b>	<b>40,073,545</b>
<b>Total comprehensive income for the period</b>		<b>10,003,322</b>	<b>84,275,923</b>	<b>(7,010,612)</b>	<b>(21,411,323)</b>
<b>Basic earnings per share</b>			<b>2.39</b>		<b>(8.64)</b>
<b>Diluted earnings per share</b>			<b>2.39</b>		<b>(8.64)</b>
<b>Total comprehensive income attributable to:</b>		<b>10,003,322</b>	<b>84,275,923</b>	<b>(7,010,612)</b>	<b>(21,411,323)</b>
Equity holders of the bank		10,003,322	84,275,923	(7,010,612)	(21,411,323)
Non-controlling interest		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>10,003,322</b>	<b>84,275,923</b>	<b>(7,010,612)</b>	<b>(21,411,323)</b>

**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)
				Corresponding
Capital fund to RWA		12.58%		16.94%
Tier 1 Capital to RWA		12.58%		16.94%
CET 1 Capital to RWA		12.58%		16.94%
Non-performing loan (NPL) to total loan		12.01%		9.57%
Total loan loss provision to Total NPL		99.10%		73.45%
Cost of Funds		6.10%		8.80%
Credit to Deposit Ratio		67.64%		65.55%
Base Rate		8.40%		11.26%
Interest Rate Spread		4.47%		4.53%
Return on Equity		2.26%		-0.07%
Return on Asset		0.27%		-0.01%

Note: If the Statutory Audit and supervisory authority notify any remarks to change, unaudited financial statement may change accordingly.

Particulars	Chaitra 2081	Chaitra 2080
Liquidity	28.58%	43.03%
Value of per share on total assets	898.48	909.65
Number of equity shares	9,488,754.59	9,488,754.59
Earnings per share (Annualized)	2.39	-8.64
Net worth per share	105.70	124.32
Price earnings ratio	253.92	-43.64
Closing Price	606.88	377

- Above Financial Statements are prepared in accordance with the Nepal Financial Reporting Standards (NFRS).
- Following alternative treatment has been implied by the financial institution with respect to compliance of NFRS 9-Expected Credit Loss Related Guidelines, 2024 issued by NRB:
  - The financial institution has not restated the figures relating to corresponding quarter of the previous year.
  - The financial institution recognized impairment of loans and advances at higher of loan loss provision required as per the directives issued by Nepal Rastra Bank and impairment amount determined as per Para 63 of NAS 39.
  - The financial institution has not recognized interest income on loans and advances based on NFRS 9- Expected Credit Loss Related Guidelines 2024 issued by NRB due to impracticability of determination of transaction cost. All such costs have been directly charged off to Statement of profit or loss.
- Figures presented above may vary with the audited figures as per the instruction or requirement of the banking regulator and/or statutory auditor.
- Loans and advances are presented net of impairment charges and includes staff loans and advances.
- Personnel expenses includes provision for staff bonus which has been calculated as per provision of Bonus Act.
- Figures are regrouped and reclassified wherever necessary.
- A detailed interim financial report has been published in the financial institution's website <https://www.centralfinance.com.np/>



**नेपाल राष्ट्र बैंक**  
**वित्तीय संस्था सुपरिवेक्षण विभाग**

केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
फोन नं.: ०१-४४१२३०७  
Site: [www.nrb.org.np](http://www.nrb.org.np)  
Email: [nrbfisd@nrb.org.np](mailto:nrbfisd@nrb.org.np)  
पोष्ट बक्स: ७३

पत्रसंख्या: वि.सं.सु.वि./गैरस्थलगत/सेन्ट्रल/०८१/८२  
च.नं. ३६६

मिति: २०८२/०१/११

सेन्ट्रल फाईनान्स लिमिटेड,  
कुपण्डोल, ललितपुर।



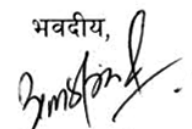
**विषय: वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धमा।**

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०८०/८१ को लेखापरीक्षण भएको वित्तीय अवस्थाको विवरण तथा अन्य प्रतिवेदनहरूका आधारमा गैरस्थलगत सुपरिवेक्षण गर्दा देखिएका कैफियतहरूका सम्बन्धमा देहाय बमोजिमका निर्देशनहरू शेरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्ने गरी संस्थाको आर्थिक वर्ष २०८०/८१ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार अनुरोध छ।

- (१) बैंक हिसाबमिलान गर्दा ब्यालेन्स सर्टिफिकेट तथा स्टेटमेण्ट लिनुहुन।
- (२) कर्जा स्वीकृत/नवीकरण गर्दा ऋणीको करचुक्ता प्रमाणपत्र र लेखापरीक्षण सम्पन्न प्रतिवेदन लिनुहुन।
- (३) यस बैंकबाट जारी एकीकृत निर्देशन नं ८/०८१ बमोजिम लगानी सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन।
- (४) यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०८१ बमोजिम औसत व्याजदर अन्तर मासिक रूपमा कायम गर्नुपर्ने सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन।
- (५) आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन।

भवदीय,



(विनय सिग्देल)  
उप-निर्देशक

**बोधार्थ :**

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





**सेन्ट्रल फाईनान्स लिमिटेड**  
**CENTRAL FINANCE LIMITED**  
*Serving Your Financial Needs*

Head Office: Kupondole, Lalitpur  
Tel: 01-5970005  
Email: info@centralfinance.com.np  
Web: www.centralfinance.com.np

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

च.नं.: ८६९/०८९/८२

मिति: २०८२/०९/१४

श्री नेपाल राष्ट्र बैंक,  
वित्तीय संस्था सुपरिवेक्षण विभाग,  
बालुवाटार, काठमाडौं ।



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

महाशय,

त्यस बैंकको मिति २०८२/०९/११, पत्रसंख्या वि.सं.सु.वि./गैरस्थलगत/सेन्ट्रल/०८९/८२ च.न.३६६ को पत्र प्राप्त भई व्यहोरा अवगत भयो । उपरोक्त पत्रमा उल्लेखित निर्देशनको सम्बन्धमा यस संस्थाको सञ्चालक समितिमा छलफल भई संस्थाको प्रतिक्रिया निम्न बमोजिम भएको व्यहोरा अनुरोध छ ।

१. बैंक हिसाव मिलान गर्दा ब्यालेन्स सर्टिफिकेट तथा स्टेटमेण्ट लिइनेछ ।
२. कर्जा स्वीकृत/नवीकरण गर्दा ऋणीको करचुक्ता प्रमाणपत्र र लेखापरीक्षण सम्पन्न प्रतिवेदन लिइनेछ ।
३. त्यस बैंकबाट जारी एकीकृत निर्देशन नं. ८/०८९ बमोजिम लगानी सम्बन्धी व्यवस्थाको पूर्ण रुपमा पालना गरिने छ ।
४. त्यस बैंकबाट जारी एकीकृत निर्देशन नं. १५/०८९ बमोजिम औसत ब्याज दर अन्तर मासिक रुपमा कायम गर्नु पर्ने सम्बन्धी व्यवस्थाको पूर्ण रुपमा पालना गरिने छ ।
५. आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा त्यस बैंकबाट औल्याएका कैफियतहरु पुनः नदोहोरिने गरी व्यवस्था मिलाईने 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  
वित्तीय संस्था सुपरिवेक्षण विभाग, प्रतिवेदन कार्यान्वयन इकाई,  
बालुवाटार, काठमाडौं ।

Branch Office: Chabahil, Kathmandu, Tel: 01-4560624 | Narayangadh, Chitwan, Tel: 056-598941 | Butwal, Rupandehi, Tel: 071-553351 | Chyamhasinha, Bhaktapur, Tel: 01-6618471 | Bardibas, Mahottari, Tel: 044-550623 | Bardaghat, Nawalparasi, Tel: 078-580810 | Simara, Bara, Tel: 053-520015 | Bhiman, Sindhuuli, Tel: 047-410042 | Gongabu Ganeshsthan, Kathmandu, Tel: 01-4982130 | Sallaghari Ext. Bhaktapur, Tel: 01-6619672 | Lalbandi, Sarlahi, Tel: 046-501763 | Dakaha, Sindhuuli, Tel: 9817833713 | Janakpur, Dhanusha, Tel: 041-590436 | Itahari, Sunsari, Tel: 025-590196 | Birtamod, Jhapa, Tel: 023-590958 | Bhairahawa, Rupandehi, Tel: 071-590191 | Birgunj, Parsa, Tel: 051-591814 | Biratnagar, Morang, Tel: 021-590816 | Chandrapur, Rautahat, Tel: 055-590005

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# सेन्ट्रल फाईनान्स लिमिटेड

## CENTRAL FINANCE Limited

*Serving Your Financial Needs*

### केन्द्रीय कार्यालय

कुपण्डोल, ललितपुर, फोन नं.: ०१-५५७०००५

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

#### कुपण्डोल शाखा

कानदेवस्थान, ललितपुर

फोन नं.: ०१-५९७०००५

#### चावहिल शाखा

चावहिल, काठमाण्डौ

फोन नं.: ०१-४५६०६२४, ४५६०८०३

#### नारायणगढ शाखा

शहीदचोक, नारायणगढ, चितवन

फोन नं.: ०५६-५९८९४१, ५९८९४

#### बुटवल शाखा

मिलनचोक, बुटवल, रूपन्देही

फोन नं.: ०७१-५५३३५१, ५५३३५२

#### भक्तपुर शाखा

च्याम्हासिंह, भक्तपुर

फोन नं.: ०१-६६१८४७१, ६६१८४७२

#### बर्दिबास शाखा

बर्दिबास, महोत्तरी

फोन नं.: ०४४-५५०७३४, ५५०६२३

#### बर्दघाट शाखा

बर्दघाट, नवलपरासी

फोन नं.: ०७८-५८०८१०, ५८०८११

#### सिमरा शाखा

सिमरा, बारा

फोन नं.: ०५३-५२००१५, ५२००१६

#### भिमान शाखा

भिमान, सिन्धुली

फोन नं.: ०४७-४१००४२, ४१००४४

#### गोगबु शाखा

गणेशस्थान, टोखा, काठमाडौं

फोन नं.: ०१-४९८२१३०, ४९८२८४०

#### सल्लाघारी एक्सटेन्सन काउन्टर

सल्लाघारी, भक्तपुर

फोन नं.: ०१-६६१९६७२

#### लालबन्दी शाखा

लालबन्दी, सर्लाही

फोन नं.: ०४६-५०१७६३, ५०१७६४

#### डकाहा शाखा

डकाहा, सिन्धुली

फोन नं.: ९८१७८३३७१३, ९८१७८३३७५६

#### जनकपुर शाखा

राम चोक, जनकपुरधाम, धनुषा

फोन नं.: ०४१-५९०४३६, ५९०४३७

#### ईटहरी शाखा

ईटहरी, सुनसरी

फोन नं.: ०२५-५९०९९६, ५९०९९७

#### बिर्तामोड शाखा

भद्रपुर रोड, बिर्तामोड, झापा

फोन नं.: ०२३-५९०९५८, ५९०९५९

#### भैरहवा शाखा

मिलन चोक, भैरहवा, रूपन्देही

फोन नं.: ०७१-५९०९९१, ५९०९९२

#### वीरगञ्ज शाखा

लिङ्ग रोड, वीरगञ्ज, पर्सा

फोन नं.: ०५१-५९१८१४, ५९१८१५

#### विराटनगर शाखा

जलजला रोड, विराटनगर, मोरङ

फोन नं.: ०२१-५९०८१६, ५९०८१७

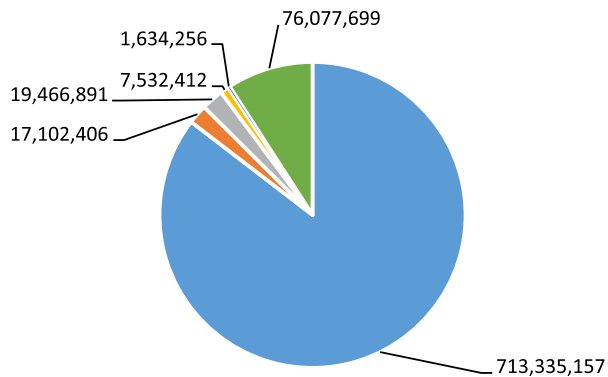
#### चन्द्रपुर शाखा

चन्द्रनिगाहपुर, रौतहट

फोन नं.: ०५५-५९०००५, ५९०००६

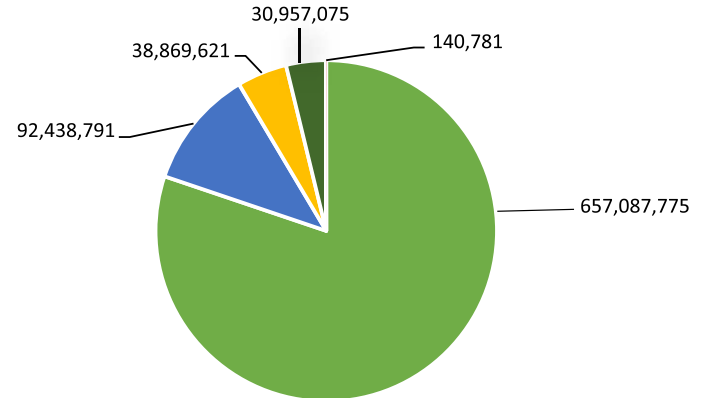
# Financial Highlights

## Income Structures



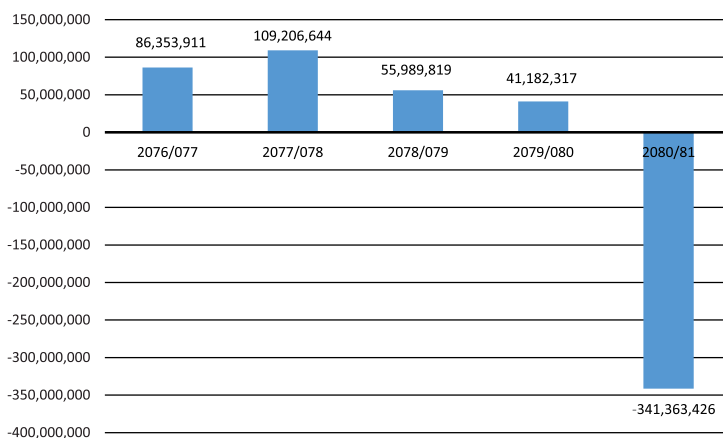
- Interest Income on Loan and Advances
- Interest Income from Call Account
- Fee and Commission Income
- Other Operating Income
- Non Operating Income
- Investment securities

## Expenses Structures

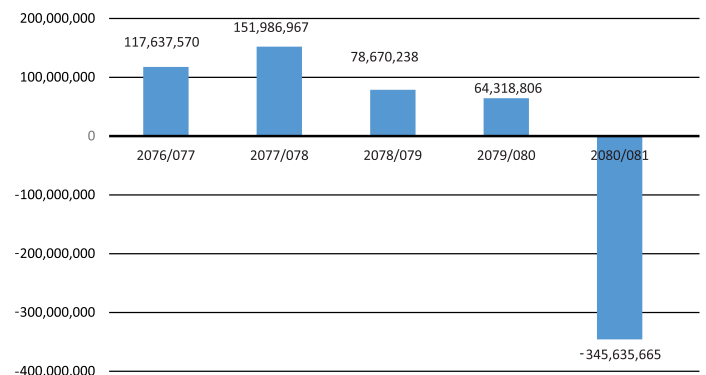


- Interest Expense
- Personnel Expense
- Other Operating Expense
- Depreciation
- Non Operating Expense

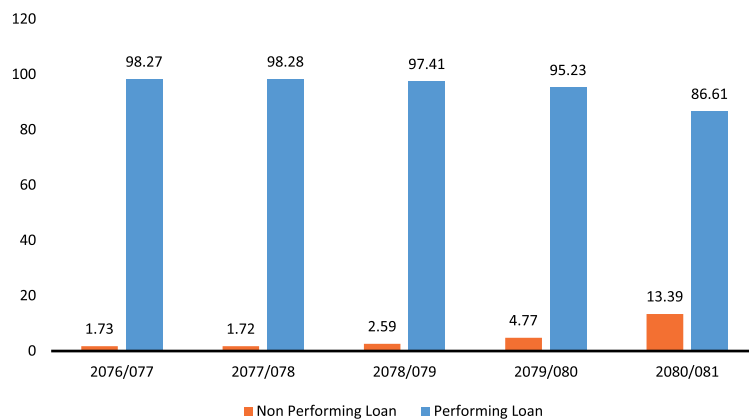
## Net Profit



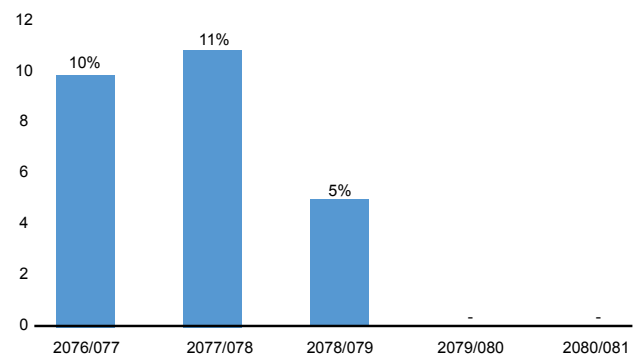
## Operating Profit



## Non Performing & Performing Loan



## Dividend Distribution





## सेन्ट्रल फाईनान्स लिमिटेडको २७ औं वार्षिक साधारण सभाको भलकहरू





# संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत संस्थाबाट भएका सामाजिक कार्यहरु

## केन्द्रिय कार्यालय



## नारायणगढ शाखा



## भक्तपुर शाखा



## सिमरा शाखा



## गोगबु शाखा





## लालबन्दी शाखा



## जनकपुर शाखा



## वित्तमोड शाखा



## विरगंज शाखा



## चन्द्रपुर शाखा





## उच्च व्यवस्थापन तह



रजो ज मान श्रेष्ठ  
प्रमुख कार्यकारी अधिकृत

## व्यवस्थापन तह तथा विभागीय प्रमुखहरू



नारायण प्रसाद भट्टराई  
उप-महाप्रबन्धक



प्रवीणा जोशी  
सञ्चालन विभाग



जेनिश जोशी  
कर्जा जोखिम विभाग



गोविन्द प्रसाद प्रसाई  
कर्जा प्रशासन विभाग/कम्पनी सचिव



अच्युत उपाध्याय  
कानून तथा कार्यान्वयन विभाग



गीर्ण जंग थापा  
कर्जा असुली विभाग



सरिता श्रेष्ठ  
मानव संसाधन विभाग



दिपेश साह  
लेखा विभाग



अजय राज जोशी  
सूचना प्रविधि विभाग



श्रृजना माथेमा  
सामान्य प्रशासन विभाग

## शाखा प्रमुखहरू



प्रजान नन्दन जोशी  
कृपण्डोल शाखा



दिपक श्रेष्ठ  
चावहिल शाखा



मधुसुदन पौडेल  
नारायणगढ शाखा



रविना थापा  
बुटवल शाखा



कान्छी मैना प्रजापति  
भक्तपुर शाखा



यम प्रसाद दाहाल  
बर्दिबास शाखा



निरज श्रेष्ठ  
बर्दघाट शाखा



सन्तोष कार्की  
सिमरा शाखा



सागर प्रधान  
भिमान शाखा



आयुष ङगोल  
गोंगबु शाखा



उमेश भट्टराई  
लालबन्दी शाखा



दिपेश पाण्डे  
डकाहा शाखा



दिलिप कुमार यादव  
जनकपुर शाखा



भेषराज देवकोटा  
इटहरी शाखा



प्रकाश फुयाल  
वितामोड शाखा



अरुण अधिकारी  
भैरहवा शाखा



कृष्ण कुमार भ्ना  
बिरगञ्ज शाखा



शेखर कोइराला  
विराटनगर शाखा



ध्रुपेन्द्र कुमार यादव  
चन्द्रपुर शाखा

# संस्थाले प्रदान गर्ने सेवाहरू:



## निक्षेप योजना (Deposit Scheme)

### क) बचत खाता (Saving 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)
- विशेष बचत (Special Saving)
- सेन्ट्रल स्मार्ट बचत (Central Smart Saving)
- सामाजिक कल्याणकारी बचत (Social Welfare Saving)
- लगानीकर्ता बचत (Investor Saving)

### ख) क्रमिक निक्षेप योजना (Recurring Deposit Scheme)

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

### ग) मुद्दती निक्षेप (Fixed Deposit)

३ महिनादेखि माथिका 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) धितो कर्जा (Mortgage Loan)
  - ज) मुद्दती रसिद धितोमा कर्जा (Loan Against FDR)
  - झ) 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 कारोबार
- 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
- QR Merchant सुविधा
- Corporate Pay सुविधा
- RTGS सुविधा
- Debit Card सुविधा
- SMS Alert
- Remittance
- connect IPS सुविधा
- QR Teller सुविधा
- Nepal Pay सुविधा
- Smart QR सुविधा

## विशेषताहरू

- 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 ।