INTERIM FINANCIAL STATEMENTS

As On Ashwin End 2083-84



HIMALAYAN LAGHUBITTA BITTIYA SANSTHA LIMITED

CLASS "D" INSTITUTION LICENCED BY NEPAL RASTRA BANK

Himalayan Laghubitta Bittiya Sanstha Limited

Chabahil, Kathmandu

Unaudited Condensed Statement of Financial Position

As on First Quarter ended 2083/84

Amount (NPR)

Particulars	This Quarter Ending	Immediate Previous Year Ending
Assets		
Cash and Cash Equivalents	470,146,049	1,037,414,608
Statutory Balances and due from Nepal Rastra Bank	26,000,000	26,000,000
Placement with Bank and Financial Institutions	15,602,719	15,602,719
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and advances to MFIs & Cooperatives	-	-
Loans and Advances to Customers	5,021,688,398	4,962,718,639
Investment Securities	1,200,000	1,200,000
Current Tax Assets	9,006,058	9,739,374
Investment Property	-	-
Property and Equipment	46,908,217	36,327,478
Goodwill and Intangible Assets	544,125	457,405
Deferred Tax Assets	9,756,292	15,105,384
Other Assets	56,517,662	42,417,100
Total Assets	**5,657,369,520**	**6,146,982,707**
Liabilities		
Due to Bank and Financial Institutions	-	-
Due to Nepal Rastra Bank	-	-
Derivative Financial Instruments	-	-
Deposits from Customers	1,276,391,158	1,272,164,229
Borrowings	3,471,539,463	4,008,545,142
Current Tax Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	333,171,454	311,956,046
Debt Securities Issued	-	-
Subordinated Liabilities	-	-
Total Liabilities	**5,081,102,075**	**5,592,665,417**
Equity		
Share Capital	341,086,036	341,086,036
Share Premium	45,543,048	45,543,048
Retained Earnings	110,787,542	92,521,017
Reserves	78,850,819	75,167,189
Total Equity	**576,267,445**	**554,317,289**
Total Liabilities and Equity	**5,657,369,520**	**6,146,982,707**

Himalayan Laghubitta Bittiya Sanstha Limited

Chabahil, Kathmandu

Condensed Statement of Profit or Loss

For the First Quarter Ended Ashwin 2083

Amount (NPR)

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter	This Quarter	Upto This Quarter
Interest Income	165,298,480	165,298,480	171,953,280	171,953,280
Interest Expenses	62,237,978	62,237,978	73,084,240	73,084,240
Net Interest Income	**103,060,503**	**103,060,503**	**98,869,041**	**98,869,041**
Fees and Commission Income	11,546,561	11,546,561	9,811,287	9,811,287
Fees and Commission Expense	-	-	26,243	26,243
Net Fee and Commission Income	**11,546,561**	**11,546,561**	**9,785,044**	**9,785,044**
Net Interest, Fees and Commission Income	**114,607,064**	**114,607,064**	**108,654,084**	**108,654,084**
Net Trading Income	-	-	-	-
Other Operating Income	297,125	297,125	362,672	362,672
Total Operating Income	**114,904,188**	**114,904,188**	**109,016,756**	**109,016,756**
Impairment charge/(reversal) for loan and other losses	19,753,633	19,753,633	13,930,740	13,930,740
Net operating income	**95,150,555**	**95,150,555**	**95,086,016**	**95,086,016**
Operating Expense	-			
Personnel Expenses	50,568,378	50,568,378	45,328,004	45,328,004
Other Operating Expense	16,025,205	16,025,205	16,142,295	16,142,295
Depreciation and Amortisation	4,133,469	4,133,469	4,067,573	4,067,573
Operating Profit /(Loss)	**24,423,503**	**24,423,503**	**29,548,145**	**29,548,145**
Non-Operating Income	-	-	34,962	34,962
Non-Operating Expense	-	-	-	-
Profit/(Loss) before Income Tax	**24,423,503**	**24,423,503**	**29,583,107**	**29,583,107**
Income Tax Expense	-			
Current Tax	7,327,051	7,327,051	8,874,932	8,874,932
Deferred Tax	-	-	-	-
Profit/(Loss) for the Period	**17,096,452**	**17,096,452**	**20,708,175**	**20,708,175**

Condensed Statement of Comprehensive Income

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter	This Quarter	Upto This Quarter
Profit/(Loss) for the Period	**17,096,452**	**17,096,452**	**20,708,175**	**20,708,175**
Other Comprehensive Income	-	-		
Total Comprehensive Income	**17,096,452**	**17,096,452**	**20,708,175**	**20,708,175**
Earnings per share				
Basic earnings per share	-	5.01	-	6.47
Annualized Basic Earnings per share	-	20.05	-	25.90
Diluted earnings per share	-	20.05	-	25.90

Ratios as per NRB Directive

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Upto This Quarter	This Quarter	Upto This Quarter
Capital Fund to RWA	-	11.49%	-	9.53%
Non Performing loan(NPL) to Total Loan	-	12.17%	-	6.95%
Total Loan Loss Provision to Total NPL	-	30.43%	-	37.37%
Cost of Funds	-	5.19%	-	6.21%
Credit to Deposit and Borrowing Ratio	-	105.77%	-	97.55%
Base Rate	-	11.59%	-	11.99%
Interest Rate Spread	-	9.15%	-	8.75%

Statement of Distributable Profit or Loss

For the First Quarter Ended Ashwin 2083

As per NRB Regulation

Amount (NPR)

Net profit/(loss) as per Statement of Profit or Loss	**17,096,452**
Appropriation	
a. General Reserve	3,419,290
b. Exchange Fluctuation Fund	-
c. Capital Redeemption Reserve	-
d. Corporate Social Responsibility Fund	170,965
e. Employee Training Fund	-
f. Other (Client Protection Fund)	512,894
Profit/(loss) before regulatory adjustment	**12,993,304**
Regulatory Adjustments	
a. Interest receivable (-)/previous accrued interest received (+)	(4,828,565)
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 (+)	-
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	-
Net Profit/(Loss) for the Qtr. end available for Distribution	**8,164,739**
Opening Retained Earning As on Shrawan 1, 2083	**102,622,803**
Adjustments	
Distribution	
Bonus Share issued	-
Cash Dividend Paid	-
Total Distributable Profit/(Loss) as on Qtr. end	**110,787,542**

Note:

1. The Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS).
2. Figures presented above may vary with the audited figures if instructed by regulators/statutory auditor.
3. Loans and Advances are presented net of impairment charges.
4. Actuarial Valuation will be done on an annual basis for Employee Benefits.
5. Figures are regrouped/rearranged/restated wherever necessary for consistent and fair presentation and comparison.
6. As required by NRB's NFRS 9 – ECL Guidelines, ECL should be measured using discounted cash flows based on the Effective Interest Rate (EIR). However, due to time and system constraints, EIR-based discounting has not been incorporated in the current quarter's ECL assessment. Accordingly, the recognized impairment represents a provisional estimate, and management intends to implement the EIR approach in subsequent reporting periods.

Interest Rate on Loan and Advance : 1. Fixed Interest Rate : 13.70%, 2. Adjustable Interest Rate : (Average Base Rate + 1.68 Premium) %
Interest Rate on Deposits : 7.5 % to 8.91%
Average Base Rate : 12.02% (Effective for 2nd Quarter 2083/84)

Note: The detailed interim financial report has been published in the website (https://www.himalayanlaghubitta.com)

Himalayan Laghubitta Bittiya Sanstha Limited

Chabahil, Kathmandu

Condensed Statement of Changes in Equity

As on First Quarter ended 2083/84

Amount (NPR)

Particulars	Attributable to Equity-Holders of the Institution									
	Share Capital	Share Premium	General Reserve	Exchange Equalisation Reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Other Reserve	Total Equity
Balance at Shrawan 01, 2082	**319,818,130**	**45,543,048**	**53,845,182**	**-**	**50,236,858**	**-**	**-**	**38,651,242**	**19,913,434**	**528,007,894**
Profit for the Period								107,931,734		**107,931,734**
Other Comprehensive Income										
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**107,931,734**	**-**	**107,931,734**
Contributions from and distributions to owners										
Adjustments								**1,111,657**	(392,674)	
Share Issued									(688,525)	
Share Based Payments	21,267,906									**21,267,906**
Dividend to Equity-Holders										**-**
Bonus Shares Issued								(21,267,906)		**-**
Cash Dividend Paid	-							(1,119,363)		**(21,267,906)**
Transfer to/(from) Reserves during the year			21,586,347		483,588			**(22,684,560)**	614,625	**(1,119,363)**
Total Contributions from and distributions to owners	**21,267,906**		**21,586,347**		**483,588**			**(43,960,172)**	**(466,574)**	**-**
Balance at Ashad 32, 2083	**341,086,036**	**45,543,048**	**75,431,529**	**-**	**50,720,446**	**-**	**-**	**102,622,803**	**19,446,860**	**635,939,628**
Balance at Shrawan 01, 2083	**341,086,036**	**45,543,048**	**75,431,529**	**-**	**50,720,446**	**-**	**-**	**102,622,803**	**19,446,860**	**635,939,628**
Profit for the period								**17,096,452**		**17,096,452**
Other Comprehensive Income										
Total Comprehensive Income	-	-	-	-	-	-	-	17,096,452	-	**17,096,452**
Contributions from and distributions to owners										
Adjustments					(50,720,446)				(19,446,860)	**(70,167,306)**
Share Issued	-									**-**
Share Based Payments										**-**
Dividend to Equity-Holders										**-**
Bonus Shares Issued	-									**-**
Cash Dividend Paid										**-**
Transfer to/(from) Reserves during the year	-		3,419,290					(8,931,713)		**(5,512,422.81)**
Total Contributions from and distributions to owners	-	-	3,419,290	-	-	-	-	8,164,739	(19,446,860)	**(7,862,831.16)**
Balance at Ashwin 31, 2083	**341,086,036**	**45,543,048**	**78,850,820**	**-**		**-**	**-**	**110,787,542**	**-**	**576,267,445**

Himalayan Laghubitta Bittiya Sanstha Limited

Notes to the Interim Financial Statement

For the First Quarter Ended Ashwin 2083

1 Reporting Entity

Himalayan Laghubitta Bittiya Sanstha Limited (Previously known as Civil Laghubitta Bittiya Sanstha Limited) ('the Microfinance') is domiciled and incorporated in Nepal under then Bank and Financial Institution Act, 2063 on 1st Chaitra 2067 (15th March 2011). The company received the national level business operating license from Nepal Rastra Bank to conduct micro-finance activities as a 'D' class financial institution on 7th Baishak 2069 (19 April 2012). The company started its operations on 21 Ashad 2069 (05 July 2012). The company has its registered central office at Chabahil, Kathmandu, Nepal. The microfinance is operating as a D Class licensed financial institution as per Bank and Financial Institution Act, 2073. The Microfinance is a limited liability company having its shares listed on Nepal Stock Exchange with trading code "HLBSL". The microfinance is a subsidiary of Himalayan Bank Limited.

2 Basis of Preparation

2.1 Statement of Compliance

The Financial Statements of the entity which comprises components presented above have been prepared in compliance with Nepal Financial Reporting Standards and Nepal Accounting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal and in compliance with the requirements of the Companies Act, 2006.

The disclosure made in the condensed interim financial informations have been based on the formats prescribed by Nepal Rastra Bank.

The Interim Financial Statement don't include all of the information required for a complete set of NFRS financial statements. However selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the microfinance's financial position and performance since the last published annual financial statements.

2.2 Reporting Period

The Microfinance follows the Nepalese financial year based on the Nepalese calendar:

1. For Statement of Financial Position :- Ashad 32, 2084
2. For Statement of Profit & Loss :- 1st Shrawan, 2083 to Ashad 32, 2084
3. For Statement of Cash Flows :- 1st Shrawan, 2083 to Ashad 32, 2084

2.3 Functional and Presentation Currency

The Financial Statements of the Microfinance are presented in Nepalese Rupees, which is the currency of the primary economic environment in which the company operates. There was no change in microfinance's presentation and functional currency during the year under review.

2.4 New Standards issued but not yet effective

Management has issued its assumptions and understandings for the preparation of financial statements under compliance with NFRS, however, certain interpretations might vary regarding the recognition, measurement and other related provisions where the standards are not specific and not clear.

3 Use of Estimates and Judgements

The Microfinance, in order to comply with the financial reporting standards has made accounting judgements as having potentially material impact on the financial statement. Those judgements and their impact on the financial statement have been described herein. The management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results may differ from the estimates. Any revision to the accounting estimate is recognized prospectively in the current and future period.

4 Changes in Accounting Policies

The Microfinance applies its accounting policies consistently from year to year except where deviations have been explicitly mandated by the applicable accounting standards.

5 Significant Accounting Policies

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

5.1 Basis of Measurement

The Financial Statements of Entity have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position:

- Financial assets, held for trading are recorded in the statement of financial position at fair value and the changes in the value have been routed through profit or loss statement,
- Available for sale investments (quoted) are measured at fair value,
- Liabilities for defined benefit obligations and staff loans provided at subsidized interest rates as per Employee Bylaws of the Bank are recognized at the present value of the defined benefit obligation less the fair value of the plan assets.

5.2 Cash and Cash Equivalents

The cash and cash equivalents include cash in hand, balances with banks and financial institutions, money at call and short notice and highly liquid financial assets with original maturity of three months or less from the acquisition date that are subject to and insignificant risk of changes in their fair values and are used by the microfinance in the management of its short-term commitments.

Cash and Cash equivalents includes cash in hands, deposits with BFIs and other short-term investments with original maturities of three months or less.

5.3 Financial Assets and Financial Liabilities

Recognition

The Microfinance recognizes financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognizes changes in fair value of the financial assets or financial liabilities from that date.

Classification and Measurement

5.3.1 Financial Assets

Financial Assets are classified mainly under amortized cost, fair value through profit or loss and fair value through OCI. Financial Liabilities are classified at amortized cost or fair value through profit or loss.

a. Measured at Amortized Cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment subject to Carveout issued by ICAN, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

b. Measured at Fair Valur through OCI

Assets are categorized under this category if the business model is to obtain the contractual cash flow from the assets but the contractual cash flow isn't solely repayment of principal and interest.

Equity Instrument which are not held for trading and initially recognized as held for trading for which the Microfinance makes an irrevocable election to carry the changes in fair value of the instrument through OCI are measured at Fair Value through other Comprehensive Income.

c. Measured at Fair Value through Profit & Loss

The Microfinance classifies the financials assets as fair value through profit or loss if they are held for trading or designated at fair value through profit or loss.

Any other financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL.

5.3.2 Financial Liabilities

a. Measured at Fair Value through Profit & Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Upon initial recognition, transaction cost i.e. directly attributable to the acquisition are recognized in Statement of Profit or Loss as incurred. Subsequent changes in fair value are recognized at profit or loss.

b. Measured at Amortized Cost

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

Derecognition

The Microfinance derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows from the asset.

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Determination of Fair Value

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Microfinance follows three levels of the fair-value-hierarchy as described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets;

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable or valuations of quoted for similar instrument in active markets or quoted prices for identical or similar instrument in inactive markets; and

Level 3: Significant inputs to the fair value measurement are unobservable.

Investment in Unquoted Equity Instrument are carried at cost as the market price of such shares could not be ascertained with certainty at the reporting date.

5.4 Impairment

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

The individual impairment provision applies to financial assets evaluated individually for impairment and is based on Management's best estimate of the present value of the future cash flows that are expected to be received. In estimating these cash flows, Management makes judgements about the number of factors including a borrower's financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits to estimate the recoverable amount of cash flows. A collective impairment provision is established for:

- groups of homogeneous loans and advances and investment securities which are held-to-maturity, that are not considered individually significant; and
- groups of assets that are individually significant but that were not found to be individually impaired.

The collective impairment is carried using the statistical modelling such as historical trends of probability of defaults, timings of recoveries, and current economic and market conditions which may warrant for the loss being greater than the suggested by the historical trends.

For the purpose of collective assessment of impairment, Microfinance has categorized assets into following broad products as follows:

- Micro Loan
- Seasonal Loan
- Emergency Loan
- Disaster Loan
- Micro Enterprise Loan (Collateral Loan)

Carveout adopted for assessment of impairment charge

The Microfinance has opted to apply carveout on impairment of loans and receivables. Accordingly, individual and collective impairment loss amount calculated as per NFRS is compared with the impairment provision required under NRB directive no. 2, higher of the amount derived from these measures is taken as impairment loss for loans and receivables.

5.5 Property, Plant & Equipment

Recognition and measurement: Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Depreciation & Amortization: The Microfinance depreciates property, plant and equipment following Written Down Value method applying the Depreciation rates prescribed by Income Tax Act, 2058. The rates used for depreciation of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Type of Asset	Depreciation Rate
Buildings	5%
Computer & Accessories	25%
Vehicles - Two-wheeler	20%
- Four-wheeler	20%
Furniture & Fixtures	25%
Equipment & Others - Equipment	25%
Other Assets	15%
Intangible Assets	Rate set, dividing the cost of the property by adjusting in the nearest half year of the fiscal year

The Microfinance adopts cost model for entire class of Property, Plant and Equipment. It has not measured any Property Plant and Equipment at revaluation model and at fair value. The items of Property, Plant and Equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of newly acquired assets is charged based upon the date of invoice and assets having acquisition cost less than NPR. 1,000 have been written down as an expense for the period in the Statement of Profit and Loss.

5.6 Goodwill and Intangible Assets

Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired in Business Combination is recognized as goodwill. Goodwill is measured at cost less any accumulated impairment losses/accumulated amortization. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

Intangible assets are recognized separately from goodwill when they are separable or arise from contractual or other legal rights, and their fair value can be measured reliably. These intangible assets are recognized at historical cost less impairment /amortization over their estimated useful life.

5.7 Tax Expenses

Tax expenses comprises of current tax and deferred tax.

5.7.1 Current Tax

Current tax is the income tax expense recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or OCI in which case it is recognized in equity or in other comprehensive income. Current tax is the amounts expected or paid to Inland Revenue Department in respect of the current year, using the tax rates and tax laws enacted or substantively enacted on the reporting date and any adjustment to tax payable in respect of prior years.

5.7.2 Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realized or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when the group has a legal right to offset.

5.8 Deposits from Members

Deposits by members and public depositors are initially recognized at fair value, plus for those financial liabilities not at fair value through profit and loss. The transaction price is considered as the fair value for measuring the deposits.

5.8 Provisions, Liabilities and Contingent Liabilities

A provision is recognized, if as a result of a past event, the Microfinance has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation at that date. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate and are reversed if there is no probability of outflow of resources.

5.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Microfinance and the consideration can be reliably measured. The following specific recognition criteria shall also be met for revenue recognition.

5.9.1 Interest Income

For all financial instruments measured at amortized cost, interest bearing financial assets classified as available-for-sale and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation of effective interest rate includes all charges and fee paid or received that are integral part of the effective interest only if considered material. Such a charges are not amortized over the life of the loan and advances as the income so recognized closely approximates the income that would have derived under effective interest method and are recognized directly in statement of profit and loss.

5.9.2 Fees and Comssion Income

Fees and commissions are generally recognized on an accrual basis when the service has been provided.

5.9.3 Dividend Income

Dividend income received from equity shares is recognized in the books when the right to receive the dividend is established.

5.10' Interest Expenses

Interest expense on all financial liabilities including deposits is recognized in statement of profit or loss using effective interest rate method. The Microfinance uses ASB carve- outs and treat coupon rate as effective interest rate.

5.11 Employees Benefits

Employee benefits include all forms of consideration given by an entity in exchange for service rendered by employees of for the termination of employment.

Defined Contribution Plan

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay a further amount. Obligations for contributions to defined contribution plans are recognised as expense in the profit or loss as and when they are due. The Microfinance operates a defined contribution plans as provident fund contribution of its employees and defined benefit plans for the Gratuity and leave payment requirement under its staff rules.

Defined Benefits Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity and Leave Benefits are Defined Benefit Plans. The Entity annually measures the value of the promised retirement benefits for gratuity, which is a Defined Benefit Plan. Actuarial Valuation of Defined Benefit Plan has been carried out as per the requirement of NAS 19 – Employee Benefits. Gain or loss arising as a result of changes in assumptions is recognized in other comprehensive income (OCI) in the period in which it arises.

5.12 Leases

The determination of whether an arrangement is a lease, or it contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Finance Leases

Agreements which transfer to counterparties substantially all the risks and rewards incidental to the ownership of assets, but not necessarily legal title, are classified as finance lease.

However, the Microfinance doesn't hold any finance lease agreements.

Operating Leases

Lease payments under an operating lease has been recognized as an expense on straight line basis over the lease term. Majority of the lease agreement entered into by the microfinance are within the clause of normal increment which the management assumes are in line with the expected inflationary cost. The microfinance operates its branches under operating lease agreement. The payments to the lesser are structured to increase in line with the general inflation rate to compensate for the lessors expected inflationary cost increment.

5.13 Share Capiral and Reserves

5.13.1 Share Capital

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

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

The shares issue expenses which can be avoided for the issue was charged in the year of issue directly through equity and disclosed in the statement of changes in equity. Tax impact is also disclosed.

5.13.2 Statutory General Reserves

20% of the net profit as stated in Bank and financial Institution Act, 2073 and 50% of additional amount of Cash Dividend and Bonus Shares if declared and distributed in excess of 20% as provisioned in NRB directive is set aside to the general reserve.

5.13.3 Corporate Social Responsibility Fund

1% of net profit is set aside in the fund as per the NRB Directives for the purpose of corporate social responsibility.

5.13.4 Employee Training Fund

The fund is created for the purpose of employee training. As per the directives to microfinance by NRB, the microfinance needs to spend at least 3% of last fiscal year's total personnel expenses for the development and trainings of the employees. Further if the microfinance couldn't spend up to the limit of 3%, the shortfall amount shall be transferred to the Employee Training Fund and shall be used for employee trainings in subsequent years.

5.13.5 Investment Adjustment Fund

It is a reserve created on investment in equity instrument if the equity doesn't get listed in Security Market within 2 years as per the directives issued by NRB.

5.13.6 Regulatory Reserve

The amount that is allocated from profit or retained earnings of the microfinance to this reserve as per the directives of NRB for the purpose of implementation of NFRS and which shall not be regarded as free for distribution of dividend shall be presented under this reserve. The regulatory reserve of the microfinance includes the reserve net of tax and employee bonus created relating to accrued interest receivable not recovered. Reserve on deferred tax assets, non-banking assets, reduction in fair value of investment in equity below cost price, actuarial loss etc.

5.13.7 Actuarial Gain/Loss Reserve

The amount that is allocated from profit or retained earnings of the microfinance both positive or negative to this reserve as per the directives of NRB for the purpose of implementation of NFRS and which shall not be regarded as free reserve for distribution of dividend are recorded in this reserve. The reserve includes actuarial gain/(loss) net of tax on defined benefit plan.

5.13.8 Client protection fund

Client protection fund is created at 3% of net profit. In addition to this, 35% of dividend in excess of 15% is also allocated to this fund as per NRB Directives.

5.14 Earnings per Share (EPS) including diluted EPS

Microfinance presents basic and diluted Earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary equity holders of the microfiannce by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting both the profit and loss attributable to the ordinary equity holders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

5.15 Segment Reporting

The Microfinance's operating segments are organized and managed separately through the respective department/business managers according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by Chief Executive Officer of the Microfinance.

The Microfinance has identified seven segments namely: Province 1, Madhesh Pradesh, Bagmati Province, Gandaki Province, Lumbini Province, Karnali Province and Far West Province as the seven operating segment and the segment report is set out in Notes 6.

Segment report include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The income, expenses, assets & liabilities that cannot be allocated to aforesaid segment or those related to head office are unallocated and are included in Bagmati Province. The unallocated items generally comprise of head office assets, head office expenses, and tax assets and liabilities. The geographical segment has been identified on the basis of the location of the branches in 7 different provinces of the country.

5.16 Investment in Associates

For the purpose of consolidation, NAS 28 - Investments in Associates is applied. Associates are entities in which the Microfinance has significant influence, but not control, over the operating and financial policies. The Microfinance has investment in nature of Associates i.e., it holds more than 20%, but less than 50%, of their voting shares.

The microfinance's investments in associates are initially recorded at cost and increased (or decreased) each year by the entity's share of the post- acquisition profit/(loss). The entity ceases to recognize its share of the losses of equity accounted associates when its share of the net assets and amounts due from the entity have been written off in full, unless it has a contractual or constructive obligation to make good its share of the losses.

As per the directives (4)8/077 issued to microfinances by NRB, the microfinance has to dispose all the investment within 2 years of investment. As the Microfinance has planned to subsequently dispose the investment in the said entities which are normally to be considered as the associate the Microfinance has not followed the above-mentioned method and such investment are presented as Share Investment in the Statement of Financial position and dividend income if any is shown in Statement of Profit or Loss.

6 Segment Information

A. Information about reportable segments

Segment Reporting is the reporting of the operating segment of the entity. A segment is reportable if: it has at least 10% of the revenues 10% of the profit or loss or 10% of the combined assets of the entity.

Segment can be categorized either on the basis of geographic segment or business segment. The microfinanc has categorized its segment on the basis of provinces i.e. geographic segment. Segment assets segment liabilities total revenue total expenses and operating profit are disclosed. Branches of the microfinance are classified under the regional operating structure for monitoring and supervision. The disclosure has been prepared in accordance with the requirements of NFRS.

Amount

Particulars		Revenues from External Customers	Intersegment Revenues	Segment Profit/Loss Before Tax	Segment Assets	Segment Liabilities
Koshi Province	Corresponding Previous Qtr.	26,579,563.96	20,685,179.85	5,894,384.11	871,716,708.64	877,177,394.28
	Current Qtr.	28,920,479.20	20,699,266.66	(11,696,042.38)	965,840,712.50	965,840,712.50
Madhesh Province	Corresponding Previous Qtr.	37,061,717.11	27,530,183.13	9,531,533.98	1,203,218,679.92	1,209,078,858.40
	Current Qtr.	44,001,429.69	28,000,872.61	(11,057,150.68)	1,362,797,982.00	1,362,797,982.00
Bagmati Province	Corresponding Previous Qtr.	43,103,563.57	21,235,217.32	21,868,346.25	5,490,306,882.92	5,473,036,099.89
	Current Qtr.	151,687,472.70	23,319,459.64	33,572,170.46	6,331,916,454.00	6,331,916,454.00
Gandaki Province	Corresponding Previous Qtr.	1,683,273.65	1,615,707.30	67,566.35	64,955,430.80	65,541,047.31
	Current Qtr.	2,531,089.00	1,617,531.00	(713,259.00)	77,656,537.00	77,656,537.00
Lumbini Province	Corresponding Previous Qtr.	22,010,933.71	14,958,106.30	7,052,827.41	758,732,426.01	766,746,969.58
	Current Qtr.	32,791,307.91	17,369,996.87	(7,250,326.54)	966,883,867.20	966,883,867.20
Karnali Province	Corresponding Previous Qtr.	1,185,815.36	789,412.03	396,403.33	36,967,765.66	37,300,454.58
	Current Qtr.	2,429,630.00	1,392,001.00	197,802.70	66,282,508.00	66,282,508.00
Sudur-Paschim Province	Corresponding Previous Qtr.	3,947,289.39	2,928,651.13	1,018,638.26	136,975,521.34	138,846,592.44
	Current Qtr.	7,235,938.66	3,723,032.34	54,369.35	188,924,611.20	188,924,611.20
Total	Corresponding Previous Qtr.	135,572,156.75	89,742,457.06	45,829,699.69	8,562,873,415.29	8,567,727,416.48
	Current Qtr.	269,597,347.16	96,122,160.12	152,300,045.23	9,960,302,671.90	9,960,302,671.90

a) Revenue from external customer includes the total interest revenue and non-interest revenue.

b) Intersegment revenue includes revenue from transactions with other operating segments of the microfinance.

c) Segment Assets and Liabilities includes the assets and liabilities identifiable to a particular segment.

d) The result reported include the items directly attributable to a segment.

B. Reconciliaiton of Reportable segment profit or Loss

Amount

Particulars	Corresponding Previous Qtr.	Current Qtr.
Total profit before tax for reportable segments	29,548,144.61	24,423,502.84
Profit before tax for other segments	-	-
Elimination of inter-segment profit		
Elimination of discontinued operation	-	-
Unallocated amounts:	-	-
– Other corporate expenses (Employee Bonus Provision)	-	-
Profit before tax	**29,548,144.61**	**24,423,502.84**

7 Related Party Disclosure

The microfinance has carried out transactions in ordinary course of business on an arm's length basis at commercial rates with the parties as per Nepal Accounting Standard (NAS 24- Related Party Disclosure) except for the transactions that are key managerial personnel have availed under schemes uniformly applicable to all the staffs at concessionery rates.

Parents and ultimate controlling parties

Transactions with Himalayan Bank Limited(ie. Parent company of Civil Laghubitta Bitiya Sanstha Limited) is as following:

Particulars	Amount
Outstanding Borrowings from Himalayan Bank Limited	2,378,234,888.76
Balance in Himalayan Bank Limited	400,585,972.15
Interest Income from Bank Deposit	
Interest Expenes on borrowings from Himalayan Bank Limited in this F/Y	24,505,021.77

Transactions with Key Managerial Personnel

As per NAS-24 Related Party Disclosure key managerial personnel are defined as those person having authority and responsibility for planning directing and controlling the activities of the entity.

Board of Directors and Chief Executive Officer of the microfinance are considered as key managerial personnel of the microfinance.

Compensation of Key Managerial Personnels

Compensation of Board of Directors

Particulars	Amount
Meeting Fees Paid	195,000.00
Other Meeting Expenses	3,215.00
Travelling Expenses	-
Training Expenses	-
Total	**198,215.00**

Compensation of Chief Executive Officer

Particulars	Amount
Short Term Employee Benefits	11,30,250.00
Festival Allowance	350,000.00
Travelling	-
Training Expenses	-
Gratuity & leave Payment	-
Total	**1,480,250.00**

In addition to above the Microfinance also provide other facilities like Medical Insurance Accidental Insurance Travelling Allowance as per the approved employee facilities of the Microfinance to the Chief Executive Officer.

Dividend

8 Proposed

The microfinance has declared 4.75% bonus share and 0.25% as cash dividend(for tax purpose) of existing capital Rs.341,086,036 during current period which is subject to approval by NRB. Such dividend has not been accounted in financials for this quarter but is only disclosed in notes.

9 Issue Purchase

None

10 Events after interim Period

There are no material events after the reporting date date affecting financial status of the Microfinance.

11 Effect of changes in the composition of the entity during the interim period including merger & Acquisition

No such events

Disclosure Pursuant to Securities Registration and Issue Regulation 2073
(Rule 26(1), Annexure 14)
First Quarter of Fiscal Year 2082/83

1 Financial Statement

a) The Nepal Financial Reporting Standard (NFRS) compliant financial statement of the Fourth quarter has been published along with this report

b) Key Financial Indicators

Earnings Per Share	20.05	Liquidity Ratio	10.78%
Price Earnings Ratio	43.1	Return on Equity	2.97%
Net Worth Per Share	168.95	Total Assets Value Per Share	1658.63

2 Management Analysis

a) Quarterly analysis of the microfinance's incomes and liquidity:
The microfinance has registered NPR. 17,096,452 in net profit and its liquidity ratio stands at 10.78%

b) Business Analysis and Business Plan
Having the license to operate all over Nepal, the microfinance is currently providing its services in 34 districts through 75 branches. With the aim of improving access to financial services to the poor and marginalized women members and developing micro-entrepreneurship, the microfinance is serving 83,172 households and has provided various loans to 30,241 members till the end of this quarter. The microfinance is further planning to timely improve its quality of services as per the contemporary circumstances and needs & requirements of the members. The microfinance will keep on continually developing the micro-enterpreneurship on its members through micro-credit services and training facilities.

To ease the collection of deposits and installments from its members, the microfinance has collaborated with various private digital payment service providers.Further microfinance is planning to enhance the digital services to its members.

3 Details Related to Legal Proceedings

a) No information regarding the lawsuit by or against the microfinance has been filed during the Quarterly period under review.

b) No information regarding the lawsuit on account of violation of prevailing laws or commission of criminal offences has been filed against the promoter or director of the microfinance during the quarterly period under review.

c) No information regarding the lawsuit of financial fraud/crime has been filed against the promoters and management team of the microfinance during the quarterly period under review.

4 Analysis of the Microfinance's Share Transaction

a) The shares of the microfinance are listed on Nepal Stock Exchange. The microfinance's share price is determined by the market's movement and microfinance's management is neutral in this regard.

b) The microfinance has complied with all the prevailing norms of SEBON and directives issued by NRB.

c) Details of share transaction during the quarter is as follows:

Maximum Price	914.00	Total Days Transacted	61.00
Minimum Price	835.00	Total Shares Transacted	52,134.00
Closing Price	864.00	Total Number of Transaction	887.00
		Total Amount Transacted	45,448,386.80

(Source: - www.nepalstock.com)

5 Problems and Challenges

The total cost of operations has been increased in recent times due to recruitment, retention of quality human resource and addition of new branches.

The challenges faced by the microfinance during this period are listed below:

i) Internal Challenges:

a) Challenges in the timely recovery of the loan installments,
b) Challenges in the management of the liquidity,
c) Challenges in retention of the skilled manpower,
d) Increased operating cost.

ii) External Challenges

a) Uncertainity in the availability of Funds in the market.
b) Changes in Regulatory provisions,
c) Challenges in the management of the liquidity,
d) Multiple Borrowings and Duplication members problem,
e) larger numbers of microfinances and Unhealthy Competition amongh them,
f) Lack of Markets for the productions of the members.

iii) Future Strategies to overcome the challenges

a) Analyzing the overall impact of the GEN-Z movement and formulating & Implementing strategies accordingly,
b) Optimum and efficient utilization of the available assets and resources,
c) Enhancing the Quality of Assets,
d) Incorporaing Digital banking in every possible aspects of the services,
e) Expansion of branches to the untapped areas of the country,
f) Enhancing the competitive advantages,
g) Extension of the lending in Productive and Agricultural Sector.

6 Corporate Governance

The microfinance is committed in maintaining the highest level of ethical standards, corporate governance, and compliance. The board of directors and management strictly comply with all the regulatory norms issued by NRB and various other regulatory authorities. Further, the microfinance adheres to all the regulatory and legal requirements and the industry best practices.

7 Declaration by CEO

I, CEO of the microfinance, take responsibility for the truthfulness of the information disclosed in this report to the best of my knowledge. Further, the information disclosed herein are true and fair and have not knowingly concealed any material information which may affect the decision of the investor.

धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को अनुसूची १४ (नियम २६ को उपनियम (१) सँग सम्बन्धित)

आर्थिक वर्ष २०८३/८४ को प्रथम त्रैमासिक अवधिको विवरण

१. वित्तीय विवरण :

(क) त्रैमासिक अवधिको वासलात, नाफा नोक्सान सम्बन्धी विवरण :

नेपाल वित्तीय प्रतिवेदनमान (NFRS) अनुरुप यस त्रैमासिक अवधिको अपरिष्कृत वित्तीय विवरण यसै साथ प्रकाशित गरिएको छ । जसलाई संस्थाको वेबसाइट : www.himalayanlaghubitta.com मा पनि राखिएको छ ।

(ख) यस हिमालयन लघुवित्त वित्तीय संस्था लिमिटेड (हिमालयन बैंक लिमिटेडको सहायक कम्पनी) मा श्री हिमालयन बैंक लिमिटेडको ५१ प्रतिशत संस्थापक सेयर र सर्वसाधारणको ४९ प्रतिशत सेयर स्वामित्व रहेको छ । यस वित्तीय संस्थासँग सम्बन्धित पक्षसँगको कारोबार निम्न बमोजिम रहेको छ ।

सम्बन्धित पक्ष	बैंक मौज्दात	तिर्न बाँकी सापटी	सापटीमा यस आ.व.मा भुक्तानी गरिएको ब्याज खर्च	सेयर रजिष्ट्रार सेवा खर्च
हिमालयन बैंक लिमिटेड	रु. ४००,५८५,९७२/१५	रु. २,३७८,२३४,८८८/७६	रु. २४,५०५,०२१/७७	-
हिमालयन क्यापिटल लिमिटेड	-	-	-	१,५०,०००/-

(ग) प्रमुख वित्तीय अनुपातहरु :

प्रति सेयर आम्दानी अनुपात (वार्षिकिकरण)	मूल्य आम्दानी अनुपात (P/E Ratio)	प्रति सेयर नेटवर्थ	प्रति सेयर कुल सम्पत्तिको मूल्य	तरलता अनुपात
२०/०५	४३/०९	१६८/९५	१६५८/६३	१०/७८

२. व्यवस्थापकीय विश्लेषण :

(क) त्रैमासिक अवधिमा संस्थाको मौज्दात, आम्दानी र तरलतामा कुनै परिवर्तन भए सोको प्रमुख कारण सम्बन्धी विवरण :

केही वर्षदेखि वित्तीय क्षेत्रमा फैलाइएको नकारात्मक तथा भ्रामक सन्देशको कारणले लघुवित्त क्षेत्रमा परेको असर कायमै रहिरहेको तथा जेन-जी आन्दोलनको असरको कारण कर्जा असुली दरमा प्रभाव परेता पनी सदस्य संख्या, सदस्यहरुबाट प्राप्त हुने बचत तथा कर्जा लगानी सकारात्मक रहेको छ । बजारमा लगानी योग्य पूँजीको सहज उपलब्धताले गर्दा कोष लागतमा कमी भई संस्थाको आम्दानीमा सकारात्मक परिवर्तन देखिएको छ । व्यवस्थापनबाट लघुवित्त क्षेत्रमा देखिएको बाह्य जोखिम, कर्जा जोखिम तथा तरलता जोखिमहरुलाई उच्च प्राथमिकताका साथ विश्लेषण गर्दै वित्तीय कारोवारहरु संचालन गरिएको छ । आगामी दिनमा वित्तीय क्षेत्रमा देखिएको बाह्य समस्यामा क्रमश सुधार भई संस्थाको मौज्दात, आम्दानी र तरलता सन्तोषजनक रहने व्यवस्थापनको अनुमान रहेको छ ।

(ख) आगामी अवधिको व्यवसायिक योजना सम्बन्धमा व्यवस्थापनको विश्लेषणात्मक विवरण :

राष्ट्रियस्तरको कार्यक्षेत्रको इजाजतपत्रप्राप्त यस वित्तीय संस्थाले गुणात्मक वृद्धिलाई आफ्नो प्रमुख लक्ष्यका रुपमा अगाडि सारेको छ । फलस्वरुप यस संस्थाले ७५ शाखा कार्यालयहरु मार्फत ८३,१७२ विपन्न घरपरिवारका ग्राहक सदस्यहरुलाई गुणस्तरीय वित्तीय सेवा प्रदान गर्दै आईरहेको छ । लघुवित्तीय बजारको वर्तमान अवस्थालाई मध्यनजर गर्दै सेवाको पहुँच कम भएका स्थानहरुमा आफ्नो कार्यक्रम विस्तार गर्दै लैजाने लक्ष्यका साथ कार्य भैरहेको छ । संस्थाले नविनतम् प्रविधिहरुको प्रयोग गरी छिटो छरितो र विश्वासिलो एवं दिगो सेवा प्रदान गर्दै कार्यक्रमलाई निरन्तरता दिईरहेको छ ।

(ग) विगतको अनुभवबाट संगठित संस्थाको मौज्दात, नाफा वा नगद प्रवाहमा तात्विक असर पार्न सक्ने घटना, अवस्था आदि भएमा सो सम्बन्धी विश्लेषणात्मक विवरण :

लघुवित्त विरुद्धको आन्दोलन, लघुवित्त संस्थाहरुमा देखिएको कर्जाको दोहोरोपना, अस्वस्थ प्रतिस्पर्धा, बजारमा तरलताको अभावको कारण लागत बढ्ने, आधार दर अनुसार कर्जाको ब्याजदर गणना गर्नुपर्ने व्यवस्थाले गर्दा कर्जाको ब्याजदरमा घटी/बढी हुने आदि जस्ता कारणले गर्दा संस्थाको आम्दानीमा प्रत्यक्ष असर पर्नेछ । भविष्यमा यस्ता किसिमका नकारात्मक असर पार्न सक्ने घटना वा अवस्था आउन नदिन आवश्यक नीति नियम, कार्यविधिहरुको तर्जुमा गरी अगाडि बढ्ने नीति यस संस्थाले लिएको छ ।

३. कानुनी कारवाही सम्बन्धी विवरण :

(क) यस त्रैमासिक अवधिमा संस्थाले वा संस्थाको विरुद्ध कुनै मुद्दा दायर भएको छैन ।

ख) यस वित्तीय संस्थाको संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालक विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको कुनै जानकारी प्राप्त भएको छैन ।

(ग) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको कुनै जानकारी प्राप्त भएको छैन ।

४. संगठित संस्थाको सेयर कारोवार सम्बन्धी विश्लेषण :

(क) नेपाल सरकार, नेपाल राष्ट्र बैंकको नीति तथा अन्य कारणहरुको असर स्वरुप मूल्यमा उतार चढाव आएता पनि हालसम्मको कारोवार सन्तोषजनक रहेको छ ।

(ख) नेपाल स्टक एक्सचेन्ज लिमिटेडको वेबसाइटः www.nepalstock.com अनुसार त्रैमासिक अवधिमा यस संस्थाको सेयरको कारोवार निम्न अनुसारले भएको देखिन्छ ।

अधिकतम मूल्य	न्यूनतम मूल्य	अन्तिम मूल्य	कारोवार दिन	कारोवार संख्या
रु. ९१४	रु. ८३५	रु. ८६४	६१	८८७

५. समस्या तथा चुनौती :

(क) लघुवित्त विरुद्ध संघर्ष समितिमा आवद्ध केही व्यक्तिहरुले केन्द्र बैठक संचालनमा अवरोध गर्ने, ऋणीहरुलाई कर्जाको किस्ता नतिर्नु भन्ने गलत प्रचारवाजीको कारण निस्कृय ऋणीका साथै राम्रो व्यवसाय गरेर बसेका ग्राहकसमेतले किस्ता तिर्न अटेर गरेको कारण कर्जा असुलीदरमा समस्या रहेकोले लघुवित्त व्यवसायको निरन्तरतालाई कायम राख्न चुनौती थपिएको छ ।

(ख) बढ्दो प्रतिस्पर्धा, दक्ष जनशक्तिको अभाव, सञ्चालन खर्चमा हुनसक्ने वृद्धि तथा नीतिगत परिवर्तनबाट सृजना हुनसक्ने चुनौती छ ।

(ग) दुर्गम स्थानहरुमा कार्यक्रम विस्तार गर्न आवश्यक रहने पूर्वाधार तथा सूचना प्रविधि आदिको अभाव छ ।

(घ) अप्रत्याशित रुपमा आईपर्ने प्राकृतिक तथा अन्य विपत्तिबाट सृजना हुने परिस्थितिबाट हुनसक्ने चुनौती छ ।

६. संस्थागत सुशासन :

यस वित्तीय संस्थाले विद्यमान ऐन कानुन तथा नीतिनियम र नियमनकारी निकायहरुबाट प्राप्त निर्देशनहरु पालना गर्दै संस्थागत सुशासनका लागि सदैव प्रतिबद्ध रहेको छ । साथै, वित्तीय संस्थाका सेयरधनिहरु प्रति वित्तीय संस्थाको सञ्चालक समिति पूर्णरुपमा जवाफदेही र उत्तरदायी रहेको छ । नेपाल राष्ट्र बैंकको नीति नियमअनुसार संस्था सञ्चालनमा रहि आन्तरिक प्रणालीलाई व्यवस्थित गर्न नियमित रुपमा आन्तरिक लेखापरीक्षण गराई लेखापरीक्षकले दिएको सुझाववमोजिम कार्यान्वयन गर्दै आएको छ । लगानीमा सम्भावित हानी नोक्सानी वापतको व्यवस्थाको लागि कर्जाको सुरक्षण, बीमा तथा सदस्यहरुलाई अप्ठ्यारो परेको वेला सहयोग पुऱ्याउने उद्देश्यले ग्राहक संरक्षण कोषको व्यवस्था गरिएको छ । ग्राहक सदस्यसँग भएको आर्थिक करोवार SMS Alert तथा मोवाइल पासवुक मार्फत समेत जानकारी गराउने गरिएको छ । यस वित्तीय संस्थाको सञ्चालक समितिले आन्तरिक नियन्त्रण प्रणाली प्रभावकारी बनाउन विभिन्न समितिहरु गठन गरी कार्य संचालन गर्दै आएको छ । आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक तथा नेपाल राष्ट्र बैंकबाट समय-समयमा हुने निरीक्षणबाट प्राप्त सुझावहरुको पूर्ण पालना गर्दै संस्थागत सुशासनलाई सुदृढ बनाउन सञ्चालक समिति कटिवद्ध रहेअनुसार कारोबारलाई व्यवस्थित गर्न आन्तरिक नीति, नियम तथा निर्देशनहरु तर्जुमा गरी लागू गरिएको छ ।

७. सत्य, तथ्यता सम्बन्धमा कार्यकारी प्रमुखको उद्घोषण :

आजका मितिसम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरुको शुद्धता सम्बन्धमा म व्यक्तिगत रुपमा उत्तरदायित्व लिन्छु । साथै, म यो उद्घोष गर्दछु कि मैले जाने बुझेसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरु सत्य, तथ्य र पूर्ण छन् । लगानीकर्ताहरुलाई सुसूचित निर्णय लिन आवश्यक कुनै विवरण वा सूचना तथा जानकारी लुकाइएको छैन ।