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एक्सेल डेभलपमेन्ट बैंक लिमिटेड

केन्द्रीय कार्यालय, विर्तामोड (भापा)

सत्रौ वार्षिक साधारण सभाको सूचना

(प्रथम पटक प्रकाशित मिति : २०८०/०२/२४)

यस बैंकको मिति २०८०।०२।२२ मा बसेको संचालक समितिको २८८ औं बैठकको निर्णयअनुसार देहायका विषयहरूमा छलफल तथा निर्णय गर्नका लागि निम्न मिति, समय र स्थानमा बैंकको सत्रौ वार्षिक साधारण सभा हुने भएको हुदाँ कम्पनी ऐन २०६३ को दफा ६७ (२) को प्रावधान बमोजीम सम्पूर्ण शेयरधनी महानुभावहरूको जानकारीका लागि यो सूचना प्रकाशित गरिएको छ । कुनै कारणवश पत्र प्राप्त हुन नसकेमा यसै सूचनालाई आधार मानी उपस्थित भइदिनु हुन हार्दिक अनुरोध गर्दछु ।

साधारण सभा हुने मिति समय र स्थान :

मिति : २०८० साल असार १६ गते शनिवार (तदनुसार जुलाई ०१, २०२३)

स्थान : सिद्धार्थ होटल, विर्तामोड, भापा

समय : विहान ११:०० बजे ।

सभाको निर्धारित विषयसूची :

(क) सामान्य प्रस्ताव :

१. संचालक समितिको तर्फबाट अध्यक्षज्यूबाट प्रस्तुत हुने आ.व.२०७८/०७९ को वार्षिक प्रतिवेदन पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहितको २०७९ आषाढ मसान्तको वासलात, नाफा नोक्सान हिसाब तथा नगद प्रवाह विवरण र सोही अवधिको वित्तीय विवरणसँग सम्बन्धित अनुसूचीहरू पारित गर्ने ।
३. बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा ६३ तथा कम्पनी ऐन, २०६३ को दफा १११ अनुसार आ.व. २०७९/८० को लागि लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक निर्धारण गर्ने (वर्तमान लेखापरीक्षक श्री पि.वि.के.पि. एण्ड एशोसिएट्स, चार्टर्ड एकाउण्टेन्टस् विनोद फुयाल पुनः नियुक्तिको लागि योग्य हुनुहुन्छ ।)
४. सञ्चालक समितिद्वारा थप गरिएको कम्पनीको संस्थापक समूह तर्फको सञ्चालकहरूको कार्यकाल अनुमोदन गर्ने सम्बन्धमा ।
५. संस्थापक समूहका शेयरधनीहरूको तर्फबाट सञ्चालक समितिमा प्रतिनिधित्व गर्ने ३ (तीन) जना सञ्चालकहरूको निर्वाचन गर्ने ।

(ख) विशेष प्रस्ताव :

१. यस बैंक र अन्य उपयुक्त बैंक तथा वित्तीय संस्थाहरू एक आपसमा गाभ्ने/गाभिने (Merger) वा प्राप्ती (Acquisition) प्रयोजनको लागि सोही वार्षिक साधारण सभाले दिईएको अख्तियारीलाई निरन्तरता दिदै अन्य उपयुक्त बैंक तथा वित्तीय संस्थासँग गाभ्ने/गाभिने (ःभचनभच) तथा प्राप्ती (Acquisition) गर्ने सम्बन्धी आवश्यक कार्य गर्न, उक्त कार्यका लागि सहमती पत्र (Memorandum Of Understanding) मा हस्ताक्षर गर्न Merger तथा Acquisition समिति गठन गर्न, चल अचल सम्पत्तिको मूल्याङ्कन (Due Diligence Audit) गर्न मूल्यांकनकर्ताको नियुक्ती गर्न, निजको पारिश्रमिक निर्धारण गर्न, शेयर आदान प्रदान अनुपात (Share Swap Ratio) निर्धारण गर्न, सम्बन्धित नियमनकारी निकायहरूसँग सहमति लिने लगायतका Merger तथा Acquisition सम्बन्धी आवश्यक सम्पूर्ण कार्य/प्रकृया अघि बढाउने अख्तियारी संचालक समितिलाई प्रदान गर्ने ।
२. गाभ्ने/गाभिने तथा प्राप्ति गर्ने प्रक्रिया लगायत अन्य आवश्यक विषयका लागि प्रवन्धपत्र तथा नियमावलीमा संशोधन गर्नुपर्ने भएमा प्रवन्धपत्र तथा नियमावलीमा आवश्यक संशोधन गर्न संचालक समितिलाई अख्तियारी प्रदान गर्ने ।

(ग) विविध ।

संचालक समितिको आज्ञाले
कम्पनी सचिव



साधारण सभा सम्बन्धि थप जानकारी :

- साधारण सभालाई ध्यानमा राखी मिति २०८०।०३।०४ देखि २०८०।०३।१६ सम्म बैंकको शेयर दाखिल/खारेजको काम बन्द गरिएको । नेपाल स्टक एक्सचेञ्ज लिमिटेडमा २०८०।०३।०३ गतेसम्म कारोवार भई म्यादभित्र यस बैंकको शेयर रजिष्ट्रार एनआईविएल एस क्यापिटल लिमिटेड, लाजिम्पाट काठमाडौंमा प्राप्त शेयर नामसारीको लिखतको आधारमा शेयरधनी दर्ता कितावमा कायम शेयरधनीहरूले मात्र सो सभामा भाग लिन तथा मतदान गर्न पाउने छन् ।
- शेयरधनी महानुभावहरूले हितग्राही (DMAT) खाता खोलिएको/शेयर प्रमाण पत्र वा प्रवेश पत्रका साथै आफ्नो परिचय खुल्ने कुनै परिचय पत्र अनिवार्य रूपमा लिई आउनुहुन अनुरोध छ ।
- सभामा भाग लिन र मतदान गर्नका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनी महानुभावहरूले सभा शुरु हुने समय भन्दा कम्तीमा ४८ घण्टा अगावै बैंकको केन्द्रीय कार्यालयमा प्रोक्सी फारम दर्ता गरी सक्नुपर्नेछ । सभामा भाग लिन/मतदान गर्नका लागि प्रतिनिधि नियुक्त गरिसकेपछि उक्त प्रतिनिधि बदर गरी अर्को मुकरर गर्ने भएमा सोको लिखित सूचना सोही अवधि भित्र बैंकको केन्द्रीय कार्यालयमा दर्ता गरी सक्नुपर्नेछ । प्रतिनिधि नियुक्त गरेको शेयरधनीले कुनै कारणवश त्यस्तो प्रतिनिधि बदर गरी आफैँ सभामा उपस्थित भई मतदान गर्न चाहेमा सोको लिखित सूचना सभा सुरु हुनुभन्दा कम्तीमा २४ घण्टा अगावै बैंकमा दर्ता गर्नुपर्नेछ ।
- प्रतिनिधि भएको व्यक्ति यस कम्पनीको शेयरधनी हुनुपर्ने छ । अन्य व्यक्ति प्रतिनिधिको लागि अमान्य हुनेछन् । बैंक कर्मचारीलाई कर्मचारी वाहेकका शेयरधनीले प्रोक्सी दिन पाउने छैनन् ।
- नावालक वा विक्षिप्त शेयरधनीको तर्फबाट बैंकको शेयर लगत कितावमा संरक्षकको रूपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन वा प्रतिनिधि तोक्न सक्नुहुनेछ ।
- संयुक्त रूपमा शेयर खरीद गरेको भएमा शेयर लगत कितावमा पहिले नाम उल्लेख भएको व्यक्ति अथवा सर्वसम्मतबाट प्रतिनिधि नियुक्त गरिएको एक व्यक्तिले मात्र सभामा भाग लिन पाउनेछन् ।
- छलफलका विषय मध्ये विविध शिर्षक अर्न्तगत विशेष प्रस्ताव भएमा छलफल गर्न ईच्छुक शेयरधनी महानुभावहरूले सभा हुनु भन्दा सात दिन अगावै छलफलको विषय कम्पनी सचिवालय मार्फत संचालक समितिका अध्यक्षलाई लिखित रूपमा दिनुपर्नेछ ।
- शेयरधनी महानुभावहरूले व्यक्त गरेको मन्तव्य वा प्रश्नहरूका सम्बन्धमा संचालक समितिका तर्फबाट अध्यक्ष वा अध्यक्षद्वारा आदेश पाएका व्यक्तिले उत्तर दिनेछन् ।
- सभामा स्वयं उपस्थित भई भाग लिने प्रत्येक शेयरधनी महानुभावले सभा हुने स्थानमा उपस्थित भई त्यहाँ रहेको हाजिरी पुस्तिकामा दस्तखत गर्नु पर्नेछ । शेयरधनी महानुभावहरूको सुविधाको लागि उपस्थिती पुस्तिका सभास्थलमा सभा हुने दिन बिहान ९ बजे देखि नै खुल्ला गरिनेछ । कोरोना भाईरस सक्रमण (Covid-19) को सुरक्षाको लागि आवश्यक पर्ने मास्क लगायतको न्युनतम सुरक्षाको उपकरणहरू प्रयोग गर्न सम्पूर्ण शेयरधनी महानुभावहरूलाई अनुरोध छ ।
- सुरक्षाको दृष्टिकोणले शेयरधनी महानुभावहरू सभा स्थलमा आउंदा भोला, व्याग जस्ता बस्तुहरू नलिई आउनु हुन अनुरोध छ ।
- साधारण सभामा भाग लिन आउंदा जाँदा लागेको भ्रमण खर्च लगायत कुनै किसिमको खर्च रकम बैंकले प्रदान गर्ने छैन ।
- इमेल, स्क्यान, फोटो वा अन्य विद्युतिय माध्यमबाट पठाएका प्रतिनिधिपत्र (प्रोक्सी) लाई पनि मान्यता दिइनेछ ।
- अन्य जानकारीका लागि बैंकको केन्द्रीय कार्यालय बित्तामोडमा कार्यालय समय भित्र सम्पर्क राख्न हुन अनुरोध छ कार्यालयको फोन नं. ०२३-५४३५६४, ५३४०९०, ई-मेल info@edb.com.np रहेको छ ।
- निर्वाचन कार्यक्रमको सूचना कम्पनीको कार्यालयको सूचना पाटीमा टाँसिने छ ।



सञ्चालक समितिको

वार्षिक प्रतिवेदन

आर्थिक वर्ष २०७८/७९

आदरणीय शेयरधनी महानुभावहरु,

सर्वप्रथम, यस बैंकको सत्रौं वार्षिक साधारण सभामा उपस्थित शेयरधनी मित्रहरु, आमन्त्रित अतिथि महानुभावहरु लगायत उपस्थित अन्य महानुभावहरुमा संचालक समितिको तर्फबाट हार्दिक स्वागत तथा अभिवादन गर्दछु।

गत वर्ष यस बैंकले प्राप्त गरेका उपलब्धीहरुको समिक्षा तथा चालु तथा आगामी वर्ष यस बैंकले गर्ने कार्यहरुको वार्षिक प्रतिवेदन यहाँहरु समक्ष पेश गर्दछु। कम्पनी ऐन २०६३ को दफा १०९(४) ले निर्देशित गरे अनुरूप संचालक समितिबाट स्वीकृत भएको २०७९ आषाढ मसान्तका दिनको वासलात, २०७८/०४/०१ देखि २०७९/०३/३२ सम्मको नाफा नोक्सान हिसाब, नगद प्रवाह विवरण सहितको वार्षिक प्रतिवेदन, सो उपर लेखापरीक्षकको मन्तव्य स्वीकृतिको लागि यस सभा समक्ष प्रस्तुत गर्ने अनुमति चाहन्छु।

१. देशको आर्थिक तथा बैकिङ्ग परिसूचकहरु :

आर्थिक वर्ष २०७८/७९ को वार्षिक तथ्याङ्कमा आधारित रही अर्थ मन्त्रालय र नेपाल राष्ट्र बैंकले प्रकाशन गरेको देशको आर्थिक तथा वित्तीय स्थितिको संक्षिप्त विवरण निम्न बमोजिम रहेको छ।

- १.१ आर्थिक वृद्धिदर: केन्द्रीय तथ्याङ्क विभागका अनुसार आर्थिक वर्ष २०७८/७९ मा ५.६१ प्रतिशतले आर्थिक वृद्धि भएको छ। जसअनुसार कृषि क्षेत्रको वृद्धि २.२४ प्रतिशत र गैह्र कृषि तर्फ ६.५६ प्रतिशत वृद्धि भएको छ।
- १.२ मुद्रास्फीति : आर्थिक वर्ष २०७८/७९ मा वार्षिक औसत उपभोक्ता मुद्रास्फीति ६.३२ प्रतिशत रहेको छ। अधिल्लो आर्थिक वर्ष यस्तो मुद्रा स्फीति ३.६० प्रतिशत रहेको थियो। आर्थिक वर्ष २०७८/७९ मा खाद्य तथा पेय पदार्थ समूहको वार्षिक औसत मुद्रा स्फीति ५.६९ प्रतिशत तथा गैर-खाद्य तथा सेवा समूहको वार्षिक औसत मुद्रा स्फीति ६.८३ प्रतिशत रहेको छ।
- १.३ वैदेशिक व्यापार : आर्थिक वर्ष २०७८/७९ मा कुल वस्तु निर्यात ४१.७ प्रतिशतले वृद्धि भई रु.२०० अर्ब ३ करोड पुगेको छ। अधिल्लो वर्ष यस्तो निर्यात ४४.४ प्रतिशतले वृद्धि भएको थियो। गन्तव्यका आधारमा भारत तथा अन्य मुलुकतर्फ भएको निर्यात क्रमशः ४५.९ प्रतिशत र ३०.४ प्रतिशतले वृद्धि भएको छ भने चीनतर्फको निर्यात २०.४ प्रतिशतले घटेको छ। वस्तुगत आधारमा पाम तेल, ऊनी गलैचा, धागो (पोलिष्टर तथा अन्य), जिंक शिट, जुस लगायतका वस्तुको निर्यात बढेको छ भने सोयाविन तेल, अलैची, चिया, औषधी (आयुर्वेदिक), तार लगायतका वस्तुको निर्यात घटेको छ। समीक्षा वर्षमा कुल वस्तु व्यापार घाटा २३.० प्रतिशतले वृद्धि भई रु.१७२० अर्ब ४२ करोड पुगेको छ। अधिल्लो वर्ष यस्तो घाटा २७.३ प्रतिशतले बढेको थियो। समीक्षा वर्षमा निर्यात-आयात अनुपात १०.४ प्रतिशत पुगेको छ। अधिल्लो वर्ष यस्तो अनुपात ९.२ प्रतिशत रहेको थियो।
- १.४ विप्रेषण आप्रवाह : आर्थिक वर्ष २०७८/७९ मा विप्रेषण आप्रवाह ४.८ प्रतिशतले वृद्धि भई रु.१००७ अर्ब ३१ करोड पुगेको छ। अधिल्लो वर्ष विप्रेषण आप्रवाह ९.८ प्रतिशतले बढेको थियो। समीक्षा वर्षमा वैदेशिक रोजगारीका लागि अन्तिम श्रम स्वीकृति (संस्थागत तथा व्यक्तिगत-नयाँ र वैधानिकीकरण) लिने नेपालीको संख्या उल्लेख्य रूपमा वृद्धि भई ३,५४,६६० पुगेको छ।
- १.५ चालु खाता एवं शोधनान्तर स्थिति : आर्थिक वर्ष २०७८/७९ मा चालु खाता रु.६२३ अर्ब ३३ करोडले घाटामा रहेको छ। अधिल्लो वर्ष चालु खाता रु.३३३ अर्ब ६७ करोडले घाटामा रहेको थियो। अमेरिकी डलरमा अधिल्लो वर्ष २ अर्ब ८४ करोडले घाटामा रहेको चालु खाता समीक्षा वर्षमा ५ अर्ब १७ करोडले घाटामा रहेको छ। समीक्षा वर्षमा शोधनान्तर स्थिति रु.२५५ अर्ब २६ करोडले घाटामा रहेको छ। अधिल्लो वर्ष शोधनान्तर स्थिति रु.१ अर्ब २३ करोडले बचतमा रहेको थियो।



- १.६ विदेशी विनिमय सञ्चिति : २०७८ असार मसान्तमा रु.१३९९ अर्ब ३ करोड बराबर रहेको कुल विदेशी विनिमय सञ्चिति १३.१ प्रतिशतले कमी आई २०७९ असार मसान्तमा रु.१२१५ अर्ब ८० करोड कायम भएको छ । आर्थिक वर्ष २०७८/७९ को आयातलाई आधार मान्दा बैकिङ्ग क्षेत्रसँग रहेको विदेशी विनिमय सञ्चिति ७.८ महिनाको वस्तु आयात र ६.९ महिनाको वस्तु तथा सेवा आयात धान्न पर्याप्त रहने देखिन्छ ।
- १.७ निक्षेप परिचालन : आर्थिक वर्ष २०७८/७९ मा बैंक तथा वित्तीय संस्थाहरूको निक्षेप ९ प्रतिशतले बढेको छ । अघिल्लो वर्ष यस्तो निक्षेप २१.४ प्रतिशतले बढेको थियो । २०७९ असारमा बैंक तथा वित्तीय संस्थाहरूको कुल निक्षेपमा चल्ती, बचत र मुद्दतीको अंश क्रमशः ८.९ प्रतिशत, २७.६ प्रतिशत र ५५.८ प्रतिशत रहेको छ । अघिल्लो वर्ष यस्तो अंश क्रमशः १०.४ प्रतिशत, ३४.२ प्रतिशत र ४७ प्रतिशत रहेको थियो । २०७९ असार मसान्तमा बैंक तथा वित्तीय संस्थाहरूको कुल निक्षेपमा संस्थागत निक्षेपको अंश ३८.३ प्रतिशत रहेको छ ।
- १.८ कर्जा प्रवाह : आर्थिक वर्ष २०७८/७९ मा बैंक तथा वित्तीय संस्थाहरूबाट निजी क्षेत्रमा प्रवाहित कर्जा १३.१ प्रतिशतले बढेको छ । अघिल्लो वर्ष यस्तो कर्जा २७.३ प्रतिशतले बढेको थियो । २०७९ असार मसान्तमा बैंक तथा वित्तीय संस्थाहरूबाट निजी क्षेत्रमा प्रवाहित कर्जामध्ये गैर-वित्तीय संस्थागत क्षेत्रतर्फ प्रवाह भएको कर्जाको अंश ६३.३ प्रतिशत र व्यक्तिगत तथा घरपरिवार क्षेत्रतर्फ प्रवाह भएको कर्जाको अंश ३६.७ प्रतिशत रहेको छ । समीक्षा वर्षमा निजी क्षेत्रतर्फ प्रवाहित कर्जामध्ये विकास बैंकहरूको कर्जा प्रवाह १३.९ प्रतिशतले बढेको छ ।
- १.९ ब्याजदर : २०७८ असारमा ९१-दिने ट्रेजरी बिलको भारित औसत ब्याजदर ४.५५ प्रतिशत रहेकोमा २०७९ असारमा १०.६६ प्रतिशत रहेको छ । वाणिज्य बैंकहरूको औसत आधार दर २०७८ असारमा ६.८६ प्रतिशत रहेकोमा २०७९ असारमा ९.५४ प्रतिशत कायम भएको छ । २०७९ असारमा वाणिज्य बैंकहरूको निक्षेपको भारित औसत ब्याजदर ७.४१ प्रतिशत र कर्जाको भारित औसत ब्याजदर ११.६२ प्रतिशत रहेको छ । अघिल्लो वर्ष यस्ता दरहरू क्रमशः ४.६५ प्रतिशत र ८.४३ प्रतिशत रहेका थिए ।

२. राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो कुरा:

सन् २०२० बाट विश्व महामारीको रुपमा फैलिएको कोभिड-१९ले मानव जनजीवन र विश्व आर्थिक गतिविधिमा पारेको प्रतिकूल प्रभाव कम हुन पुगेको छ । पछिल्लो केही समयदेखि रुस र युक्रेनबिचको युद्धका कारण विश्वव्यापी आपूर्ति श्रृङ्खलामा आएको अवरोधले ईन्धन तथा खाद्यान्न लगायतका वस्तुहरूको मूल्यवृद्धि हुँदा महामारीपछिको विश्व अर्थतन्त्रको पुनरुत्थान थप चुनौतीपूर्ण बन्न पुगेको छ । कोभिड-१९ को असर कम भएसँगै देशको अर्थतन्त्रमा आएको शिथिलता, ब्याजदरमा भएको उच्च वृद्धिले गर्दा कर्जा नियमिततामा प्रभाव पार्नुका साथै केही स्वार्थ समूहबाट बैंक तथा वित्तीय संस्था विरुद्ध गरिएको आन्दोलनले बैकिंग वातावरणमा असहजता सिर्जना भई कर्जा असुलीमा प्रभाव गर्न गएको छ ।

३. बैंकको विगत वर्षको कारोबारको सिंहावलोकन :

देशमा देखिएका समग्र चुनौतीहरूको बावजुद यस बैंकले आफ्ना आदरणीय ग्राहक महानुभावहरूबाट प्राप्त गरेको सकारात्मक सहयोग तथा विश्वासलाई उत्साह पूर्वक उपयोग गरी आफ्नो कारोबार विस्तार गरेको छ । यस बैंकको कारोबार वृद्धिको तथ्यगत विवरण निम्नानुसार उल्लेख गर्न चाहन्छु । (रकम रु. हजारमा)

क्र.सं.	विवरण	०७९ आषाढ	०७८ आषाढ	परिवर्तन (प्रतिशत)
१	चुक्ता पुँजी	१,१५१,७९२	८११,१२१	४२
२	जगेडा तथा कोष	४८१,७३८	५००,६६५	(३.७८)
३	निक्षेप	१२,१७३,११२	११,३९६,९४६	६.८१
४	कर्जा सापट	१०,५०४,०७०	९,३७२,४९२	१२.०७
५	नाफा नोक्सान			
५.१	ब्याज आमदानी	१,२३६,७१९	९४९,८६४	३०.२०
५.२	खुद नाफा	९६,४५६	१३३,६८२	(२७.८५)
६	अनुपातहरू			
६.१	पुँजीकोष	१२.१९%	१२.२६%	
६.२	निष्कृत्य कर्जा	२.८५%	३.७७%	



उपरोक्त तथ्याङ्क विवरण अनुसार यस बैंकको निक्षेप तथा कर्जामा अधिल्लो वर्ष भन्दा समिक्षा वर्षमा क्रमशः ६.८१ % र १२.०७ %ले वृद्धि भएको तथा खुद नाफा तर्फ २७.८५% ले कमी भएको छ ।

४. आर्थिक वर्ष २०७९/८० को तेस्रो त्रयमास सम्ममा हासिल उपलब्धिहरू :

चालु आर्थिक वर्षको ९ महिना सम्मको प्रगति विवरण निम्नानुसार रहेको छ ।

(रकम रु. हजारमा)

क्र.सं.	विवरण	२०७९ चैत्र मसान्त
१	कुल कर्जाध	१०,७९२,७३४
२	कुल निक्षेप	१२,९६८,८४९
३	नाफा नोक्सान	
३.१	ब्याज आमदानी	१,२९०,२३५
३.२	खुद नाफा	४४,९५७
४	खर्च	
४.१	ब्याज खर्च	८३८,९२८
४.२	संचालन खर्च	९२,६३९

चालु आ.व.को नौ महिनासम्ममा बैंकले रु. १२ अर्ब ९६ करोड ८८ लाख ४९ हजार निक्षेप संकलन गरी रु. १० अर्ब ७९ करोड २७ लाख ३४ हजार कर्जा लगानी गरेको छ। साथै बैंकले चालु आ.व.को नौ महिना सम्ममा खुद नाफा रु. ४ करोड ४९ लाख ५७ हजार हासिल गरेको छ ।

५. बैंकको कार्यक्षेत्र तथा शाखा सञ्जाल:

कोशी प्रदेश कार्यक्षेत्र रहेको यस बैंकको भापा, इलाम, मोरंग, सुनसरी र पाँचथर गरी हाल पाँच जिल्लामा ४४ शाखाहरु संचालनमा छन् । निकट भविष्यमा कोशी प्रदेशको अन्य जिल्लाहरुमा समेत शाखा कार्यलयहरु थप गरी बैंकिंग सुविधा उपलब्ध गराउने व्यवस्था गरिने छ ।

६. बैंकको भावी योजनाहरू :

- निक्षेपको उचित परिचालन तथा कर्जा निक्षेप अनुपातको सन्तुलनलाई मध्यनजर गरी व्यवसाय विस्तारमा विशेष जोड दिने । कर्जातर्फ Micro /SME लाई प्राथमिकता दिई कर्जा प्रोसेसिंगलाई अभ्र सरल, छिटो एवं सुरक्षित तरिकाले लगानी गर्न आवश्यक व्यवस्था गरिनेछ ।
- निक्षेपतर्फ ग्राहकको आवश्यकतालाई प्राथमिकतामा राखी प्रतिष्पर्धात्मक Product हरु नियमित रुपमा ल्याउने व्यवस्था गरी रिटेल डिपोजिटको अंश बढाउनको लागि आवश्यक रणनीति तर्जुमा गरिनेछ ।
- बैंकको सेवा सूविधाहरुको प्रभावकारी बजारीकरण (Marketing) तथा Re-Branding मा जोड दिने ।
- बैंकको सुचना प्रविधि प्रणालीलाई समयसापेक्ष तथा सूदृढ बनाउने कार्यलाई निरन्तरता दिने ।
- बैंकको निष्कृत्य कर्जा र गैर बैंकिङ्ग सम्पत्तिहरुको उचित व्यवस्थापन गर्ने ।
- बैंकिङ्ग क्षेत्रमा ग्राहकको आवश्यकतालाई मध्यनजर गर्दै डिजिटल बैंकिङ्ग सम्बन्धी सेवाहरुको विस्तार गर्नुका साथै Omni Channel Mobile Banking System, Video KYC जस्ता कार्यहरुलाई कार्यान्वयनमा ल्याई डिजिटल बैंकिङ्ग सेवाहरुको गूणस्तर वृद्धि गर्दै गूणस्तरीय ग्राहक सेवा प्रदान गर्न अग्रसर रहने ।
- आवश्यकता अनुसार कर्मचारी पदपूर्ति गर्ने तथा कार्यरत कर्मचारीहरुमा ज्ञान, सीप, उत्पादकत्व तथा पेशागत दक्षता अभिवृद्धि गर्न विभिन्न तालिम तथा सिकाईका कार्यक्रमहरुमा निरन्तरता प्रदान गर्ने ।

७. सञ्चालक समितिमा भएको हेरफेर र त्यसको कारण :

समिक्षा वर्षमा सञ्चालक समितिमा कुनै हेरफेर भएको छैन ।

८. ग्राहक सम्बन्ध :

बैंकको ग्राहक संख्यामा निरन्तर वृद्धि भैरहेको छ र हाल यस बैंकको ग्राहकसंख्या १ लाख ८५ हजार नाघिसकेको छ । ग्राहकहरुको सेवामा बैंक समर्पित हुनुपर्छ भन्ने मान्यताको आधारमा बैंकका हरेका गतिविधीहरु निर्देशित रहेका छन् । ग्राहकहरुको आवश्यकता अनुरूपका कर्जा तथा निक्षेपतर्फ विभिन्न प्रकारका सेवा प्रारम्भ गर्दै समयानुकूल सुविधा प्रदान गर्न बैंक प्रतिवद्ध रहेको छ ।



९. कर्जा लगानी तथा व्यवस्थापन :

बैंकको प्रमुख गतिविधी कर्जा लगानी नै भएकोले यस बैंकले विशेष गरी कृषि, लघु तथा घरेलु तथा साना एवं मझौला उद्योगहरु जस्ता उत्पादनमुलक व्यवसायमा प्राथमिकता दिइरहेको छ । आर्थिक सबलीकरणका लागि उद्यमशीलताका विकास र प्रवर्द्धन हुन अति जरुरी भएकोले विभिन्न समयमा उद्यमशीलता तालिम आयोजना गरिरहेको छ । यस बैंकको शाखाको बढोत्तरी, नेटवर्क विस्तार तथा ग्राहकवर्गमा सघन बैंकिङ्ग सेवा सुविधाहरु प्रदान गर्ने उद्देश्यले हाल सनराईज बैंक लि. सँग सम्झौता तथा सहकार्य गरी प्रतित पत्र सुविधा, बैंक जमानत सुविधा, Credit Line Certificate जस्ता गैर कोषमा आधारित कर्जा सुविधाहरु प्रदान गर्ने गरी आवश्यक व्यवस्था गरिएको छ । कर्जा स्वीकृती प्रक्यालाई Digitize गरिएको छ जसले गर्दा फाइलको Tracking गर्न सकिने भएकोले ग्राहकलाई छिटोछरितो तरीकाले सेवा उपलब्ध गराउन सहज भएको छ ।

१०. जोखिम व्यवस्थापन :

गैर कार्यकारी संचालकको संयोजकत्वमा ने.रा.बैंकको निर्देशन बमोजिम हुने गरी जोखिम व्यवस्थापन समिति गठन गरिएको छ र उक्त समितिले आन्तरिक नियन्त्रण तथा जोखिम व्यवस्थापनका विषयमा नियमित अनुगमन गरी आवश्यक निर्णय लिन व्यवस्थापनलाई सुभावा तथा निर्देशन दिइरहेको छ ।

त्यस्तै गरी जोखिम व्यवस्थापन विभागले कर्जा जोखिम, संचालन जोखिम लगायतका अन्य जोखिमहरुको नियमित अनुगमन गर्ने, पहिचान गर्ने तथा आवश्यक निर्देशन दिने कार्यहरु गरिरहेको छ । कर्जा तथा संचालन जोखिमका चुनौतीलाई सामना गर्न समय सापेक्ष कार्ययोजना निमार्ण गरी प्रभावकारी कार्यन्वयन गर्न बैंक प्रतिबद्ध रहेको छ ।

११. सम्पत्ति शुद्धिकरण निवारण :

गैर कार्यकारी संचालकको संयोजकत्वमा ने.रा.बैंकको निर्देशन बमोजिम हुने गरी सम्पत्ति शुद्धिकरण निवारण सम्बन्धी समितिको गठन गरिएको छ । उक्त समितिको नियमित बैठक बसी व्यवस्थापनलाई उचित सुभावा तथा निर्देशन दिने गर्दछ । ने.रा.बैंकको निर्देशन बमोजिम KYC update का कार्यहरु, Dormat Accounts को अनुगमन, ग्राहकको जोखिम वर्गिकरण, लाभग्राहीको पहिचान जस्ता विविध कार्यहरु नियमित रुपमा सम्पन्न भइरहेको छ ।

१२. मानव संशोधन :

आर्थिक वर्षको अन्तमा बैंकमा स्थायी तथा करारमा गरी २७० जना कर्मचारी कार्यरत छन् । बैंकको कारोबार, सुसंचालन, विकास तथा विस्तारका लागि अति आवश्यक साधन बैंकका जनशक्ति नै हुन भन्ने कुरामा दुई मत छैन । बैंकले मानव संशोधनका श्रोतको रुपमा रहेका कार्यरत जनशक्तिहरुको उत्पादकत्व वृद्धि गर्न कार्यदक्षता अभिवृद्धि गर्ने नीति लिएको छ । कर्मचारीहरुलाई विषयगत दक्ष, प्रतिष्पर्धि एवं क्षमतावान बनाउनको लागि आवश्यक तालिम कार्यक्रम संचालन गरिदै आइएको छ ।

१३. संस्थागत सामाजिक उत्तरदायित्व :

यस बैंकले संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत खर्च गर्ने गरी हरेक आर्थिक वर्षको मुनाफाको १ प्रतिशत रकम उक्त कोषमा छुट्याउने गरेको छ र सो कोषबाट विभिन्न क्षेत्रमा आवश्यक सहयोग उपलब्ध गराइरहेको छ ।

१४. संस्थागत सुशासन तथा अनुपालना :

बैंकमा संस्थागत सुशासन कायम राख्नका लागि संचालक समिति एवं व्यवस्थापन सदैव प्रतिबद्ध रहेको छ। संचालक समितिका सबै सदस्यहरु एवं कर्मचारीहरुले नेपाल राष्ट्र बैंकबाट तोकिएको आचरण सम्बन्धी व्यवस्थाहरुको पूर्ण रुपमा परिपालन गरेका छन्। बैंकमा संचालक स्तरको सम्पत्ति शुद्धिकरण निवारण समिति, जोखिम व्यवस्थापन समिति, लेखापरीक्षण समिति रहेका छन् र यी समितिहरु लगायत बैंक व्यवस्थापन बैंकका सम्पूर्ण काम कारवाहीहरुलाई पारदर्शी रुपमा संचालन गरी संस्थागत सुशासन कायम गर्न बैंक सदा क्रियाशील रहेको छ ।

यस बैंक सर्वसाधारण जनताको पहुँच भित्रको बैंक भएको र बैंकले लक्षित गरेको ग्राहकहरु पनि यही समूह भएकोले यस्ता ग्राहकहरुको बैंक प्रतिको विश्वासलाई अभिवृद्धि गरी संस्थालाई पारदर्शी ढंगले चल्नु पर्ने सत्यलाई आत्मसात गर्दै नियमनकारी निकायहरु नेपाल राष्ट्र बैंक लगायत अन्य सबै निकायहरुका निर्दिष्ट नियमहरु एवं अन्य प्रचलित नियम कानूनको परिधी भित्र रही यस बैंकको कारोबार स्वच्छ रुपमा संचालनमा रहेको छ ।



१५. गत वर्ष साधारण सभाको सुझाव कार्यान्वयन

गत वर्ष सम्पन्न १६ औं वार्षिक साधारण सभामा शेयरधनी महानुभावहरूले बैंकलाई अझ बढी प्रतिस्पर्धी बनाउनका लागि दिनुभएका विभिन्न सल्लाह, सुझावहरूलाई क्रमशः कार्यान्वयन गर्दै लगिने प्रतिबद्धता व्यक्त गर्दछौं ।

१६. व्यवस्थापनमा भएको हेरफेर :

यस आ.व. मा व्यवस्थापनमा कुनै परिवर्तन भएको छैन ।

१७. मर्जर तथा प्राप्ती सम्बन्धमा :

यस बैंक तथा अन्य उपयुक्त बैंक तथा वित्तीय संस्थाहरु एक आपसमा गाभ्ने/गाभिन (Merger) प्रयोजनको लागि सोही वार्षिक साधारण सभाले दिईएको अख्तियारीलाई निरन्तरता दिदै अन्य उपयुक्त बैंक तथा वित्तीय संस्थासँग एक आपसमा गाभ्ने/गाभिन(Merger) वा प्राप्ती (Acquisition) गर्ने सम्बन्धी आवश्यक कार्य गर्न, उक्त कार्यका लागि सहमतीपत्र (Memorandum Of Understanding) मा हस्ताक्षर गर्न Merger तथा Acquisition समिति गठन गर्न, चल अचल सम्पत्तिको मूल्याङ्कन (Due Diligence Audit) गर्न मुल्यांकनकर्ताको नियुक्ती गर्न, निजको पारिश्रमिक निर्धारण गर्न, सम्बन्धित नियमनकारी निकायहरूसँग सहमती लिने लगायतका Merger तथा Acquisition सम्बन्धमा आवश्यक सम्पूर्ण कार्य प्रकृया अघि बढाउने अख्तियारी संचालक समितिलाई प्रदान गर्ने गरी विशेष प्रस्ताव सभामा पेश गरिएको छ ।

१८. लेखापरीक्षकको नियुक्ति

लेखापरीक्षण समितिको सिफाशिसमा आ.व. २०७८/७९ का लागि बैंकको हिसाब किताबको लेखापरीक्षण गर्न श्री पि.बी.के.पी. एण्ड एसोसियट्स, चार्टर्ड एकाउण्टेन्ट्स लाई लेखापरीक्षक नियुक्त गरिएको थियो । आर्थिक वर्ष २०७९/०८० को लागि लेखापरीक्षकको नियुक्ति साधारण सभाले गर्नुपर्ने हुन्छ । लेखापरीक्षकको नियुक्तिको लागि छुट्टै एजेण्डा राखिएको छ ।

अन्त्यमा, यस बैंकको सत्रौं वार्षिक साधारणसभा सम्पन्न गराउन तथा लेखापरीक्षण कार्य सम्पन्न गर्ने तथा आवश्यकता अनुसार व्यवसायिक सुझाव प्रदान गर्ने वाह्य लेखा परीक्षक लगायत यस कम्पनीको प्रगतिमा प्रत्यक्ष वा अप्रत्यक्ष रूपमा संलग्न रहनुभएका शेयरधनी महानुभावहरु, ग्राहक महानुभावहरु, नेपाल राष्ट्र बैंक लगायत अन्य नियमनकारी निकायहरु नेपाल धितोपत्र बोर्ड, नेपाल स्टक एक्सचेन्ज लि., कम्पनी रजिष्ट्रारको कार्यालय एवम् अन्य शुभेच्छुकहरु प्रति हार्दिक कृतज्ञता तथा आभार प्रकट गर्न चाहन्छु साथै, यस बैंकलाई यस स्थितिसम्म ल्याई पुऱ्याउन सहयोग गर्ने समस्त ग्राहक महानुभावहरु यस बैंकका लगनशील कर्मचारीहरु एवम् उद्योगी, बुद्धिजीवी, व्यवसायी, पत्रकार बन्धुहरु सबैप्रति पुनः हार्दिक कृतज्ञता एवम् आभार प्रकट गर्न चाहन्छु ।

जय एक्सेल ।

महेन्द्र कुमार गोयल
अध्यक्ष
बिर्तामोड, भापा



कम्पनी ऐन, २०६३ को दफा १०८ को उपदफा (४) बमोजिमको अतिरिक्त विवरण

- (क) विगत वर्षको कारोबारको सिंहावलोकन :
सञ्चालक समितिको वार्षिक प्रतिवेदनमा उल्लेख गरिएको ।
- (ख) राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितिबाट बैंकको कारोबारलाई कुनै असर परेको भए सो असर :
सञ्चालक समितिको वार्षिक प्रतिवेदनमा उल्लेख गरिएको ।
- (ग) प्रतिवेदन तयार भएको मितिसम्म चालु वर्षको उपलब्धि र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा सञ्चालक समितिको धारणा :
सञ्चालक समितिको वार्षिक प्रतिवेदनमा उल्लेख गरिएको ।
- (घ) बैंकको औद्योगिक वा व्यावसायिक सम्बन्ध :
बैंकले औद्योगिक र व्यावसायिक सम्बन्ध स्थापना गरेका सबै सरोकारवालाहरूसँग सौहार्दपूर्ण र सुमधुर सम्बन्ध कायम राखेको छ ।
- (ङ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण :
सञ्चालक समितिको वार्षिक प्रतिवेदनमा उल्लेख गरिएको ।
- (च) कारोबारलाई असर पार्ने मुख्य कुराहरु :
१. अस्थिर तरलताको अवस्था
२. देशको आर्थिक, मौद्रिक तथा अन्य नीति परिवर्तनबाट सिर्जना हुन सक्ने जोखिम
३. बैंकहरु बीचको कडा प्रतिस्पर्धा ।
- (छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया :
समिक्षा वर्षको लेखापरीक्षण प्रतिवेदनमा उल्लेख भएका सामान्य कैफियतहरु बाहेक अन्य कैफियतहरु माथि सञ्चालक समितिको ध्यानकर्षण भएको र सुधारका कदमहरु चाल्न र यस्ता कैफियतहरु भविष्यमा नदोहोराउनका लागि आवश्यक व्यवस्था मिलाउन व्यवस्थापनलाई आवश्यक निर्देशन दिइएको ।
- (ज) लाभांश बाडफाड गर्न सिफारिश गरिएको रकम :
नभएको ।
- (झ) शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अंकित मुल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो बापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर विक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण :
समिक्षा वर्षमा कुनै पनि शेयर जफत नभएको ।
- (ञ) गत आर्थिक वर्षमा बैंक र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्त्यमा रहेको स्थितिको पुनरावलोकन :
यस बैंकको कुनै सहायक कम्पनी नभएको ।



- (ट) बैंक तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरु र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै परिवर्तन :
नभएको ।
- (ठ) गत आर्थिक वर्षमा बैंकका आधारभुत शेयरधनीहरुले बैंकलाई उपलब्ध गराएको जानकारी :
गत आर्थिक वर्षमा कुनै जानकारी आधारभुत शेयरधनीहरुबाट प्राप्त नभएको ।
- (ड) गत आर्थिक वर्षमा बैंकका सञ्चालक तथा पदाधिकारीहरुले लिएको शेयरको स्वामित्वको विवरण र बैंकको शेयर कारोबारमा निजहरु संलग्न रहेको भए सो सम्बन्धमा निजहरुबाट बैंकले प्राप्त गरेको जानकारी :
बैंकका सञ्चालक तथा पदाधिकारीहरुको शेयर स्वामित्वको विवरण निम्न बमोजम रहेको छ र बैंकको शेयर कारोबारमा उहाँहरु संलग्न रहनु भएको छैन ।

क्र.सं.	नाम, थर	पद	शेयर संख्या	शेयर रकम
१.	श्री महेन्द्र कुमार गोयल	अध्यक्ष	१,०३६,९६०.५१	१०३,६९६,०५१
२.	श्री राजन शर्मा	सञ्चालक	९२१,४३४.९३	९२,१४३,४९३
३.	श्री अमित कुमार अग्रवाल	सञ्चालक	३७१,४२७.२९	३७,१४२,७२९
४.	श्री पशुराम दाहाल	सञ्चालक	२३,०६७.१९	२,३०६,७१९
५.	श्री पुरुषोत्तम लम्साल	सञ्चालक	६५९.७१	६५,९७१
६.	श्री पेशल राज पोखरेल	सञ्चालक	५,९९०.६२	५९९,०६२
७.	श्रीमती शुषमा शर्मा	स्वतन्त्र सञ्चालक	०	०

- (ढ) गत आर्थिक वर्षमा बैंकसँग सम्बन्धित सम्भौताहरुमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा :
कुनै जानकारी उपलब्ध नभएको ।
- (ण) बैंकले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अतिरिक्त मुल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम :
नभएको ।
- (त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण :
बैंकको कृयाकलापहरुलाई सुचारु रूपले सञ्चालन गर्न कर्मचारी विनियामकी, आर्थिक विनियामकी, कर्जा नीति, सरुवा नीति लगायत अन्य आवश्यक नीति निर्देशनहरु तर्जमा गरी लागु गरिएको छ । बैंकका कृयाकलापहरुलाई नियन्त्रण तथा अनुगमन, नीति निर्देशन गर्न सञ्चालकहरु सदस्य रहने गरी जोखिम व्यवस्थापन समिति, लेखापरीक्षण समिति, कर्मचारी सेवा सुविधा समिति, सम्पति शुद्धिकरण निवारण सम्बन्धी समितिहरु कार्यरत रही आएका छन् ।

- (थ) गत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :

क्र.सं.	शिर्षक	रकम
१	कर्मचारी खर्च	२०४,७८१,९३३।५७
२	कार्यालय सञ्चालन खर्च	१२३,००९,८०९।५७
जम्मा		३२७,७९१,७४३।१४



- (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 :
- | | | |
|----|------------------------|------------|
| १. | श्री पुरुषोत्तम लम्साल | संयोजक |
| २. | श्री पेशलराज पोखरेल | सदस्य |
| ३. | श्री महेश मान प्रधान | सदस्य सचिव |
- गैर कार्यकारी सञ्चालक श्री पुरुषोत्तम लम्सालको संयोजकत्वमा ने.रा.बैंकको निर्देशन बमोजिम हुने गरी आन्तरीक लेखा परीक्षण समितिको गठन गरिएको छ । उक्त समितिले आन्तरिक नियन्त्रण, बैंकको वित्तीय स्थिति लगायतका विषयमा नियमित अनुगमन गरी आवश्यक निर्णय लिन व्यवस्थापनलाई सुझाव दिने र आन्तरिक लेखा परीक्षणका क्रममा देखिएका कैंफियतहरूलाई निराकरण तथा सुधार गर्न व्यवस्थापनलाई आवश्यक निर्देशन दिने गर्दछ । यस आर्थिक वर्षमा ७ पटक समितिको बैठक बसेको छ र प्रति बैठक समितिका सञ्चालक सदस्यहरूलाई रु ७,०००/- भत्ता प्रदान गर्ने गरिएको छ ।
- (ध) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख, कम्पनीका आधारभुत शेरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा सँगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा : नभएको ।
- (न) सञ्चालक, प्रबन्ध सञ्चालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :
- | | |
|----|---|
| १. | सञ्चालकहरूलाई बैठक भत्ता बापत जम्मा रु. ९,५४,९३८।०९ मा श्रोतमा करकट्टी गरी र अन्य खर्च रु. ८,०७,९८८।३४ उपलब्ध गराइएको छ । |
| २. | कार्यकारी प्रमुखलाई जम्मा रु. ४५,८९,३३७।९८ भुक्तानी गरिएको छ । |
- (प) शेरधनीहरू बुझिलिन बाँकी रहेको लाभांशको रकम (२०७९ आषाढ मसान्तमा) :
आ.व. २०७४।०७ को नगद लाभांश बापत २०७९ असार मसान्तसम्ममा शेरधनिले बुझिलिन बाँकी रहेको रकम रु २३,७०,४३९।४४ रहेको छ ।
- (फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्री गरेको कुराको विवरण :
बैंकलाई आवश्यक पर्ने आफ्नो सम्पत्तिहरूको (सवारी साधन, कार्यालय सामान आदि) खरिद तथा बिक्रीको विवरण संलग्न वासलातको सम्बन्धित अनुसूचीमा रहेको छ । सम्पत्ति खरिद तथा बिक्री गर्दा बैंकको आर्थिक प्रशासन विनियमावलीले तोकेको कार्यविधि अवलम्बन गर्ने गरिएको छ ।
- (ब) दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबारको विवरण :
नभएको ।
- (भ) यस ऐन तथा प्रचलित कानून बमोजिम सञ्चालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुरा :
यस वार्षिक प्रतिवेदनका सान्दर्भिक ठाउँमा खुलाइएको ।
- (म) अन्य आवश्यक कुराहरु :
यस वार्षिक प्रतिवेदनका विभिन्न ठाउँमा खुलाइएको ।



धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३

(नियम २६ को उपनियम (२) सँग सम्बन्धित)

वार्षिक प्रतिवेदनमा समावेश गर्नुपर्ने विवरण

१. सञ्चालक समितिको प्रतिवेदन

यसै पुस्तिकामा समावेश गरिएको छ ।

२. लेखापरीक्षकको प्रतिवेदन

यसै पुस्तिकामा समावेश गरिएको छ ।

३. लेखापरीक्षण भएको वित्तीय विवरण

लेखापरीक्षकको प्रतिवेदनमा संलग्न अनुसूचीहरू अनुसार भएको ।

४. कानुनी कारवाही सम्बन्धी विवरण

- (क) यस बैंक पक्ष विपक्ष भई २०७९/०३/३२ सम्म राजस्व न्यायाधिकरणमा १ र जिल्ला अदालत, सुनसरीमा १ वटा गरी २ वटा मुद्दा रहेको ।
- (ख) आर्थिक वर्ष २०७८/७९ को अवधिभरी यस बैंकको संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकको विरुद्ध प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै पनि मुद्दा दायर गरेको वा भएको जानकारी यस बैंकलाई नभएको ।
- (ग) कुनै संस्थापक वा सञ्चालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको यस बैंकको जानकारीमा नआएको ।

५. सँगठित संस्थाको शेयर कारोबार तथा प्रगतिको विश्लेषण

- (क) धितोपत्र बजारमा भएको बैंकको शेयरको कारोबार सम्बन्धमा व्यवस्थापनको धारणा : सन्तोषजनक ।
- (ख) गत वर्षको प्रत्येक त्रैमासिक अवधिमा सँगठित संस्थाको शेयरको अधिकतम, न्यूनतम र अन्तिम मूल्यका साथै कुल कारोबार शेयर संख्या र कारोबार दिन ।

त्रैमासिक आ.व. २०७८/७९	अधिकतम मूल्य	न्यूनतम मूल्य	अन्तिम मूल्य	कारोबार दिन	कारोबार संख्या
प्रथम	११९५	५१५.१०	५५४.१०	५७	२३,४०,८४८
दोस्रो	४४९	६७७.१०	५८०	५९	७२४,६२४
तेस्रो	६१५	४१२	४२८.८०	५८	८८६,४२९
चौथो	४४४.७०	३०८	३२७	६५	५८६,०८५

६. समस्या तथा चुनौती

अध्यक्षबाट प्रस्तुत प्रतिवेदनमा समावेश भएको ।

७. संस्थागत सुशासन

अध्यक्षबाट प्रस्तुत प्रतिवेदनमा समावेश भएको ।



संस्थागत सुशासन सम्बन्धी वार्षिक अनुपालना प्रतिवेदन

(सूचीकृत सँगठित संस्थाहरूको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०७४ बमोजिम)

सूचीकृत सङ्गठित संस्थाको नाम	एक्सेल डेभलपमेन्ट बैंक लिमिटेड
ठेगाना इमेल र वेबसाइट सहित	email : info@edb.com.np, Website : www.edb.com.np
फोन नं.	०२३-५४४०१०
प्रतिवेदन पेश गरिएको आ.ब.	२०७८।०७९

१.सञ्चालक समिति सम्बन्धी विवरण :

(क) संचालक समितिको अध्यक्षको नाम तथा नियुक्ति मिति: महेन्द्र कुमार गोयल, नियुक्ति मिति: २०७५।१२।११

(ख) संस्थाको शेयर संरचना सम्बन्धी विवरण (संस्थापक,सर्वसाधारण तथा अन्य):

संस्थापक : ५१ प्रतिशत, सर्वसाधारण: ४९ प्रतिशत

(ग) संचालक समिति सम्बन्धी विवरण:

क्र. सं.	संचालकहरूको नाम तथा ठेगाना	प्रतिनिधित्व भएको समुह	शेयर सख्या	नियुक्ति भएको मिति	पद तथा गोपनियताको शपथ लिएको मिति	संचालक नियुक्तिको तरीका (विधि)
१	महेन्द्र कुमार गोयल, काठमाण्डौ	संस्थापक	१०,३६,९६०	२०७५।१२।११	२०७५।१२।१२	साधारण सभाबाट निर्वाचित
२	अमित कुमार अग्रवाल, विर्तामोड, भापा	संस्थापक	३,७१,४२७	२०७८।०७।१५	२०७८।०७।१५	साधारण सभाबाट अनुमोदन
३	राजन शर्मा, काठमाण्डौ	संस्थापक	९,२१,४३४	२०७५।१२।११	२०७५।१२।१२	साधारण सभाबाट निर्वाचित
४	पर्शुराम दाहाल,सुर्यविनायक, भक्तपुर	सर्वसाधारण	२३,०६७	२०७८।०६।१६	२०७८।०६।१६	साधारण सभाबाट निर्वाचित
५	पुरुषोत्तम लम्साल, भद्रपुर, भापा	सर्वसाधारण	६५९	२०७८।०६।१६	२०७८।०६।१६	साधारण सभाबाट निर्वाचित
६	पेशल राज पोखरेल,सुर्यविनायक, भक्तपुर	सर्वसाधारण	५,९९०	२०७८।०६।१६	२०७८।०६।१६	साधारण सभाबाट निर्वाचित
७	सुषमा शर्मा (वस्ती), काठमाण्डौ	स्वतन्त्र	०	२०७६।०९।१४	२०७६।०९।१४	साधारण सभाबाट अनुमोदन

नोट : पछिल्लो साधारण सभा पछि संचालकहरू नियुक्ति भए सो सम्बन्धि जानकारी र सो सम्बन्धमा बोर्डलाई जानकारी गराएको मिति समेत छुट्टै उल्लेख गर्नुपर्ने ।

मिति २०७८।०६।१६ मा सम्पन्न पन्ध्रौ वार्षिक साधारण सभाबाट निर्वाचित सर्वसाधारण समुहबाट प्रतिनिधित्व गर्नुहुने संचालक पर्शुराम दाहाल, पुरुषोत्तम लम्साल, पेशलराज पोखरेल को नियुक्ती सम्बन्धी जानकारी नेपाल धितोपत्र बोर्डमा मिति २०७८।०६।१७ मा गराईएको ।



(घ) सञ्चालक समितिको बैठक

■ सञ्चालक समितिको बैठक सञ्चालन सम्बन्धी विवरण

क्र.सं.	यस आ.व. २०७८।०७९ मा बसेको सञ्चालक समितिको बैठकको मिति	उपस्थित संचालकको संख्या	बैठकको निर्णयमा भिन्न मत राखी हस्ताक्षर गर्ने संचालकको संख्या	गत आ.व. मा बसेको बैठकको मिति
१	२०७८।०४।१६	७	भिन्न मत नरहेको	२०७७।०४।१०
२	२०७८।०४।२८	७	भिन्न मत नरहेको	२०७७।०५।०१
३	२०७८।०५।०४	७	भिन्न मत नरहेको	२०७७।०५।०७
४	२०७८।०५।२२	७	भिन्न मत नरहेको	२०७७।०६।११
५	२०७८।०६।०६	७	भिन्न मत नरहेको	२०७७।०६।१७
६	२०७८।०६।१५	७	भिन्न मत नरहेको	२०७७।०८।१५
७	२०७८।०६।२४	७	भिन्न मत नरहेको	२०७७।०९।१२
८	२०७८।०७।१५	६	भिन्न मत नरहेको	२०७७।१०।०५
९	२०७८।०८।१६	७	भिन्न मत नरहेको	२०७७।१०।१५
१०	२०७८।०९।०५	७	भिन्न मत नरहेको	२०७७।१०।२०
११	२०७८।०९।१५	७	भिन्न मत नरहेको	२०७७।११।१२
१२	२०७८।०९।२९	७	भिन्न मत नरहेको	२०७७।१२।१५
१३	२०७८।११।०३	७	भिन्न मत नरहेको	२०७७।१२।२६
१४	२०७८।११।२६	७	भिन्न मत नरहेको	२०७८।०१।२०
१५	२०७८।१२।२९	६	भिन्न मत नरहेको	२०७८।०२।२०
१६	२०७९।०२।०५	७	भिन्न मत नरहेको	२०७८।०३।३०
१७	२०७९।०२।२९	७	भिन्न मत नरहेको	
१८	२०७९।०२।३०	७	भिन्न मत नरहेको	
१९	२०७९।०३।१७	७	भिन्न मत नरहेको	
२०	२०७९।०३।२७	७	भिन्न मत नरहेको	

कुनै सञ्चालक समितिको बैठक आवश्यक गणपुरक संख्या नपुगी स्थगित भएको भए सो को विवरण : नभएको ।

■ सञ्चालक समितिको बैठक सम्बन्धी अन्य विवरण:

सञ्चालक समितिको बैठकमा सञ्चालक वा वैकल्पिक सञ्चालक उपस्थित भए- नभएको (नभएको अवस्थामा बैठकको मिति सहित कारण खुलाउने):	भएको
सञ्चालक समितिको बैठकमा उपस्थित सञ्चालकहरू, छलफल भएको विषय र तत्सम्बन्धमा भएको निर्णयको विवरण(माईन्यूट)को छुट्टै अभिलेख राखे नराखेको:	राख्ने गरेको
सञ्चालक समितिको दुई लगातार बसेको बैठकको अधिकतम अन्त र(दिनमा) :	३७ दिन
सञ्चालक समितिको बैठक भत्ता निर्धारण सम्बन्धमा बसेको वार्षिक साधारण सभाको मिति:	२०७७।०३।१४
सञ्चालक समितिको प्रति बैठक भत्ता रु.	अध्यक्ष रु ८,००० संचालक रु ७,०००
आ.व.को संचालक समितिको कुल बैठक खर्च रु	रु.१४,२६,९२८।३४



२. सञ्चालकको आचरण सम्बन्धी तथा अन्य विवरण

सञ्चालकको आचरण सम्बन्धमा सम्बन्धित संस्थाको आचार संहिता भए/नभएको					छुट्टै नभएको
एकाघर परिवारको एकभन्दा बढी सञ्चालक भए सो सम्बन्धी विवरण:					नभएको
सञ्चालकहरूको वार्षिक रुपमा सिकाई तथा पूर्णताजगी कार्यक्रम सम्बन्धी विवरण:					
क्र.स.	विषय	मिति	सहभागी सञ्चालकको संख्या	तालिम संचालन भएको स्थान	
१	Exclusive Leadership Program	२०७९.१०.११	२	Hayat Place Hotel, Kathmandu	
२	Secured Transactions Reform & Movable asset Finance	२०७९.१०.२१	२	Yak & Yeti Hotel, Kathmandu	
प्रत्येक सञ्चालकले आफू सञ्चालकको पदमा नियुक्त वा मनोनयन भएको पन्ध्र दिनभित्र देहायका कुराको लिखित जानकारी गराएको/नगराएको र नगराएको भए सोको विवरण:					
<ul style="list-style-type: none"> ■ संस्थासँग निज वा निजको एकाघरको परिवारको कुनै सदस्यले कुनै किसिमको करार गरेको वा गर्न लागेको भए सोको विवरण, ■ निज वा निजको एकाघरको परिवारको कुनै सदस्यले संस्था वा सो संस्थाको मुख्य वा सहायक कम्पनीमा लिएको शेयर वा डिबेन्चरको विवरण, ■ निज अन्य कुनै सङ्गठित संस्थाको आधारभूत शेयरधनी वा सञ्चालक रहेको भए त्यसको विवरण, ■ निजको एकाघरको परिवारको कुनै सदस्य संस्थामा पदाधिकारी वा कर्मचारीको हैसियतमा काम गरिरहेको भए सोको विवरण 					गराएको
सञ्चालकले उस्तै प्रकृतिको उद्देश्य भएको सूचकृत संस्थाको सञ्चालक, तलवी पदाधिकारी, कार्यकारी प्रमुख वा कर्मचारी भई कार्य गरेको भए सोको विवरण:					नगरेको
सञ्चालकहरूलाई नियमन निकाय तथा अन्य निकायहरूबाट कुनै कारवाही गरिएको भए सोको विवरण:					जानकारी नभएको

३. संस्थाको जोखिम व्यवस्थापन तथा आन्तरिक नियन्त्रण प्रणाली सम्बन्धी विवरण

(क) जोखिम व्यवस्थापनको लागि कुनै समिति गठन भए/नभएको गठन नभएको भए सोको कारण: भएको

(ख) जोखिम व्यवस्थापन समिति सम्बन्धी जानकारी:

(अ) समितिको संरचना (संयोजक तथा सदस्यहरूको नाम तथा पद) :

क्र.सं.	नाम	पद
१	सञ्चालक राजन शर्मा	संयोजक
२	संयोजक लेखापरीक्षण समिति	सदस्य
३	सञ्चालक अमित कुमार अग्रवाल	सदस्य
४	विभागीय प्रमुख संचालन विभाग	सदस्य
५	प्रमुख जोखिम अधिकृत	सदस्य सचिव

(आ) समितिको बैठक संख्या : ४

(इ) समितिको कार्य सम्बन्धी छोटो विवरण : यो समितिले त्रैमासिक रुपमा बैंकको पूँजी पर्याप्तता सम्बन्धी आन्तरिक विश्लेषण, क्षेत्रगत सीमा निर्धारण तथा अनुपालना, संचालन जोखिम, कर्जा जोखिम, दबाव परीक्षण आदिको अनुगमन गर्ने गरेको छ र त्रैमासिक रुपमा सञ्चालक समितिमा प्रतिवेदन पेश गर्ने गरेको छ। यसका साथै, बैंकको जोखिम सम्बन्धमा अन्य जानकारी लिने तथा त्यस सम्बन्धमा सञ्चालक समितिमा राय सुझाव तथा सिफारिस पेश गर्ने आदि जस्ता क्रियाकलापहरू पनि यस समितिले गर्ने गरेको छ।



- (ग) आन्तरिक नियन्त्रण कार्यविधि भए/नभएको : भएको
(घ) आन्तरिक नियन्त्रण प्रणालीको लागि कुनै समिति गठन भए/नभएको गठन नभएको भए सो को कारण: भएको
(ङ) आन्तरिक नियन्त्रण प्रणाली समिति सम्बन्धी विवरण:
(अ) समितिको संरचना (संयोजक तथा सदस्यहरूको नाम तथा पद)

लेखापरीक्षण समिति (सञ्चालक स्तरीय)

क्र.सं.	नाम	पद
१.	संचालक पुरुषोत्तम लम्साल	संयोजक
२.	संचालक पेशल राज पोखरेल	सदस्य
३.	विभागीय प्रमुख, आन्तरिक लेखापरीक्षण विभाग	सदस्य सचिव

(आ) समितिको बैठक संख्या : ७

(इ) समितिको कार्य सम्बन्धी छोटो विवरण : त्रैमासिक अपरिष्कृत वित्तीय विवरणहरूको समिक्षा, त्रैमासिक आन्तरिक लेखापरीक्षण प्रतिवेदनको समिक्षा, वाह्य लेखापरीक्षकले पेश गरेको गत आ.व.को प्रतिवेदनको समिक्षा, आन्तरिक लेखापरीक्षण योजना अनुमोदन, लेखापरीक्षण प्रतिवेदनमा औल्याइएका कैफियतहरू सुधारका लागि व्यवस्थापनलाई निर्देशन दिने तथा लेखापरीक्षण समितिको प्रतिवेदन छलफलका लागि समितिमा पेश गर्ने ।

अन्य सञ्चालक स्तरीय समितिहरू जस्तै जोखिम व्यवस्थापन समिति, कर्मचारी सेवा सुविधा समिति, सम्पत्ति शुद्धीकरण तथा निवारण समिति एवं आन्तरिक समितिहरू जस्तै पदपूर्ति समिति, सम्पत्ति दायित्व व्यवस्थापन समितिहरू पनि रहेको ।

(च) आर्थिक प्रशासन विनियमावली भए/नभएको: भएको

४.सूचना तथा जानकारी प्रवाह सम्बन्धी विवरण

(क) संस्थाले सार्वजनिक गरेको सूचना तथा जानकारी प्रवाहको विवरण:

विषय	माध्यम	सार्वजनिक गरेको मिति
वार्षिक साधारण सभाको सूचना	राष्ट्रिय दैनिक पत्रिका, बैंकको Web Site	२०७९।०३।१९, २०७९।०३।२० र २०७९।०४।०९
विशेष साधारण सभाको सूचना	राष्ट्रिय दैनिक पत्रिका, बैंकको Web Site	विशेष साधारण सभा नभएको
वार्षिक प्रतिवेदन	राष्ट्रिय दैनिक पत्रिका, बैंकको Web Site	बैंकको website मा राखिएको र मिति २०७९।०४।२५ मा प्रतिदिन दैनिकमा समेत प्रकाशित
त्रैमासिक प्रतिवेदन	राष्ट्रिय दैनिक पत्रिका, बैंकको Web Site	२०७८।०४।३२, २०७८।०७।१५, २०७८।१०।०७, २०७९।०१।०७, २०७९।०४।०७
धितोपत्रको मूल्यमा प्रभाव पार्ने मूल्य संवेदनशील सूचना	नेपाल स्टक एक्सचेञ्ज लि.	२०७८।०४।०९, २०७८।०४।१३, २०७८।०५।२३, २०७८।०६।१७, २०७८।०७।१४, २०७८।०७।१६, २०७८।११।०४, २०७८।१२।२९, २०७९।०२।३१, २०७९।०३।१७
अन्य	राष्ट्रिय तथा स्थानिय पत्रपत्रिका	

(ख) सूचना सार्वजनिक नगरेको वा अन्य कारणले धितोपत्र बोर्ड तथा अन्य निकायबाट कारवाहिमा परेको भए सो सम्बन्धी जानकारी : नपरेको ।

(ग) पछिल्लो वार्षिक तथा विशेष साधारण सभा सन्पन्न भएको मिति : वार्षिक साधारण सभा मिति २०७९।०४।०९



५.संस्थागत संरचना र कर्मचारी सम्बन्धी विवरण

क) कर्मचारीहरूको संरचना, पदपूर्ति, वृत्ति विकास, तालिम,तलव, भत्ता तथा अन्य सुविधा, हाजिर र विदा,आचार संहिता लगायतका कुराहरू समेटिएको कर्मचारी सेवा शर्त विनियमावली/व्यवस्था भए नभएको: भएको ।

(ख) सांगठनिक संरचना संलग्न गर्ने : यसै साथ संलग्न गरिएको ।

(ग) उच्च व्यवस्थापन तहका कर्मचारीहरूको नाम, शैक्षिक योग्यता तथा अनुभव सम्बन्धी विवरण:

क्र.सं	नाम	पद	योग्यता	अनुभव
१.	डा. ईन्द्रकुमार कट्टेल	प्रमुख कार्यकारी अधिकृत	विद्यावारिधी	३१ वर्षको वैकिक अनुभव
२.	श्री लेखराज कार्की	नायव प्रमुख कार्यकारी अधिकृत	एम.वि.ए.	२२ वर्षको वैकिक अनुभव
३.	श्री अशोक क्षेत्री	सहायक महाप्रबन्धक	एम.वि.ए.	१८ वर्षको वैकिक अनुभव

(घ)कर्मचारी सम्बन्धी अन्य विवरण

संरचना अनुसार कर्मचारी पदपूर्ति गर्ने गरे/नगरेको :	गरेको
नयाँ कर्मचारीहरूको पदपूर्ति गर्दा अपनाएको प्रकृया:	खुला प्रतियोगिता, टयालेन्ट हन्ट
व्यवस्थापन स्तरका कर्मचारीको संख्या:	९
कुल कर्मचारीको संख्या:	२७०
कर्मचारीहरूको सक्सेसन प्लान भए/नभएको :	भएको
आ.व.कर्मचारीहरूलाई दिइएको तालिम संख्या तथा सम्मिलित कर्मचारीको संख्या:	तालिम संख्या ३८ सहभागी संख्या : २९१
आ.व.को कर्मचारी तालिम खर्च रु:	रु १३,८२,५२६।८६
कुल खर्चमा कर्मचारी खर्चको प्रतिशत :	१८.२६%
कुल कर्मचारी खर्चमा कर्मचारी तालिम खर्चको प्रतिशत:	०.६८ %

६.संस्थाको लेखा तथा लेखापरीक्षण सम्बन्धी विवरण

(क) लेखा सम्बन्धी विवरण

संस्थाको पछिल्लो आ.व.को वित्तीय विवरण NFRSअनुसार तयार गरे/नगरेको, नगरेको भए सोको कारण:	गरेको
संचालक समितिबाट पछिल्लो वित्तीय विवरण स्वीकृत भएको मिति:	२०७९।०२।३०
त्रैमासिक वित्तीय विवरण प्रकाशन गरेको मिति:	२०७८।०४।३२, २०७८।०७।१५, २०७८।१०।०७, २०७९।०१।०७, २०७९।०४।०७
अन्तिम लेखापरीक्षण सम्पन्न भएको मिति :	२०७९।०२।३१
साधारण सभाबाट वित्तीय विवरण स्वीकृत भएको मिति:	२०७९।०४।०९
संस्थाको आन्तरिक लेखापरीक्षण सम्बन्धी विवरण: (अ) आन्तरिक रुपमा लेखापरीक्षण गर्ने गरिएको वा वाह्य विज्ञ नियुक्त गर्ने गरिएको (आ) वाह्य विज्ञ नियुक्त गरिएको भए सोको विवरण (इ) आन्तरिक लेखापरीक्षण कति अवधिको गर्ने गरिएको (त्रैमासिक, चौथोमासिक वा अर्धवार्षिक)	वाह्य विज्ञ नियुक्त गरिएको, S.R. Pandey & Co., Chartered Accountants त्रैमासिक



(ख) लेखा परीक्षण समिति सम्बन्धी विवरण

	नाम	पद	योग्यता
संयोजक तथा सदस्यहरूको नाम, पद तथा योग्यता:	पुरुषोत्तम लम्साल	संयोजक	एम.वि.ए.
	पेशलराज पोखरेल	सदस्य	एम.पि.ए.
	महेश मान प्रधान	सदस्य सचिव	एम.वि.ए.
वैठक बसेको मिति तथा उपस्थित सदस्य संख्या:	२०७८।०५।१८ उपस्थित ३ जना, २०७८।०५।३१ उपस्थित ३ जना, २०७८।०६।१४ उपस्थित ३ जना, २०७८।०९।०७ उपस्थित ३ जना, २०७८।१०।१८ उपस्थित ३ जना, २०७८।१२।१६ उपस्थित ३ जना, २०७९।०२।०९ उपस्थित ३ जना,		
प्रति बैठक भत्ता रु. :	संचालक रु ७,०००।- अन्य पदाधिकारी रु २,५००।-		
लेखापरीक्षण समितिले आफ्नो काम कारवाहीको प्रतिवेदन संचालक समितिमा पेश गरेको मिति:	२०७८।०७।१५, २०७८।०९।२९, २०७८।१२।२९, २०७९।०३।१७		

७. अन्य विवरण

संस्थाले सञ्चालक तथा निजको एकाघरका परिवारको वित्तीय स्वार्थ भएको व्यक्ति, बैङ्क तथा वित्तीय संस्थाबाट ऋण वा सापटी वा अन्य कुनै रूपमा रकम लिए/नलिएको	नलिएको
प्रचलित कानून बमोजिम कम्पनीको सञ्चालक, शेयरधनी, कर्मचारी, सल्लाहकार, परामर्शदाताको हैसियतमा पाउने सुविधा वा लाभ बाहेक सूचिकृत सङ्गठित संस्थाको वित्तीय स्वार्थ भएको कुनै व्यक्ति, फर्म, कम्पनी, कर्मचारी, सल्लाहकार वा परामर्शदाताले संस्थाको कुनै सम्पत्ति कुनै किसिमले भोगचलन गरे/नगरेको	नगरेको
नियमकारी निकायले इजाजतपत्र जारी गर्दा तोकेको शर्तहरूको पालना भए/नभएको	भएको
नियमकारी निकायले संस्थाको नियमन निरीक्षण वा सुपरीवेक्षण गर्दा संस्थालाई दिइएको निर्देशन पालना भए/नभएको	भएको
संस्था वा संचालक विरुद्ध अदालतमा कुनै मुद्दा चलिरहेको भए सोको विवरण	यस बैंक पक्ष विपक्ष भई २०७९/०३/३२ सम्म राजस्व न्यायाधिकरणमा १ वटा मुद्दा रहेको र जिल्ला अदालत, सुनसरीमा १ वटा मुद्दा रहेको ।

परिपालन अधिकृतको नाम : महेश मान प्रधान

परिपालन अधिकृतको पद: प्रबन्धक

मिति: २०७९। १२। २२

प्रतिवेदन संचालक समितिबाट स्वीकृत मिति: २०७९। १२। २७

लेखापरीक्षकबाट प्रमाणित मिति: २०७९। १२। २९



P.B.K.P. & Associates
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Excel Development Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Excel Development Bank Limited which comprise the Statement of financial position as at 32nd Ashad 2079 (16th July, 2022), Statement of Profit or loss, Statement of Other Comprehensive income, Statement of Change in equity and Statement of Cash Flows for the year ended, and notes to the Financial Statements including the summary of Significant Accounting Policies.

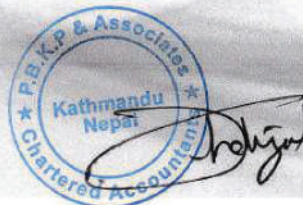
In our opinion, the accompanying financial statements read with the Significant Accounting Policies and Notes to Accounts, present fairly, in all material respect, the financial position of the Company as at Ashad 32, 2079 (16th July, 2022) and its financial performance and cash flows for the period from Shrawan 1, 2078 to Ashad 32, 2079, in accordance with Nepal Financial Reporting Standards (NFRS).

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 Financial Statements section of our report. We are independent of the company in accordance with The Institute of Chartered Accountants of Nepal's (ICAN) Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal and we have fulfilled our ethical responsibilities in accordance with these requirements and ICAN's Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit matters

Key audit matters are those matters, that in our professional judgment, were most significant in the audit of the financial statements of the current period. Those matters were addressed in the context of the audit of the financial statements as a whole, in forming our opinion thereon, and we do not provide separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



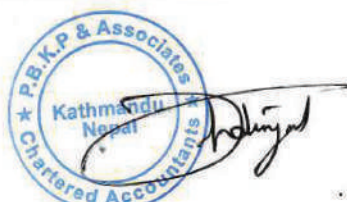


S. N	Key Audit Matters	Auditor's Response
1)	<p>Interest Recognition</p> <p>The interest income has been recognized on accrual basis and following the interest income recognition guidelines issued by NRB. The guidelines require suspension of the interest recognition on accrual basis for the loans and advances with overdue of more than 12 months whereas for the loans and advances with overdue of 3-12 months, interest recognition on accrual basis is limited on the basis of collateral testing as specified. Due to the lack of system capability to suspend recognition of the interest income on the basis of overdue status of loan as well as review of fair value of the collateral on regular basis, manual intervention is required in interest recognition process and hence create a risk of improper application of the guidelines and determination of the Fair value of the collateral. This may in turn, have effect on the recognition of the interest income by the bank. Thus, we have considered it as a key audit matter.</p>	<p>Our audit approach included clear understanding of the core banking software of the bank i.e how the interest income is accrued regarding the loans and advances. Furthermore, we have relied on the engineer's valuation of the collateral for the determination of the fair value regarding the collateral testing.</p> <p>We have also test checked the interest income booking with manual computation where no deviation was noticed.</p>
2)	<p>Impairment of loans and advances</p> <p>As per NAS 39(carve-out issued by ICAN), bank shall measure impairment loss on loans and advances at the higher of:</p> <ul style="list-style-type: none"> - Amount derived as per norms prescribed by NRB for loan loss provisioning and; - Amount determined as per para 63 of NAS adopting the incurred loss model <p>As per the norms prescribed by the NRB, provision at the prescribed rate shall be created on the loans and advances based on overdue status of loans and advances as well as utilization status of the facility, status of the security etc.</p> <p>As per NAS 39, impairment of loans and advances should be made on individual</p>	<p>Our audit approach included reviewing the overdue status of loans and advances by obtaining data from the system and matching the same with NRB 2.2 report. Sample credit files were reviewed for the purpose of assuring the utilization of loan & advances for the intended purpose, account movement and account turnover.</p> <p>We also assessed the expected future cash flows on the basis of the realizable value of collateral securities based on the management estimate from the individually significant loans and advances with the indication of the impairment of the assets.</p>





S. N	Key Audit Matters	Auditor's Response
	<p>impairment basis for loans and advances that are individually significant and collective impairment for homogeneous groups of loans that are not considered individually significant.</p> <p>On individual impairment, amount of the loss is measured as the difference between asset's carrying amount and present value of the estimated future cash flows. Under collective impairment, loss is determined after taking into account the historical loss experience in portfolios of similar credit risk and management's experienced judgement as to whether economic and credit conditions are such that actual level of inherent losses at the reporting date is likely to be greater or less than suggested by historical experience.</p> <p>Given the fact that the impairment of loans and advances under incurred loss model require assessment of future cash flows as well historic loss experience of portfolios and also the impairment of loan loss under NRB norms require assessment of overdue status of loans and advances and proper utilization of loans for intended purpose. Hence assessment of availability and accuracy of required data for impairment of loans and advances under incurred loss model as well as under NRB provisioning norms is regarded as a key audit matter.</p>	<p>Similarly, homogeneous group of loans were assessed on the basis of nature and purpose of loans and data of historical loss experience in the portfolios were assessed on the basis of the past dues date from the system as well as data of loan loss provision of the defined group in the past.</p>
3)	<p>Information Technology</p> <p>Most of the information of the bank is digitally stored and transaction were carried out digitally/electronic. The various reports in compliance with the NRB guidelines and other compliances to regulators are highly dependent on the digitally stored data and other allied systems.</p> <p>We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of</p>	<p>Our audit approach regarding the information technology of the bank is based upon the information technology guidelines issued by NRB. We understood the feeding of the data in the system and went through the extraction of the financial information and the statements from the IT system existing in the bank. The reports generated by the system were reviewed on sampling basis. The interest income and expenses booked</p>





S. N	Key Audit Matters	Auditor's Response
	data may result in the wrong reporting of the data to management, shareholders and regulators.	regarding the loans and deposits were verified on the test basis.
4)	<p>Contingent liabilities related to the pending cases</p> <p>The company is exposed to different laws, regulations and their interpretations thereof. In this regulatory environment there is an inherent risk of litigations and claims.</p> <p>Resolution of the tax and other legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved. Contingent liabilities disclosures may arise from the pending legal cases at present. These estimates could change significantly over the time as new facts emerge with each legal case progresses.</p> <p>Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of the provisions required or to determine the required disclosures, this is considered as a key audit matter.</p>	<p>Our audit approach included gaining an understanding of the outstanding litigations against the company from the company's inhouse consultant or other key managerial personnel having the knowledge of these matters.</p> <p>We have read the correspondence between the company and the authorities and also tested the completeness of the litigation on a sample basis by examining the minutes of the board meetings.</p> <p>We also assessed the adequacy of the company's disclosure in respect of the contingent liabilities for the legal matters.</p>

Other Information

The Banks Management is responsible for the preparation of the other information. The other information comprises the information included in the Management report, Report of the Board of Directors & Chairman's Statements but does not include the financial statement and our auditor's report thereon.

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

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 during the course of our Audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.





Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment 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 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 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 audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

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

Report on the Legal and Regulatory Requirements

We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit and the returns received from the branch offices of the bank, though the statements are independently not audited were adequate for the purpose of the audit.

In our opinion, the Statement of Financial Position, Statement of Profit or loss, Statement of other Comprehensive Income, Statement of Change in equity and Statement of Cash Flows for the year then ended, and Significant Accounting Policies, Notes to Accounts and other explanatory notes have been prepared in accordance with the requirements of the Companies Act, 2063 and are in the agreement with the books of accounts maintained by the bank.

To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the bank has taken actions for protection of the interest of the depositors and investors; the capital fund and risk bearing fund were adequately maintained; loans have been provisioned and written off as specified; the business of the bank was conducted satisfactorily and the bank's transactions were found to be within the scope of its authorities. We did not come across cases where the Board of directors or any office bearers of the bank has acted contrary to the provision of law or cause loss or damaged to the bank or committed any misappropriation or violated the directives of Nepal Rastra Bank.

Binod Phuyal, FCA
(Partner)

P.B.K.P & Associates

Chartered Accountants

Date: 2079/12/29

Place: Kathmandu, Nepal

UDIN: 230412CA007780Pg2s





Excel Development Bank Limited
Statement of Financial Position
As on 32 Ashad 2079 (July 16, 2022)

Particulars	Note	As on Asadh 32, 2079	As on Asadh 31, 2078
Assets			
Cash and Cash Equivalents	4.1	2,345,425,909.29	2,684,868,696.75
Due from Nepal Rastra Bank	4.2	133,360,133.18	286,606,660.78
Placement with Bank and Financial Institutions	4.3	-	-
Derivative Financial Instruments	4.4	-	-
Other Trading Assets	4.5	-	-
Loans and Advances to BFIs	4.6	272,625,436.36	178,131,432.01
Loans and Advances to Customers	4.7	10,231,444,105.09	9,194,360,184.52
Investment Securities	4.8	748,562,864.85	635,544,180.75
Current Tax Assets	4.9	21,730,089.30	25,750,092.94
Investment in Subsidiaries	4.10	-	-
Investment in Associates	4.11	-	-
Investment Property	4.12	193,387,921.00	-
Property and Equipment	4.13	264,626,798.24	251,592,584.28
Goodwill and Intangible Assets	4.14	3,629,014.36	3,319,648.35
Deferred Tax Assets	4.15	13,471,986.84	-
Other Assets	4.16	89,926,495.46	99,014,802.69
Total Assets		14,318,190,753.96	13,359,188,283.05
Liabilities			
Due to Bank and Financial Institutions	4.17	422,547,729.03	383,040,150.39
Due to Nepal Rastra Bank	4.18	267,452,444.79	416,653,000.00
Derivative Financial Instruments	4.19	-	-
Deposits from Customers	4.20	11,750,563,820.99	11,013,905,482.60
Borrowings	4.21	-	-
Current Tax Liabilities	4.9	-	-
Provisions	4.22	16,786,137.34	20,636,137.34
Deferred Tax Liabilities	4.15	-	4,486,946.73
Other Liabilities	4.23	227,310,023.97	208,680,315.69
Debt Securities Issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
Total Liabilities		12,684,660,156.12	12,047,402,032.74
Equity			
Share Capital	4.26	1,151,792,139.11	811,121,224.72
Share Premium		9,545,605.56	4,890,591.88
Retained Earnings		128,504,871.65	203,014,745.72
Reserves	4.27	343,687,981.52	292,759,687.98
Total Equity Attributable to Equity Holders		1,633,530,597.84	1,311,786,250.30
Non Controlling Interest		-	-
Total Equity		1,633,530,597.84	1,311,786,250.30
Total Liabilities and Equity		14,318,190,753.96	13,359,188,283.05
Contingent Liabilities and Commitments	4.28	788,765,863.37	1,003,732,127.65
Net Assets Value per share		141.83	161.73

As per our report of even date attached

For and on behalf of Board

For P. B. K. P. & Associates
Chartered Accountants

Amit Kumar Agrawal
Director

Peshal Raj Pokharel
Director

Sushama Sharma
Director

CA. Binod Phuyal, FCA, LLB
Partner

Purusotam Lamsal
Director

Parshuram Dahal
Director

Rajan Sharma
Director

Date: 2079/12/29
Place: Kathmandu

Mahendra Kumar Goyal
Chairman

Dr. Indra Kumar Kattel
Chief Executive Officer

Keshav Adhikari
Head-Finance



Excel Development Bank Limited
Statement of Profit or Loss

For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Particulars	Note	F.Y 2078-79	F.Y 2077-78
Interest Income	4.29	1,236,718,978.25	949,864,337.88
Interest Expense	4.30	784,729,225.59	492,439,109.57
Net Interest Income		451,989,752.66	457,425,228.32
Fee and Commission Income	4.31	72,156,416.08	79,278,494.77
Fee and Commission Expense	4.32	8,773,117.93	6,841,400.59
Net Fee and Commission Income		63,383,298.15	72,437,094.18
Net Interest, Fee and Commission Income		515,373,050.81	529,862,322.50
Net Trading Income	4.33	-	-
Other Operating Income	4.34	1,960,766.39	30,458,014.29
Total Operating Income		517,333,817.20	560,320,336.79
Impairment Charge/ (Reversal) for Loans and Other Lossess	4.35	15,516,579.09	97,958,338.65
Net Operating Income		501,817,238.11	462,361,998.14
Operating Expense			
Personnel Expenses	4.36	204,781,933.57	177,736,502.71
Other Operating Expenses	4.37	78,956,149.95	75,574,132.16
Depreciation & Amortisation	4.38	44,053,659.62	22,692,319.17
Operating Profit		174,025,494.97	186,359,044.10
Non Operating Income	4.39	-	-
Non Operating Expense	4.40	29,022,121.97	-
Profit Before Income Tax		145,003,373.00	186,359,044.10
Income Tax Expense	4.41		
Current Tax		56,875,850.37	57,092,108.34
Deferred Tax		(8,328,570.34)	(4,414,598.11)
Profit for the Period		96,456,092.97	133,681,533.88
Profit Attributable to:			
Equity-holders of the Bank		96,456,092.97	133,681,533.88
Non-Controlling Interest		-	-
Profit for the Period		96,456,092.97	133,681,533.88
Earnings per Share			
Basic Earnings per Share		8.37	16.48
Diluted Earnings per Share		8.37	16.48

As per our report of even date attached

For and on behalf of Board

For P. B. K. P. & Associates
Chartered Accountants

Amit Kumar Agrawal
Director

Peshal Raj Pokharel
Director

Sushama Sharma
Director

CA. Binod Phuyal, FCA, LLB
Partner

Purusotam Lamsal
Director

Parshuram Dahal
Director

Rajan Sharma
Director

Date: 2079/12/29
Place: Kathmandu

Mahendra Kumar Goyal
Chairman

Dr. Indra Kumar Kattel
Chief Executive Officer

Keshav Adhikari
Head-Finance



Excel Development Bank Limited
Statement of Other Comprehensive Income
For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Particulars	Note	F.Y 2078-79	F.Y 2077-78
Profit for the year		96,456,092.97	133,681,533.88
Other Comprehensive Income, Net of Income Tax			
a) Items that will not be reclassified to profit or loss			
Gains/(losses) from investment in equity instruments measured at fair value		(35,395,334.76)	42,459,989.44
Gains/(losses) on revaluation		-	-
Actuarial gains/(losses) on defined benefit plans		3,294,124.00	3,250,475.60
Income tax relating to above items		9,630,363.23	(13,713,139.51)
Net other comprehensive income that will not be reclassified to profit or loss		(22,470,847.53)	31,997,325.53
b) Items that are or may be reclassified to profit or loss			
Gains/(losses) on cash flow hedge		-	-
Exchange gains/(losses)(arising from translating financial assets of foreign operation)		-	-
Income tax relating to above items		-	-
Reclassify to profit or loss		-	-
Net other comprehensive income that are or may be reclassified to profit or loss		-	-
c) Share of other comprehensive income of associate accounted as per equity method		-	-
Other Comprehensive Income for the year, Net of Income Tax		(22,470,847.53)	31,997,325.53
Total Comprehensive Income for the Period		73,985,245.44	165,678,859.41
Total Comprehensive Income attributable to:			
Equity-Holders of the Bank		73,985,245.44	165,678,859.41
Non-Controlling Interest		-	-
Total Comprehensive Income for the Period		73,985,245.44	165,678,859.41

As per our report of even date attached

For and on behalf of Board

For P. B. K. P. & Associates
Chartered Accountants

Amit Kumar Agrawal
Director

Peshal Raj Pokharel
Director

Sushama Sharma
Director

CA. Binod Phuyal, FCA, LLB
Partner

Purusotam Lamsal
Director

Parshuram Dahal
Director

Rajan Sharma
Director

Date: 2079/12/29
Place: Kathmandu

Mahendra Kumar Goyal
Chairman

Dr. Indra Kumar Kattel
Chief Executive Officer

Keshav Adhikari
Head-Finance



Excel Development Bank Limited
Statement of Cash Flow
For the year ended 32 Ashad 2079 (July 16, 2022)

Particulars	F.Y 2078-79	F.Y 2077-78
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest Received	1,168,990,521.00	949,864,337.88
Fee and Other Income Received	72,156,416.08	79,278,494.77
Dividend Received	-	-
Receipts from Other Operating Activities	-	505,929.53
Interest Paid	(761,676,632.52)	(492,439,109.57)
Commissions and Fees Paid	(8,773,117.93)	(6,841,400.59)
Cash Payment to Employees	(165,127,486.04)	(177,736,502.71)
Other Expenses Paid	(85,739,280.87)	(72,322,648.87)
Operating Cash Flows before Changes in Operating Assets and Liabilities	219,830,419.71	280,309,100.45
(Increase) Decrease in Operating Assets		
Due from Nepal Rastra Bank	153,246,527.60	34,332,063.40
Loans and Advances to BFs	(90,909,190.61)	(180,476,597.76)
Loans and Advances to Customers	(1,052,497,858.62)	(1,480,824,307.35)
Other Assets	(134,253,764.72)	5,487,640.28
Increase (Decrease) in Operating Liabilities		
Due to Banks and Financials Institutions	39,507,578.64	383,040,150.39
Due to Nepal Rastra Bank	(149,200,555.21)	416,653,000.00
Deposit from Customers	736,658,338.39	872,731,279.29
Borrowings	-	-
Other Liabilities	(51,263,191.74)	82,549,522.83
Net Cash Flow from Operating Activities before Tax Paid	(328,881,696.56)	413,801,851.53
Income Tax Paid	(56,875,850.37)	(57,092,108.34)
Net Cash Flow from Operating Activities	(385,757,546.93)	356,709,743.20
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investment Securities	(442,538,970.00)	(563,929,565.85)
Receipts from Sale of Investment Securities	328,561,862.02	180,576,987.00
Purchase of Property and Equipment	(99,085,168.41)	(41,528,230.71)
Receipts from Sale of Property and Equipment	448,700.00	3,850,330.24
Purchase of Intangible Assets	(1,454,649.00)	(2,457,009.85)
Interest Received	15,763,084.00	-
Dividend Received	1,935,863.74	2,926,405.63
Net Cash Used in Investing Activities	(196,369,277.65)	(420,561,083.54)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from Issue of Shares	252,881,972.98	-
Dividends Paid	(5,122,870.89)	-
Interest Paid	(5,109,863.34)	-
Other Receipts/Payments	-	-
Net Cash from Financing Activities	242,649,238.75	-
Net Increase (Decrease) in Cash and Cash Equivalents	(339,477,585.83)	(63,851,340.34)
Cash and Cash Equivalents at Shrawan 01, 2078	2,684,868,696.75	2,748,720,037.09
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held	34,798.37	-
Cash and Cash Equivalents at Asadh 32, 2079	2,345,425,909.29	2,684,868,696.75

As per our report of even date attached

For and on behalf of Board

For P. B. K. P. & Associates
Chartered Accountants

Amit Kumar Agrawal
Director

Peshal Raj Pokharel
Director

Sushama Sharma
Director

CA. Binod Phuyal, FCA, LLB
Partner

Purusotam Lamsal
Director

Parshuram Dahal
Director

Rajan Sharma
Director

Date: 2079/12/29
Place: Kathmandu

Mahendra Kumar Goyal
Chairman

Dr. Indra Kumar Kattel
Chief Executive Officer

Keshav Adhikari
Head-Finance



Excel Development Bank Limited
 Statement of Changes in Equity
 For the Year Commencing on Shrawan 1, 2076 and Ending on Ashad 32, 2079

Particulars	Attributable to Equity-Holders of the Bank							Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve		
Balance at Shrawan 01, 2077	811,121,224.72	4,890,591.88	191,514,623.66	22,787.80	25,635,109.79	13,026,088.56	-	1,146,107,390.90	-
Adjustment/ Restatement	-	-	-	-	-	-	-	-	-
Adjusted/Restated balance at Shrawan 01, 2077	811,121,224.72	4,890,591.88	191,514,623.66	22,787.80	25,635,109.79	13,026,088.56	-	1,146,107,390.90	-
Comprehensive Income for the year	-	-	-	-	-	-	-	133,681,533.88	-
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	29,721,992.61	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	-	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	2,275,332.92	-
Total Comprehensive Income for the year	-	-	-	-	-	29,721,992.61	-	165,678,959.41	-
Transfer to Reserves during the year	-	-	-	(18,458.87)	11,551,847.37	(8,276,677.14)	-	1,336,815.34	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	(2,260,399.42)	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	-	-	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	-	-	-	-	-	-	-	-	-
Balance at Asar 31, 2078	811,121,224.72	4,890,591.88	219,906,665.86	4,328.93	37,186,957.16	34,469,404.03	-	1,311,786,250.30	-
Comprehensive Income for the year	-	-	-	-	-	-	-	1,192,332.00	-
Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-	-
Gains/(losses) from investment in equity instruments measured at fair value	-	-	-	-	-	(24,776,734.33)	-	-	-
Gains/(losses) on revaluation	-	-	-	-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-
Gains/(losses) on cash flow hedge	-	-	-	-	-	-	-	2,305,886.80	-
Exchange gains/(losses) arising from translating financial assets of foreign operation	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	(24,776,734.33)	-	2,305,886.80	-
Transfer to Reserves during the year	-	-	-	8,699.59	50,055,706.71	(1,516,658.32)	-	5,893,146.25	-
Transfer from Reserves during the year	-	-	-	-	-	-	-	(634,703.43)	-
Transactions with Owners, directly recognized in Equity	-	-	-	-	-	-	-	-	-
Share Issued	243,336,367.42	9,545,005.56	-	-	-	-	-	-	-
Share Based Payments	-	-	-	-	-	-	-	-	-
Dividend to Equity-Holders	-	-	-	-	-	-	-	-	-
Bonus Shares Issued	97,334,546.97	(4,890,591.88)	-	-	-	-	-	-	-
Cash Dividend Paid	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions	340,670,914.39	4,655,013.68	239,501,616.12	13,028.52	87,242,663.87	8,174,011.38	-	247,759,102.09	-
Balance at Asar 32, 2079	1,151,792,139.11	9,545,605.56	239,501,616.12	13,028.52	87,242,663.87	8,174,011.38	-	1,633,530,997.83	-

As per our report of even date attached

For P. B. K. P. & Associates
 Chartered Accountants

For and on behalf of Board

Amit Kumar Agrawal
 Director

Peshal Raj Pokharel
 Director

Sushama Sharma
 Director

Purusotam Lamsl
 Director

CA. Binod Phuyal, FCA, LLB
 Partner

Mehendra Kumar Goyal
 Chairman

Dr. Indra Kumar Kattel
 Chief Executive Officer

Date: Kathmandu
 Place: Kathmandu

Keshav Adhikari
 Head-Finance

Rajan Sharma
 Director



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

1. Reporting Entity

Excel Development Bank Limited is a limited liability company which has been in operation in Nepal since 2062/04/06 BS. The Bank is registered with the Office of Company Registrar as a public limited company and carries out banking activities in Nepal under the license from Nepal Rastra Bank as Class "Kha" licensed institution (5 District Level). Development bank is operating with corporate office at Birtamode, Jhapa, Nepal. The Bank offers maximum banking services of banking products and services including loans and advances, deposits etc. to wide range of clients encompassing individuals, corporates, large public sector companies, government corporations, etc. as authorized by the Nepal Rastra Bank (Central Bank of Nepal). The Bank is listed on Nepal Stock Exchange and its stock symbol is "EDBL".

2. Basis of Preparation

"The financial statements of the bank have been prepared on accrual basis of accounting in accordance with Nepal Financial Reporting Standards (NFRS) as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and in line with format issued by Nepal Rastra Bank as per Directive No.4. The financial statements comprise the Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to Financial Statement of the Bank. The accounting 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 statements have been prepared and approved by the Board of Directors in accordance with Nepal Financial Reporting Standards (NFRS) and as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and as per the provisions of Bank and Financial Institutions Act, 2073 in the format issued by Nepal Rastra Bank in Directive No. 4.

2.1.1 Use of Carve-out

ICAN has provided carve out on specific areas for alternative treatment of the items of financial statements required as per NFRS. Based on such, the bank has used following carve out for preparation and presentation of financial statements in line with NFRS.

a) Impairment Loss on Loan and Advances

As per para 63 of NAS 39 Financial Instruments: Recognition and Measurement, impairment loss is calculated on incurred loss model. However, the carve out has allowed to recognise loan loss provision at higher of loss calculated as per para 63 or the same as per NRB Directives No. 02/078. Accordingly, the bank has used this carve out and recognised impairment loss as per NRB directive as the same was higher in comparison to impairment loss calculated as per NAS 39. The detail of Loan quality and corresponding impairment of the bank for fiscal year 2078/79 is summarised below

Quality	Loan Outstanding	Loan Loss Provision	Impairment as per NFRS
Good	9,843,187,080.28	125,900,033.33	1,919,529.32
Watchlist	523,729,445.69	26,074,958.29	33,230,038.88
Substandard	82,028,662.95	20,507,165.74	11,058,204.83
Doubtful	75,453,190.13	37,726,595.07	1,337,535.50
Bad	146,509,943.48	146,509,943.48	49,243,148.74
Total	10,670,908,322.53	356,718,695.91	96,788,457.27

b) Effective Interest Rate

As per the definition of effective interest rate (EIR) as per para 9 of NAS 39, all the initial points paid or received is required to be considered for calculation of EIR and the same EIR is used to calculate interest on loans and advances. As per the carve out, if calculation of EIR is impracticable or immaterial, then such could be ignored. The bank has used the carve out and has not considered initial points paid or received on loans to be part of EIR, rather such amount has been accounted as income on accrual basis.



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

c) Interest income on amortized loan after impairment recognition

As per para AG63 of NAS 39, 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 recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The carve out provides that interest income can be calculated on gross carrying amount of loan. The bank has used the stated carve out in preparing the financial statements.

2.2. Reporting Period and Approval of Financial Statements

"The Bank follows the Nepalese financial year based on Vikrami calendar starting from 1st Shrawan 2078 and ending on 32nd Ashad 2079. (16th July 2021 to 16th July 2022). The accompanied financial statements have been authorized to issue by the Board of Directors vide its resolution dated xxth Magh 2079 on xxth meeting and have also recommended for approval by shareholders in the upcoming 17th Annual General Meeting."

2.3. Functional and Presentation Currency

The financial statements of the Group are presented in Nepalese Rupees (NPR), which is the currency of the primary economic environment in which the Bank operates. Financial information is presented in Nepalese Rupees. There was no change in the presentation and functional currency during the year under review. The figures are rounded to nearest integer, except otherwise indicated.

2.4. Use of Estimates, Assumptions and Judgment

The Bank, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the Bank is required to make judgments in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate. The accounting policies have been included in the relevant notes for each item of the financial statements and the effect and nature of the changes, if any, have been disclosed. The NFRS requires the Bank to make estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements. The Bank applies estimates in preparing and presenting the financial statements and such estimates and underlying assumptions are reviewed periodically. The revision to accounting estimates are recognized in the period in which the estimates are revised and are applied prospectively. 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. Changes in Accounting Policies

The Company has consistently applied the accounting policies to all periods presented in these financial statements except for new or revised statements and interpretations implemented during the year. The nature and effect of new standards and interpretations are discussed in note that follows.

2.6. New Reporting standards issued but not effective

For the reporting of financial instruments, NAS 32 Financial Instruments Presentation, NAS 39 Financial Instruments Recognition and Measurements and NFRS 7 Financial Instruments – Disclosures have been applied. NFRS 9 has been complied for the classification of Financial Instruments. Few carve-outs on applicable Accounting Standards as provided by the Institute of Chartered Accountants of Nepal have been used by the Bank, the quantitative and qualitative impact of the same have been disclosed in detail in Notes to the Accounts. Further, a number of new standards and amendments to the existing standards and interpretations have been issued by International Accounting Standard Board after the pronouncements of NFRS with varying effective dates. Those become applicable when Accounting Standard Board Nepal incorporates them within NFRS.

2.7. Discounting

Non-current assets and liabilities are discounted where discounting is material. Interest income and expenses have been recognized on unwinding of financial assets and liabilities respectively.



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

2.8. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately, unless they are immaterial as permitted by the Nepal Accounting Standard – NAS 1 on 'Presentation of Financial Statements'. Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of the bank. Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

2.9. Going Concern

The Board has made an assessment of the company's ability to continue as a going concern and satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Board is not aware of any material uncertainties that may cast significant doubt upon ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.10. Prior Period Errors

Prior Period Errors are omissions or misstatements in an entity's financial statements. Such omissions may relate to one or more prior periods. Correction of an error is done by calculating the cumulative effect of the change on the financial statements of the period as if new method or estimate had always been used for all the affected prior years' financial statements. Sometimes such changes may not be practicable. In such cases, it is applied to the latest period possible by making corresponding adjustment to the opening balance of the period.

3. 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.

3.1. Basis of Measurement

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

- Investments measured at FVTOCI are measured at fair value.
- Employees Defined Benefit Obligation- Present value of defined benefit obligation less the fair value of the plan assets"
- Financial assets and financial liabilities held at amortized cost are measured using a rate that is a close approximation of effective interest rate."
- Lease – Right to use in present value

3.2 Basis of consolidation

a. Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method as per the requirements of Nepal Financial Reporting Standard - NFRS 03 (Business Combinations). The Bank measures goodwill as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is immediately recognized in the profit or loss.

The Bank elects on a transaction-by transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognized amount of the identifiable net assets, at the acquisition date. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss. Transactions costs, other than those associated with the issue of debt or equity securities, that the Bank incurs in connection with a business combination are expensed as incurred.

However, the Bank does not have control over any other entity for consolidation of Financial Statements.

Investments in Shares made by the bank are financial investments and have been described under Note



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b. Non-Controlling Interest (NCI)

Reporting entity also attributes total comprehensive income to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The bank presents non-controlling interests in its consolidated statement of financial position within equity, separately from the equity of the owners of the parent. The group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. The proportion allocated to the Excel Development Bank Ltd. and non-controlling interests are determined on the basis of present ownership interests.

However, bank does not have a Subsidiary. So, the non-controlling interest has not been calculated separately.

c. Subsidiaries

Subsidiaries are entities that are controlled by the Bank. The Bank is presumed to control an investee when it is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. At each reporting date the bank reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more elements of control mentioned above.

The Financial Statements of Subsidiaries are fully consolidated from the date on which control is transferred to the Bank and continue to be consolidated until the date when such control ceases. The Financial Statements of the Bank's Subsidiaries are prepared for the same reporting year as per the Bank, using consistent accounting policies.

However, bank does not have any subsidiary.

d. Loss of Control

When the Bank loses control over a Subsidiary, it derecognizes the assets and liabilities of the former subsidiary from the consolidated statement of financial position. The Bank recognizes any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant NFRSs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with relevant NFRS or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. The Bank recognizes the gain or loss associated with the loss of control attributable to the former controlling interest.

However, Bank does not have any subsidiary.

e. Special Purpose Entity (SPE)

An entity may be created to accomplish a narrow and well-defined objective (eg. to effect a lease, research and development activities or a securitization of financial assets). Such a special purpose entity ('SPE') may take the form of a corporation, trust, partnership or unincorporated entity. SPEs often are created with legal arrangements that impose strict and sometimes permanent limits on the decision-making powers of their governing board, trustee or management over the operations of the SPE. Examples of SPEs include entities set up to effect a lease, a securitization of financial assets, or R&D activities. Nepal Financial Reporting Standard 10 Consolidated Financial Statement is applicable in relation to consolidation of special purpose entity.

The Bank does not have any special purpose entity.

f. Transaction elimination on consolidation

In consolidating a subsidiary, the group eliminates full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the subsidiary and the bank (profits or losses resulting from intra-group transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full).

The bank does not have any subsidiary.



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3.3 Cash and cash equivalents

Cash and Cash Equivalents include cash in hand, balances with banks and money at call and at short notice. These are subject to insignificant risk of changes in their fair value and are used by the Bank in the management of short-term commitments. Details of the Cash and Cash Equivalents are given below:

Particulars	As on Asadh 32, 2079
Cash in Hand	392,782,198.74
Balances with BFIs	340,453,909.58
Money at Call and Short Notice	1,592,648,947.23
Others-T-Bill Maturing with in 90 days	19,540,853.74
Total	2,345,425,909.29

3.4. Financial assets and Financial Liabilities

Initial Recognition

a. Date of Recognition

All financial assets and liabilities are initially recognized on the trade date, i.e. the date on which the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades. Regular way trade means purchases or sales of financial assets that required delivery of assets within the time frame generally established by regulation or convention in the market place.

b. Recognition and Initial Measurement of Financial Instruments

The classification of financial instruments at the initial recognition depends on their purpose and characteristics and the management's intention in acquiring them. All financial instruments are measured initially at their fair value plus transaction costs that are directly attributable to acquisition or issue of such financial instruments except in the case of such financial assets and liabilities at fair value through profit or loss, as per the Nepal Accounting Standard - NAS 39 (Financial Instruments: Recognition and Measurement). Transaction costs in relation to financial assets and financial liabilities at fair value through profit or loss are dealt with the Statement of Profit or Loss.

Classification and Subsequent Measurement of Financial Instruments

Classification and Subsequent Measurement of Financial Assets

At the inception, a financial asset is classified into one of the following:

- (a) Financial assets at fair value through profit or loss
 - i. Financial assets held for trading
 - ii. Financial assets designated at fair value through profit or loss

(b) Held to Maturity Financial Assets

(c) Loans and Receivables

(d) Financial assets available for sale

The subsequent measurement of financial assets depends on their classification.

(a) Financial Assets at Fair Value through Profit or Loss

A financial asset is classified as fair value through profit or loss if it is held for trading or is designated at fair value through profit or loss.

(i) Financial Assets Held for Trading

Financial assets are classified as held for trading if they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking. This category also includes derivative financial instruments entered into by Bank that are not designated as hedging instruments in hedge relationships as defined by Nepal Accounting Standards (NAS) 39 "Financial Instruments: Recognition and Measurement".

Financial assets held for trading are recorded in the Statement of Financial Position at fair value. Changes in fair value are recognized in 'Net trading income'. Dividend income is recorded in 'Net trading income' when the right to receive the payment has been established



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Bank evaluates its held for trading asset portfolio, other than derivatives, to determine whether the intention to sell them in the near future is still appropriate. When Bank is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Bank may elect to reclassify these financial assets. Financial assets held for trading include instruments such as government securities and equity instruments that have been acquired principally for the purpose of selling or repurchasing in the near term.

(ii) Financial Assets Designated at Fair Value through Profit or Loss

Bank designates financial assets at fair value through profit or loss in the following circumstances:

"a. Such designation eliminates or significantly reduces measurement or recognition inconsistency that would otherwise arise from measuring the assets."

"b. The assets are part of a group of Financial assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy."

"c. The assets contain one or more embedded derivatives that significantly modify the cash flows that would otherwise have been required under the contract."

Financial assets designated at fair value through profit or loss are recorded in the Statement of Financial Position at fair value. Changes in fair value are recorded in 'Net gain or loss on financial instruments designated at fair value through profit or losses' in the Statement of Profit or Loss. Interest earned is accrued under 'Interest income', using the effective interest rate method, while dividend income is recorded under 'Other operating income' when the right to receive the payment has been established.

The Bank has not designated any financial assets upon initial recognition as designated at fair value through profit or loss.

(b) Held to Maturity Financial Assets

Held to Maturity Financial Assets are non-derivative financial assets with fixed or determinable payments and fixed maturities which the Bank has the intention and ability to hold to maturity. After the initial measurement, held to maturity financial investments are subsequently measured at amortized cost using the effective interest rate, less impairment. The amortization is included in 'Interest income' in the Statement of Profit or Loss. The losses arising from impairment of such investments are recognized in the Statement of Profit or Loss.

(c) Loans and Receivables from Customers

Loans and receivables include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

"1. Those that the Bank intends to sell immediately or in the near term and those that the Bank, upon initial recognition, designates as fair value through profit or loss."

"2. Those that the Bank, upon initial recognition, designates as available for sale"

"3. Those for which the Bank may not recover substantially all of its initial investment through contractual cash flows, other than because of credit deterioration."

After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate, less allowance for impairment. Within this category, loans and advances to the customers have been recognized at amortized cost using the method that very closely approximates effective interest rate method. The amortization is included in 'Interest Income' in the Statement of Profit or Loss. The losses arising from impairment are recognized in 'Impairment charge / reversal for loans and other losses' in the Statement of Profit or Loss.

(d) Financial Assets Available for Sale

Available for sale financial assets include equity and debt securities. Equity Investments classified as 'Available for Sale' are those which are neither classified as 'Held for Trading' nor 'Designated at fair value through profit or loss'. Debt securities in this category are intended to be held for an indefinite period of time and may be sold in response to needs for liquidity or in response to changes in the market conditions.



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After initial measurement, available for sale financial investments are subsequently measured at fair value. Unrealized gains and losses are recognized directly in equity through 'Other comprehensive income / expense' in the 'Available for sale reserve'. When the investment is disposed of the cumulative gain or loss previously recognized in equity is recognized in the Statement of Profit or Loss under 'Other operating income'. Where Bank holds more than one investment in the same security, they are deemed to be disposed of on a first-in-first-out basis. Interest earned whilst holding 'Available for sale financial investments' is reported as 'Interest income' using the effective interest rate. Dividend earned whilst holding 'Available for sale financial investments' are recognized in the Statement of Profit or Loss as 'other operating income' when the right to receive the payment has been established. The losses arising from impairment of such investments are recognized in the Statement of Profit or Loss under 'Impairment charge for loans and other losses' and removed from the 'Available for sale reserve'.

Financial assets under AFS that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortized cost of the security are recognized in income statement and other changes in the carrying amount are recognized in other comprehensive income.

In the normal course of business, the fair value of a financial instrument on initial recognition is the transaction price (that is, the fair value of the consideration given or received). In certain circumstances, however, the fair value will be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only data from observable markets, such as interest rate yield, option volatilities and currency rates. When such evidence exists, the Bank recognizes a trading gain or loss on inception of the financial instrument, being the difference between the transaction price and fair value.

When unobservable market data have a significant impact on the valuation of financial instruments, the entire initial difference in fair value from the transaction price as indicated by the valuation model is not recognized immediately in the income statement. Instead, it is recognized over the life of the transaction on an appropriate basis, when the inputs become observable, the transaction matures or is closed out, or when the Bank enters into an offsetting transaction.

Classification and Subsequent Measurement of Financial Liabilities

At the inception, Bank determines the classification of its financial liabilities. Accordingly, financial liabilities are classified as:

- (a) Financial liabilities at fair value through profit or loss
 - i. Financial liabilities held for trading
 - ii. Financial liabilities designated at fair value through profit or loss
- (b) Financial liabilities at amortized cost

(a) Financial Liabilities at Fair Value through Profit or Loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss.

(i) Financial Liabilities Held for Trading

Financial liabilities are classified as held for trading if they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking. This category includes derivative financial instrument entered into by Bank that are not designated as hedging instruments in hedge relationships as defined by Nepal Accounting Standard - NAS 39 (Financial Instruments: Recognition and Measurement).

(ii) Financial Liabilities Designated at Fair Value through Profit or Loss

Bank designates financial liabilities at fair value through profit or loss at following circumstances:

"1. Such designation eliminates or significantly reduces measurement or recognition inconsistency that would otherwise arise from measuring the liabilities."

"2. The liabilities are part of a group of Financial assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy"

"3. The liability contains one or more embedded derivatives that significantly modify



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the cash flows that would otherwise have been required under the contract."

(b) Financial Liabilities At Amortized Cost

Financial instruments issued by Bank that are not classified as fair value through profit or loss are classified as financial liabilities at amortized cost, where the substance of the contractual arrangement results in Bank having an obligation either to deliver cash or another financial asset to another Bank, or to exchange financial assets or financial liabilities with another Bank under conditions that are potentially unfavorable to the Bank or settling the obligation by delivering variable number of Bank's own equity instruments.

After initial recognition, such financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Within this category, deposits and debt instruments with fixed maturity period have been recognized at amortized cost using the method that very closely approximates effective interest rate method. The amortization is included in 'Interest Expenses' in the Statement of Profit or Loss. Gains and losses are recognized in the Statement of Profit or Loss when the liabilities are derecognized.

Reclassification of Financial Instruments

3.4.1. (a) Reclassification of Financial Instruments 'At fair value through profit or loss',

Bank does not reclassify derivative financial instruments out of the fair value through profit or loss category when it is held or issued.

Non-derivative financial instruments designated at fair value through profit or loss upon initial recognition are not reclassified subsequently out of fair value through profit or loss category.

Bank may, in rare circumstances reclassify financial instruments out of fair value through profit or loss category if such instruments are no longer held for the purpose of selling or repurchasing in the near term notwithstanding that such financial instruments may have been acquired principally for the purpose of selling or repurchasing in the near term. Financial assets classified as fair value through profit or loss at the initial recognition which would have also met the definition of 'Loans and Receivables' as at that date is reclassified out of the fair value through profit or loss category only if Bank has the intention and ability to hold such asset for the foreseeable future or until maturity.

The fair value of financial instruments at the date of reclassification is treated as the new cost or amortized cost of the financial instrument after reclassification. Any gain or loss already recognized in respect of the reclassified financial instrument until the date of reclassification is not reversed to the Statement of Profit or Loss.

If a financial asset is reclassified, and if Bank subsequently increases its estimates of the future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognized as an adjustment to the effective interest rate from the date of the change in estimate rather than an adjustment to the carrying amount of the asset at the date of change in estimate.

3.4.1. (b) Reclassification of 'Available for sale' Financial Instruments

Bank may reclassify financial assets out of available for sale category as a result of change in intention or ability or in rare circumstances that a reliable measure of fair value is no longer available.

A financial asset classified as available for sale that would have met the definition of loans and receivables at the initial recognition may be reclassified out of available for sale category to the loans and receivables category if Bank has the intention and ability to hold such asset for the foreseeable future or until maturity.

The fair value of financial instruments at the date of reclassification is treated as the new cost or amortized cost of the financial instrument after reclassification. Difference between the new amortized cost and the maturity value is amortized over the remaining life of the asset using the effective interest rate. Any gain or loss already recognized in Other Comprehensive Income in respect of the reclassified financial instrument is accounted as follows:

i) Financial assets with fixed maturity:

Gain or loss recognized up to the date of reclassification is amortized to profit or loss over the remaining life of the investment using the effective interest rate. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in other comprehensive income is reclassified from equity to profit or loss.



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ii) Financial assets without fixed maturity:

Gain or loss recognized up to the date of reclassification is recognized in profit or loss only when the financial asset is sold or otherwise disposed of. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in other comprehensive income is reclassified from equity to profit or loss.

If a financial asset is reclassified, and if Bank subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognized as an adjustment to the effective interest rate from the date of the change in estimate rather than an adjustment to the carrying amount of the asset at the date of change in estimate.

3.4.1. (c) Reclassification of 'Held to Maturity' Financial Instruments

As a result of a change in intention or ability, if it is no longer appropriate to classify an investment as held to maturity, Bank may reclassify such financial assets as available for sale and re-measured at fair value. Any difference between the carrying value of the financial asset before reclassification and fair value is recognized in equity through other comprehensive income.

However, if Bank were to sell or reclassify more than an insignificant amount of held to maturity investments before maturity [other than in certain specific circumstances permitted in Nepal Accounting Standard - NAS 39(Financial Instruments: Recognition and Measurement)], the entire category would be tainted and would have to be reclassified as 'Available for sale'. Furthermore, Bank would be prohibited from classifying any financial assets as 'Held to Maturity' during the following two years. These reclassifications are at the election of management and determined on an instrument by instrument basis.

De-recognition of Financial Assets and Liabilities

3.4.2. (a) De-recognition of Financial Assets

Bank derecognizes a financial asset (or where applicable a part of financial asset or part of a group of similar financial assets) when:

- The rights to receive cash flows from the asset have expired; or
- Bank has transferred its rights to receive cash flows from the asset or
- Bank has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement and either bank has transferred substantially all the risks and rewards of the asset or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

When Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Bank's continuing involvement in the asset. In that case, Bank also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Bank has retained.

When Bank's continuing involvement that takes the form of guaranteeing the transferred asset, the extent of the continuing involvement is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received by Bank that Bank could be required to repay.

When securities classified as available for sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are reclassified to income statement as gains and losses from investment securities.

3.4.2. (b) De-recognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability.

The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.



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3.4.2. (c) Repurchase and Reverse Repurchase Agreements

Securities sold under agreement to repurchase at a specified future date are not de-recognized from the Statement of Financial Position as the Bank retains substantially all of the risks and rewards of ownership. The corresponding cash received is recognized in the Statement of Financial Position as a liability with a corresponding obligation to return it, including accrued interest under 'Securities sold under repurchase agreements', reflecting the transaction's economic substance to the Bank. The difference between the sale and repurchase prices is treated as interest expense and is accrued over the life of the agreement using the effective interest rate. When the bank has the right to sell or re-pledge the securities, the Bank reclassifies those securities in its Statement of Financial Position as 'Financial assets held for trading pledged as collateral' or 'Financial assets available for sale pledged as collateral, as appropriate.

Conversely, securities purchased under agreements to resell at future date are not recognized in the Statement of Financial Position. The consideration paid, including accrued interest, is recorded in the Statement of Financial Position, under "Reverse repurchase agreements" reflecting the transaction's economic substance to the Bank. The difference between the purchase and resale prices is recorded as 'Interest income' and is accrued over the life of the agreement using the effective interest rate. If securities purchased under agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale within 'Financial liabilities held for trading' and measured at fair value with any gains or losses included in 'Net trading income'.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when and only when Bank has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under NFRSs or for gains and losses arising from a group of similar transaction such as in trading activity.

Amortized Cost Measurement

The Amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

Fair Value Measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of liability reflects its non-performance risk. When available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument (Level 01 valuation). 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 on an arm's length basis.

If there is no quoted price in an active market, then the Bank 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. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Bank calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data. Assets and long positions are measured at a bid price; liabilities and short positions are measured at an ask price. Where the Bank has positions with offsetting risks, mid-market prices are used to measure the offsetting risk positions and a bid or asking price adjustment is applied only to net open position as appropriate.

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. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price



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in an active market for an identical asset or liability (Level 01 valuation) nor based on a valuation technique that uses only data from observable markets (Level 02 valuation), then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank entity and the counterparty where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Bank believes a third-party market participant would take them into account in pricing a transaction.

The fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest best use or by selling it to another market participant that would use the asset in its highest and best use.

The Bank recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Impairment of Financial Assets

Bank assesses at each reporting date, whether there is any objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss is impaired. A financial asset or group of financial assets is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more events, that have occurred after the initial recognition of the asset (an 'incurred loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include: indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganization; default or delinquency in interest or principal payments; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3.4.3. (a) Impairment of Financial Assets carried at Amortized Cost

For financial assets carried at amortized cost, such as amounts due from banks, held to maturity investments etc., Bank first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant or collectively for financial assets that are not individually significant. In the event Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics such as collateral type, past due status and other relevant factors and collectively assesses them for impairment. However, assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is an objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current closely approximates effective interest rate. If the Bank has reclassified trading assets to loans and advances, the discount rate for measuring any impairment loss is the new closely approximates effective interest rate determined at the reclassification date. The calculation of the present value of the estimated future cash flows of a collateralized financial assets reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.



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3.4.3. (a) (i) Individually Assessed Financial Assets

The criteria used to determine whether there is objective evidence of impairment include and not limited to:

- Ø Known Cash Flow difficulties experienced by the borrowers;
- Ø Past due contractual payments of either principal or interest;
- Ø Breach of loan covenants or conditions;
- Ø The probability that the borrower will enter bankruptcy or other financial reorganization; and
- Ø A significant downgrading in credit rating by an external credit rating agency.

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 by discounting the expected future cash flows of a financial asset at its original effective interest rate and comparing the resultant present value with the financial asset's current carrying amount. The impairment allowances on individually significant accounts are reviewed more regularly when circumstances require. This normally encompasses re-assessment of the enforceability of any collateral held and the timing and amount of actual and anticipated receipts. Individually assessed impairment allowances are only released when there is reasonable and objective evidence of reduction in the established loss estimate. Interest on impaired assets continues to be recognized through the unwinding of the discount.

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 Bank. 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 future write-off is later recovered, the recovery is credited to the impairment charges for loans and other losses.

When impairment losses are determined for those financial assets where objective evidence of impairment exists, the following common factors are considered:

- Ø Bank's aggregate exposure to the customer;
- Ø The viability of the customer's business model and their capacity to trade successfully out of financial difficulties and generate sufficient cash flows to service debt obligations;
- Ø The amount and timing of expected receipts and recoveries;
- Ø The extent of other creditors' commitments ranking ahead of, or pari-pasu with the Bank and the likelihood of other creditors continuing to support the company;
- Ø The realizable value of security and likelihood of successful repossession;

3.4.3. (a) (ii) Collectively Assessed Financial Assets

Impairment is assessed on a collective basis in two circumstances:

- Ø To cover losses which have been incurred but have not yet been identified on loans subject to individual assessment; and
- Ø For homogeneous groups of loans that are not considered individually significant. Incurred but not yet identified impairment

Individually assessed financial assets for which no evidence of loss has been specifically identified on an individual basis are grouped together according to their credit risk characteristics for the purpose of calculating an estimated collective loss. This reflects impairment losses that the bank has incurred as a result of events occurring before the reporting date, which the Bank is not able to identify on an individual loan basis and that can be reliably estimated.

These losses will only be individually identified in the future. As soon as information becomes available which identifies losses on individual financial assets within the group, those financial assets are removed from the group and assessed on an individual basis for impairment.

The collective impairment allowance is determined after taking into account:

- Ø Historical Loss Experience in portfolios of similar credit risk; and
- Ø Management's experienced judgment as to whether current economic and credit conditions are such that the actual level of inherent losses at the reporting date is like to be greater or less than that suggested by historical experience.



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Homogeneous groups of Financials Assets

Statistical methods are used to determine impairment losses on a collective basis for homogenous groups of financial assets. Losses in these groups of financial assets are recorded on an individual basis when individual financial assets are written off, at which point they are removed from the group.

Bank uses the following method to calculate historical loss experience on collective basis:

After grouping of loans on the basis of homogeneous risks, the Bank uses net flow rate method. Under this methodology the movement in the outstanding balance of customers into default categories over the periods are used to estimate the amount of financial assets that will eventually be irrecoverable, as a result of the events occurring before the reporting date which the Bank is not able to identify on an individual loan basis.

Under this methodology, loans are grouped into ranges according to the number of days in arrears and statistical analysis is used to estimate the likelihood that loans in each range will progress through the various stages of delinquency and ultimately prove irrecoverable.

Current economic conditions and portfolio risk factors are also evaluated when calculating the appropriate level of allowance required to cover inherent loss. These additional macro and portfolio risk factors may include:

- Ø Recent loan portfolio growth and product mix
- Ø Unemployment rates
- Ø Gross Domestic Production (GDP) Growth
- Ø Inflation
- Ø Interest rates
- Ø Changes in government laws and regulations
- Ø Property prices
- Ø Payment status

3.4.3. (a) (iii) Reversal of Impairment

If the amount of an impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognized, the excess is written back by reducing the financial asset Impairment allowance account accordingly. The write-back is recognized in the Statement of Profit or Loss.

3.4.3. (a) (iv) Write-off of Financial Assets Carried At Amortized Cost

Financial assets (and the related impairment allowance accounts) are normally written off either partially or in full, when there is no realistic prospect of recovery. Where there is no realistic prospect of recovery. Where financial assets are secured, this is generally after receipt of any proceeds from the realization of security.

3.4.3. (a) (v) Impairment of Rescheduled Loans and Advances

Where possible, the Bank seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the 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 a criterion 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 effective interest rate (EIR).

3.4.3. (a) (vi) Collateral Valuation

The Bank seeks to use collateral, where possible, to mitigate its risks on financial assets. The collateral comes in various forms such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. The fair value of collateral is generally assessed, at a minimum, at inception and based on the guidelines issued by the Nepal Rastra Bank. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as independent valuator and audited financial statements.



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3.4.3. (a) (vii) Collateral Legally Repossessed or Where Properties have Devolved to the Bank

Legally Repossessed Collateral represents Non-Financial Assets acquired by the Bank in settlement of the overdue loans. The assets are initially recognized at fair value when acquired. The Bank's policy is to determine whether a repossessed asset is best used for its internal operations or should be sold. The proceeds are used to reduce or repay the outstanding claim. The immovable property acquired by foreclosure of collateral from defaulting customers, or which has devolved on the Bank as part settlement of debt, has not been occupied for business use. These assets are shown as Legally Repossessed Collateral under "Other Assets."

3.4.3. (b) Impairment of Financial Assets – Available for Sale

For available for sale financial investments, Bank assesses at each reporting date whether there is objective evidence that an investment is impaired.

In the case of debt instruments, Bank assesses individually whether there is objective evidence of impairment based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the Income Statement. Future interest income is based on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to a credit event occurring after the impairment loss was recognized, the impairment loss is reversed through the Income Statement.

In the case of equity investments classified as available for sale, objective evidence would also include a 'significant' or 'prolonged' decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in profit or loss is removed from equity and recognized in the Statement of profit or loss. However, any subsequent increase in the fair value of an impaired available for sale equity security is recognized in other comprehensive income.

Bank writes-off certain available for sale financial investments when they are determined to be uncollectible.

3.5. Trading Assets

One of the categories of financial assets at fair value through profit or loss is "held for trading" financial assets. All financial assets acquired or held for the purpose of selling in the short term or for which there is a recent pattern of short-term profit taking are trading assets.

3.6. Derivatives assets and derivative liabilities

A derivative is a financial instrument whose value changes in response to the change in an underlying variable such as an interest rate, commodity or security price, or index; that requires no initial investment, or one that is smaller than would be required for a contract with similar response to changes in market factors; and that is settled at a future date.

Forward contracts are the contracts to purchase or sell a specific quantity of a financial instrument, a commodity, or a foreign currency at a specified price determined at the outset, with delivery or settlement at a specified future date. Settlement is at maturity by actual delivery of the item specified in the contract, or by a net cash settlement.

All freestanding contracts that are considered derivatives for accounting purposes are carried at fair value on the statement of financial position regardless of whether they are held for trading or non-trading purposes. Changes in fair value on derivatives held for trading are included in net gains/ (losses) from financial instruments in fair value through profit or loss on financial assets/ liabilities at fair value through profit or loss.

Bank doesn't deal with any derivative financial instruments.

3.7. Property, Plant and Equipment Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of services, for rental to others or for administrative purposes and are expected to be used during more than one period. The Bank applies the requirements of the Nepal Accounting Standard - NAS 16 (Property, Plant and Equipment) in accounting for these assets. Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably measured.



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Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to, replace part of an item of property, plant & equipment. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of computer equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Cost Model

Property and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the equipment when that cost is incurred, if the recognition criteria are met.

Revaluation Model

The Bank has not applied the revaluation model to the any class of freehold land and buildings or other assets. Such properties are carried at a previously recognized GAAP Amount.

On revaluation of an asset, any increase in the carrying amount is recognized in 'Other comprehensive income' and accumulated in equity, under capital reserve or used to reverse a previous revaluation decrease relating to the same asset, which was charged to the Statement of Profit or Loss. In this circumstance, the increase is recognized as income to the extent of previous write down. Any decrease in the carrying amount is recognized as an expense in the Statement of Profit or Loss or debited to the Other Comprehensive income to the extent of any credit balance existing in the capital reserve in respect of that asset.

The decrease recognized in other comprehensive income reduces the amount accumulated in equity under capital reserves. Any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Subsequent Cost

The subsequent cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within that part will flow to the Bank and it can be reliably measured. The cost of day to day servicing of property, plant and equipment are charged to the Statement of Profit or Loss as incurred.

Depreciation

Depreciation is calculated by using the Straight-line method to allocate their cost or valuation of the Property & Equipment over their estimated useful lives, as follows except for land, which is not depreciated:

Asset Category	"Estimated Useful Lives (in years)"
Buildin	50
Motor Vehicles	8
Computer and Accessories	5
Furniture and fixtures	10
Machineries	8
Office Equipmen	5

Residual Value and estimated useful lives of Property and equipment are reviewed at each year end and adjusted, if appropriate. If any asset is in use even after its full depreciation, such assets are not considered material. And also, the assets are reviewed at each year end for indicators of impairment. If in such review, the carrying amount of any asset is higher than its recoverable amount, the asset is written down to its recoverable amount immediately.



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Capital Work in Progress

These are expenses of capital nature directly incurred in the construction of buildings, major plant and machinery and system development, awaiting capitalization. Capital work-in-progress would be transferred to the relevant asset when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Capital work-in-progress is stated at cost less any accumulated impairment losses.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of an asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Bank incurs in connection with the borrowing of funds.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in the Statement of Profit or Loss when the item is derecognized. When replacement costs are recognized in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost of inspections is derecognized.

3.8. Goodwill and Intangible Assets Recognition]

An intangible asset is an identifiable non-monetary asset without physical substance, held for use in the production or supply of goods or services, for rental to others or for administrative purposes. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost. Expenditure incurred on an intangible item that was initially recognized as an expense by the Bank in previous annual Financial Statements or interim Financial Statements are not recognized as part of the cost of an intangible asset at a later date.

Computer Software & Licenses

Cost of purchased licenses and all computer software costs incurred, licensed for use by the Bank, 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' and carried at cost less accumulated amortization and any accumulated impairment losses.

Subsequent Expenditure

Expenditure incurred on software is capitalized only when it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. All other expenditure is expensed as incurred.

Goodwill is measured at cost less accumulated impairment losses.

Amortization of Intangible Assets

Intangible Assets, except for goodwill, are amortized on a straight-line basis in the Statement of Profit or Loss from the date when the asset is available for use, over the best of its useful economic life based on a pattern in which the asset's economic benefits are consumed by the bank. Amortization methods, useful lives, residual values are reviewed at each financial year end and adjusted if appropriate. The Bank assumes that there is no residual value for its intangible assets.

Asset Category	Year ended 16 July 2022	Year ended 15 July 2021
Computer Software	5 years	5 years
Licenses	5 years	5 years



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De-recognition of Intangible Assets

The carrying amount of an item of intangible asset is derecognized on disposal or when no future economic benefits are expected from its use. The gain or loss arising on de recognition of an item of intangible assets is included in the Statement of Profit or Loss when the item is derecognized.

3.9. Investment Property

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business.

Measurement

Investment property is accounted for under Cost Model in the Financial Statements. Accordingly, after recognition as an asset, the property is carried at its cost, less impairment losses. If any property is reclassified to investment property due to changes in its use, fair value of such property at the date of reclassification becomes its cost for subsequent accounting. Non-Banking Assets has been shown under the Investment Properties. Details of NBA is as follow:

Name of Borrower	"Date of NBA Booking"	As at 32nd Ashadh, 2079	As at 31st Ashadh, 2078
Hamro Sunchadi Pasal	2078/12/23	42,150,000.00	-

De-recognition

Investment properties are derecognized when they are disposed of or permanently withdrawn from use since no future economic benefits are expected. Transfers are made to and from investment property only when there is a change in use. When the use of a property changes such that it is reclassified as Property, Plant and Equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Investment in Associates

Associates are those entities in which the Bank has significant influence, but not control, over the financial and operating policies. Investments in associate entities are accounted for using the equity method (equity-accounted investees) and are recognized initially at cost. The cost of the investment includes transaction costs.

The Bank doesn't have any associates. The Bank considers that mere representation of the Bank in Board of Directors doesn't indicate significant influence.

3.10. Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Current Tax

Current tax assets and liabilities consist of amounts expected to be recovered from 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.



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Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:

- Ø Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination, and at the time of transaction, affects neither the accounting profit nor taxable profit or loss.
- Ø In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credits and unused tax losses (if any), to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, carried forward unused tax credits and unused tax losses can be utilized except:

- Ø Where the deferred tax asset relating to the deductible temporary differences arising from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of transaction, affects neither the accounting profit nor taxable profit or loss.
- Ø In respect of deductible temporary differences associated with investments in Subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference will be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is probable that sufficient profit will be available to allow the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred tax assets and liabilities are offset only to the extent that they relate to income taxes imposed by the same taxation authority.

3.11. Deposits, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the Bank's sources of funding. Deposits include non-interest-bearing deposits, saving deposits, term deposits, call deposits and margin deposits. The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The fair value of fixed interest-bearing deposits is considered as the interest receivable on these deposits plus carrying amount of these deposits. The fair value of debt securities issued is also considered as the carrying amount of these debt securities issued. Sub-ordinated liabilities are liabilities subordinated, at the event of winding up, to the claims of depositors, debt securities issued and other creditors. The bank does not have any debt securities issued and subordinated liabilities.



3.12. Provisions

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking in to account the risks and uncertainties surrounding the obligation at that date. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows. A provision for onerous contracts is recognized when the expected benefits to be derived by the Bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured as the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Provision are not recognized for future operating losses.

Before a provision is established, the Bank recognizes any impairment loss on the assets associated with that contract. The expense relating to any provision is presented in the Statement of Profit or Loss net of any reimbursement.

3.13. Regulatory Reserve

Regulatory reserve has been created as required by NRB Directive 4.3 by earmarking certain amounts of the retained earnings in respect of various NFRS adjustments carried out in its NFRS financial statement. Amount in this reserve is not distributable unless approved by NRB. Details are as follows:

Particulars	Amount (Rs.)
In respect of Accrued Interest receivable	47,216,177.03
In respect of Short Provision of Investment Adjustment Reserve	120,000,000.00
In respect of Short Provision of Non-Banking Assets	26,554,500.00
In respect of Deferred tax assets recognized	13,471,986.84
In respect of Goodwill	-
In respect of Gain on Bargain Purchase	-
In respect of Actuarial loss recognized	-
In respect of loss on Fair value recognition of investment in securities	-
Total	207,242,663.87



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3.13.1 Statement of Changes in Regulatory Reserve

Particulars	Interest Receivable	Short Provision for Investment Adjustment Reserve	Short Provision on NBA	Deferred Tax Assets	Goodwill	Gain on Bargain Purchase	Actuarial Loss Recognised	Fair value recognised in OCI	Other	Total
Opening Balance 2075.76	-	-	-	-	-	-	-	-	-	-
Amount transferred during the year	13,276,712.46	12,249,755.45	-	12,819,445.17	-	-	24,640.70	-	-	38,370,553.78
Amount reversed during the year	-	-	-	-	-	-	-	-	-	-
Closing Balance as on Ashad 2076	13,276,712.46	12,249,755.45	-	12,819,445.17	-	-	24,640.70	-	-	38,370,553.78
Opening Balance 2076.77	13,276,712.46	12,249,755.45	-	12,819,445.17	-	-	24,640.70	-	-	38,370,553.78
Amount transferred during the year	5,591,458.34	-	-	-	-	-	1,930,703.62	-	-	7,522,161.96
Amount reversed during the year	-	12,249,755.45	-	8,007,850.50	-	-	-	-	-	20,257,605.95
Closing Balance as on Ashad 2077	18,868,170.79	-	-	4,811,594.67	-	-	1,955,344.32	-	-	25,635,109.79
Opening Balance 2077.78	18,868,170.79	-	-	4,811,594.67	-	-	1,955,344.32	-	-	25,635,109.79
Amount transferred during the year	18,318,786.37	-	-	-	-	-	-	-	-	18,318,786.37
Amount reversed during the year	-	-	-	4,811,594.67	-	-	1,955,344.32	-	-	6,766,938.99
Closing Balance as on Ashad 2078	37,186,957.16	-	-	-	-	-	-	-	-	37,186,957.16
Opening Balance 2078.79	37,186,957.16	-	-	-	-	-	-	-	-	37,186,957.16
Amount transferred during the year	10,029,219.87	-	26,554,500.00	13,471,986.84	-	-	-	-	-	50,055,706.71
Amount reversed during the year	-	-	-	-	-	-	-	-	-	-
Closing Balance as on Ashad 2079	47,216,177.03	-	26,554,500.00	13,471,986.84	-	-	-	-	-	87,242,663.87



3.14. Other Reserves

The other reserves shown in the SOCE of the financial statements comprises of followings:

Particulars	Amount (Rs.)
Opening reserve	1,192,332.00
Changes during the year:	
Investment adjustment Reserve	-
Staff Skill Development Fund	4,928,585.32
Corporate social responsibility reserve	964,560.93
CSR expense	(610,172.38)
Training Expense	(24,531.05)
Actuarial Reserve	2,305,886.80
Closing Reserve	8,756,661.62

3.15. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Interest Income

For all financial assets measured at amortized cost, interest bearing financial assets classified as Fair value through other comprehensive income, interest income is recorded using the rate that closely approximates the EIR because the bank considers that the cost of exact calculation of effective interest rate method exceeds the benefit that would be derived from such compliance. 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.

Further, Interest income on Loans and Advances is recognized as per the guideline on recognition of interest income, 2019 issued by NRB. Interest income has been booked for all interest received during the year as well as interest accrued on those loans fulfilling the criteria as set in line with circular issued by NRB. Accordingly, interest income recognition has been suspended and ceased to accrue in the following cases:

- Loans where there is reasonable doubt about the ultimate collectibility of principal and loan.
- Loans against which individual impairment as per NAS 39 or lifetime impairment as per NFRS 9 has been made.
- Loans where contractual payments of principal and/or interest are more than 3 months in arrears and where the 'net realizable value' of security is insufficient to cover payment of principal and accrued interest;
- Loans where contractual payments of principal and/or interest are more than 12 months in arrears irrespective of the net realizable value of collateral;
- Overdrafts and other short term facilities which have not been settled after the expiry of the loan and even not renewed within 3 months of the expiry, and where the net realizable value of security is insufficient to cover payment of principal and accrued interest.
- Overdrafts and other short term facilities which have not been settled after the expiry of the loan and even not renewed within 12 months of the expiry irrespective of the net realizable value of collateral.

Further, regulatory reserve has been created for interest income recognised on accrual basis in compliance with directive no. 04 issued by Nepal Rastra Bank. Details of the same is provided as follows:

Particulars	Amount
Accrued Interest Receivable as at Asadh 32, 2079	74,946,312.75
Less: Interest Collected till Shrawan 15 2079	-
	74,946,312.75
Less: Impact of Staff Bonus	7,494,631.27
Less: Impact of Income tax	20,235,504.44
Interest Income included in Regulatory Reserve	47,216,177.03

Fee and Commission Income

Fees earned for the provision of services over a period of time are accrued over that period. These fees include Service fees, commission income. Loan syndication fees are recognized as revenue when the syndication has been completed and the Bank retained no part of the loan package for itself, or retained a part at the same effective interest rate as for the other participants. Portfolio and other management advisory fees and service distribution fees are recognized based on the applicable contracts, usually on a time apportionment basis.



Dividend Income

Dividend income on equity instruments are recognized in the statement of profit and loss within other income when the Bank's right to receive payment is established.

Net Trading Income

Net trading income comprises gains less losses relating to trading assets and liabilities, and includes all realized interest, dividend and foreign exchange differences as well as unrealized changes in fair value of trading assets and liabilities.

Net Income from other financial instrument at fair value through Profit or Loss

Trading assets such as equity shares and mutual fund are recognized at fair value through profit or loss. No other financial instrument is designated at fair value through profit or loss. The bank has no income under the heading net income from other financial instrument at fair value through profit or loss.

3.16. Interest Expense

For financial liabilities measured at amortized cost using the rate that closely approximates effective interest rate, interest expense is recorded using such rate. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

3.17. Employee Benefits

Employee benefits include:

Short-term employee benefits such as the following, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services:

- i. Wages, salaries and social security contributions;
- ii. Paid annual leave and paid sick leave;
- iii. Profit sharing and bonuses, and
- iv. Non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees;

Short term employee benefits are measured on an undiscounted basis and are expenses as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Bank has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefits, such as the following:

- i. Retirement benefits (eg: pensions, lump sum payments on retirement); and
- ii. Other post-employment benefits such as post-employment life insurance and post-employment medical care;
- iii. Other long-term employee benefits and
- iv. Termination benefits

Post employments benefits are as follows:

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an Bank pays fixed contribution into a separate Bank (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods, as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits).

The contribution payable by the employer to a defined contribution plan in proportion to the services rendered to Bank by the employees and is recorded as an expense under 'Personnel expense' as and when they become due. Unpaid contribution are recorded as a liability under 'Other Liabilities'.

Bank contributed 10% on the salary of each employee to the Employees' Provident Fund. The above expenses are identified as contributions to 'Defined Contribution Plans' as defined in Nepal Accounting Standards – NAS 19 (Employee Benefits).

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Accordingly, staff gratuity has been considered as defined benefit plans as per Nepal Accounting Standards – NAS 19 (Employee Benefits).



Gratuity

The Gratuity benefits for the permanent staffs are provided as per existing employees byelaws. The new Labour Act 2074 is applicable from Bhadra 19, 2074 which requires payment of minimum Gratuity of at least 8.33% of basic salary to all staff (equal to one-month basic salary per year). The bank has not yet decided for the revision of its Employees Byelaws as per New Labour Act.

However, in compliance with Labor Act, 2017, provision is made in the account year of service, for gratuity payable to employees who joined bank on a permanent basis.

An actuarial valuation is carried out every year to ascertain the full liability under gratuity.

Bank's obligation in respect of defined benefit obligation is calculated by estimating the amount of future benefit that employees have earned for their service in the current and prior periods and discounting that benefit to determine its present value, then deducting the fair value of any plan assets to determine the net amount to be shown in the Statement of Financial Position. The value of a defined benefit asset is restricted to the present value of any economic benefits available in the form of refunds from the plan or reduction on the future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirement that apply to any plan in Bank. An economic benefit is available to Bank if it is realizable during the life of the plan, or on settlement of the plan liabilities.

Bank determines the interest expense on the defined benefit liability by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period to the defined benefit liability at the beginning of the annual period. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating to the terms of Bank's obligations.

The increase in gratuity liabilities attributable to the services provided by employees during the year (current service cost) has been recognized in the Statement of Profit or Loss under 'Personnel Expenses' together with the net interest expense. Bank recognizes the total actuarial gain and loss that arises in calculating Bank's obligation in respect of gratuity in other comprehensive income during the period in which it occurs.

The demographic assumptions underlying the valuation are retirement age (60 years), early withdrawal from service and retirement on medical grounds.

Unutilized Accumulated Leave

Bank's liability towards the accumulated leave which is expected to be utilized beyond one year from the end of the reporting period is treated as other long-term employee benefits. Bank's net obligation towards unutilized accumulated leave is calculated by discounting the amount of future benefit that employees have earned in return for their service in the current and prior periods to determine the present value of such benefits. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating to the terms of Bank's obligation. The calculation is performed using the Projected Unit Credit method. Net change in liability for unutilized accumulated leave including any actuarial gain and loss are recognized in the Statement of Profit or Loss under 'Personnel Expenses' in the period in which they arise.

3.18. Leases

As per NFRS 16, Lease expense shall be recognized at the commencement date, a lessee shall recognize a right-to-use asset and a lease liability. The bank has applied retrospective approach and therefore the comparative information has not been restated. Right to Use (ROU) assets has been disclosed under Property, Plan and Equipments (PPE). At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

"For a lessee, a lease that is accounted for under NFRS 16 results in the recognition of:

- a right-to-use asset and lease liability
- interest expense (on the lease liability)
- depreciation expense (on the right-of-use asset)"

"After the commencement date, 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
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications to reflect revised in-substance fixed lease payments "



3.19. Foreign Currency Transactions, Translation and Balances

All foreign currency transactions are translated into the functional currency, which is Nepalese Rupees, using the exchange rates prevailing at the dates when the transactions were affected.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Nepalese Rupees using the spot foreign exchange rate ruling at that date and all differences arising on non-trading activities are taken to 'Other Operating Income' in the Statement of Profit or Loss. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the rates of exchange prevailing at the end of the reporting period.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items in foreign currency measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange differences arising on the settlement or reporting of monetary items at rates different from those which were initially recorded are dealt with in the Statement of Profit or Loss. However, foreign currency differences arising on available-for-sale equity instruments are recognized in other comprehensive income.

Forward exchange contracts are valued at the forward market rates ruling on the reporting date. Both unrealized losses and gains are reflected in the Statement of Profit or Loss.

However, no such contracts have been entered by the bank.

3.20. Financial guarantee and loan commitment

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts may have various legal forms, such as a guarantee, some types of letter of credit, etc. Where the bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, etc. whether cancellable or not and the bank had not made payments at the reporting date, those instruments are included in these financial statements as commitments.

3.21. Share capital and reserves

Share capital and reserves are different classes of equity claims. Equity claims are claims on the residual interest in the assets of the entity after deducting all its liabilities. Changes in equity during the reporting period comprise income and expenses recognized in the statement of financial performance; plus contributions from holders of equity claims, minus distributions to holders of equity claims.

3.22. Earnings per share

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

Earnings per share is calculated and presented in the face of Statement of Profit and loss

3.23. Segment reporting

An operating segment is a component of an entity:

- "i. that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),"
- "ii. whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and"
- iii. for which discrete financial information is available.

Not every part of an entity is necessarily an operating segment or part of an operating segment. For example, a corporate headquarters or some functional departments may not earn revenues or may earn revenues that are only incidental to the activities of the entity and would not be operating segments. For the purposes of this NFRS, an entity's post-employment benefit plans are not operating segments.

The bank has identified three segments based on the geographic locations of its offices in the country. Interest earnings and foreign exchange gains/losses generated while conducting businesses under different segments are reported under the respective segment. All transactions between the units are conducted on arm's length basis, with intra unit revenue and cost being nullified at the bank level.



3.24. Impairment of Non-Financial Assets

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or the fair value of the Cash Generating Units (CGU) fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

3.25. Dividend on Ordinary Shares

Dividend on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Bank's shareholders. Interim Dividend is deducted from equity when they are declared and no longer at the discretion of the Bank. Dividend for the year that is approved after the reporting date is disclosed as an event after the reporting date.

3.26. Cash Flow Statement

The cash flow statement has been prepared using 'The Direct Method', whereby gross cash receipts and gross cash payments of operating activities, finance activities and investing activities have been recognized.

3.27. Comparative Figures

The comparative figures and phrases have been rearranged wherever necessary to conform to the current year's presentation.



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

Cash and Cash Equivalent 4.1

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Cash in Hand	392,782,198.74	470,152,286.78
Balances with BFIs	340,453,909.58	832,584,830.06
Money at Call and Short Notice	1,592,648,947.23	1,183,329,188.70
Others	19,540,853.74	198,802,391.21
Total	2,345,425,909.29	2,684,868,696.75

Due from Nepal Rastra Bank 4.2

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Statutory Balances with NRB	125,479,167.70	284,576,630.40
Securities purchased under Resale Agreement	-	-
Other Deposit and Receivable from NRB	7,880,965.48	2,030,030.38
Total	133,360,133.18	286,606,660.78

Placements with Banks and Financial Institutions 4.3

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Placement with Domestic BFIs	-	-
Placement with Foreign BFIs	-	-
Less: Allowances for Impairment	-	-
Total	-	-

Derivative Financial Instruments 4.4

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Held for Trading		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Held for Risk Management		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Total	-	-



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

Other Trading Assets 4.5

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Treasury Bills	-	-
Government Bonds	-	-
NRB Bonds	-	-
Domestic Corporate Bonds	-	-
Equities	-	-
Other Trading Assets	-	-
Total	-	-

Loans and Advances to BFIs 4.6

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Loans to Micro-Finance Institutions	276,210,250.09	180,476,597.76
Other	-	-
Less: Allowances for Impairment	(3,584,813.73)	(2,345,165.75)
Total	272,625,436.36	178,131,432.01

4.6.1 Allowances for Impairment

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Balance at Shrawan 01	2,345,165.75	-
Impairment Losss for the year:		
Charge for the year	1,239,647.98	2,345,165.75
Recoveries/Reversal	-	-
Amount Written Off	-	-
Balance at Asadh End	3,584,813.73	2,345,165.75

Loans and Advances to Customers 4.7

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Loans and Advances measured at Amortized Cost	10,584,577,987.26	9,533,217,135.69
Less: Impairment Allowances		
Collective Impairment	(217,985,651.70)	(160,398,381.74)
Individual Impairment	(135,148,230.47)	(178,458,569.44)
Net Amount	10,231,444,105.09	9,194,360,184.52
Loans and Advances measured at FVTPL	-	-
Total	10,231,444,105.09	9,194,360,184.52

Loan and advance is inclusive of staff loan and accrued interest on such loan net of interest suspense amount.
The above amount of impairment allowance is as per Directive issued by Nepal Rastra Bank.



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

4.7.1: Analysis of Loans and Advances - By Product

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Product		
Term Loans	2,958,748,089.91	2,297,799,596.90
Overdraft	916,648,969.76	1,953,508,472.32
Trust Receipt/Import Loans	-	-
Demand and other Working Capital Loans	2,884,413,171.59	1,452,605,000.81
Personal Residential Loans	1,416,104,232.51	1,310,543,482.48
Real Estate Loans	458,199,965.46	695,448,449.51
Margin Lending Loans	218,530,061.41	244,349,130.74
Hire Purchase Loans	530,734,824.87	350,990,530.72
Deprived Sector Loans	495,612,625.58	529,662,823.70
Bills Purchased	-	-
Staffs Loans	114,933,602.08	80,112,352.03
Other	516,161,478.77	543,035,258.99
Sub-Total	10,510,087,021.93	9,458,055,098.19
Interest Receivable	74,490,965.35	75,162,037.51
Grand Total	10,584,577,987.29	9,533,217,135.69

4.7.2: Analysis of Loans and Advances - By Currency

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Nepalese Rupee	10,584,577,987.29	9,533,217,135.69
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
Grand Total	10,584,577,987.29	9,533,217,135.69



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

4.7.3: Analysis of Loans and Advances - By Collateral

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Secured		
Moveable/Immoveable Assets	9,975,654,676.23	8,894,182,353.07
Gold and Silver	98,209,064.53	62,206,900.00
Guarantee of Domestic BFIs	-	-
Government Guarantee	-	-
Guarantee of International Rated Bank	-	-
Collateral of Export Document	-	-
Collateral of Fixed Deposit Receipt	131,635,712.95	56,437,106.33
Collateral of Government Securities	-	-
Counter Guarantee	-	-
Personal Guarantee	155,290,374.01	125,595,866.96
Other Collateral	223,788,159.57	394,794,909.33
Subtotal	10,584,577,987.29	9,533,217,135.69
Unsecured	-	-
Grand Total	10,584,577,987.29	9,533,217,135.69

4.7.4: Allowance for Impairment

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Specific Allowance for Impairment		
Balance at Shrawan 01	178,458,569.44	108,773,945.97
Impairment Loss for the year		
Charge for the year	39,527,082.27	69,684,623.47
Recoveries/Reversals during the year	-	-
Write-Offs	-	-
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Asadh End	217,985,651.70	178,458,569.44
Collective Allowances for Impairment		
Balance at Sharawan 01	160,398,381.74	134,469,832.22
Impairment Loss for the year		
Charge/(Reversal) for the year	(25,250,151.27)	25,928,549.52
Exchange Rate Variance on Foreign Currency	-	-
Other Movement	-	-
Balance at Asadh End	135,148,230.47	160,398,381.74
Total Allowances for Impairment	353,133,882.17	338,856,951.18

Investment Securities

4.8

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Investment Securities measured at Amortized Cost	552,871,524.24	441,759,582.44
Investment measured at FVTOCI	195,691,340.61	193,784,598.31
Total	748,562,864.85	635,544,180.75



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

4.8.1: Investment Securities measured at Amortized Cost

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Debt Securities	-	-
Government Bonds	552,871,524.24	202,234,465.75
Government Treasury Bills	-	138,711,804.95
Nepal Rastra Bank Bonds	-	-
Nepal Rastra Bank Deposit Instruments	-	-
Other	-	100,813,311.74
Less: Specific Allowances for Impairment	-	-
Total	552,871,524.24	441,759,582.44

4.8.2: Investment in equity measured at Fair Value through Other Comprehensive Income

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Equity Instruments	-	-
Quoted Equity Securities	60,591,340.61	93,684,598.31
Unquoted Equity Securities	135,100,000.00	100,100,000.00
Total	195,691,340.61	193,784,598.31



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 31 Ashad 2079 (July 16, 2022)

4.13

Property and Equipment

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & others	ROU	Total Asadh end 2079	Total Asadh end 2078
Cost											
As on Shrawan 01 2077	157,152,696.00	3,283,750.00	38,477,013.68	18,940,686.36	27,640,163.53	20,295,908.84	4,117,063.05	43,638,671.03	-	-	313,545,954.40
Addition during the year	-	-	19,038,275.84	2,410,999.00	5,709,064.63	6,115,520.76	185,900.00	8,068,470.48	-	-	41,528,230.71
Disposal during the year	-	-	-	-	(5,433,200.00)	(161,084.26)	-	(448,890.00)	-	-	(6,043,174.26)
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-	-
As on Asadh end 2078	157,152,696.00	3,283,750.00	57,515,289.42	21,351,687.36	27,916,028.16	26,250,345.34	4,302,963.05	51,259,251.51	-	-	349,031,010.85
Addition during the Year											
Acquisition	9,875,000.00	15,000,000.00	9,646,938.69	3,872,500.00	5,265,100.00	6,145,754.67	183,000.00	6,946,875.05	-	56,935,168.41	-
Capitalization	-	-	-	-	-	-	-	150,305,068.68	-	-	-
Disposal during the year	-	-	(55,697.64)	(142,500.00)	-	(576,432.98)	-	(1,302,693.15)	-	(2,077,323.77)	-
Adjustment/Revaluation	(151,237,921.00)	-	-	-	-	-	-	-	-	(151,237,921.00)	-
As on Asadh end 2079	15,789,775.00	18,283,750.00	67,106,530.47	25,081,687.36	33,181,128.16	31,819,667.03	4,485,963.05	56,902,433.41	150,305,068.68	252,650,834.49	349,031,010.85
Depreciation and Impairment											
As on Shrawan 01 2077	-	(65,494.71)	(16,658,308.13)	(13,805,532.17)	(10,797,902.70)	(8,474,464.72)	(3,864,294.67)	(24,332,301.30)	-	-	(77,998,298.41)
Depreciation charge for the year	-	(65,675.00)	(8,557,015.17)	(1,839,707.99)	(2,739,540.98)	(1,880,550.55)	(236,210.75)	(6,870,688.86)	-	-	(22,189,359.30)
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	2,183,663.76	142,044.18	-	423,523.20	-	-	2,749,231.14
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As on Asadh end 2078	-	(131,169.71)	(25,215,323.30)	(15,645,240.16)	(11,353,779.92)	(10,212,971.09)	(4,100,505.42)	(30,779,436.96)	-	-	(97,438,426.57)
Depreciation charge for the year	-	(77,191.04)	(10,502,078.83)	(2,334,805.26)	(3,313,487.30)	(2,280,900.79)	(65,069.39)	(7,092,465.89)	(17,262,377.17)	(42,908,375.67)	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	44,928.18	141,403.25	-	536,695.55	-	1,294,580.34	-	2,017,607.32	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As on Asadh end 2079	-	(208,360.75)	(35,672,473.85)	(17,838,642.17)	(14,667,267.22)	(11,937,176.33)	(4,165,574.81)	(36,577,322.51)	(17,262,377.17)	(138,329,194.92)	(97,438,426.57)
Capital Work in Progress											
Net book value											
As on Asadh end 2077	157,152,696.00	3,218,255.29	21,818,705.45	5,135,155.19	16,842,260.83	11,821,444.12	252,768.38	19,306,369.73	-	230,459,910.83	-
As on Asadh end 2078	157,152,696.00	3,152,580.29	32,299,966.12	5,706,447.20	16,562,248.24	16,037,374.25	202,457.63	20,478,814.55	-	251,592,584.28	-
As on Asadh end 2079	15,789,775.00	18,075,389.25	31,434,056.62	7,243,045.19	18,513,860.94	19,882,490.70	320,388.24	20,328,110.90	133,042,681.51	264,626,798.24	-



Excel Development Bank Limited
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Particulars	Goodwill		Software		Other	Total Asadh end 2079	Total Asadh end 2078	4.14
	Purchased	Developed	Purchased	Developed				
Goodwill and Intangible Assets								
Cost								
As on Shrawan 01 2077	-	-	8,845,070.00	-	-	-	8,845,070.00	-
Addition during the year	-	-	-	-	-	-	-	-
Acquisition	-	-	-	-	-	-	-	-
Capitalization	-	-	2,457,009.85	-	-	-	2,457,009.85	-
Disposal during the year	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-
As on Asadh end 2078	-	-	11,302,079.85	-	-	-	8,039,945.00	-
Addition during the Year								
Acquisition	-	-	1,454,649.00	-	-	1,454,649.00	-	-
Capitalization	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-	-	-	-
As on Asadh end 2079	-	-	12,756,728.85	-	-	12,756,728.85	8,039,945.00	-
Amortisation and Impairment								
As on Shrawan 01 2077	-	-	(7,479,471.61)	-	-	-	(7,479,471.61)	-
Amortisation charge for the year	-	-	(502,959.89)	-	-	-	(502,959.89)	-
Impairment for the year	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
As on Asadh end 2078	-	-	(7,982,431.50)	-	-	-	(7,196,991.48)	-
Impairment for the year	-	-	-	-	-	-	-	-
Amortisation charge for the year	-	-	(1,145,282.99)	-	-	(1,145,282.99)	-	-
Disposals	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
As on Asadh end 2079	-	-	(9,127,714.49)	-	-	(9,127,714.49)	(7,196,991.48)	-
Capital Work in Progress								
Net Book Value	-	-	-	-	-	-	-	-
As on Asadh end 2077	-	-	1,365,598.39	-	-	1,365,598.39	-	-
As on Asadh end 2078	-	-	3,319,648.35	-	-	3,319,648.35	-	-
As on Asadh end 2079	-	-	3,629,014.36	-	-	3,629,014.36	-	-



Excel Development Bank Limited
Notes to Financial Statements

For the year ended 32 Ashad 2079 (July 16, 2022)

Deferred Tax

4.15

Particulars	Current Year		Previous Year	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Deferred tax on temporary differences on following items				
Loans and Advances to BFIs	-	-	-	-
Loans and Advances to Customers	-	-	-	-
Investment Properties	-	-	-	-
Investment Securities	-	3,503,147.71	-	14,772,601.70
Property and Equipment	-	38,071,281.95	-	3,622,218.65
Liabilities for employees defined benefit obligations	718,826.02	-	718,826.02	-
Liabilities for long service leave	6,320,666.75	-	6,320,666.75	-
Lease Liabilities	42,971,082.53	-	42,971,082.53	-
Provisions	5,035,841.20	-	5,035,841.20	-
Other Temporary Differences	-	-	-	-
Deferred tax on temporary differences	55,046,416.50	41,574,429.66	13,471,986.84	18,394,820.35
Deferred tax due to changes in tax rate				
Net Deferred Tax Asset (Liabilities) as on year ended 2079		13,471,986.84		(4,486,946.73)
Deferred Tax Asset/(Liabilities) as on Shrawan 01, 2078		(4,486,946.73)		4,811,594.67
Origination/(Reversal) during the year		17,958,933.57		(9,298,541.40)
Deferred Tax expense (income) recognized in profit or loss		(8,328,570.34)		(4,414,598.11)
Deferred Tax expense (income) recognized in OCI		(9,630,363.23)		13,713,139.51



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Other Assets **4.16**

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Assets held for Sale	-	-
Other Non-Banking Assets	-	-
Bills Receivable	-	-
Accounts Receivable	26,713,771.74	33,994,265.79
Prepayments and Deposits	3,857,615.40	3,185,105.28
Income Tax Deposit	3,988,000.00	-
Deferred Employee Expenditure	52,068,792.48	58,335,530.00
Right of Use Assets	-	-
Other Assets	3,298,315.84	3,499,901.51
Total	89,926,495.46	99,014,802.58

Due to Banks and Financial Institutions **4.17**

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Money Market Deposits	-	-
Interbank Borrowing	-	-
Other Deposits from BFIs	422,547,729.03	383,040,150.39
Settlement and Clearing Accounts	-	-
Total	422,547,729.03	383,040,150.39

Due to Nepal Rastra Bank **4.18**

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Refinance from NRB	267,452,444.79	416,653,000
Standing Liquidity Facility	-	-
Lender of Last Resort facility from NRB	-	-
Securities sold under repurchase agreements	-	-
Other Payable to NRB	-	-
Total	267,452,444.79	416,653,000

Derivative Financial Instruments **4.19**

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
<i>Held for Trading</i>		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
<i>Held for Risk Management</i>		
Interest Rate Swap	-	-
Currency Swap	-	-
Forward Exchange Contracts	-	-
Others	-	-
Total	-	-



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Deposits from Customers

4.20

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Institutional Customers:		
Term Deposits.	604,385,340.78	511,628,549.51
Call Deposits	1,436,356,406.65	1,449,247,515.78
Current Deposits.	360,268,131.73	702,591,213.44
Others.	2,030,250.00	5,958,661.30
Individual Customers:		
Term Deposits	5,398,039,416.09	3,574,434,897.53
Saving Deposits	3,939,553,935.48	4,739,093,420.96
Current Deposits	8,352,317.51	14,351,235.05
Others	1,578,022.76	16,599,989.03
Total	11,750,563,820.99	11,013,905,482.60

4.20.1: Currency wise analysis of deposit from customers

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Nepalese Rupee	11,750,563,820.99	11,013,905,482.60
Indian Rupee	-	-
United States Dollar	-	-
Great Britain Pound	-	-
Euro	-	-
Japanese Yen	-	-
Chinese Yuan	-	-
Other	-	-
Total	11,750,563,820.99	11,013,905,482.60

Borrowings

4.21

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Domestic Borrowings		
Nepal Government	-	-
Other Institutions.	-	-
Other	-	-
Sub Total	-	-
Foreign Borrowings		
Foreign Banks and Financial Institutions	-	-
Multilateral Development Banks	-	-
Other Institutions	-	-
Sub Total	-	-
Total	-	-



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Provisions

4.22

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Provisions for Redundancy	-	-
Provisions for Restructuring	-	-
Pending Legal Issues and Tax Litigation	-	-
Onerous Contracts	-	-
Other Provisions	16,786,137.34	20,636,137.34
Total	16,786,137.34	20,636,137.34

*Other provision includes provision for balances due from problematic financial institutions.

4.22.1: Movement in Provision

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Balance at Shrawan 01	20,636,137.34	20,636,137.34
Provision Transfer from Merger/Acquisition	-	-
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	(3,850,000.00)	-
Unwind of Discount	-	-
Balance at Asadh end	16,786,137.34	20,636,137.34

Other Liabilities

4.23

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Liabilities for employees defined benefit obligations	2,396,086.73	7,526,873.40
Liabilities for long service leave	21,068,889.18	18,196,568.00
Short term employee benefits	-	-
Bills payable	-	-
Creditors and accruals	13,155,119.97	14,349,455.34
Interest payable on deposits	7,525,772.65	38,419,339.09
Interest payable on borrowing	-	-
Liabilities on defered grant income	-	-
Unpaid Dividend	-	-
Liabilities under Finance Lease	-	-
Liability Under NFRS Lease	143,236,941.76	-
Employee bonus payable	16,111,485.89	20,706,560.46
Other Liabilities	23,815,727.79	109,481,519.41
Total	227,310,023.97	208,680,315.69



Excel Development Bank Limited
Notes to Financial Statements

For the year ended 32 Ashad 2079 (July 16, 2022)

4.23.1: Defined Benefit Obligation

The amounts recognised in the statements of financials positions are as follows :

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Present value of unfunded obligations	-	-
Present value of funded obligations	22,490,852.00	19,155,892.00
Total present value of obligations	22,490,852.00	19,155,892.00
Fair value of plan assets	20,094,764.47	11,629,019.47
Present value of net obligations	2,396,087.53	7,526,872.53
Recognised liability for defined benefit obligations	2,396,087.53	7,526,872.53

4.23.2: Plan Assets

Plan assets comprise

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Equity securities	-	-
Government bonds	-	-
Bank deposit	20,094,764.47	11,629,019.47
Other	-	-
Total	20,094,764.47	11,629,019.47

* Plan Assets comprises of deposits made under government approved retirement scheme.

4.23.3: Movement in the present value of defined benefit obligations

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Defined benefit obligations at Shrawan 1	19,155,892.00	16,598,726.00
Actuarial losses	(2,355,252.00)	(2,391,459.00)
Benefits paid by the plan	(299,871.00)	(103,048.00)
Current service costs and interest	5,990,083.00	5,051,673.00
Defined benefit obligations at Asadh end	22,490,852.00	19,155,892.00

4.23.4: Movement in the fair value of plan assets

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Fair value of plan assets at Shrawan 1	11,629,019.47	10,823,062.47
Contributions paid into the plan	7,826,744.00	49,988.00
Benefits paid during the year	(299,871.00)	(103,048.00)
Actuarial (losses) gains	938,872.00	859,017.00
Expected return on plan assets	-	-
Fair value of plan assets at Asadh end	20,094,764.47	11,629,019.47



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

4.23.5: Amount recognised in profit or loss

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Current service costs	4,299,349.00	3,592,805.00
Interest on obligation	1,690,734.00	1,458,868.00
Expected return on plan assets	-	-
Total	5,990,083.00	5,051,673.00

4.23.6: Amount recognised in other comprehensive income

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Acturial (gain)/loss	(3,294,124.00)	(3,250,475.60)
Total	(3,294,124.00)	(3,250,475.60)

4.23.7: Actuarial assumptions

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Discount rate	11.00%	9.00%
Expected return on plan asset	0.00%	0.00%
Future salary increase	7.00%	7.00%
Withdrawal rate	8.00%	8.00%

Debt securities issued

4.24

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Debt securities issued designated as at fair value through profit or loss	-	-
Debt securities issued at amortised cost	-	-
Total	-	-

Subordinated Liabilities

4.25

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Redeemable preference shares	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-
Other	-	-
Total	-	-



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Share capital **4.26**

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Ordinary shares	1,151,792,139.11	811,121,224.72
Convertible preference shares (equity component only)	-	-
Irredeemable preference shares (equity component only)	-	-
Perpetual debt (equity component only)	-	-
Total	1,151,792,139.11	811,121,224.72

4.26.1: Ordinary Shares

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Authorized Capital		
15,000,000 Ordinary share of Rs. 100 each	1,500,000,000.00	1,500,000,000.00
Issued capital		
1,15,17,921.40 Ordinary share of Rs. 100 each	1,151,792,139.11	1,073,644,661.25
Subscribed and paid up capital		
1,15,17,921.40 Ordinary share of Rs. 100 each	1,151,792,139.11	811,121,224.72
Total	1,151,792,139.11	811,121,224.72

4.26.2: Ordinary share ownership

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Domestic ownership		
Nepal Government	-	-
"A" class licensed institutions	-	-
Other licensed institutions	-	-
Other Institutions	15,873,521.50	25,240,001.00
Public	1,135,918,617.61	785,881,223.72
Other	-	-
Foreign ownership		
Total	1,151,792,139.11	811,121,224.72

4.26.2.1 Ratio of Promoter and Public Share holder ownership details

Promoter shareholding	51%	51%
Public shareholding	49%	49%



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Shareholders holding more than 0.5% shares are as follows:

Shareholder Name	Total Share	Percentage %	Amount
Mahendra Kumar Goyal	1,036,960.51	9.00%	103,696,051.00
Rajan Sharma	921,434.93	8.00%	92,143,493.00
Jyoti Kumari Sarawagi	613,371.63	5.33%	61,337,163.00
Hemraj Dhakal	613,329.78	5.33%	61,332,978.00
Ganesh Prasad Khanal	547,012.66	4.75%	54,701,266.00
Rupa Devi Sarawagi	526,421.64	4.57%	52,642,164.00
Gopal Prasad Basaula	500,283.13	4.34%	50,028,313.00
Suresh Kumar Agrawal	482,868.27	4.19%	48,286,827.00
Bajrang Goyal	476,544.67	4.14%	47,654,467.00
Amit Kumar Agrawal	371,427.29	3.22%	37,142,729.00
Amrita Sarawagi	264,575.55	2.30%	26,457,555.00
Aakansha Gupta	182,163.00	1.58%	18,216,300.00
Dipak Kumar Sarawagi	179,201.86	1.56%	17,920,186.00
Chet Prasad Bhattarai	170,948.06	1.48%	17,094,806.00
Niresh Bahadur Shrestha	153,565.38	1.33%	15,356,538.00
Sanjeev Uprety	105,494.28	0.92%	10,549,428.00
Gauri Shrestha	101,512.96	0.88%	10,151,296.00
Agni Prasad Bhattarai	97,794.13	0.85%	9,779,413.00
Prakash Bahadur Ghimire	91,461.05	0.79%	9,146,105.00
Anurag Goyal	86,715.12	0.75%	8,671,512.00
Kamal Bhattarai	74,118.90	0.64%	7,411,890.00
Krishna Prasad Mishra	71,991.95	0.63%	7,199,195.00
Sangita Acharya	62,541.31	0.54%	6,254,131.00
Jaya Dharam Pokhrel	58,326.17	0.51%	5,832,617.00
Nima Devi Karmacharya	57,528.67	0.50%	5,752,867.00
Govinda Agrawal	57,334.30	0.50%	5,733,430.00
Total	7,904,927.20	68.63%	790,492,720.00
Total Share of Bank	11,517,921.39	100.00%	1,151,792,139.11



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Reserves

4.27

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Statutory general reserve	239,501,616.12	219,906,665.86
Exchange equalisation reserve	13,028.52	4,328.93
Corporate social responsibility reserve	1,202,200.90	847,812.35
Capital redemption reserve	-	-
Regulatory reserve	87,242,663.87	37,186,957.16
Investment adjustment reserve	-	-
Capital reserve	-	-
Assets revaluation reserve	-	-
Fair value reserve	8,174,011.38	34,469,404.03
Dividend equalisation reserve	-	-
Actuarial gain	2,625,875.40	319,988.60
Special reserve	-	-
Other reserve	4,928,585.32	24,531.05
Total	343,687,981.52	292,759,687.98

Contingent liabilities and commitments

4.28

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Contingent liabilities	153,492,555.00	135,133,491.98
Undrawn and undisbursed facilities	626,861,298.37	860,186,625.67
Capital commitment	-	-
Lease Commitment	-	-
Litigation	8,412,010.00	8,412,010.00
Total	788,765,863.37	1,003,732,127.65

4.28.1: Contingent Liabilities

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Acceptance and documentary credit	-	26,261,321.98
Bills for collection	-	-
Forward exchange contracts	-	-
Guarantees	153,492,555.00	108,872,170.00
Underwriting commitment	-	-
Other commitments	-	-
Total	153,492,555.00	135,133,491.98

4.28.2: Undrawn and undisbursed facilities

Particulars	As on	As on
	Asadh 32, 2079	Asadh 31, 2078
Undisbursed amount of loans	454,704,561.21	493,576,217.07
Undrawn limits of overdrafts	172,156,737.16	366,610,408.60
Undrawn limits of credit cards	-	-
Undrawn limits of letter of credit	-	-
Undrawn limits of guarantee	-	-
Total	626,861,298.37	860,186,625.67



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

4.28.3: Capital commitments

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

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Capital commitments in relation to Property and Equipment	-	-
Approved and contracted for	-	-
Approved but not contracted for	-	-
Sub total	-	-
Capital commitments in relation to Intangible assets	-	-
Approved and contracted for	-	-
Approved but not contracted for	-	-
Sub total	-	-
Total	-	-

4.28.4: Lease commitments

Particulars	As on Asadh 32, 2079	As on Asadh 31, 2078
Operating lease commitments		
Future minimum lease payments under non cancellable operating lease, where the bank is lessee		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Sub total	-	-
Finance lease commitments		
Sub total		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Sub total	-	-
Grand total	-	-

4.28.5: Litigation

- a. The Bank is in dispute with Medium Tax Payer Office (MTPO) over the case of additional tax demanded by MLTPO over and above the amounts declared by the Bank. The case relate to tax returns filed by the bank under self assessment system for annual income for FY 2072/73 (2015-16). The net tax demanded by MTPO amounts to Rs 8,412,010.00 till date inclusive of estimated fines and penalties. The case is ongoing at Revenue Tribunal vide case No. 077-RB-0516.
- b. The Bank is also a defendant on a case file against the bank by Ram Prasad Agrawal on Sunsari District Court for fraud vide case No. 078-C4-0588 dated 2079/03/02.



Excel Development Bank Limited
Notes to Financial Statements

For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Interest Income

4.29

Particulars	F.Y 2078-79	F.Y 2077-78
Cash and cash equivalent	26,743,236.17	19,523,490.57
Due from Nepal Rastra Bank	26,743,822.99	8,970,584.98
Placement with bank and financial institutions	674,931.51	-
Loan and advances to bank and financial institutions	21,660,283.65	7,188,499.73
Loans and advances to customers	1,142,558,088.16	894,040,467.14
Investment securities	441,557.69	4,693,363.13
Loan and advances to staff	17,897,058.07	15,447,932.33
Other Interest Income	-	-
Total interest income	1,236,718,978.25	949,864,337.88

Interest Expenses

4.30

Particulars	F.Y 2078-79	F.Y 2077-78
Due to bank and financial institutions	20,326,163.66	18,209,721.43
Due to Nepal Rastra Bank	15,209,560.15	4,632,368.71
Deposits from customers	749,193,501.78	469,597,019.43
Borrowing	-	-
Debt securities issued	-	-
Subordinated liabilities	-	-
Other Charges	-	-
Total Interest expense	784,729,225.59	492,439,109.57

Fees and Commission Income

4.31

Particulars	F.Y 2078-79	F.Y 2077-78
Loan administration fees	-	-
Service fees	34,431,649.83	52,343,358.62
Consortium fees	-	-
Commitment fees	-	-
DD/TT/Swift fees	-	-
Credit card/ATM issuance and renewal fees	4,761,400.00	1,703,250.00
Prepayment and swap fees	552,327.56	2,012,202.39
Investment banking fees	-	-
Asset management fees	-	-
Brokerage fees	1,986,156.88	1,369,972.89
Remittance fees	3,173,383.35	3,694,139.99
Commission on letter of credit	75,553.31	103,959.38
Commission on guarantee contracts issued	2,003,600.00	1,644,129.00
Commission on share underwriting/issue	-	-
Locker rental	313,320.00	256,000.00
Other fees and commission income	24,859,025.15	16,151,482.50
Total Fees and Commission Income	72,156,416.08	79,278,494.77



Excel Development Bank Limited
Notes to Financial Statements

For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Fees and Commission Expense **4.32**

Particulars	F.Y 2078-79	F.Y 2077-78
ATM management fees	-	-
VISA/Master card fees	2,917,898.03	1,713,280.01
Guarantee commission	-	-
Brokerage	-	-
DD/TT/Swift fees expense	2,206,516.84	1,759,187.79
Remittance fees and commission	-	-
Other fees and commission expense	3,648,703.06	3,368,932.79
Total Fees and Commission Expense	8,773,117.93	6,841,400.59

Net Trading income **4.33**

Particulars	F.Y 2078-79	F.Y 2077-78
Changes in fair value of trading assets	-	-
Gain/loss on disposal of trading assets	-	-
Interest income on trading assets	-	-
Dividend income on trading assets	-	-
Gain/loss foreign exchange transaction	-	-
Other	-	-
Net trading income	-	-

Other Operating Income **4.34**

Particulars	F.Y 2078-79	F.Y 2077-78
Foreign exchange revaluation gain	34,798.37	(18,458.87)
Gain/loss on sale of investment securities	(398,879.27)	27,025,679.13
Fair value gain/loss on investment properties	-	-
Dividend on equity instruments	1,935,863.74	2,926,405.63
Gain/loss on sale of property and equipment	388,983.55	524,388.40
Gain/loss on sale of investment property	-	-
Operating lease income	-	-
Gain/loss on sale of gold and silver	-	-
Other Operating Income	-	-
Total	1,960,766.39	30,458,014.29

Impairment charge/(reversal) for loan and other losses **4.35**

Particulars	F.Y 2078-79	F.Y 2077-78
Impairment charge/(reversal) on loan and advances to BFIs	1,239,647.98	2,345,165.75
Impairment charge/(reversal) on loan and advances to customers	14,276,931.11	95,613,172.89
Impairment charge/(reversal) on financial investment	-	-
Impairment charge/(reversal) on placement with BFIs	-	-
Impairment charge/(reversal) on property and equipment	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-
Impairment charge/(reversal) on investment properties	-	-
Total	15,516,579.09	97,958,338.65



Excel Development Bank Limited
Notes to Financial Statements

For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Personnel Expenses

4.36

Particulars	F.Y 2078-79	F.Y 2077-78
Salary	77,040,004.05	67,305,825.91
Allowances	62,545,337.17	51,718,041.38
Gratuity Expense	5,990,083.00	5,051,673.00
Provident Fund	6,872,636.17	5,225,396.86
Uniform	2,370,963.75	2,043,163.03
Training & development expense	1,382,526.86	949,012.71
Leave encashment	10,477,777.00	5,138,468.02
Medical	4,186,105.19	3,582,876.36
Insurance	1,857,319.65	1,611,870.03
Employees incentive	-	-
Cash-settled share-based payments	-	-
Pension expense	-	-
Finance expense under NFRS	14,891,084.55	13,450,325.50
Other expenses related to staff	1,056,610.29	953,289.45
Subtotal	188,670,447.68	157,029,942.25
Employees Bonus	16,111,485.89	20,706,560.46
Grand total	204,781,933.57	177,736,502.71

Other Operating Expense

4.37

Particulars	F.Y 2078-79	F.Y 2077-78
Directors' fee	954,938.09	824,600.90
Directors' expense	807,988.34	216,316.80
Auditors' remuneration	768,400.00	734,500.00
Other audit related expense	663,423.00	1,126,440.00
Professional and legal expense	2,089,049.99	1,665,019.26
Office administration expense	60,264,962.67	52,512,428.95
Operating lease expense	-	14,440,603.48
Operating expense of investment properties	-	-
Corporate social responsibility expense	610,172.38	2,260,399.42
Onerous lease provisions	-	-
Lease Expenses Under NFRS	8,212,615.61	-
Other Expenses	4,584,599.87	1,793,823.35
Total	78,956,149.95	75,574,132.16



Excel Development Bank Limited
Notes to Financial Statements

For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Office administration expense **4.37.1**

Particulars	F.Y 2078-79	F.Y 2077-78
Light,Electricity & Water	6,652,125.06	5,824,324.75
Repair and maintenance	-	-
Repair & Maintenance-Building	-	-
Repair & Maintenance-Vehicles	1,197,411.31	944,459.86
Office Equipment, Furniture Repair	1,775,933.22	1,247,640.35
Repair & Maintenance-Others	1,025,160.78	839,516.93
General Insurance	1,502,057.62	6,938,913.64
Postage, Telex, Telephone & Fax	5,423,576.50	5,299,705.61
Printing & Stationery	4,912,553.44	4,164,985.35
Periodicals & Books	164,405.00	196,395.00
Advertisements	1,932,586.21	1,840,126.76
Donation	-	-
Security Expenses	19,864,354.18	18,002,227.59
Deposit/Credit Guarantee Premium	5,947,929.37	-
Travelling Allowances & Expenses	704,502.46	405,850.68
Entertainment	380,031.54	367,048.97
Annual General Meeting Expenses	264,467.52	45,200.00
Rates and Taxes	1,267,062.35	775,575.74
Other		
Other- Fuel Expenses	3,690,537.71	2,483,185.77
Other-Office Expenses	3,560,268.40	3,137,271.95
Total	60,264,962.67	52,512,428.95

Depreciation and Amortisation **4.38**

Particulars	F.Y 2078-79	F.Y 2077-78
Depreciation on property and equipment	42,908,376.63	22,189,359.29
Depreciation on investment property	-	-
Amortisation of intangible assets	1,145,282.99	502,959.88
Total	44,053,659.62	22,692,319.17

Non Operating Income **4.39**

Particulars	F.Y 2078-79	F.Y 2077-78
Recovery of loan written off	-	-
Other income	-	-
Total	-	-

Non Operating Expenses **4.40**

Particulars	F.Y 2078-79	F.Y 2077-78
Loan written off	-	-
Redundancy provision	-	-
Expense of restructuring	-	-
Other expense.	29,022,121.97	-
Total	29,022,121.97	-



Excel Development Bank Limited
Notes to Financial Statements
For the Year Commencing on Shrawan 1, 2078 and Ending on Ashad 32, 2079

Income Tax Expenses

4.41

Particulars	F.Y 2078-79	F.Y 2077-78
Current tax expense	56,875,850.37	57,092,108.34
Current year	53,055,227.69	56,489,005.32
Adjustments for prior years	3,820,622.68	603,103.02
Deferred tax expense	(8,328,570.34)	(4,414,598.11)
Origination and reversal of temporary differences	(8,328,570.34)	(4,414,598.11)
Changes in tax rate	-	-
Total income tax expense	48,547,280.03	52,677,510.22

4.41.1: Reconciliation of tax expense and accounting profit

Particulars	F.Y 2078-79	F.Y 2077-78
Profit before tax	145,003,373.00	186,359,044.10
Tax amount at tax rate of 30 %	43,501,011.90	55,907,713.23
Add: Tax effect of expenses that are not deductible for tax purpose	8,752,330.06	1,082,917.60
Less: Tax effect on exempt income	180,815.45	1,029,700.55
Add/less: Tax effect on other items	-	-
Add: Penalty for non-filing of Returns on Time u/s 117	982,701.18	528,075.03
Total income tax expense	53,055,227.69	56,489,005.31
Effective tax rate	36.59%	30.31%



Excel Development Bank Limited
Statement of Distributable Profit or Loss
For the year ended 32 Ashad 2079 (July 16, 2022)

Particulars	F.Y 2078-79	F.Y 2077-78
Net profit or (loss) as per statement of profit or loss	96,456,092.97	133,681,533.88
Opening balance in retained earnings	203,014,745.72	100,056,381.33
Appropriations:		
a. General reserve	(19,291,218.59)	(26,736,306.78)
b. Foreign exchange fluctuation fund	(8,699.59)	18,458.87
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(964,560.93)	(1,336,815.34)
e. Employees' training fund	(4,928,585.32)	-
f. Other		
>Realized Gain of Investment routed from Fair Value Reserve	1,214,926.65	6,622,941.71
>Deferred tax reserve	-	-
>Bonus Share	(92,443,955.09)	-
>Cash dividend	(5,122,870.89)	-
>CSR Expenses	610,172.38	2,260,399.42
>Training expense	24,531.05	-
Profit or (loss) before regulatory adjustment	178,560,578.37	214,566,593.10
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(10,029,219.87)	(18,318,786.37)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for investment adjustment Reserve (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	(26,554,500.00)	-
e. Deferred tax assets recognised (-)/ reversal (+)	(13,471,986.84)	4,811,594.67
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Acturial loss recognised (-)/reversal (+)	-	1,955,344.32
i. Other	-	-
Distributable profit or (loss)	128,504,871.65	203,014,745.72



Excel Development Bank Ltd.
Comparison Audited and Unaudited Financial Statements
Fiscal Year: 2078-79

Amount in Rs

Statement of Financial Position	As per Unaudited Financial Statements	As per Audited Financial Statements	Variance		Reasons for Variance
			In Amount	In %	
Assets					
Cash and cash equivalent	2,324,723,624.99	2,345,425,909.29	20,702,284.30	0.89	Due to reclassification of T-Bill Maturing within 90 days & Booking of Interest from banks
Due from NRB and placements with BFIs	125,479,167.70	133,360,133.18	7,880,965.48	6.28	Due to reclassification of T-Bill Maturing more than 90 days
Other Trading Assets		-	-	-	
Loans and Advances to BFIs	272,625,436.36	272,625,436.36	-	-	
Loans and Advances to Customers	10,233,641,192.40	10,231,444,105.09	(2,197,087.31)	(0.02)	Finalisation of LLP & reclassification of Loan to BFIS
Investments Securities	778,586,268.84	748,562,864.85	(30,023,403.99)	(3.86)	Due to reclassification of Securities and its revised fair value
Current Tax Assets	36,539,204.78	21,730,089.30	(14,809,115.48)	(40.53)	Additional Tax Liability Booked as per Tax Computation
Investment Property	193,387,921.00	193,387,921.00	-	-	
Property and equipment	131,508,399.19	264,626,798.24	133,118,399.05	101.22	Adjustment of office Equipment
Goodwill and intangible assets	3,629,014.36	3,629,014.36	0.00	0.00	
Deferred Tax Assets	-	13,471,986.84	13,471,986.84	-	Finalization of deferred tax calculation
Other assets	85,622,782.39	89,926,495.46	4,303,713.07	5.03	Adjustment of Prepayment Deposit and Deferred Employee Expenditure
Total Assets	14,185,743,012.00	14,318,190,753.96	132,447,741.96	0.93	
Liabilities					
Due to Bank and Financial Institutions	422,547,729.03	422,547,729.03	-	-	
Due to Nepal Rastra Bank	244,728,033.62	267,452,444.79	22,724,411.17	9.29	Reclassification of claim from NRB
Deposits from Customers	11,750,563,820.99	11,750,563,820.99	(0.00)	(0.00)	
Provisions	16,786,137.34	16,786,137.34	-	-	
Deferred Tax Liabilities	3,998,069.61	-	(3,998,069.61)	(100.00)	Finalisation of Deferred Tax
Other liabilities	85,008,590.31	227,310,023.97	142,301,433.66	167.40	Finalisation of figures including actuarial valuation of gratuity and leave
Total Liabilities	12,523,632,380.90	12,684,660,156.12	161,027,775.22	1.29	
Equity					
Paid up Capital	1,151,792,139.11	1,151,792,139.11	-	-	
Share Premium	9,545,605.56	9,545,605.56	-	-	
Retained Earnings	150,240,135.04	128,504,871.65	(21,735,263.39)	(14.47)	Net impact due to finalisation of financials
Reserves	350,532,751.39	343,687,981.52	(6,844,769.87)	(1.95)	Net impact due to finalisation of financials
Total Equity	1,662,110,631.10	1,633,530,597.84	(28,580,033.26)	(1.72)	
Total Liabilities and Equity	14,185,743,012.00	14,318,190,753.96	132,447,741.96	0.93	
Statement of Profit or Loss					
Interest income	1,238,043,509.48	1,236,718,978.25	(1,324,531.23)	(0.11)	Adjustment of interest income on Bank Balances and reclassification of interest income on government securities
Interest expense	780,567,299.80	784,729,225.59	(4,161,925.79)	(0.53)	
Net interest income	457,476,209.68	451,989,752.66	2,837,394.56	0.62	
Fee and commission income	70,631,304.75	72,156,416.08	1,525,111.33	2.16	Adjustment of remittance commission
Fee and commission expense	8,773,131.94	8,773,117.93	(14.01)	(0.00)	Adjustment in commission Expenses
Net fee and commission income	61,858,172.81	63,383,298.15	1,525,125.34	2.47	
Other operating income	4,355,637.71	1,960,766.39	(2,394,871.32)	(54.98)	Regrouping and reclassification of income head
Total operating income	523,690,020.20	517,333,817.20	1,967,648.58	0.38	
Impairment charge/(reversal) for loans and other losses	12,321,550.85	15,516,579.09	3,195,028.24	25.93	Finalisation of Loan Loss Provision
Net operating income	511,368,469.35	501,817,238.11	9,551,231.24	1.87	
Personnel expenses	206,000,819.46	204,781,933.57	(1,218,885.89)	(0.59)	Actuarial Valuation and impact of Staff Loan amortisation
Other operating expenses	86,653,787.57	78,956,149.95	(7,697,637.62)	(8.88)	Regrouping and Final booking of expenses
Depreciation and Amortisation	26,824,996.26	44,053,659.62	17,228,663.36	64.23	Final adjustment of depreciation expenses
Operating profit	191,888,866.06	174,025,494.97	17,863,371.09	9.31	
Non operating income/expense	(29,022,121.97)	(29,022,121.97)	-	-	
Profit before tax	162,866,744.09	145,003,373.00	17,863,371.09	10.97	
Current Tax	48,860,023.23	56,875,850.37	(8,015,827.14)	-	Final calculation of income tax and Deferred tax
Deferred Tax	-	(8,328,570.34)	(8,328,570.34)	-	
Profit/(loss) for the period	114,006,720.86	96,456,092.97	17,550,627.89	15.39	



Excel Development Bank Ltd.
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

5 Disclosures & Additional Information

5.1 FINANCIAL RISK MANAGEMENT

Introduction and Overview

Risk is inherent in the Bank's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is mainly exposed to;

1. Credit Risk
2. Liquidity Risk
3. Market Risk
4. Operational Risk

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Senior Management Team, along with related department/ unit, is responsible for overall risk management of the Bank which includes managing, assessing, identifying, monitoring and reducing pertinent global, macro and micro-economic level business risks that could interfere with Banks objective and goals and whether the Bank is in substantial compliance with its internal operating policies and other applicable regulations and procedures, external, legal, regulatory or contractual requirements on a continuous basis. The Bank, through its training and management standards and procedures, continuously updates and maintains a disciplined and constructive control environment, in which all employees are assigned and made to understand their respective roles and responsibilities.

5.1.1. Credit Risk

Risk is an inherent feature of any business and it drives an entity towards income generation. Likewise, Risk management objective of the bank is to strike balance between risk and return, and ensure optimum risk-adjusted return on capital. A reasonable level of return is essential for sustainability of the business. However, taking higher risk in search of higher earnings may have chances to result in failure of business.

Board level risk management committee has been set up under NRB Directive for ensuring/reviewing bank's risk appetites.

Credit Risk Mitigation (CRM)

The Bank has extensive policy and guidelines to mitigate credit risks. The Bank's credit policy has strengthened minimizing credit risk and provided support to make qualitative analysis based on sound credit principles and procedures. Bank has a policy to consider security for pledge, mortgage which have value considering physical control and legal title. Bank has considered eligible CRM as prescribed by Capital Adequacy standard. Collateral taken as Deposit with own Bank and Gold & Silver have been considered as CRM and adjusted on overall risk weighted exposure on credit risk in line with the standard.

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The general creditworthiness of customers tends to be the most relevant indicator of credit quality of a loan. However, collateral provides additional security and the Bank requests borrowers to provide same. The Bank may take collateral in the form of a first charge over real estate and residential properties, floating charges over all corporate assets and other liens and guarantees.

The Bank's policy is to pursue timely realisation of the collateral in an orderly manner. The proceeds are used to reduce or repay the outstanding claim. The Bank generally does not use non-cash collateral for its own operations.

Definition of Past Due

The Capital Adequacy Framework, 2007 (Updated July 2008) defines past due as any loan, except for a claim secured by residential property, which is or has been past due at any point of time during the last two years. The bank considers consecutive preceding eight quarters Loan Quality Report for identifying Past Due Claims.

Past due but not impaired loans

Past due but not impaired loans are those for which contractual interest or principal payments are past due, but the Bank believes that impairment is not appropriate on the basis of the stage of collection of amounts owed to the Bank.



Excel Development Bank Ltd.
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

5.1.2. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, commodity prices and equity prices. The bank classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

All of the market operations (investments) are done from Finance Department and exposure accounting including booking of income/expense is done. Likely impact on earnings due to change in the market condition and change in the standing of the counterparty are well assessed periodically and necessary actions are taken as appropriate.

5.1.3. Liquidity Risk & Funding management

Liquidity risk is the risk that the Bank will encounter difficulties in meeting its financial commitments that are settled by delivering cash or another financial asset. Hence the bank may be unable to meet its payment obligations when they fall due under both normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, and adopted a policy of continuously managing assets with liquidity in mind and of monitoring future cash flows and liquidity on a daily basis.

The Bank maintains a portfolio of highly marketable and diverse assets assumed to be easily liquidated in the event of an unforeseen interruption of expected cash flow. The Bank also has committed lines of credit that could be utilized to meet liquidity needs. Further, the Bank maintains a statutory deposit with the Nepal Rastra Bank standing approximately at 3.75% of customer local deposits. In accordance with the bank's policy, the liquidity position is assessed and managed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specific to the Bank. The most important of these is to maintain the required ratio of liquid assets to liabilities, to meet the regulatory requirement. Liquid assets consist of cash, short-term bank deposits and liquid debt securities available for immediate sale. Further the Statutory Liquid Assets Ratio of the Bank for the month of Ashad 32, 2079 is 21.57%.

5.1.4. Fair value of Financial instruments

Financial instruments are recorded at fair value. The following is a description of how fair values are determined for financial instruments that are recorded at fair value using valuation techniques. These incorporate the bank's estimate of assumptions that a market participant would make when valuing the instruments.

For all financial instruments where fair values are determined by referring to externally quoted prices or observable pricing inputs to models, independent price determination or validation is obtained. In an inactive market, direct observation of a traded price may not be possible. In these circumstances, the Bank uses alternative market information to validate the financial instrument's fair value, with greater weight given to information that is considered to be more relevant and reliable. Financials assets measured at fair value (either through PL or OCI), primarily consisting of quoted equities and quoted Mutual Fund units, are valued using the quoted market price in active markets as at the reporting date. If unquoted, those are carried at cost.

Financial investments – Measured through OCI

Financials assets measured through OCI, primarily consist of quoted equities and quoted Mutual Fund units, are valued using the quoted market price in active markets as at the reporting date. If unquoted, those are carried at cost.



Excel Development Bank Ltd.
Notes to Financial Statements

For the year ended 32 Ashad 2079 (July 16, 2022)

5.1.5. Operational Risk

Operational risk is the risk of losses arising from failed internal processes, systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. Strategic and Reputational Risks are not covered in Operational Risk.

Effective operational risk management systems aims to minimizing losses and customer dissatisfaction due to failure in processes, focusing on flows in products and their design that can expose the Bank to losses due to fraud, analyzing the impact of failures in technology/ system, developing plans to meet external shocks that can adversely impact continuity in the Bank's operations.

One of the growing risks among others these days is Operations Risk that arises out of inefficient processes and people inside and outside the Bank. Banking System (BS) is another area of concern where it has witnessed growing threat from outside. Information and Technology Division in the Bank reviews and checks the security aspects in line with IT Policy of the Bank. Bank has conducted an IS Audit of the Bank's system and suggestions given by the audit with respect to safety and security standards are being put in place.

Bank has separate unit to oversee operation risk including Compliance of KYC and AML. The division is headed by senior level staff with adequate access to the daily report, operational processes and right to recommend the changes in the system and procedures. All the activities are undertaken in line with the internal policies and guidelines including Directives and circulars from central bank (the regulatory authority). Similarly daily functions at operations are independently reported through separate reporting line other than business generation and credit risk where independence of checking and control is complied with.

Processes are reviewed periodically so that their perfection can be weighed and any shortcoming can be addressed. Most of the functions like line approval, bill payment, loan disbursement are centralized which controls activities that can cause mistake due to inadequate knowledge on the part of staff. Similarly awareness to the public is made on our services and products periodically by placing the notices in the website of the Bank, or in branches or publishing notices as appropriate. Staffs are given orientation on the job including that of system of the Bank before they are placed for the job and are guided to follow the policies and circulars for the job. Any staff for the first time in any job is put under the supervision of an experienced staff and is allowed to work independently after attaining required skills.

Bank has Policy to report to senior or management directly on anyone's suspicious conduct outside and inside the Bank. Skill development and skill enhancement programs are conducted on periodic basis and staffs identified for the program get the opportunity for training, seminar and workshop. Adequate numbers of trainings are conducted and staffs required with training are given the opportunity for skill enhancement. Knowledge sharing is one of the core methods of skill development. If a staff gets any training, s/he is encouraged to share the same among the peers in the division/branch.

In operations, the Bank has put in place a maker and checker concept in which a transaction has to compulsorily go through two individuals from a control standpoint with proper transaction right to capture deviations, if any. Similarly MIS Reports are generated to check correctness of transactions and any mistakes are promptly addressed and rectified. The activities of a personnel and division / branch can be viewed and monitored centrally through an integrated system, which helps in minimizing the risk of misconduct, if any. The Bank has an on-line replication Disaster Recovery Site (DRS) which captures the record of each transaction that takes place at the Production Server.



Excel Development Bank Ltd.
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

5 Disclosures & Additional Information

5.2. CAPITAL MANAGEMENT

The Bank's capital management policies and practices support its business strategy and ensure that it is adequately capitalised to withstand even in severe macroeconomic downturns. Excel Development Bank Limited is a licensed institution which provides financial services therefore it must comply with capital requirement of central bank "Nepal Rastra Bank". The Bank's capital consists of Tier I capital and Tier II capital.

5.2.1 Qualitative disclosures

Nepal Rastra Bank has directed the Banks to develop own internal policy, procedures and structures to manage all material risk inherent in business for assessing capital adequacy in relation to the risk profiles as well as strategies for maintaining capital levels. This includes basic requirements of having good governance, efficient process of managing all material risks and an effective regime for assessing and maintaining adequate capital. The Bank has various policies approved by BODs for proper governance.

5.2.2 Quantitative disclosures

Capital structure and capital adequacy

Amount (In '000)

1.1 RISK WEIGHTED EXPOSURES	F.Y 2078-79	F.Y 2077-78
	Current Period	Previous Period
Risk Weighted Exposure for Credit Risk	11,227,979.46	9,240,819.80
Risk Weighted Exposure for Operational Risk	844,621.11	745,060.41
Risk Weighted Exposure for Market Risk	190.44	345.42
Total Risk Weighted Exposures (Before adjustments of Pillar II)	12,072,791.01	9,986,225.63
Adjustments under Pillar II		
SRP 6.4a (5) - ALM policies & practices are not satisfactory, add 1% of net interest income to RWE	-	-
SRP 6.4a (6) - Add% of the total deposit due to insufficient Liquid Assets	-	-
SRP 6.4a (7) - Add RWE equivalent to reciprocal of capital charge of 4 % of gross income.	233,511.05	249,531.59
SRP 6.4a (9) - Overall risk management policies and procedures are not satisfactory. Add 2% of RWE	241,455.82	199,724.51
SRP 6.4a (10) - Desired level of disclosure requirement has been achieved. Add% of RWE	-	-
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	12,547,757.88	10,435,481.74
1.2 CAPITAL	Current Period	Previous Period
(A) Core Capital (Tier 1)	1,378,106.31	1,163,377.75
Paid up Equity Share Capital	1,151,792.14	811,121.22
Irredeemable Non-cumulative preference shares	-	-
Share Premium	9,545.61	4,890.59
Proposed Bonus Equity Shares	-	-
Statutory General Reserves	239,501.62	219,906.67
Retained Earnings	128,504.87	203,014.75
Un-audited current year cumulative profit	-	-
Capital Redemption Reserves	-	-
Capital Adjustment Reserves	-	-
Dividend Equalization Reserves	-	-
Other Free Reserve	-	-
Less: Goodwill	-	-
Less: Deferred Tax Assets	-	-
Less: Fictitious Assets	-	-
Less: Investment in equity of licensed Financial Institutions	-	-
Less: Investment in equity of institutions with financial interests	-	-
Less: Investment in equity of institutions in excess of limits	-	-
Less: Investments arising out of underwriting commitments	-	-
Less: Purchase of Land & Building in excess of limit & un-utilized	(151,237.92)	(75,555.48)
Less: Reciprocal crossholdings	-	-
Less: Other Deductions	-	-
Adjustments under Pillar II		
SRP 6.4a(1) -Less: Shortfall in Provision	-	-
SRP 6.4a(2) -Less: Loans & Facilities extended to related parties and restricted lending	-	-



Excel Development Bank Ltd.
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

5 Disclosures & Additional Information

(B) Supplementary Capital (Tier 2)	151,988.02	115,514.58
Cumulative and/or Redeemable Preference Share	-	-
Subordinated Term Debt	-	-
Hybrid Capital Instruments	-	-
General loan loss provision	151,974.99	115,510.25
Exchange Equalization Reserves	13.03	4.33
Investments Adjustment Reserves	-	-
Assets Revaluation Reserves	-	-
Special Reserve Fund	-	-
Total Capital Fund (Tier I and Tier II)	1,530,094.33	1,278,892.32

1.3 CAPITAL ADEQUACY RATIOS	Current Period	Previous Period
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	10.98%	11.15%
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	12.19%	12.26%

• Capital Adequacy Ratio:

The capital adequacy ratio of the bank as on 16th July, 2022 is 11.24% and that of 15th July, 2021 was 12.26%

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

Excel Development Bank adopts healthy risk management framework. The bank follows Internal Capital Adequacy Assessment Process (ICAAP) and Risk Management Guideline while taking decision on any business. It has always taken note of ICAAP and has taken steps accordingly in ensuring soundness of capital position and sustainability of the business. The bank's policies and procedures are approved by the Board of Directors and these documents provide guidance on independent identification, measurement and management of risks across various businesses. Bank's different committees like Audit Committee, Risk Management Committee review the business and risks periodically.

The bank also defines risk aspects, considering domestic economic scenario, and puts in place the system to minimize and remove such risk. The risk appetite and approach towards risk taking is well discussed in management level and board level. It is always aligned with the business, its return and capital. Basel disclosures have been complied with, addressing the risks and adopting measures to minimize their impact. Increasing complexities in risks, weakness of businesses and fast changing world with intense competition pose a threat to sustainability.

Capital planning is an integral part of the bank's medium term strategic planning and annual budget formulation process. Total risk weighted exposures for the projected level of business operations is calculated, the required capital level is projected, and a plan is formulated to retain the required capital. The bank is well capitalized and able to maintain the required capital through internal generation, and equally through capital markets if needed.

5.2.3 Compliance with external requirement

Bank has complied with externally imposed capital requirements to which it is subject and there are no such consequence where the institution has not complied with those requirement.



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

5.2.2 Risk Exposure

Table of Risk Exposure at the reporting dates is as follows:

a) Credit Risk

	As at Asadh 32, 2079					
	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
A. Balance Sheet Exposures	a	b	c	d=a-b-c	e	f=d*e
Cash Balance	392,782.20	-	-	392,782.20	0%	-
Balance With Nepal Rastra Bank	125,479.17	-	-	125,479.17	0%	-
Gold	-	-	-	-	0%	-
Investment in Nepalese Government Securities	572,412.38	-	-	572,412.38	0%	-
All Claims on Government of Nepal	-	-	-	-	0%	-
Investment in Nepal Rastra Bank securities	-	-	-	-	0%	-
All claims on Nepal Rastra Bank	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-	-	-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	100%	-
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework	-	-	-	-	0%	-
Claims on Other Multilateral Development Banks	-	-	-	-	100%	-
Claims on Domestic Public Sector Entities	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	150%	-
Claims on domestic banks that meet capital adequacy requirements	2,208,857.76	-	-	2,208,857.76	20%	441,771.55
Claims on domestic banks that do not meet capital adequacy requirements	16,786.14	16,786.14	-	-	100%	-
Claims on foreign bank (ECA Rating 0-1)	-	-	-	-	20%	-
Claims on foreign bank (ECA Rating 2)	-	-	-	-	50%	-
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	100%	-
Claims on foreign bank (ECA Rating 7)	-	-	-	-	150%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	-	-	-	-	20%	-
Claims on Domestic Corporates	2,478,729.10	-	-	2,478,729.10	100%	2,478,729.10



Excel Development Bank Limited
Notes to Financial Statement

For the year ended 32 Ashad 2079 (July 16, 2022)

5.2.2 Risk Exposure

Table of Risk Exposure at the reporting dates is as follows:

a) Credit Risk

A. Balance Sheet Exposures	As at Asadh 32, 2079					
	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
	a	b	c	d=a-b-c	e	f=d*e
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	50%	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	150%	-
Regulatory Retail Portfolio (Not Overdue)	3,923,926.93	-	130,564.50	3,793,362.43	75%	2,845,021.82
Claims fulfilling all criterion of regularity retail except granularity					100%	-
Claims secured by residential properties	1,329,379.05	-	-	1,329,379.05	60%	797,627.43
Claims not fully secured by residential properties					150%	-
Claims secured by residential properties (Overdue)	99,828.97	21,772.90	-	78,056.07	100%	78,056.07
Claims secured by Commercial real estate	13,750.94	-	-	13,750.94	100%	13,750.94
Past due claims (except for claims secured by residential properties)	591,079.08	182,970.80	-	408,108.27	150%	612,162.41
High Risk claims	1,958,459.36	-	-	1,958,459.36	150%	2,937,689.03
Lending Against Securities (Bonds & Shares)	-	-	-	-	100%	-
Investments in equity and other capital instruments of institutions listed in stock exchange	60,591.34	-	-	60,591.34	100%	60,591.34
Investments in equity and other capital instruments of institutions not listed in the stock exchange	135,100.00	-	-	135,100.00	150%	202,650.00
Staff loan secured by residential property	108,581.03	-	-	108,581.03	50%	54,290.52
Interest Receivable/claim on government securities	-	-	-	-	0%	-
Cash in transit and other cash items in the process of collection	-	-	-	-	20%	-
Other Assets (as per attachment)	498,457.95	-	-	498,457.95	100%	498,457.95
TOTAL (A)	14,514,201.39	221,529.84	130,564.50	14,162,107.05		11,020,798.17



Excel Development Bank Limited
Notes to Financial Statement

For the year ended 32 Ashad 2079 (July 16, 2022)

5.2.2 Risk Exposure

Table of Risk Exposure at the reporting dates is as follows:

a) **Credit Risk**

A. Balance Sheet Exposures	As at Asadh 32, 2079					Risk Weighted Exposures f=d*e
	Book Value a	Specific Provision b	Eligible CRM c	Net Value d=a-b-c	Risk Weight e	
B. Off Balance Sheet Exposures						
Revocable Commitments					0%	-
Bills Under Collection					0%	-
Forward Exchange Contract Liabilities					10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	-				20%	-
Foreign counterparty (ECA Rating 0-1)					20%	-
Foreign counterparty (ECA Rating 2)					50%	-
Foreign counterparty (ECA Rating 3-6)					100%	-
Foreign counterparty (ECA Rating 7)					150%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty					50%	-
Foreign counterparty (ECA Rating 0-1)					20%	-
Foreign counterparty (ECA Rating 2)					50%	-
Foreign counterparty (ECA Rating 3-6)					100%	-
Foreign counterparty (ECA Rating 7)					150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	133,492.56			133,492.56	40%	53,397.02
Foreign counterparty (ECA Rating 0-1)					20%	-
Foreign counterparty (ECA Rating 2)					50%	-
Foreign counterparty (ECA Rating 3-6)					100%	-
Foreign counterparty (ECA Rating 7)					150%	-
Underwriting commitments					50%	-
Lending of Bank's Securities or Posting of Securities as collateral					100%	-
Repurchase Agreements, Assets sale with recourse					100%	-
Advance Payment Guarantee	20,000.0000			20,000.00	100%	20,000.00
Financial Guarantee					100%	-
Acceptances and Endorsements					100%	-
Unpaid portion of Partly paid shares and Securities					100%	-
Irrevocable Credit commitments (short term)	626,861.30			626,861.30	20%	125,372.26
Irrevocable Credit commitments (long term)					50%	-



Excel Development Bank Limited
Notes to Financial Statement

For the year ended 32 Ashad 2079 (July 16, 2022)

5.2.2 Risk Exposure

Table of Risk Exposure at the reporting dates is as follows:

a) Credit Risk

A. Balance Sheet Exposures	As at Asadh 32, 2079					
	Book Value a	Specific Provision b	Eligible CRM c	Net Value d=a-b-c	Risk Weight e	Risk Weighted Exposures f=d*e
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	8,412.01			-	20%	-
Other Contingent Liabilities				8,412.01	100%	8,412.01
Unpaid Guarantee Claims				-	200%	-
TOTAL (B)	788,765.86	-	-	788,765.86		207,181.29
Total RWE for credit Risk Before Adjustment (A) +(B)	15,302,967.25	221,529.84	130,564.50	14,950,872.91		11,227,979.46
Adjustments under Pillar II						
Total RWE for Credit Risk	15,302,967.25	221,529.84	130,564.50	14,950,872.91		11,227,979.46



Excel Development Bank Limited
Notes to Financial Statement
For the year ended 32 Ashad 2079 (July 16, 2022)

b) Operational Risk

Particulars	Fiscal Year		
	2075-76	2076-77	2077-78
Net Interest Income	397,266	470,837	457,425
Commission and Discount Income	58,085	80,778	79,278
Other Operating Income	10,541	5,125	30,458
Exchange Fluctuation Income	-	-	-
Addition/Deduction in Interest Suspense during the period	15,744	67,088	16,616
Gross income (a)	481,636	623,829	583,778
Alfa (b)	15%	15%	15%
Fixed Percentage of Gross Income [c=(a×b)]	72,245	93,574	87,567
Capital Requirement for operational risk (d) (average of c)			84,462
Risk Weight (reciprocal of capital requirement of 10%) in times (e)			10
Equivalent Risk Weight Exposure [f=(d×e)]			844,621
Pillar II Adjustments			
If Gross Income for the last three years is negative (6.4 a 8)			
Total Credit and Investment (net of Specific Provision) of related month			-
Capital Requirement for Operational Risk (5% of net credit and investment)			-
Risk Weight (reciprocal of capital requirement of 10%) in times			9.09
Equivalent Risk Weight Exposure (g)			-
Equivalent Risk Weight Exposure [h=f+g]			844,621

c) Market Risk

Currency	Open Position (FCY)	Exchange Rate	Open Position (NRs.)	Relevant Open Position
INR	-	-	-	-
USD	2,987.13	127.51	380,888.95	380,888.95
GBP	-	-	-	-
EUR	-	-	-	-
THB	-	-	-	-
CHF	-	-	-	-
(a) Total Open Position				380,889
(b) Fixed Percentage				5%
(c) Capital Charge for Market Risk (=a*b)				19,044
(d) Risk Weight (reciprocal of capital requirement of 10%) in times				10
(e) Equivalent Risk Weight Exposure (=c*d)				190,444

Excel Development Bank Limited
Notes to Financial Statement

d) Non Performing Assets (Gross and Net)

Non Performing Assets	Gross Amount	Impairment Allowance	Net Amount
Restructured and Rescheduled	-	-	-
Sub-Standard	82,223	20,556	61,667
Doubtful	67,573	33,787	33,787
Bad	145,696	145,696	-
Total	295,492	200,038	95,454

5.2.3 Compliance with Capital Requirement

Inline with NRB Directive 1/078, the following is the status of compliance with capital requirements at Ashad end 2079

Particulars	Requirement	Position
Tier I Capital to RWE	6.0%	10.98%
Tier I and Tier II Capital to RWE	10.0%	12.19%



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Disclosures & Additional Information

5.3. Classification of financial assets and financial liabilities

Analysis of financial instruments by measurement basis- as at 16 July 2022

Financial instruments are measured on an ongoing basis either at fair value or at amortized cost. The summary of significant accounting policies describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognized. The following table analyses the carrying amounts of the financial instruments by category as defined in NAS 39 and by headings of the Statement of Financial Position.

	July 16, 2022			
Particulars	Measured at FVTPL	Amortized Cost	Measured at FVTOCI	Total
Financial Assets				
Cash & Cash Equivalents	-	2,345,425,909	-	2,345,425,909
Due from Nepal Rastra Bank	-	133,360,133	-	133,360,133
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Assets	-	-	-	-
Loan and Advances to B/FIs	-	272,625,436	-	272,625,436
Loans & Advances to Customers	-	10,231,444,105	-	10,231,444,105
Financial Investments - Measured at Fair Value through PL	-	-	-	-
Financial Investments - Measured at Fair Value through OCI	-	-	195,691,341	195,691,341
Financial Investments - Measured at Amortized cost	-	552,871,524.2	-	552,871,524
Other Financial Assets	-	-	-	-
Total Financial Assets	-	13,535,727,108	195,691,341	13,731,418,449
Financial Liabilities				
Due from Customers	-	11,750,563,821	-	11,750,563,821
Other Financial Liabilities	-	690,000,174	-	690,000,174
Other Liabilities	-	227,310,024	-	227,310,024
Total Financial Liabilities	-	12,667,874,019	-	12,667,874,019

	July 15, 2021			
Particulars	Measured at FVTPL	Amortized Cost	Measured at FVTOCI	Total
Financial Assets				
Cash & Cash Equivalents	-	2,684,868,697	-	2,684,868,697
Due from Nepal Rastra Bank	-	286,606,661	-	286,606,661
Placement with Bank and Financial Institutions	-	-	-	-
Derivative Financial Assets	-	-	-	-
Loan and Advances to B/FIs	-	178,131,432	-	178,131,432
Loans & Advances to Customers	-	9,194,360,185	-	9,194,360,185
Financial Investments - Measured at Fair Value through PL	-	-	-	-
Financial Investments - Measured at Fair Value through OCI	-	-	193,784,598	193,784,598
Financial Investments - Measured at Amortized cost	-	441,759,582	-	441,759,582
Other Financial Assets	-	-	-	-
Total Financial Assets	-	12,785,726,556	193,784,598	12,979,511,155
Financial Liabilities				
Due from Customers	-	11,013,905,483	-	11,013,905,483
Other Financial Liabilities	-	799,693,150	-	799,693,150
Other Liabilities	-	208,680,316	-	208,680,316
Total Financial Liabilities	-	12,022,278,949	-	12,022,278,949

**Excel Development Bank Limited
Notes to Financial Statements**

For the year ended 32 Ashad 2079 (July 16, 2022)

5 Disclosures & Additional Information**1 General Information**

- a The bank has categorized its segment on the basis of presence in the geographical locations of the country
- b Each segment provides commercial banking services such as corporate and retail lending, deprived sector lending, various deposit products and transaction banking services

5.4 Segment Reporting

Particulars	Amount in "000"			
	Jhapa	Morang	All Other Segments	Total
(a) Revenue from external customers	939,957.39	183,730.87	187,147.90	1,310,836.16
(b) Intersegment revenues	75,684.52	(95,980.77)	20,296.25	(0.00)
(c) Net Revenue	864,272.86	279,711.65	166,851.65	1,310,836.16
(d) Interest Revenue	886,756.07	173,369.29	176,593.61	1,236,718.98
(e) Interest Expense	559,747.36	111,431.55	113,550.32	784,729.23
(f) Net interest revenue (b)	327,008.72	61,937.74	63,043.29	451,989.75
(g) Depreciation and Amortization	31,423.48	6,255.62	6,374.56	44,053.66
(h) Segment profit/(loss)	135,230.15	5,437.63	4,335.60	145,003.37
Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-
(i) Other material non-cash items:	-	-	-	-
(k) Impairment of assets	294,008.66	33,694.10	29,015.93	356,718.70
(l) Segment assets	10,559,665.68	2,093,319.49	1,665,205.58	14,318,190.75
(m) Segment liabilities	10,559,665.68	2,093,319.49	1,665,205.58	14,318,190.75



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

5 Disclosures & Additional Information

5.4.1 Measurement of operating segment profit or loss, assets and liabilities

The transaction between the branches are charged at transfer price decided by Asset Liability Management Committee of the bank.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

5.4.2 Reconciliations of reportable segment revenues, profit or loss, assets and liabilities (Figures in "000")

a. Revenue

Total revenues for reportable segment	1,310,836.16
Other revenues	-
Elimination of intersegment revenues	-
Entity's revenues	1,310,836.16

b. Profit or loss

Total profit or loss for reportable segments	145,003.37
Other profit or loss	-
Elimination of intersegment profits	-
Profit before income tax	145,003.37

c. Assets

Total assets for reportable segments	14,318,190.75
Other assets	-
Unallocated amounts	-
Entity's assets	14,318,190.75

d. Liabilities

Total liabilities for reportable segments	14,318,190.75
Other liabilities	-
Unallocated liabilities	-
Entity's liabilities	14,318,190.75

5.4.3 Information about products and services

Revenue from each type of product and services described in point no. 1(b) above

- Loans and advances
- Fees and commission income

5.4.4 Information about geographical areas

Revenue from following geographical areas

(a) Domestic	1,310,836.16
Jhapa	939,957.39
Morang	183,730.87
All Other Segments	187,147.90
(b) Foreign	
Total	1,310,836.16



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

5.4.5 Information about major customers

Total revenue from any single external customer does not amount to 10 percent or more of the bank's revenue.

5.5 Share options and share based payment

A share-based payment is a transaction in which the bank receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the entity's shares or other equity instruments of the entity. The bank does not have any share option and share based payment.

5.6 Contingent liabilities and capital commitment

Where the Bank undertakes to make a payment on behalf of its customers for guarantees issued, such as for performance bonds or as irrevocable letters of credit as part of the Bank's transaction banking business for which an obligation to make a payment has not arisen at the reporting date, those are included in these financial statements as contingent liabilities.

Other contingent liabilities primarily include revocable letters of credit and bonds issued on behalf of customers to customs, for bids or offers.

Commitments:

Where the Bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, future guarantees, whether cancellable or not, or letters of credit and the Bank has not made payments at the reporting date, those instruments are included in these financial statement as commitments.

Please refer Note No. 4.28.1 to 4.28.4 for the detail of contingent liabilities and commitments as at 16 July 2022

Litigations:

Litigations are anticipated in the context of business operations due to the nature of the transactions involved. The Bank and the Group are involved in various such legal actions and the controls have been established to deal with such legal claims. There are pending litigations existing as at the end of the reporting period against the Bank, resulting through normal business operations.

The details of litigations are presented in 4.28.5.

5.7 Related Parties Disclosures

Related parties of the Bank include key management personnel of the Bank.

5.7.1 Key management Personnel

Key management personnel (KMP) of the bank include members of the board, Chief Executive Officer and top-level executives. Followings are a list of Board of Directors and CEO bearing office at 16 July 2022:

Name	Post
Mahendra Kumar Goyal	Board Chairman
Rajan Sharma	Board Member
Amit Kumar Agrawal	Board Member
Parshuram Dahal	Board Member
Purusotam Lamsal	Board Member
Peshal Raj Pokharel	Board Member
Sushama Sharma	Board Member
Dr. Indra Kumar Kattel	Chief Executive Officer



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

Allowances and facilities provided to Board Members

All members of the Board are non-executive directors and no executive compensation is paid to the directors. Specific non-executive allowances paid to directors are as under:

Particulars	Amount in Rs.
a Board Level Meeting Fees	954,938.09
b Other Benefits	807,988.34
Total	1,762,926.43

These allowances and benefits are approved by the Annual General Meeting of the Bank.

Compensation to Senior Management Team (CEO, DCEO & AGM)

Particulars	Compensation (Rs.)	Remarks
Short Term Employee Benefits	7,837,345.25	Salary and allowances
Post Employee Benefits	358,385.56	For This FY 2078-79
Other Long Term Benefits	153,386.29	For This FY 2078-79

* Post-employment benefits include Gratuity. Provident Fund is deposited in an independent institution and Gratuity is provided for as per Employee Byelaws of the Bank.

** Other long-term employment benefit includes Home Leave and Sick Leave encashment over and above the accumulation limit set as per Employee Byelaws of the Bank.

*** KMP also get accidental and medical insurance, fuel, and mobile facilities as per Employee Byelaws and other policies of the Bank.

****The compensation to CEO stated is of then Acting CEO Mr.Lek Raj Karki till April 10, 2022 and CEO Dr. Indra Kumar Kattel there after till the end of fiscal year.

5.8 Merger and acquisition

The Bank has not entered into any merger and acquisition.

5.9 Compliance with Directives/Circulars related to COVID-19

Due to the COVID-19 pandemic and lockdown situation subsequent to spread of the virus, borrowers have faced/are facing financial hardship and their ability to suffice their loan commitments is under immense stress. Bank has duly complied with the directives, circulars and notices related to COVID impact mitigating measures issued by Nepal Rastra Bank time to time.

5.10 Additional disclosures of non-consolidated entities

Not Applicable

5.11 Events after reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

(a) Those that provide evidence of conditions that existed at the end of reporting period (adjusting events after the reporting period); and

(b) Those that is indicative of conditions that arose after the reporting period (non-adjusting events after the reporting p

Non adjusting Event-Disclosure

There are no material Non-adjusting events that have occurred subsequent to 16th July, 2022 till the signing of this financial statement.

Adjusting Event

There are no material adjusting events that have occurred subsequent to 16th July, 2022 till the signing of this financial statement.

Proposed dividend

The Board of Directors as per BOD meeting no. 286 held on 27th Chaitra, 2079 has decided not to distribute any dividend for FY. 2078.79



Excel Development Bank Limited
Notes to Financial Statements
For the year ended 32 Ashad 2079 (July 16, 2022)

6 Disclosure as Prescribed in AGM Clearance Guidelines, 2077

6.1 Disclosure with respect to compliance of directives issued by NRB to curb effect of COVID 19
(As per format prescribed in AGM Clearance Guidelines, 2077)

Particulars	Annexure 1 As at Ashad end 2079	
	No. of Customers	Amount(NRs)
Accrued Interest Received after Ashad end 2079 till 15 Shrawan 2079	NA	NA
Additional 0.3% Loan Loss Provision created on Pass Loan Portfolio	5,264	29,108,105.59
Extension of moratorium period of loan provided to industry or Project under construction	NA	NA
Restructured/Rescheduled Loan with 5% Loan Loss Provision	35	118,514,748.86
Enhancement of working capital Loan by 20% to covid affected borrower	NA	NA
Enhancement of Term Loan by 10% to covid affected borrower	NA	NA
Expiry Date of Additional 20% Working Capital Loan (COVID Loan) extended for upto 1 year with 5% Provisioning	NA	NA
Expiry Date of Additional 10% Working Capital Loan (COVID Loan) extended for upto 1 year with 5% Provisioning	NA	NA
Time Extension provided for repayment of Principal and Interest upto two years as per clause 41 of NRB Directives	NA	NA

Particulars	Annexure 1 As at Ashad end 2079	
	No. of Customers	Amount(NRs)
Refinance Loan	98	263,290,519.00
Business Continuity Loan	-	-

Particulars	Annexure 3 As at Ashad end 2079	
	No. of Customers	Amount(NRs)
Subsidized Loan	353	581,967,634.72

6.2 Disclosure with respect to Interest income recognition, Interest receivable on loan on Ashad end 2079 and Interest received upto Shrawan 15

Interest has been recognised as per accrual basis of accounting in accordance with NAS 18 subject to Guideline on Recognition of Interest Income, 2019 issued by ICAN.

As per NRB Directive 4, applicable for FY 2078-79 accrued interest of 2078-79 (not received upto Ashad 2079) but received upto Shrawan 15 can be accounted as interest income of 2077-78. Bank has not opted above provision.

The Bank has transferred only accrued interest of Ashad 2079 to regulatory reserve.

Details relating to AIR and Interest received are as follows:

Particulars	Amount
Total Interest receivable on Ashad end 2079 Excluding Bad Loan	140,028,145.78
Total Interest receivable on Ashad end 2079 on Bad Loan	65,081,833.03
Total	74,946,312.75
Interest Received from Shrawan to Shrawan 15 excluding Bad loan	-
Interest Received from Shrawan to Shrawan 15 on Bad loan	-
Total	-
Total Interest not received upto Shrawan 15 (relating to AIR upto Ashad end 2079)	74,946,312.75



Excel Development Bank Ltd.

Major Financial Indicators of last 5 years

For the year ended 32 Ashad 2079 (July 16, 2022)

S. No.	Indicators	Unit	FY 2074/75	FY 2075/76	FY 2076/77	FY 2077/78	FY 2078/79
1	Net Profit/Gross income	Percent	25.81%	19.17%	8.95%	12.62%	7.36%
2	Earnings per share	NPR	23.75	24.32	12.78	16.48	8.37
3	Market value per share	NPR	326.00	283.00	298.00	855.00	327.00
4	Price earning Ratio	Ratio	13.72	11.64	23.32	51.88	39.05
5	Dividend (including bonus) on Share Capital (%)	Percent	17.00%	18.00%	12.63%	8.95%	-
6	Cash Dividend on Share Capital (%)	Percent	17.00%	0.90%	0.63%	0.45%	-
7	Interest Income/ Loans and Advances (%)	Percent	14.16%	12.72%	13.65%	9.94%	11.39%
8	Staff Expenses/ Total Operating Expenses (%)	Percent	59.30%	59.28%	64.79%	64.40%	62.47%
9	Interest Expenses/ Total Deposits & Borrowings (%)	Percent	4.91%	5.55%	5.87%	4.32%	6.45%
10	Exchange Gain/ Total Income (%)	Percent	-	-	-	-	0.00%
11	Staff Bonus/ Total Staff Expenses (%)	Percent	24.20%	20.75%	9.99%	11.65%	7.87%
12	Net Profit/ Total Loans & Advances (%)	Percent	3.85%	2.65%	1.33%	1.40%	0.89%
13	Net Profit/ Total Assets (%)	Percent	2.61	1.96	0.91	1.00	0.67
14	Total Loans & Advances/ Total Deposits (%)	Percent	81.57%	85.63%	77.00%	83.87%	89.22%
15	Total Operating Expenses/ Total Assets (%)	Percent	2.47%	2.29%	2.24%	2.07%	2.29%
16	Capital Adequacy (On Risk Weighted Assets)						
	a. Core Capital	Percent	18.43%	12.68%	12.29%	11.15%	10.98%
	b. Supplementary Capital	Percent	0.80%	0.83%	1.38%	1.11%	1.21%
	c. Total Capital Fund	Percent	19.23%	13.50%	13.67%	12.26%	12.19%
17	Liquidity (%)	Percent	32%	23%	30.27%	26.98%	24.90%
18	Non-Performing Loan/ Total Loans & Advances (%)	Percent	0.62%	0.62%	2.76%	3.77%	2.85%
19	Weighted Average Interest Rate Spread	Percent	8.29%	6.35%	7.05%	4.84%	4.54%
20	Book Net Worth (Per Share)	NPR	141.52	148.67	141.30	161.73	141.83
21	Number of Shares	No.	6,926,739.75	6,926,739.75	8,111,212.25	8,111,212.25	11,517,921.39
22	Number of Staff	No.	149	216	242	266	270



नेपाल राष्ट्र बैंक
वित्तीय संस्था सुपरिवेक्षण विभाग



केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं
फोन नं.: ०१-४४१२३०७

Site: www.nrb.org.np
Email: nrbfsd@nrb.org.np
पोष्ट बक्स: ७३

पत्रसंख्या : वि.सं.सु.वि./गैरस्थलगत/एक्सेल/०७९/८०
च.नं. १९२

मिति : २०८०/०२/१७

एक्सेल डेभलपमेन्ट बैंक लिमिटेड,
बिर्तामोड, भ्जापा ।

विषय : वार्षिक वित्तीय विवरण प्रकाशन सम्बन्धमा ।

महाशय,

त्यस संस्थाले पेश गरेको आर्थिक वर्ष २०७८/७९ 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 २०७८/७९ को लेखापरीक्षण भएको वार्षिक वित्तीय विवरण प्रकाशन गर्न सहमति प्रदान गरिएको व्यहोरा अनुरोध छ ।

१. श्रम ऐन, २०७४ र अन्य प्रचलित कानून बमोजिम संस्थाको कर्मचारी सेवा विनियमावलीमा समयानुकूल संशोधन गर्नुहुन ।
२. कर्जा प्रवाह पश्चात अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन ।
३. यस बैंकबाट जारी एकीकृत निर्देशन नं १५/०७८ बमोजिम ब्याजदर सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
४. यस बैंकबाट जारी एकीकृत निर्देशन नं १९/०७८ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन ।
५. संस्थाको संस्थागत सुशासन, आन्तरिक लेखापरीक्षण, आन्तरिक नियन्त्रण प्रणाली, समग्र जोखिम व्यवस्थापन, कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC) तथा अनुपालना लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक र यस बैंकबाट औल्याएका कैफियतहरू पुनः नदोहोरिने व्यवस्था गर्नुहुन ।

भवदीय,

(अमृतबहादुर बुढाथोकी)
उप-निर्देशक

बोधार्थ:

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



एक्सेल डेभलपमेन्ट बैंक लिमिटेड केन्द्रीय कार्यालय, विर्तामोड (झापा)

तहाँको वि.स.सु.वि./गैरस्थलगत/एक्सेल/०७९/८० मिति २०८०।०२।१७ को पत्रानुसार प्राप्त निर्देशन सम्बन्धमा सञ्चालक समितिको बैठक नं. २८८ मिति २०८०।०२।२२ को निर्णयानुसार देहाय बमोजिम गरेको व्यहोरा जानकारीको लागि अनुरोध छ।

निर्देशन नं (१) : श्रम ऐन, २०७४ र अन्य प्रचलित कानून बमोजिम संस्थाको कर्मचारी सेवा विनियमावलीमा समयानुकूल संशोधन गर्नुहुन।

प्रत्युत्तर : निर्देशन बमोजिम श्रम ऐन, २०७४ र अन्य प्रचलित कानून बमोजिम संस्थाको कर्मचारी सेवा विनियमालीमा समयानुकूल संशोधन गर्दै लगिने व्यहोरा अनुरोध गर्दछौ।

निर्देशन नं. (२) : कर्जा प्रवाह पश्चात अनिवार्य रूपमा कर्जा सदुपयोगिताको सुनिश्चितता गर्नुहुन।

प्रत्युत्तर : निर्देशन बमोजिम कर्जा प्रवाह पश्चात कर्जा सदुपयोगिता सम्बन्धी कार्यलाई थप प्रभावकारी बनाउनको लागि आवश्यक अनुगमन एवं नियन्त्रण कार्यहरु अझ प्रभावकारी रूपमा कार्यान्वयन गर्ने व्यवस्था गर्नेछौ।

निर्देशन नं. (३) : यस बैंकबाट जारी एकीकृत निर्देशन नं. १५/०७८ बमोजिम व्याजदर सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन।

प्रत्युत्तर : नेपाल राष्ट्र बैंकबाट जारी एकीकृत निर्देशन नं. १५/०७८ बमोजिम व्याजदर सम्बन्धी व्यवस्थाको पालना पूर्ण रूपमा गरि रहने छौ।

निर्देशन नं. (४) : यस बैंकबाट जारी एकीकृत निर्देशन नं. १९/०७८ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालना गर्नुहुन।

प्रत्युत्तर : निर्देशन बमोजिम तहाँ बैंकबाट जारी एकीकृत निर्देशन नं. १९/०७८ बमोजिम सम्पत्ति शुद्धीकरण तथा आतंकवादी कार्यमा वित्तीय लगानी निवारण सम्बन्धी व्यवस्थाको पूर्णरूपमा पालनाको निम्ति कटिबद्ध छौ।

निर्देशन नं. (५) : संस्थाको संस्थागत सुशासन, आन्तरिक लेखापरीक्षण, आन्तरिक नियन्त्रण प्रणाली, समग्र जोखिम व्यवस्थापन, कर्जा प्रवाह र व्यवस्थापन, ग्राहक पहिचान (KYC) तथा अनुपालना लगायतका विषयमा आन्तरिक लेखापरीक्षक, बाह्य लेखापरीक्षक र यस बैंकबाट औल्याएका कैफियतहरु पुनः नदोहोरिने व्यवस्था गर्नुहुन।

प्रत्युत्तर : निर्देशन बमोजिम माथि उल्लेख गरिएका क्षेत्रहरुमा देखाईएको कैफियतहरु पुनः नदोहोरिनको लागि आवश्यक अनुगमन तथा नियन्त्रण प्रणालीलाई अझ सशक्त रूपमा परिचालन गर्ने व्यवस्था गर्दछौ।