



# **INTERIM FINANCIAL STATEMENTS**

**PERIOD: CHAITRA END 2082 (13<sup>th</sup> APRIL 2026)**

**Forward Microfinance Laghubitta Bittiya Sanstha Limited**  
**Statement of Financial Position**  
**As on 30th Chaitra 2082 (13th April 2026)**

<b>Particulars</b>	<b>Chaitra 2082</b>	<b>Ashad 2082</b>
<b>ASSETS</b>		
Cash and Cash equivalent	1,557,562,377	1,028,699,139
Statutory Balances and Due from Nepal Rastra Bank	103,000,000	103,000,000
Placement with Bank & Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loans and Advance to MFIs and Cooperatives	-	-
Loans and Advances to customers	20,346,264,870	19,911,815,429
Investment Securities	1,195,691	1,195,691
Current Tax Assets	119,997,360	-
Investment Property	-	-
Property and Equipment	195,172,913	205,309,312
Goodwill and Intangible assets	2,323,250	3,192,277
Deferred Tax Assets	669,222,511	669,222,511
Other Assets	146,845,668	127,078,410
<b>Total Assets</b>	<b>23,141,584,640</b>	<b>22,049,512,768</b>
<b>Particulars</b>	<b>Chaitra 2082</b>	<b>Ashad 2082</b>
<b>Liabilities</b>		
Due to Bank and Financial Institutions	8,928,017,517	8,868,829,699
Due to Nepal Rastra Bank	-	-
Derivative Financial Instrument	-	-
Deposits from Customers	11,006,374,682	10,072,942,070
Borrowing	-	2,083,333
Current Tax Liabilities	-	150,519,072
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	341,627,465	248,241,987
Debt Securities Issued	-	-
Subordinated Liabilities	-	-
<b>Total Liabilities</b>	<b>20,276,019,665</b>	<b>19,342,616,162</b>
<b>Equity</b>		
Share Capital	1,195,953,710	1,195,953,710
Share Premium		
Retained Earnings	(400,459,230)	(497,455,469)
Reserves	2,070,070,495	2,008,398,365
<b>Total Equity</b>	<b>2,865,564,976</b>	<b>2,706,896,606</b>
<b>Total Liabilities and Equity</b>	<b>23,141,584,640</b>	<b>22,049,512,768</b>

**Forward Microfinance Laghubitta Bittiya Sanstha Limited**  
**Statement of Profit or Loss**  
**For the period ended 30th Chaitra 2082 (13th April 2026)**

Particulars	Chaitra 2082		Chaitra 2081	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	718,207,172	2,155,789,632	795,046,746	2,058,461,905
Interest Expense	353,070,871	1,071,315,134	379,437,399	1,176,760,449
<b>Net Interest Income</b>	<b>365,136,301</b>	<b>1,084,474,498</b>	<b>415,609,347</b>	<b>881,701,456</b>
Fees and Commission Income	60,193,887	142,477,071	49,150,772	130,705,350
Fees and Commission Expense	10,594	2,819,304	1,363,384	4,042,290
<b>Net Fee and Commission Income</b>	<b>60,183,294</b>	<b>139,657,766</b>	<b>47,787,388</b>	<b>126,663,060</b>
<b>Net Interest, Fee and Commission income</b>	<b>425,319,595</b>	<b>1,224,132,264</b>	<b>463,396,736</b>	<b>1,008,364,516</b>
Net Trading Income	-	-	-	-
Other Operating Income	10,090,907	27,271,519	7,247,717	16,228,287
<b>Total Operating Income</b>	<b>435,410,502</b>	<b>1,251,403,784</b>	<b>470,644,452</b>	<b>1,024,592,804</b>
Impairment charge/(reversal) for loans and other losses	327,803,367	523,172,266	109,472,350	375,003,722
<b>Net Operating Income</b>	<b>107,607,135</b>	<b>728,231,518</b>	<b>361,172,102</b>	<b>649,589,082</b>
<b>Operating Expense</b>	-	-	-	-
Personnel Expenses	105,037,625	387,521,708	158,802,855	381,739,936
Other Operating Expenses	39,330,338	96,225,751	23,758,984	66,338,771
Depreciation and Amortization	4,025,713	12,077,140	5,256,095	15,656,842
<b>Operating Profit</b>	<b>(40,786,542)</b>	<b>232,406,918</b>	<b>173,354,167</b>	<b>185,853,533</b>
Non-Operating Income	215,514	215,514	135,600	282,684
Non-Operating Expense	-	-	166,108	166,108
<b>Profit Before Income Tax</b>	<b>(40,571,028)</b>	<b>232,622,432</b>	<b>173,323,659</b>	<b>185,970,109</b>
Income Tax Expense	(12,171,308)	69,786,730	145,995,643	149,789,578
<i>Current Tax</i>	<i>(74,761,829)</i>	<i>69,786,730</i>	<i>145,995,643</i>	<i>149,789,578</i>
<i>Deferred Tax (income)/expense</i>	<i>62,590,521</i>	-	-	-
<b>Profit for the year</b>	<b>(28,399,719)</b>	<b>162,835,703</b>	<b>27,328,016</b>	<b>36,180,531</b>
<b>Profit attributable to:</b>	-	-	-	-
Equity holders of the Microfinance Institution	(28,399,719)	162,835,703	27,328,016	36,180,531
<b>Profit for the period</b>	<b>(28,399,719)</b>	<b>162,835,703</b>	<b>27,328,016</b>	<b>36,180,531</b>
<b>Earnings Per Share (EPS)</b>				
Basic Earnings per share		13.62		3.03
Basic Earnings per share (Annualized)		18.15		6.05
Diluted Earnings per share (Annualized)		18.15		6.05

**Forward Microfinance Laghubitta Bittiya Sanstha Limited**  
**Statement of Comprehensive Income**  
**For the period ended 30th Chaitra 2082 (13th April 2026)**

Particulars	Chaitra 2082	Chaitra 2081
<b>Profit for the year</b>	<b>162,835,703</b>	<b>36,180,531</b>
Other Comprehensive income for the year, net of income tax	-	-
<b>Total Comprehensive Income for the year</b>	<b>162,835,703</b>	<b>36,180,531</b>

<b>Forward Microfinance Laghubitta Bittiya Sanstha Limited</b>		
<b>Statement of Distributable profit or loss</b>		
<b>For the period ended 30th Chaitra 2082 (13th April 2026)</b>		
<b>(As per NRB Regulation)</b>		
<b>Particulars</b>	<b>Chaitra 2082</b>	<b>Chaitra 2081</b>
<b>Net Profit/(loss) as per Statement of Profit or Loss</b>	<b>162,835,703</b>	<b>36,180,531</b>
<b>Appropriations:</b>		
a. General Reserve	(32,567,141)	(7,236,106)
b. Foreign Exchange Fluctuation fund	-	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(1,628,357)	(361,805)
e. Employee training fund	-	(2,217,809)
f. Client Protection Fund	(3,256,714)	(542,708)
g. Other	-	-
<b>Profit/(loss) before regulatory adjustment</b>	<b>125,383,491</b>	<b>25,822,102</b>
<b>Regulatory Adjustments:</b>		
a. Interest Receivable (-)/previous accrued interest received(+)	(28,232,791)	(53,348,024)
b. Short loan loss provision in accounts(-)/reversal(+)	-	-
c. Short provision for possible losses on investment(-)/reversal(+)	-	-
d. Short provision for possible losses on Non-Banking Assets (-)/reversal(+)	-	-
e. Deferred Tax Assets recognized (-)/reversal(+)	-	-
f. Goodwill recognized (-)/Impairment of Goodwill(+)	-	-
g. Bargain purchase gain recognized (-)/reversal(+)	-	-
h. Actuarial Loss recognized (-)/reversal(+)	-	-
i. Write back from restructured loans and advances transferred to reserve	-	-
j. Write back from restructured loans and advances transferred from reserve	-	69,213,044
<b>Net Profit for the period available for distribution</b>	<b>97,150,701</b>	<b>41,687,122</b>
Opening Retained Earning as on Shrawan 1	(497,455,469)	230,165,755
Adjustment (+/-)		
Prior period error-staff loan interest difference	(154,461)	-
<b>Distribution:</b>		
Bonus shares issued	-	(140,389,977)
Cash Dividend Paid	-	(7,388,946)
<b>Total Distributable Profit/(Loss) as on Period end date</b>	<b>(400,459,230)</b>	<b>124,073,955</b>
<b>Distributable Profit/(Loss) per share (Annualized)</b>	<b>(30.78)</b>	<b>11.54</b>

**Forward Microfinance Laghubitta Bittiya Sanstha Limited**  
**Statement of Cash Flows**  
**For the period ended 30th Chaitra 2082 (13th April 2026)**

<b>Particulars</b>	<b>Chaitra 2082</b>	<b>Chaitra 2081</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest income received	2,110,975,679	1,973,782,502
Fees and commission income received	142,477,071	130,705,350
Dividend received	-	-
Receipts from other operating income	27,487,033	16,228,287
Interest expenses paid	(1,056,590,431)	(1,172,362,496)
Fees and commission expense paid	(2,819,304)	(4,042,290)
Personnel expenses paid	(361,674,771)	(350,090,393)
Other Operating expense paid	(96,225,751)	(66,338,771)
<b>Operating cash flows before changes in operating assets and liabilities</b>	<b>763,629,525</b>	<b>527,882,190</b>
<b>(Increase)/Decrease in operating assets</b>		
Due from Nepal Rastra Bank	-	-
Placement with Bank and Financial Institutions	-	-
Other trading assets	-	-
Loans and advances to bank and financial institutions	-	-
Loans and advances to customers	(912,807,754)	(1,233,504,758)
Other assets	(19,767,258)	(4,952,163)
<b>Increase/(Decrease) in operating liabilities</b>		
Due to Bank and financial institutions	59,187,818	(181,268,583)
Due to Nepal Rastra Bank	-	-
Deposit from customers	933,432,612	748,164,918
Borrowings	(2,083,333)	(6,250,000)
Other liabilities	52,659,377	(69,782,632)
<b>Net cash flow from operating activities before tax paid</b>	<b>874,250,987</b>	<b>(219,711,029)</b>
Income taxes paid	(340,303,161)	(149,849,156)
<b>Net cash flow from operating activities</b>	<b>533,947,825</b>	<b>(369,560,186)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(1,071,715)	(2,674,508)
Receipt from the sale of property and equipment	-	-
Purchase of intangible assets	-	-
Receipt from the sale of intangible assets	-	-
Purchase of investment properties	-	-
Receipt from the sale of investment properties	-	-
<b>Net cash used in investing activities</b>	<b>(1,071,715)</b>	<b>(2,674,508)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipts from issue of subordinated liabilities	-	-
Repayment of subordinated liability	-	-
Receipts from issue of shares	-	-
<b>Other receipt/payment:</b>		
Client protection fund, CSR reserve	(4,012,872)	(14,256,562)
<b>Net cash from financing activities</b>	<b>(4,012,872)</b>	<b>(14,256,562)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>528,863,238</b>	<b>(386,491,255)</b>
Cash and cash equivalents at 1 Shrawan	1,028,699,139	1,279,969,342
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
<b>Cash and cash equivalents at Chaitra end</b>	<b>1,557,562,377</b>	<b>893,478,086</b>

Forward Microfinance Laghubitta Bittiya Sanstha Limited										
Statement of Changes In Equity										
For the period ended 30th Chaitra 2082 (13th April 2026)										
Attributable to equity holders of the Microfinance										
	Share Capital	Share premium	General reserve	Exchange Equalisation Fund	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained earning	Other Reserves	Total equity
<b>Balance at 1st Shrawan 2081</b>	1,055,563,734	-	692,059,562	-	654,111,048	(464,257)	-	230,165,755	390,485,072	3,018,631,999
Adjustment/Restatement										
<b>Adjusted/Restated balance at 1st Shrawan 2081</b>	1,055,563,734	-	692,059,562	-	654,111,048	(464,257)	-	230,165,755	390,485,072	3,018,631,999
<b>Comprehensive income for the year</b>										
<b>Profit for the year</b>								36,180,531		8,852,515
<b>Other comprehensive income, net of tax</b>										
Gains/(losses) from investment in equity instruments measured at fair value.						-				
Gains/(losses) on revaluation										
Actuarial gains/(losses) on defined benefit plans										
Gains/(losses) on cash flow hedge										
Exchange gains/(losses) (arising from translating financial assets of foreign operation)										
<b>Total Comprehensive income for the year</b>	-	-	-	-	-	-	-	36,180,531		36,180,531
Transfer to Reserves during the year			7,236,106		53,348,024			(63,706,452)	3,122,322	
Transfer from reserve during the year								69,213,044	(69,213,044)	
<i>Other Components:</i>										
Interest income of CPF									2,721,945	2,721,945
Expenses from CPF and CSR									(16,978,507)	(16,978,507)
<b>Transactions with owners, directly recognised in equity</b>										
Share Issued										
Share Based Payments										
Dividends to equity holders										
Bonus shares issued	140,389,977							(140,389,977)		
Cash dividend paid								(7,388,946)		(7,388,946)
Other										
<b>Total contributions by and distributions</b>	140,389,977	-	7,236,106	-	53,348,024	-	-	(106,091,800)	(80,347,284)	14,535,023
<b>Balance at 31st Chaitra 2081</b>	1,195,953,710	-	699,295,668	-	707,459,072	(464,257)	-	124,073,955	310,137,788	3,033,167,021
<b>Balance at 1st Shrawan 2082</b>	1,195,953,710	-	692,059,562	-	1,195,097,395	(563,016)	-	(497,455,469)	121,804,425	2,706,896,606
Adjustment/Restatement								(154,461)		
<b>Adjusted/Restated balance at 1st Shrawan 2082</b>	1,195,953,710	-	692,059,562	-	1,195,097,395	(563,016)	-	(497,609,930)	121,804,425	2,706,896,606
<b>Comprehensive income for the year</b>										
<b>Profit for the year</b>								162,835,703		162,835,703
<b>Other comprehensive income, net of tax</b>										
Gains/(losses) from investment in equity instruments measured at fair value.						-				
Gains/(losses) on revaluation										
Actuarial gains/(losses) on defined benefit plans										
Gains/(losses) on cash flow hedge										
Exchange gains/(losses) (arising from translating financial assets of foreign operation)										
<b>Total Comprehensive income for the year</b>	-	-	-	-	-	-	-	162,835,703		162,835,703
Transfer to Reserves during the year			32,567,141		28,232,791			(65,685,002)	4,885,071	
Transfer from reserve during the year										
<i>Other Components:</i>										
Interest income of CPF									2,310,942	2,310,942
Expenses from CPF, CSR, and ETF									(6,323,814)	(6,323,814)
<b>Transactions with owners, directly recognised in equity</b>										
Share Issued										
Share Based Payments										
Dividends to equity holders										
Bonus shares issued										
Cash dividend paid										
Other										
<b>Total contributions by and distributions</b>	-	-	32,567,141	-	28,232,791	-	-	97,150,701	872,199	158,822,831
<b>Balance at 30th Chaitra 2082</b>	1,195,953,710	-	724,626,702	-	1,223,330,185	(563,016)	-	(400,459,230)	122,676,624	2,865,564,976

<b>Forward Microfinance Laghubitta Bittiya Sanstha Limited</b>				
<b>Ratios as per NRB Directives</b>				
<b>Particulars</b>	<b>Chaitra 2082</b>		<b>Chaitra 2081</b>	
	<b>This Quarter</b>	<b>Up to this Quarter (YTD)</b>	<b>This Quarter</b>	<b>Up to this Quarter (YTD)</b>
Capital fund to RWA		7.27%		9.58%
Non-performing loan (NPL) to total loan		18.91%		5.85%
Total loan loss provision to Total NPL		84.97%		158.55%
Cost of Funds (for the month only)		7.34%		8.73%
Credit to Deposit and borrowing Ratio		115.98%		116.41%
Base Rate (for the month only)		10.76%		12.07%
Interest Rate Spread		7.34%		6.24%

<b>Capital Market and other Financial Indicators</b>	
<b>Ratios</b>	<b>Figure</b>
Liquidity ratio	7.68%
Return on Total assets (Annualized)	0.94%
Return on equity (Annualized)	7.79%
Net Assets Value per share	239.61
Total Assets Value per share	1934.99
PE Ratio	64.21
Closing Share Price	1165.70
Minimum Share Price (within Q3 period)	1012.40
Maximum Share Price (within Q3 period)	1180.00
Trade Count (within Q3 period)	4644
Trade days (within Q3 period)	53
Number of traded shares (within Q3 period)	345927



**FORWARD MICROFINANCE LAGHUBITTA BITTIYA SANSTHA LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE INTERIM FINANCIAL STATEMENTS**

## **1 Reporting Entity**

### **1.1 Corporate Information**

Forward Microfinance Laghubitta Bittiya Sanstha Limited (herein after referred to as “Forward MFI”) is a public limited company incorporated under the Companies Act, 2063 and licensed by Nepal Rastra Bank to conduct banking transaction as a “D” Class Financial Institution under the Bank and Financial Institution Act, 2073. Forward MFI has its registered head Office at Duhabi-5, Sunsari, Nepal. Forward MFI received the license to commence microfinance operations on Chaitra 06, 2069 BS (March 18, 2013 AD).

The Authorized Capital of Forward MFI is Rupees 1,750,000,000/- and the issued and paid-up capital is Rupees 1,195,953,710/-. Seventy percent of the paid-up Capital is held by the promoters and the remaining thirty percent is held by the general public. The shares of Forward MFI are listed at Nepal Stock Exchange Limited (NEPSE) with trading Code “FOWAD”.

### **1.2 Principal activities of Forward MFI**

The objective of Forward MFI is to increase financial access to the poor households particularly the women of the poor families living in rural and remote areas of Nepal.

## **2 Basis of Preparation**

### **2.1 Statement of compliance**

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) Accounting Standards developed by the Accounting Standards Board (ASB) of Nepal, pronounced by The Institute of Chartered Accountants of Nepal (ICAN) and as per the directives no. 4 of Unified Directives, 2081 with subsequent circulars and guidelines issued by Nepal Rastra Bank (NRB) with the following exceptions:

- **Application of NFRS 9 Financial Instruments**

Nepal Rastra Bank has issued amended ECL guidelines dated 2082/04/11 on implementation of NFRS 9 Financial Instruments, particularly the expected credit loss model (ECL). This guideline repealed the previous interest income recognition guidelines 2019 issued by Nepal Rastra Bank and the previous incurred loss model for impairment as per NAS 39 to incorporate the expected credit loss model for impairment as per NFRS 9 with effect from FY 2081/82. Further, Nepal Rastra Bank has issued notices regarding amendments to the previously issued EIR guidelines on 2082/04/11.

The FORWARD MFI have calculated the ECL and interest income as per the NFRS 9 Principles taking in to account the guidelines issued by Nepal rastra bank. The Expected credit loss allowance and provisions as per NRB Directives are as follows:

<b>Particulars</b>	<b>Amount (NPR.)</b>
Expected credit loss allowance as per NFRS 9	1,866,142,037
Loan loss provisions as per NRB Directives	3,714,985,162

Hence, as per the NRB ECL Guidelines, higher provisions basis i.e., as per NRB Directives (NPR. 3,714,985,162) is considered in the financial statements for Chaitra 2082.

The financial statements have been prepared on a going-concern basis, as management is satisfied that Forward MFI has adequate resources to continue as a going concern for the foreseeable future.

These financial statements consist Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income, Statement of Changes in Equity and Statements of Cash Flows along with the necessary and related notes as per prescribed by Directive no. 4. Forward MFI presents its statement of financial position broadly in order of liquidity.

## **2.2 Reporting period of financial statements**

The reporting period for Quarter 3 of financial year 2082/83 are as follows:

*This Quarter: 1<sup>st</sup> Magh 2082 (15<sup>th</sup> January 2026) to 30<sup>th</sup> Chaitra 2082 (13<sup>th</sup> April 2026).*

*Up to This Quarter: 1<sup>st</sup> Shrawan 2082 (17<sup>th</sup> July 2025) to 30<sup>th</sup> Chaitra 2082 (13<sup>th</sup> April 2026).*

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## **2.3 Functional and presentation currency**

The financial statements are presented in Nepalese Rupees (NPR) (rounded to the nearest Rupee unless otherwise stated), which is Forward MFI's functional currency, the currency of the primary economic environment in which microfinance operates.

## **2.4 Use of Estimates, assumptions and judgments**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of microfinance's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may vary from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Classification of financial assets; conducting business model and cash flow characteristics test.

## **2.5 Changes in Accounting Policies**

Forward MFI 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 fiscal year.

## **2.6 New standards issued but not yet effective**

A number of new standards and amendments to the existing standards and interpretations have been issued by International Accounting Standard Board (IASB). Those become applicable in Nepal when ASB Nepal incorporates them within NFRS. Forward MFI intends to adopt these standards, if applicable, when they become effective.

## **2.7 New Standards and interpretation not adopted**

All Nepal Accounting Standards and Nepal Financial Reporting Standards, with carve-outs, and other interpretation issued by ASB Nepal have been adopted while preparing financial statements.

## **2.8 Discounting**

Non-current assets and liabilities are discounted where discounting is material.

### 3 Significant Accounting Policies

The principal accounting policies applied by Forward MFI 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 are prepared on the historical-cost basis except for the following material items in the statement of financial position:

**Table 1; Basis of Measurement**

S.N.	Items	Basis of measurement
1	Liability for employees defined benefit obligations	Projected unit credit method using Actuarial Valuation as on Ashad end 2082
2	Liability for long service leave	Actuarial valuation as on Ashad end 2082
3	Lease liability	Present value of the lease payments over the lease term as on Ashad end 2082
4	Investment securities at fair value through Other comprehensive income	Net assets value method as on Ashad end 2082

#### ***Distinction of Current and Non-Current***

##### **Assets**

All the assets except the property, plant and equipment and deferred tax assets are classified as current assets unless specific additional disclosure is made in the notes.

##### **Liabilities**

All the liabilities except the defined benefit plan obligations are classified as current liabilities unless specific additional disclosure is made in the notes.

##### **Materiality and Aggregation**

In compliance with NAS 1 - Presentation of Financial Statements, each material class of similar items is presented separately in the financial Statements. Items of dissimilar nature or functions are presented separately unless they are material.

### **3.2 Basis of consolidation**

Forward MFI does not have any subsidiaries or special purpose entities over which it exercises control. Hence, only individual financial statement is prepared.

### **3.3 Cash and cash equivalent**

Cash and cash equivalents include cash at vault and balances with banks and financial institutions, unrestricted balances with NRB, highly liquid financial assets with original maturity of 3 months from the date of its acquisition and are readily convertible to cash, which are subject to an insignificant risk of changes in fair value. Cash and Cash equivalent are measured at amortized cost in the statement of financial position.

### **3.4 Financial assets and financial liabilities**

#### ***Recognition***

Forward MFI initially recognizes a financial asset or a financial liability in its statement of financial position when, and only when, it becomes party to the contractual provisions of the instrument.

#### ***Classification and Measurement***

##### **i. Financial Assets**

Forward MFI classifies the financial assets as subsequently measured at amortized cost or fair value on the basis of Forward MFI's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The two classes of financial assets are as follows:

##### **1. *Financial assets measured at amortized cost***

Forward MFI classifies a financial asset measured at amortized cost if both of the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any.

##### **2. *Financial asset measured at fair value***

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

##### **a) *Financial assets at fair value through profit or loss***

Financial assets are classified as fair value through profit or loss (FVTPL) if they are held for trading or are designated at fair value through profit or loss upon initial recognition. Transaction costs are directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are subsequently measured at fair value and changes in fair value are recognized in Statement of Profit or Loss.

*b) Financial assets at fair value through other comprehensive income*

Investment in an equity instrument that is not held for trading and at the initial recognition, Forward MFI makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value through other comprehensive income. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

ii. Financial Liabilities

Forward MFI classifies the financial liabilities as follows:

*a) Financial liabilities at fair value through profit or loss*

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

*b) Financial liabilities measured at amortized cost*

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

***Determination of fair value***

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Forward MFI follows three levels of the fair-value-hierarchy are described below:

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

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

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

***Impairment***

At each reporting date, Forward MFI assesses whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or advance by Forward MFI on terms that Forward MFI would not otherwise consider, indications

that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

***Impairment of financial assets measured at amortized cost***

Forward MFI considers evidence of impairment for loans and advances and investment securities measured at amortized cost at both specific asset and collective level. Forward MFI first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant and that are not individually significant are assessed on collectively.

**3.5 Property and Equipment**

***a) Recognition and Measurement***

Property and Equipment are recognized if it is probable that future economic benefits associated with the assets will flow to Forward MFI and the cost of the asset can be reliably measured. The cost includes expenditures that are directly attributable to the acquisition of the assets.

All Property and equipment are measured at cost less accumulated depreciation and accumulated impairment loss if any.

Any gain or losses on de-recognition of an item of property and equipment is recognized in profit or loss. Forward MFI adopts cost model for entire class of property and equipment. It has not measured any Property Plant and Equipment under revaluation model.

**3.6 Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses.

**3.7 Investment Property**

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

This also includes land, land and building acquired as non-banking assets by Forward MFI but not sold.

Forward MFI does not have any investment properties as on Poush end 2082.

**3.8 Deposits, debt securities issued and subordinated liabilities**

Microfinance deposits consist of money placed into Forward MFI by its members. These deposits are made to saving deposit accounts of member.

Forward MFI doesn't have any debt securities and subordinated liabilities as on Poush end 2082.

**3.9 Provisions and Contingencies**

Provisions are recognized when Forward MFI has a present, legal or constructive, obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated.

### **3.10 Revenue Recognition**

Revenue comprises of interest income, fees and commission income, etc. Revenue is recognized to the extent it is probable that the economic benefits will flow to Forward MFI and the revenue can be reliably measured. Revenue is not recognized during the period in which its recoverability of income is not probable.

#### ***Interest income***

Interest income includes the interest income on loans and advances to customer recognized on accrual basis considering the regulatory restrictions on interest income recognition, interest income on loans to employees, and interest income on cash and cash equivalents.

#### ***Fee and commission income***

Fee and commission income includes the service fee on loan, remittance fee income, commission income from insurance.

### **3.11 Interest expense**

Interest expense on all financial liabilities including deposits is recognized in statement of profit or loss on an accrual basis.

### **3.12 Employees Benefits**

#### ***a) Short Term Employee Benefits***

Forward MFI's short term employee benefits mainly include wages, salaries, allowances, as provided in the law and other employee related expenses. Short term employee benefits are measured on an undiscounted basis and are charged to statement of profit and loss as and when the related service is provided.

#### ***b) Post-Employment Benefit Plan***

Post-employment benefit plan includes followings:

##### ***i. Defined Contribution Plan***

Post-Employment benefits plan under which Forward MFI pays a fixed contribution to a separate entity and has no legal or constructive obligation to pay future amounts are categorized under defined contribution plans. The contributions to defined contribution plans are recognized in profit or loss as and when the services are rendered by employees.

##### ***a) Employees Provident Fund***

In accordance with law, all employees of Forward MFI are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and Forward MFI contribute monthly at a pre-determined rate (currently, 10% of the basic salary plus grade amount). Microfinance does not assume any future liability for provident fund benefits other than its annual contribution.

##### ***ii. Defined Benefit Plan***

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Forward MFI's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods. That benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on high quality corporate bonds, that have maturity dates approximating the terms of Forward MFI's obligation and that are denominated in the currency in which the benefits are expected to be paid. The calculation of obligation is performed annually by a qualified actuary using projected unit credit method.

Forward MFI recognizes all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all other expenses related to defined benefits plans in employee benefit are expensed in profit or loss, as valued by the actuary. The following are the defined benefit plans provided by Forward MFI to its employees:

**a) *Gratuity***

Actuarial valuation has been made for determining the liability for gratuity and its cost as per the requirements of NAS 19 Employee benefits as on Ashad end 2082. Hence, for the period Chaitra 2082, gratuity expense and related liability has been recognized based on management's best estimate taking in to account past actuarial valuations.

**c) *Other Long term Employee Benefits***

**b) *Leave Encashment***

The employees of Forward MFI are entitled to carry forward a part of their unavailed/unutilized leave subject to a maximum limit. The employees can encash unavailed / unutilized leave partially in terms of Employee Service Byelaws of Forward MFI. Actuarial valuation has been made for determining the leave liability as per the requirements of NAS 19 Employee benefits as on Ashad end 2082. Hence, for the period Chaitra 2082, leave expense and its related liability has been recognized based on management's best estimate taking in to account past actuarial valuations.

**3.13 Leases**

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As per NFRS 16, At the commencement date, a lessee shall recognize a right-of-use asset and a lease liability, unless the lease is for short term or of low value in which case lease expense is recognized over the term of lease on straight line basis.

At the commencement date, a lessee shall measure the right-of-use asset at cost.

The cost of the right-of-use asset shall comprise:

- the amount of the initial measurement of the lease liability
- any initial direct costs incurred by the lessee

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.

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model at cost less accumulated depreciation less accumulated impairment losses.

After the commencement date, a lessee shall measure the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made

### **3.14 Share capital and reserves**

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

The reserve includes regulatory and free reserves.

#### **Statutory General Reserves**

20% of the net profit as stated in Bank and financial Institution Act, 2073 is set aside to the general reserve.

Movement in statutory general reserve during this quarter is presented in Statement of Changes in equity.

#### **Corporate Social Responsibility Fund**

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

#### **Regulatory Reserve**

The amount that is allocated from profit or retained earnings of Forward MFI to this reserve as per the directives of NRB for the purpose of implementation of NFRS and which shall not be regarded as free for distribution of dividend shall be presented under this reserve.

Movement in Regulatory reserves during this quarter is presented in Statement of Changes in equity.

#### **Actuarial Gain/Loss Reserve**

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

#### **Client protection fund**

2% of net profit is set aside in the fund as per the NRB Directives for the purpose of client protection fund.

#### **Restructured loan write back reserve**

The amount of write back income from the restructured loans and advances, net of income tax has been kept aside to this reserve by debiting the retained earnings.

### **3.15 Earnings per share**

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equities shares outstanding during the year.

### **3.16 Segment reporting**

An operating segment is a component of Forward MFI that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relating to transactions with any of Forward MFI's other components, whose operating results are reviewed by the management to make decision about resource allocation to each segment and assess its performance. Forward MFI has identified and reported seven operating segments as per province wise.

## **4 Explanatory Notes**

The explanatory notes and significant disclosure relating to the financial statements are as follows:

### **4.1 Loans and advances to customers**

Outstanding amount of all loans and advances extended to the customers other than BFIs as well as bills purchased and discounted less the amount of impairment allowances shall be presented. Loan to employees provided according to the Employees Bylaws of Forward MFI has also been presented under this head.

### **4.2 Investment securities**

Investments made by Forward MFI in financial instruments has been presented under this account head in three categories i.e., investment securities designated at fair value through profit or loss, investment securities measured at amortized cost and investment in equity measured at fair value through other comprehensive income.

### **4.3 Income Tax**

#### **4.3.1 Current Tax**

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

#### **4.3.2 Deferred Tax**

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

### **4.4 Due to Bank and financial institution**

The balances in accounts maintained with the institution by other local and foreign banks and financial institution has been presented under this head. Interbank borrowing, interbank deposit, balances on settlement and clearing accounts as well as other amount due to bank and financial institution has also been presented under this account head.

### **4.5 Deposits from Customers**

All deposit accounts other than deposit from BFIs (local and foreign) and NRB has been presented under this account head.

#### **4.6 Fees and Commission Expense**

Payment on account of fee and commission for services obtained by Forward MFI has been presented under this account head. This account head shall include credit administration charge on borrowings, CIB charges on borrowings.

#### **4.7 Other operating income**

Receipt of all other operating income not specifically provided under the income heads above has been booked and presented under this head. This includes foreign exchange revaluation gain, gain/loss on sale of investment at fair value through other comprehensive income, dividend on investment at fair value through other comprehensive income, gain/loss on sale of property and equipment, gain/loss on sale of investment properties, lease income, gain/loss on sale of gold and silver, etc.

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

It includes impairment charge/reversal on loan and advances to customers, loan and advances to bank and financial institutions, investment securities, placement with bank and financial institutions, property and equipment, goodwill and intangible assets, investment properties etc.

#### **4.9 Personnel Expense**

All expenses related to employees of Forward MFI has been included under this head. Expenses covered under this head include employees' salary, allowances, pension, gratuity, contribution to provident fund, training expenses, uniform expenses, insurance, employee bonus, Finance expense under NFRSs, cash-settled share-based payments etc.

#### **4.10 Other operating expense**

All operating expense other than those relating to personnel expense are recognized and presented under this account head. The expenses covered under this account head includes office administration expense, other operating and overhead expense, directors' emoluments, remuneration and non-audit fee paid to auditors, professional and legal expense, branch closure cost expense, redundancy cost expense, expense of restructuring, onerous lease provisions etc.

#### **4.11 Depreciation & Amortisation**

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. Amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

#### **4.12 Non-operating income/expense**

The income and expenses that have no direct relationship with the operation of transactions of Forward MFI has been presented under this head. The income/expense covered under this account head includes loan written off, recovery of loan, redundancy provision, expense of restructuring etc.

#### **4.13 Income tax Expense**

The amount of income tax determined as per the rules of tax authority has been recognized and presented under this account head.

## 5 Disclosures & Additional Information

### 5.1 Risk Assessment and Management

Forward MFI has exposure to the following risks from financial instruments:

- credit risk;
- liquidity risk;
- market risk; and
- operational risk.

Forward MFI's board of directors has overall responsibility for the establishment and oversight of Forward MFI's risk management framework.

#### ***Credit Risk***

Credit risk' is the risk of financial loss to Forward MFI if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Forward MFI's loans and advances to customers. For risk management reporting purposes, Forward MFI considers and consolidates all elements of credit risk exposure – e.g. individual obligor default risk, country and sector risk.

Forward MFI has applied following mitigates for management of Credit Risk factors:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorization structure for the approval and renewal of credit facilities.
- Reviewing and assessing credit risk: Microfinance Credit assesses all credit exposures in excess of designated limits, before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Reviewing compliance of business units with agreed exposure limits
- Providing advice, guidance and specialist skills to business units to promote best practice throughout Forward MFI in the management of credit risk.

Such mitigates are monitored by Board of Directors, Risk Management Committee, Risk Department, and Internal Audit Department of Forward MFI.

#### ***Market Risk***

Market risk is the possibility of a customer experiencing losses due to factors that affect the overall performance of Forward MFI in which the customer is involved. Market risk is systematic risk of the financial market.

Factors of Market Risk include Interest Rate Risk, Equity Risk.

Forward MFI has applied following mitigates for management of the Market Risk factors:

- Stress testing/simulation of market conditions
- Gap Analysis
- Regular review of risk management processes
- Regular review of Risk Tolerance and appetite limit.
- Measurement of Interest Rate Shocks
- Interest rate related Risk Monitoring.

Such mitigates are monitored by Board of Directors, Risk Management Committee, Internal Audit Department.

### ***Liquidity Risk***

'Liquidity risk' is the risk that Forward MFI will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to Forward MFI's operations and investments.

Factors of Liquidity Risk includes Deterioration in quality of credit portfolio Concentrations in either assets or liabilities, Rapid asset growth funded by highly volatile large deposits, A large size of off-balance sheet exposure.

Forward MFI has applied following mitigates for the management of Liquidity Risk:

- Appropriate composition of assets and liabilities
- Diversified and stable sources of funds
- Access to inter-bank market
- Contingency funding plan for crisis situations
- Regular stress testing
- Cushion of liquid assets held
- Consistent analysis using liquidity ratios
- Review of Deposit Mix Concentration.

Such mitigates are monitored by BOD, Finance and Credit Department, Internal Audit Department.

### ***Operation Risk***

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. Operational risk is inherent in Forward MFI's business activities.

The board level committee that undertakes supervision and review of operational risk aspects are the Risk Management Committee and Audit Committee. The board and the risk committee review the operational risk level and the material operational risk exposure. The Audit committee supervises audit and compliance related aspects. Internal Audit department on the other hand carries out audit according to the audit plan and reports findings to the audit committee.

### **Corporate Governance:**

NRB Guidelines with respect to Corporate Governance are duly complied with.

### **C. Market Risk**

#### **a. Investments**

Currently Forward Microfinance Laghubitta Bittiya Sanstha has not made any investment for trading purpose.

#### **b. Foreign Exchange**

Forward MFI's policy is to maintain the net open position of convertible foreign currency where exchange rate risk persists in matching position. At present, Forward microfinance doesn't deal in foreign currency So, there is no any foreign exchange risk at forward microfinance.

## 5.2 Segment Analysis

### 5.2.1 General Information

Forward MFI's operation is managed centrally through Head Office. All strategic, financial and operational policies and operations are controlled and directed from the head office through province offices. Forward MFI operates in 159 branches with province wise.

Forward MFI has identified following segments as reportable:

- Koshi Province
- Madhesh Province
- Bagmati Province
- Gandaki Province
- Lumbini Province
- Sudurpashchim Province
- Karnali Province

There is no inter-unit cost transfer mechanism within Forward MFI.

### 5.2.2 The segmental information about profit or loss, assets and liabilities are presented below:

Particulars	Koshi Province		Madhesh Province		Bagmati Province		Gandaki Province		Lumbini Province		Karnali Province		Sudurpashchim Province		Total	
	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081	Chaitra end 2082	Chaitra end 2081
Revenues from External customers	935,503,500	910,590,987	720,036,822	719,965,721	72,906,468	68,293,715	12,724,882	12,147,724	302,603,334	286,859,261	18,685,686	17,459,509	208,137,719	202,419,148	2,270,598,412	2,217,736,063
Intersegment revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment Profit(loss) before tax	75,431,721	155,257,995	17,562,714	60,287,135	(46,051)	7,951,383	1,078,557	(141,067)	18,451,503	40,703,250	(1,096,255)	1,963,375	30,723,377	49,991,779	142,105,566	316,013,851
Segment assets	10,390,403,823	9,780,642,581	8,488,207,178	7,959,891,659	859,184,634	769,570,588	153,243,271	139,967,324	3,346,734,528	3,094,383,890	231,206,879	203,858,414	2,132,521,139	2,008,412,254	25,601,501,451	23,956,726,709
Segment liabilities	10,390,403,823	9,780,642,581	8,488,207,178	7,959,891,659	859,184,634	769,570,588	153,243,271	139,967,324	3,346,734,528	3,094,383,890	231,206,879	203,858,414	2,132,521,139	2,008,412,254	25,601,501,451	23,956,726,709

### 5.2.3 Reconciliation of reportable segment revenues, profit or loss, assets and liabilities:

Particulars	Chaitra end 2082	Chaitra end 2081
Total profit or loss before tax for reportable segments	142,105,566	316,013,851
<i>Unallocated amounts:</i>		
Other additional provisions, Corporate and NFRS adjustment	90,516,867	(130,043,743)
Profit before tax	232,622,432	185,970,109

### Information about major customer:

None of the customer individually or as a group contributes to 10% or more of Forward MFI's revenue.

## 5.3 Related party disclosures

The related parties of Forward MFI which meets the definition of related parties as defined in "NAS 24 Related Parties Disclosure" are as follows:

### i. Key Management Personnel (KMP)

The key management personnel are those persons having authority and responsibility of planning, directing and controlling the activities of the entity, directly or indirectly including any director. The key management of Forward MFI includes members of its Board of Directors, Chief Executive Officer, and senior management personnel of Forward MFI.

The members of Board of Directors are entitled for meeting allowances. Salary and allowances are provided to Chief Executive Officer and other member of Key Management Personnel (KMP). Salary and Allowances paid to the Chief Executive Officer is based on the contract entered by Forward MFI with him whereas compensation paid to other member of KMP are governed by Employees Byelaws and decisions made by management time to time in this regard. In addition to salaries and allowances, non- cash benefits like vehicle facility, termination benefits are also provided to KMP.

The details relating to compensation paid to directors till Q3 FY 208283 were as follows:

<b>Particulars</b>	<b>Amount (NPR.)</b>
Meeting Fees	528,000
Other Expenses	423,303
<b>Total</b>	<b>951,303</b>

The details relating to compensation paid to other key management personnel (Senior Manager and above) other than directors were as follows:

<b>Particulars</b>	<b>Amount (NPR.)</b>
<b>Short term employee benefits (including Bonus and Paid Leave)</b>	<b>7,131,578</b>

The chief executive officer Ramdayal Rajbanshi resigned with effective date from 2082 Magh 15 and Deputy chief executive officer Krishna Prasad Bhattarai become the acting chief executive officer from the date.

#### **5.4 Merger and acquisition**

No any Merger and acquisition has taken in the fiscal year period presented.

<b>Interest rate on Loans and advances (applicable from 2083 Baisakh 1)</b>			
<b>Type</b>	<b>Base rate</b>	<b>Premium</b>	<b>Interest rate</b>
Collateral	10.92	2.75	13.67
Non-Collateral	10.92	3.00	13.92

<b>Interest rate on Deposits: 7.50% p.a. to 13.30% p.a.</b>
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धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को अनुसूची १४  
(नियम २६ को उपनियम (१) सँग सम्बन्धित)

आ.व. २०८२/८३ को तेस्रो त्रैमासिक प्रतिवेदन

१. वित्तीय विवरण:

क) त्रैमासिक अवधिको बासलात, नाफा नोक्सान सम्बन्धि विवरण : यस वित्तीय संस्थाको आ.व.२०८२/८३ को तेस्रो त्रैमासिक नाफा-नोक्सान तथा वासलात सम्बन्धि विवरण यसै साथ प्रकाशित गरिएको छ ।

ख) प्रमुख वित्तीय अनुपातहरु :

प्रति शेयर आमदानी	प्रति शेयर नेटवर्थ	प्रति शेयर कुल सम्पतीको मूल्य	तरलता अनुपात	मूल्य आमदानी अनुपात
१८.१५	२३९.६१	१९३४.९९	७.६८%	६४.२१

२. व्यवस्थापकिय विश्लेषण :

क) त्रैमासिक अवधिमा संस्थाको मौज्जात, आमदानी र तरलतामा कुनै परिवर्तन भएको भए सोको प्रमुख कारण सम्बन्धि विवरण: यस त्रैमासिक अवधिमा ग्राहक सदस्यहरुले गरेको बचतमा थोरै वृद्धि भएको र बैंक तथा वित्तीय संस्थाबाट प्राप्त हुने थोक कर्जा रकममा सामान्य बढेको देखिन्छ । गत आ.व.को सोही अवधिको तुलनामा आमदानी बढेको छ । यस अवधिमा बैंक तथा वित्तीय संस्थाबाट प्राप्त हुने थोक कर्जाको व्याजदर थोरै घटेको, ग्राहक सदस्यहरुलाई लगानि भएको कर्जा रकममा केहि वृद्धि भएकोले संस्थाको संचालन आमदानी बढेको तर कर्जा नोक्सानी व्यवस्थामा केही रकम वृद्धि भएकोले संस्थाको वित्तीय मुनाफा सामान्य घटेको देखिन्छ ।

ख) आगामी अवधिको व्यवसायिक योजना सम्बन्धमा व्यवस्थापनको विश्लेषणात्मक विवरण :

यस संस्थाले अगामी अवधिमा ग्राहक सन्तुष्टि तथा संस्था प्रति ग्राहकहरुको वफादारीता बढाउन वित्तीय साक्षरता लगायत विभिन्न कार्यक्रमहरु संचालन गर्ने, गुणस्तरिय तथा सुरक्षित कर्जा लगानीमा जोड दिई कर्जा विस्तार तथा अभिवृद्धि गर्ने, संस्थाको व्यवसायमा अभिवृद्धि तथा कर्जा असुलीका लागि सहज वातावरण बनाउन स्थानिय निकाय, समुदाय तथा जनप्रतिनिधिहरुसंग समन्वय गर्ने, सम्बन्ध विस्तार गर्ने, ग्राहक सदस्यको केन्द्र बैठकहरु नियमित रुपमा व्यवस्थित सञ्चालन गर्न गराउन पहल गर्ने, ग्राहक सदस्यहरुको घरभेट कार्यक्रम बढाई निजहरुलाई संस्था प्रति विश्वास तथा आत्मीयता बढाई कर्जा असुली तथा कर्जा वृद्धिमा जोड दिने र वित्तीय संस्थाको पुँजीकोषमा परेको दबाव घटाएर आवश्यक न्युनतम पुँजीकोष कायम गर्ने गरी कार्य गर्ने योजना रहेको छ ।

ग) विगतको अनुभवबाट, संगठित संस्थाको मौज्जात, नाफा वा नगद प्रवाहमा तात्त्विक असर पार्न सक्ने घटना, अवस्था आदि भएमा सो सम्बन्धि विश्लेषणात्मक विवरण :

संस्थाले देशमा विद्यमान आर्थिक मन्दी र गाउँ गाउँमा विभिन्न समुहहरुबाट लघुवित्त कार्यक्रम विरुद्ध चलाई रहेको नकारात्मक अभियानबाट संस्थाको कर्जा असुलीमा कमी आई व्यवसाय तथा नाफामा पर्न सक्ने असरलाई मध्य नजर गरी आफ्ना फिल्ड कर्मचारीहरुको मनोबल तथा कार्य दक्षतामा अभिवृद्धि गरि ग्राहकहरुलाई संस्था प्रति सन्तुष्ट बनाउने खालका कार्यक्रमहरु संचालन गर्दै गुणस्तरिय कर्जाको अभिवृद्धि गरि संस्थाको वित्तीय स्वास्थ्य तथा मुनाफा बढाउने रणनीति लिएको छ ।

### ३. कानूनी कारवाही सम्बन्धि विवरण :

समिक्षा अवधिमा संस्था वा संस्थापक वा संचालकले कसैको विरुद्धमा र कसैबाट पनि वित्तीय संस्था, संस्थापक र संचालक विरुद्धमा मुद्दा दायर गरेको जानकारी छैन ।

### ४. वित्तीय संस्थाको शेयर कारोबार तथा प्रगती विश्लेषण :

- (क) धितोपत्र बजारमा सुचिकृत भएको यस वित्तीय संस्थाको शेयरको कारोबारमा हुने उतार चढाव खुल्ला बजारको सिद्धान्त अनुरूप हुने गरेको छ ।
- (ख) त्रैमासिक अवधिको शेयरको अधिकतम, न्यूनतम, अन्तिम मूल्य, कारोबार भएको दिन र कारोबार संख्या नेपाल स्टक एक्सचेन्ज लि.को वेवसाईटको आधारमा समिक्षा अवधिमा देहाय अनुसार रहेको छ ।

अधिकतम मूल्य	न्यूनतम मूल्य	अन्तिम मूल्य	कारोबार दिन	कारोबार संख्या
११८०.००	१०१२.४०	११६५.७०	५३	४६४४

### ५. समस्या तथा चुनौती :

देशमा आर्थिक मन्दीको कारणले ग्राहकहरुबाट विगत वर्षहरुमा जस्तै उत्पादनशिल कर्जाको मागमा वृद्धि नहुनु, आर्थिक संकटबाट सिर्जित समस्याले समुदायमा आर्थिक कृया कलापमा कमी तथा ग्राहक बर्गमा वित्तीय अनुसाशनको कमी र गाउँ गाउँमा विभिन्न अवैधानिक समुहहरुले कर्जा मिनाहा तथा लघुवित्त संस्था विरुद्ध चलाएको अभियानका कारणले संस्थाका कर्मचारीहरुलाई ग्रामीण तथा दूरदराजमा समुह बैठक तथा आवश्यक कार्यक्रमहरु संचालनमा सहज गर्न तथा सुरक्षित रुपमा काम गर्न कर्मचारीहरुको मनोबालमा हुन नसक्नु जस्ता प्रमुख चुनौती तथा समस्याहरु रहेका छन् ।

### ६. संस्थागत सुशासन :

विधमान ऐन कानून, नीति नियम तथा नेपाल राष्ट्र बैंकको निर्देशन बमोजिम संस्थाले संस्थागत सुशासन कायम गर्न जोड दिएको छ । यसका लागि संस्थामा व्यवस्थापन सुचना प्रणाली, आन्तरिक नियन्त्रण प्रणाली, आर्थिक प्रशासन विनियमावली, कर्मचारी सेवा विनियमावली तथा आन्तरिक लेखापरीक्षण कार्यहरु प्रभावकारी रुपमा कार्यान्वयन हुने गरि व्यवस्थापन गरिएको छ । यसै गरी विभिन्न समिति तथा उपसमितिहरु मार्फत आवश्यक नीति तथा कार्यविधिहरु निर्माण गर्ने र सोको प्रभावकारी कार्यान्वयनमा जोड दिएको छ ।

### ७. सत्य तथ्यता सम्बन्धमा कार्यकारी प्रमुखको उद्घोषण :

यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरुको शुद्धता सम्बन्धमा म व्यक्तिगत रुपमा उत्तरदायित्व लिन्छु । साथै म यो उद्घोष गर्दछु की मैले जाने बुझे सम्म यस प्रतिवेदनमा उल्लेखित विवरणहरु सत्य तथ्य र पूर्ण छन् । लगानीकर्ताहरुलाई सुसुचित निर्णय लिन आवश्यक कुनै विवरण, सुचना तथा जानकारीहरु लुकाईएको छैन ।