

Mutual
Fund

Issue & Sales
Management

Share
Registration

Portfolio
Management

Security
Underwriting

Depository
Participant

Corporate
Advisory

10th Annual Report

FY 2021/22 (आ.व. २०७८/७९)



**NIBL ACE
CAPITAL**
Managing shares. Managing investments.



**NIBL ACE
CAPITAL**
Managing shares. Managing investments.

OUR SERVICES

Registrar To
Shares



Securities
Underwriting



Issue
Management



Specialized
Investment
Fund (SIF)



Mutual Fund



Portfolio
Management
Service



Depository
Participant



Advisory
Service

NIBL Ace Capital Ltd., a subsidiary of Nepal Investment Bank Limited, is a limited liability company that has been registered at the office of company registrar and received its certificate of operation on 2069/04/15. On 2074/10/28, after successful merger, NIBL Capital and Ace Capital started joint operation as NIBL Ace Capital Ltd. While NIBL Capital was already an established force in the capital market, merger with Ace Capital further strengthened the reserve of professional expertise, talent, a strong capital base and vigorous long-term vision.

The company recently completed its 10th year of operation and during this period, it has grown from a start-up investment firm to one of the biggest players in the Nepalese capital market. Over the past ten years, it has offered a wide range of products and services related to capital markets to its clients efficiently through its experienced and energetic workforce. Driven by a strong leader, dedicated workforce and its digital agenda, the company continues to maintain its image as key player in the market.

Mutual Fund

NIBL Ace Capital is a licensed fund manager which is currently managing three schemes with a total corpus amount of Rs. 2.88 Arba with Close-ended fund amounting Rs. 2.25 Arba and Open Ended Fund amounting Rs. 63.00 crore.

Close Ended Fund:

- NIBL Pragati Fund
- NIBL Samriddhi Fund – II

Open Ended Fund:

- NIBL Sahabhagita Fund

Merchant Banking

NIBL Ace Capital is a licensed merchant banker from SEBON which offers the following services:

- Issue & Sales Management
- Securities Underwriting
- Share Registration Services

Portfolio Management Service

NIBL Ace Capital has been offering comprehensive and risk weighted investment management, financial advisory and planning.

A. NIBL Discretionary Portfolio

- NIBL Petal Plus Portfolio
- NIBL Growth Plus Portfolio
- NIBL Lotus Portfolio
- NIBL Lotus Secure Portfolio

B. NIBL Non- Discretionary Portfolio

- C. NIBL Custodial Portfolio
- D. NIBL Customized Portfolio

Depository Participant

NIBL Ace Capital acts as the intermediary between the depository system (CDS and Clearing Ltd.) and its clients. It offers a secure, convenient and paperless way to keep track of its client investments in shares and other securities without the hassle of handling paper based transcripts.

Corporate Advisory Service

NIBL Ace Capital advisory team shall be helping their clients expand their business and solidify their financial affairs offering the following advisory services:

- Business Plan
- Loan Syndication & Debt Raising
- Research/Customized Services
- Market Assessment and Feasibility
- Valuation
- Escrow Agency
- Financial Restructuring
- Equity Raising
- Private Equity/Venture Capital

VISION

To remain the leading One Stop Financial Solutions Shop and grow our business to international standards with passion and integrity while building outstanding value for all our stakeholders. As a responsible corporate citizen we care for our community and environment.

MISSION

NIBL Ace Capital is relentlessly driven by entrepreneurial zeal to invest in ideas that empower all our stakeholders. We engage with our clients, understand their needs and create winning strategies for them with our expertise and sharp business acumen. A winning strategy for our clients is the only winning strategy for us.

CORE VALUES

At NIBL Ace Capital, achieving our goal is consistently focused by keeping in mind our core values of:

- Client Value Creation
- Stewardship
- Integrity
- Innovation

People and Culture

At NIBL Ace Capital, our relentless efforts focus on promoting and sustaining a multidisciplinary and team-driven work culture, which we believe is critical in meeting the unique needs of our clients and the various business segments in which they operate. We focus on an all-rounder approach where we are devoted to enhancing our employees' career.



CEO Message

Dear Valued Shareholders

We, at NIBL Ace Capital are proud to announce that we have successfully completed 10 years of operation with remarkable and outstanding performance.

NIBL Ace Capital, which began as a start-up investment firm, has now grown into one of the biggest players in the Nepalese capital market. Our company's strong performance year after year is a testament to our business strategy, trustworthy service and reputation in the market.

Capital market has drastically changed over the past decade with automation and digitalization of capital market as a whole, which has brought a paradigm shift in business operation. Our professional team handles the dynamic business environment efficiently leaving a distinct mark and placing us ahead of our competitors. We believe that every competition is an opportunity and have implemented this belief into our daily practice. Formulation of appropriate strategies has helped us to further develop our products and create market advantage while serving our customer's needs.

Achievements

With will and perseverance, we aim to progress more and assist our clients while delivering solid results in the dynamic economic environment. We have opened more than 2,98,000 DEMAT accounts so far. We also accommodate more than 51 companies share registrar, serving over 2,209,658 shareholders. For the fiscal year 2021/22, our Issue Management and RTS/RTA team managed 4 Initial Public Offerings, 3 Debentures Issues and 2 Right Issues very efficiently. Our new and enhanced Portfolio Management team contributes towards personalized customers' service for our valuable clients. We have set

up dedicated call center operation and corporate advisory service to facilitate business segments such as Venture Capital, Private Equity, Business Plan, Market Assessment and Feasibility, Escrow Agency, Loan Syndication & Debt Raising, Financial Restructuring, Equity Raising and Research/Customized Services. During this fiscal year, we have provided service of Loan Facilitation to 7 clients, Company's Valuation Reports to 10 companies, provided corporate advisory services for new equity collection to 5 companies and along with this we are providing underwriting services to issuing companies as well under corporate advisory service.

Likewise, we are currently operating three mutual fund schemes under NIBL Mutual Fund with a total corpus amount of Rs. 2.88 Arba with Close-ended mutual fund schemes amounting Rs. 2.25 Arba and Open Ended Mutual Fund Scheme amounting Rs. 63.00 crore. The first mutual fund scheme under NIBL Mutual Fund, NIBL Samriddhi Fund-I has been matured on 2078 Poush 22. During the tenure of 7 years, the fund was able to provide the return on average of 18% and at the time of maturity, we are able to return the investments to unit holders at the redemption value of NRs. 12.74 per unit.

NIBL Sahabagita Fund, the First ever open ended Mutual Fund Scheme in Nepalese Capital Market under Mutual Fund Regulation 2067, which has been in operation since July 9, 2019 with authorized fund size of Rs. 50 crores and initial size of Rs. 20 Crores has expanded exponentially. During FY 2021/22, we are able to increase the authorized fund size to Rs. 1 Arab.

The scheme size started with Rs. 31.47 crore at the beginning of this fiscal year and succeeded to expand its



fund size up to Rs. 63.00 Crores at the end of this year with growth of 100% w.r.t previous year. The fund initiated with 15,181 unit holders at the beginning of the fiscal year and has now grown up to 27,628 at the end of this year with growth of 82% from the previous year and with NAV of NRs. 10.72 per unit, we have succeeded to announce cash dividend of 7.20% including TDS in its third year of operation. Similarly, 13,742 unit holders have enrolled under Systematic Investment Plan (SIP) till Asadh end 2079.

Projections/Innovations

Equipped with financial accomplishments of the previous year, we are now preparing ourselves to provide assistance to our customers with the upcoming IPOs, right issues and additional RTS/RTA companies. Currently, we are successfully operating 4 branches outside valley and 2 branches inside valley. We aim to excel at our services by operating our branches smoothly in the future and add new services to smoothen administrative processes to further satisfy our customers.

As Nepal is rapidly moving towards a digital era, our dedicated team members have started working on technological projects, advancing the NIBL Ace Capital Mobile App, PMS/DP access system, Customer Service. Website and Internal Management Systems are now linked with various payment Gateways so that we remain up-to-date and deliver a user friendly experience. We have added a call center to provided dedicated call center service to our customers.

Financial results for 2021/22

The fiscal year 2077/78 has been financially rewarding for our company, despite of Covid- 19 impact in overall economy. The board has proposed 20.00% Cash Dividend including TDS. This is an overwhelming achievement for our shareholders. Net Profit for this year amounts to Rs 10.28 Crore. NIBL Ace Capital's Net Worth stands at Rs 48.96 Crore, which has risen by 7.13 percent compared to Rs. 45.70 Crore last year. These figures prove a good reflection of our financial health and build a solid profile of our company to excel.

With the current level of growth and innovation within our company, and the growing prospects of the market, we believe that the future prospect of our company remains in a dominant position.

Corporate Social Responsibility (CSR)

We believe in the betterment of our community and demonstrate this through our values and actions. We have been actively participating in corporate social responsibilities. A donation was made to First Ray of Hope, with an intention to provide free educational sponsorship for two orphans till class 10 and provided a donation to Mahankal Youth Club for Cancer Patient. Also, we provided a donation to Global Shapes Community Kathmandu for youth empowerment programme.

As per the objectives of CSR Fund and guidelines from SEBON, during the year, we have conducted different province level wise Investment awareness programmes at Dhangadai, Nepalgunj, Birgunj, Bhairahawa, Pokhara, Biratnagar and Karnali Pradesh.

We have been maintaining public garden outside the office premises at Uttar Dhoka, Lazimpat with an intension to keep its surrounding clean and tidy, ever since the garden have been maintained under us.

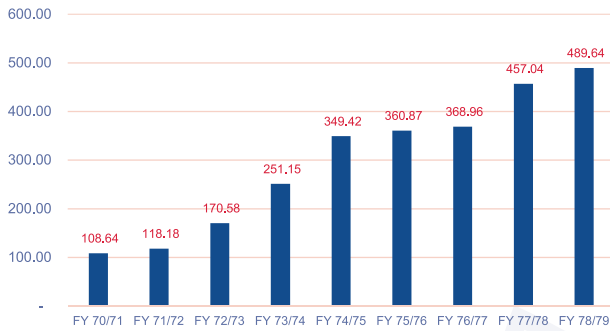
In a nutshell, I would like to thank all the members of board and regulators for their valuable support and guidance. Likewise, I am also grateful towards our customers and stakeholders for their ample trust and support. Similarly, I express my gratitude to all the employees for their hard work and dedication towards the company.

Shivanth B. Pandé

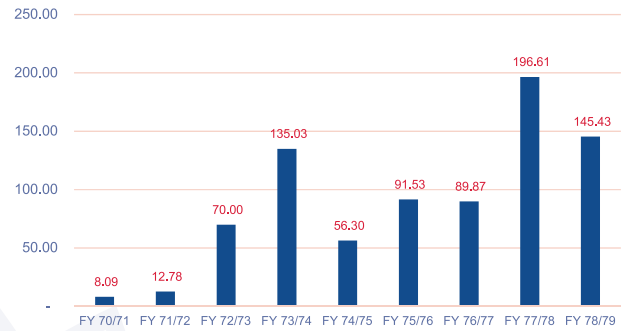
Chief Executive Officer (CEO)



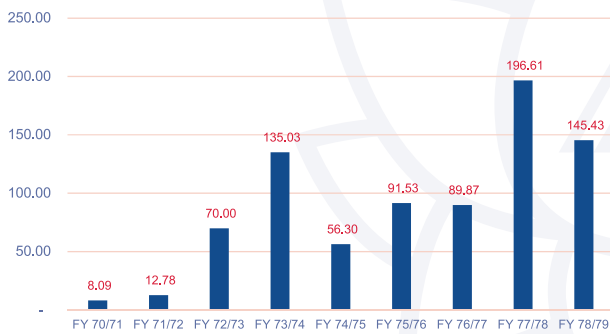
Net Worth in million



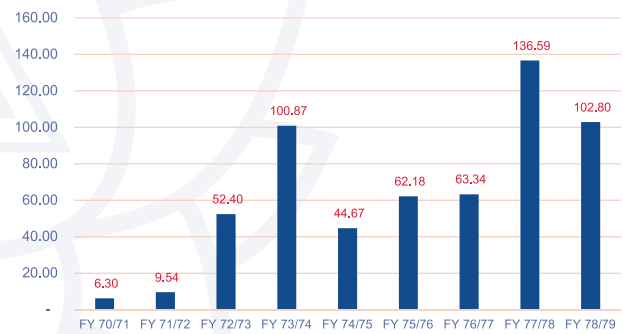
Earning Before Tax in million



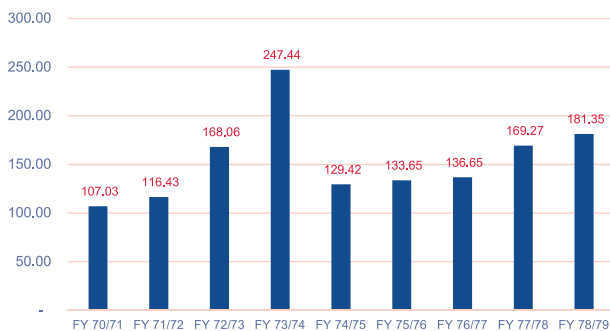
Earning Before Tax in million



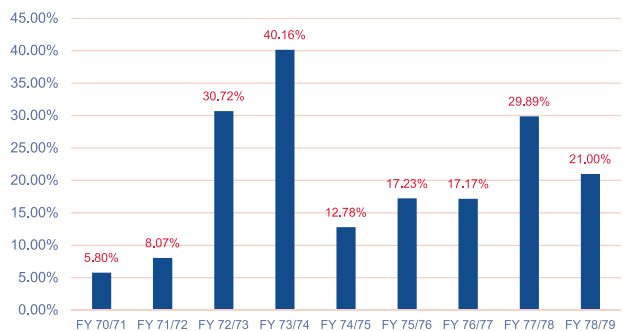
Net Profit in Million



Book Value per share



Return on Shareholder's Equity



- NIBL Sahabagita Fund, the First ever open ended Mutual Fund Scheme in Nepalese Capital Market under Mutual Fund Regulation 2067, which has been in operation since July 9, 2019 with authorized fund size of Rs. 50 crores and initial size of Rs. 20 Crores has expanded exponentially. During the year, we are successful in increasing authorized fund size from NRs. 50 Crores to NRs. 1 Arab.
- Similarly in regard to NIBL Sahabagita Fund, the scheme size started with Rs. 31.47 crore at the beginning of this fiscal year and succeeded to expand its fund size up to Rs. 63.29 Crores at the end of this year with growth of 101.14% w.r.t previous year. The fund initiated with 15,181 unit holders at the beginning of the fiscal year and has now grown up to 27,628 at the end of this year. Similarly, with NAV of NRs. 10.72 per unit at Ashad End 2079, we have succeeded to announce cash dividend of 7.20% including TDS in its third year of operation. Similarly, 13742 unit holders have enrolled under Systematic Investment Plan (SIP) till Asadh end 2079. In Addition, the scheme successfully launched online trading platform with payment partners; NIBL E-Banking, Connect IPS, Thaili and Khalti.
- The first mutual fund scheme under NIBL Mutual Fund, NIBL Samriddhi Fund-I has been matured on 2078 Poush 22. During the tenure of 7 years, the fund was able to provide the return on average of 18% and at the time of maturity, we are able to return the investments to unit holders at the redemption value of NRs. 12.74 per unit.
- NIBL Pragati Fund, under NIBL Mutual Fund have succeeded to announce cash dividend of 4.20% including TDS for the FY 2078-79.
- The company has been able to expand PMS business. The company has reached total 741 Clients with Portfolio Value of Rs 2.86 Arba (at Cost) and Rs. 2.84 Arba (at Market Value).
- During this fiscal year, we have provided service of Loan Facilitation to 7 clients, Company's Valuation Reports to 10 companies, provided corporate advisory services for new equity collection to 5 companies and along with this we are providing underwriting services to issuing companies as well under corporate advisory service.
- NIBL Ace Capital holds more than 2,98,000 DEMAT accounts till fiscal year 2078/79.
- The company has continued the SMS Service to our DEMAT Account holders (Buy and Sell Transaction Notification).
- The company has been connected to online payment gateways Khalti, Connect IPS, Thaili, E-sewa, Prabhu Pay and NIBL E-banking for Payment of Demat AMC Fee and Meroshare renewal Fee.
- The company has also continued DEMAT account opening from Korea and Qatar with co-ordination of NIBL Bank.
- The company successfully continued Online Demat Account Opening and online meroshare registration system.
- NIBL Ace Capital is the share registrar of 51 Companies, serving over 2,209,658 shareholders.
- The company has made an IPO issue of ordinary shares of 4 companies, issue of debentures of 4 companies and right share issues of 2 companies during this fiscal year.
- The company has also been actively involved in its CSR activities.
 - ❖ The monthly donation of Rs. 2,000 each for two orphans for twelve months has been made. Hence, the total donation of Rs. 24,000 has been paid to First Ray of Hope –Education for Karnali. The donation shall be continued till their secondary education level. For this purpose, the fund of Rs. 2.5 lakh has been kept in fixed deposit.
 - ❖ We provided a donation to Mahankal Youth Club for Cancer Patient and to Global Shapes Community Kathmandu for youth empowerment programme.
 - ❖ As per the objectives of CSR Fund and guidelines from SEBON, during the year, we have conducted different province level wise Investment awareness programmes at Dhangadai, Nepalgunj, Birgunj, Bhairahawa, Pokhara, Biratnagar and Karnali Pradesh.



Mr. Sachin Tibrewal
Chairman

- Chartered Accountant and CFO at Nepal Investment Bank Ltd.
- Served as Assistant Manager for Deloitte Haskins & Sells, UK
- More than 15 years of experience in accounts, finance, taxation and audit.



Mr. Deepak Kumar Shrestha
Director

- Head of Legal/Recovery Department at Nepal Investment Bank Ltd.
- Member of SAARC Law/Nepal, Supreme Court Bar Association, Nepal Bar Association, Nepal Law Society.
- M.A. (TU/Nepal). B.L (TU/Nepal), LLM (PU/Nepal)
- More than 32 years of experience in Legal Department (1991 to present).



Mrs. Srijana Pandey
Director

- Head of Corporate Banking at Nepal Investment Bank Ltd.
- MBA in Marketing and Finance
- More than 21 years of experience in the field of credit management, project processing, external liaison, policy and project evaluation



Mr. Rabindra Bhattra
Independent Director

- Director of BIM Programme at Shanker Dev Campus
- Faculty member at ShankerDev Campus
- MBA from Tribhuvan University
- Former Director at Sagarmatha Merchant Banking and Finance Ltd.



Mr. Ananda Kumar Bhattarai
Independent Director

- Retired under secretary, Government of Nepal
- Experience of more than 32 years in various capacities in various Ministries and Departments including Ministry of Finance
- Served as a resource person for stock market investor awareness programme organized by different institution
- MBA from Tribhuvan University



Mr. Shivanth B. Pandé

Chief Executive Officer

- Master Degree in Financial Economics from the University of St. Andrews, Scotland, UK
- Over 19 years of experience in the field of finance.
- Areas of expertise include Economic Research and Financial Analysis, Mobile Banking, SME Finance, Private Equity, and Venture Capital



Mr. Mekh Bahadur Thapa

Deputy Chief Executive Officer

- Chartered Accountant
- Over 17 years of experience in capital markets, investment banking, auditing and securities regulation
- Previously worked in the Securities Board of Nepal (SEBON) as a Deputy Director
- Also worked as Chief Operating Officer and Company Secretary at Siddhartha Capital Limited



Mr. Sachindra Dhungana

Deputy General Manager

- Chartered Accountant and Diploma in IFRS from ACCA
- Holds over 11 years of experience in the field of Auditing, Accounting, Consultancy and Advisory and he holds over 7 years in S.R. Pandey & Company, Chartered Accountants as an Audit Manager as well
- Over 6 years of experience in Nepalese Capital Markets.
- Before joining, he was working as Chief Operating Officer and Chief of Finance Unit at Nabil Investment Banking Ltd. for 2.5 years.



Mrs. Rekha Pant

Head of RTS/RTA Department (Deputed from NIBL)

- MA in Economics
- Holds more than 19 years of experience in banking and finance industry.



Mr. Subhash Poudel

Head of Investment Banking/Depository Participant

- Holds Master's Degree in Business Studies
- More than 9 years of experience in Merchant Banking and Investment Banking Industry



Mr. Anup Shakya

Head of General Service Department

- Holds Master's Degree in Business Studies
- More than 10 years of experience in Investment banking, Due Diligence Audit (DDA), Auditing, Tax Consultant



Mrs. Roshna Manandhar

Head of Merchant Banking

- MBA Specialization in Finance from Pokhara University (PU)
- Holds more than 7 years of experience in Issue Management
- Before joining, she was working as a Relationship Manager at NMB Capital Ltd. for over 5.5 years.



Ms. Deepika Paudel

Head of Portfolio Management Services

- MBA degree from Pokhara University (PU)
- Holds more than 8 years of experience in Portfolio Management, operation and HR & Admin.
- Before joining, she was working as a Portfolio Associate / Operation / HR & Admin at Nabil Investment Banking Ltd for over 4 years.



Mr. Bhuwan Raj Panta

Head of Corporate Advisory

- MBA Specialization in Finance from Pokhara University (PU)
- Holds 7 years of experience in Derivative & Commodity Market in Finance & Accounts Department and 6 years of experience in Merchant Banking and Investment Banking Industry.
- Deep insight into the capital market and in depth technical knowledge of valuation.



Mr. Poskar Basnet

Head of Mutual Fund

- Holds MBA Degree Specialization in Finance from Purbanchal University (PU).
- Has more than 6.5 Years of Experience in Nepalese Capital Market (Merchant & Investment Banking Industry) at GSD, Mutual Fund Department and more than 4.5 Years of Experience in Manufacturing & Export Company in Nepal.
- In-depth knowledge of Overall Mutual Fund Industry of Nepal.

OUR REACH

NIBL ACE Capital is expanding its reach by opening its branches in various different cities throughout Nepal.



Existing Branches

- ▶ Lazimpat (Head Office)
- ▶ Putalisadak
- ▶ Lagankhel
- ▶ Butwal
- ▶ Biratnagar
- ▶ Birgunj
- ▶ Pokhara



Coming Soon

- ▶ Other major cities in Nepal phase wise

NIBL Ace Capital Limited has been very active in terms of its corporate social responsibility. It has organized numerous events and activities with an intention to pay back to the society.

Donations

- NIBL Ace Capital has also made donations to numerous orphanages to sponsor underprivileged orphans. The company believes that investment in knowledge and education is one of the best assets one can invest in. Similarly, a donation of monthly NRs. 2,000.00 was made to First Ray of Hope, with an intention to provide free educational sponsorship for two orphans till class 10
- We provided a donation of NRs. 10,000.00 to Mahankal Youth Club for Cancer Patient and NRs. 400,000.00 to Global Shapes Community Kathmandu for youth empowerment programme.

Investment Awareness Programme

- As per the objectives of CSR Fund and guidelines from SEBON, during the year, we have conducted different province level wise Investment awareness programmes at Dhangadai, Nepalgunj, Birgunj, Bhairahawa, Pokhara, Biratnagar and Karnali Pradesh.

Public Garden

We have been maintaining public garden outside the office premises at Uttar Dhoka, Lazimpat with an intension to keep its surrounding clean and tidy.

Employee Engagement Activity

The company recognizes the importance of sense of enjoyment and refreshment in employees. Employees participation for Annual Sports Program of Nepal Investment Bank Limited was encouraged, hence more than 10% of employees participated in the program which benefited which helped employees to socialize and make connections between NIB's employees and NIBL Capital's employees.



NIBL Portfolio Management Service

लगानी व्यवस्थापन सेवा भनेको के हो ?

लगानी व्यवस्थापन सेवा भनेको आफ्नो ग्राहकको तर्फबाट विज्ञहरूले ग्राहकको लगानीको उद्देश्य, जोखिम लिन सक्ने क्षमता र नाफाको अपेक्षाको आधारमा लगानीको विविधिकरण (Diversification) गरी विभिन्न क्षेत्रहरूमा लगानी गर्ने सेवा हो ।



लगानी व्यवस्थापन सेवा किन गर्ने ?



शेयर बजारमा लगानी गर्ने मन हुँदाहुँदै पनि कार्य व्यवस्तताका कारण बजारको उतार चढाव हेर्ने समय नमिलेर आफ्नो लगानीको राम्रो व्यवस्थापन गर्न नसकेमा **लगानी व्यवस्थापन सेवाबाट** राम्रो लाभ लिन सकिन्छ ।

अथवा, शेयर बजारको पर्याप्त ज्ञान नभएमा पनि शेयर बजारबाट फाइदा लिन लगानी व्यवस्थापन सेवा लिन सकिन्छ ।



Distribution Agents

NIBL Ace Capital

Location	Contact No.
Head Office, Lazimpat, Kathmandu	01-4005157, 4425280, 4005068
Golchha Chowk, Biratnagar	021-534523, 534524, 534525
Adarshanagar, Birgunj	251-52332, 525277
Lagankhel, Lalitpur	01-5522604
Putalisadak, Kathmandu	01-5904013
Chipledhunga, Pokhara	061-538919
Traffic Chowk, Butwal	071-54991, 549992, 549993

Nepal Investment Bank Limited

Location	Contact No.
Muktichowk, Birtamod	023-543810, 543811
Lalbandi, Sarlahi	046-501583, 501584
Suryavinayak, Bhaktapur	01-6615617, 6612832, 6610372
Pulchowk, Narayanganj	056-571921, 571922, 571923
TCN Road, Hetauda	057-526001, 525946
Dhamboji, Nepalgunj	081-525978, 525682
Tulsipur, Dang	082-521613, 521614
Mainroad, Dhangadi	091-523620, 523706

Muktinath Bikash Bank Limited

Location	Contact No.
Head Office, Kamaladi, Kathmandu	01-4168655, 4168656
Putalibazar, Syangja	063-420546, 420800
Waling, Syangja	063-440065
Prithivi Chowk, Pokhara	061-527805, 532256
Chipledhunga, Pokhara	061-540656, 540657
Damauli, Tanahu	065-562300
Narayanganj, Chitwan	056-523632, 5232605
Baglung	068-522886
Butwal	071-543682

Location	Contact No.
Bhairahawa	071-523815, 523836
Dhading Besi, Dhading	010-520704, 521151
Maharajgunj, Kathmandu	01-4371514, 4372847
Birgunj, Parsa	051-528958, 528964
Newroad, Kathmandu	01-4258448
Biratnagar	021-530014
Nepalgunj	081-522253
Janakpur	041-420551
Itahari	025-588912, 588913
Dhangadi	091-526041, 526000
Birendranagar	083-524707

Goodwill Finance Limited

Location	Contact No.
Head Office, Hattisar, Kathmandu	01-4444039, 4445690
Dillibazar, Kathmandu	01-4422290, 4422878
Taumadi, Bhaktapur	01-6620067, 6620068
Indrachowk, Kathmandu	01-5329554, 5329556
Kumaripati, Lalitpur	01-5008690, 5008691
Tripureshwor, Kathmandu	01-4231533, 4231583

Sampanna Capital & Advisory Nepal Limited

Location	Contact
Head Office, New Baneshwor, Kathmandu	01-5520722 (sampanna.capital@gmail.com)

For Online Access:
<https://mutualfund.niblcapital.com>

(प्रथम पटक प्रकाशित मिति २०७९ आश्विन २८ गते शुक्रबार)

श्री शेयरधनी महानुभावहरु,

यस कम्पनीको मिति २०७९/०६/२६ गतेका दिन बसेको संचालक समितिको १०१ औं बैठकले निर्णय गरे अनुसार यस कम्पनीको दशौं वार्षिक साधारण सभा निम्न लिखित मिति, समय तथा स्थानमा निम्न विषयहरु उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरुको जानकारीका लागि यो सूचना प्रकाशित गरिएको छ ।

सभा हुने मिति, समय र स्थान :

मिति : २०७९/०७/१८ गते (तदनुसार नोभेम्बर, ४, २०२२), शुक्रबार ।

समय : बिहान १०:३० बजे ।

स्थान : एनआईबिएल एस क्यापिटल लि. को सभाहल, लाजिम्पाट, काठमाण्डौ ।

छलफलका विषय

क) सामान्य प्रस्तावहरु :

- १) आर्थिक वर्ष २०७८/०७९ को सञ्चालक समितिको प्रतिवेदन उपर छलफल गरी पारित गर्ने ।
- २) लेखापरीक्षकको प्रतिवेदन सहितको आषाढ ३२, २०७९ मा समाप्त भएको आर्थिक वर्षको वासलात, तथा सोही मितिमा समाप्त भएको आ.व. २०७८/०७९ को नाफा नोक्सान हिसाब तथा नगद प्रवाह विवरण उपर छलफल गरी पारित गर्ने ।
- ३) सञ्चालक समितिबाट प्रस्ताव गरे बमोजिम २० प्रतिशत नगद लाभांश (रु. २७,००,००,०००/- चुक्तापूँजीको २० प्रतिशतले हुन आउने रकम रु. ५,४०,००,०००/-) करसहित वितरण गर्ने प्रस्ताव पारित गर्ने ।
- ४) कम्पनी ऐन, २०६३ को दफा १११ अनुसार आर्थिक वर्ष २०७९/०८० को लेखापरीक्षण गर्न संचालक समितिको सिफारिस मुताबिक लेखापरीक्षक नियुक्ति गर्ने र निजको पारिश्रमिक तथा नियुक्तिको शर्त तोक्ने ।

ख) विशेष प्रस्तावहरु :

- १) मुख्य कम्पनी श्री नेपाल इन्भेष्टमेण्ट बैंक लि. हाल गाभने/गाभिने (गभर्नर) प्रकृत्यामा रहेको र मुख्य कम्पनी श्री नेपाल इन्भेष्टमेण्ट बैंक लि. अन्य मर्चेन्ट बैंकिङ व्यवसाय सञ्चालन गरिरहेका बैंक/वित्तीय संस्थाहरूसँग गाभिएमा धितोपत्र व्यवसायी (मर्चेन्ट बैंकर) नियमावली, २०६४ को नियम २९(क) बमोजिम सो कम्पनीसँग गाभने/गाभिने तथा अन्य मर्चेन्ट बैंकिङ व्यवसाय सञ्चालन गरिरहेका कम्पनीहरूसँग गाभने/गाभिने सन्दर्भमा समेत प्रचलित कानून तथा निर्देशनहरु बमोजिम अपनाउनु पर्ने तथा गर्नुपर्ने सम्पूर्ण आवश्यक कार्य, प्रकृत्याहरु पुरा गरी अख्तियारप्राप्त निकायबाट अन्तिम स्वीकृति लिने तथा सो सन्दर्भमा नियामक निकायहरुबाट निर्देश गरे बमोजिमका विवरण उपलब्ध गराउने लगायतका कार्य गर्न गराउन सञ्चालक समितिलाई पूर्ण अख्तियारी दिने ।
- २) यस कम्पनीको नियमावलीको नियम ३१ (१) संशोधन गरी सञ्चालक समितिको भत्ता वृद्धि गर्ने विशेष प्रस्ताव पारित गर्ने ।
- ३) विशेष प्रस्तावका संशोधनहरुबाट प्रबन्धपत्र तथा नियमावलीमा भएका संशोधनरथप उपर नियमनकारी निकाय वा कार्यालयबाट कुनै विषयमा थप संशोधन गर्न वा भाषिक संशोधन वा फेरबदल गर्न कुनै निर्देशन वा सुझाव दिएमा सो मुताबिक संशोधन गर्न संचालक समितिलाई पूर्ण अख्तियारी दिने ।
- ४) आर्थिक वर्ष २०७८/०७९ मा कम्पनीको संस्थागत सामाजिक उत्तरदायित्व अन्तर्गत खर्च गरिएको अनुदान/दान रकम रु. १३,१२,४१९/- पारित गर्ने ।

ग) विविध ।

संचालक समितिको आज्ञाले
कम्पनी सचिव

एनआईबिएल एस क्यापिटल लिमिटेड

पो.ब.नं. २३२२४, लाजिम्पाट, काठमाण्डौ

फोन नं. ४००५०८०, फ्याक्स नं. ४००५०८४

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श्री सञ्चालक समिति,
एनआईबीएल एस क्यापिटल लिमिटेड
लाजिम्पाट, काठमाडौं ।

विषय : प्रतिनिधि नियुक्त गरेको बारे ।

महाशय,
जिल्ला न.पा./गा.वि.स. वडा नं मा बस्ने म/हामी
..... ले त्यस कम्पनीको शेयरधनीको हैसियतले मिति २०७९ साल कार्तिक १८ गते शुक्रबारको दिन हुने त्यस
कम्पनीको दशौं वार्षिक साधारणसभामा स्वयं उपस्थित भई छलफल तथा निर्णयमा सहभागी हुन नसक्ने भएकोले उक्त सभामा भाग लिन तथा
मतदान गर्नको लागि जिल्ला न.पा./गा.वि.स. वडा नं
..... मा बस्ने त्यस कम्पनीका शेयरधनी श्री शेयरधनी नं. लाई
मेरो / हाम्रो प्रतिनिधि मनोनित गरी पठाएको छु/छौं ।

निवेदक

दस्तखत :

नाम :

ठेगाना :

क्रम संख्या :

हितग्राही खाता नं :

शेयर प्रमाण पत्र नं :

किता नं : देखि सम्म

मिति :

द्रष्टव्य : यो निवेदन साधारण सभा हुनु भन्दा कम्तीमा ४८ घण्टा अगावै कम्पनीको मुख्य कार्यालयमा पेश गरिसक्नु पर्नेछ ।

शेयरधनीको नाम :

शेयर प्रमाण पत्र नं :

शेयरधनीको सही :

शेयर संख्या :

दशौं वार्षिक साधारण सभामा उपस्थित हुन जारी गरिएको प्रवेश-पत्र ।

द्रष्टव्य :

१. शेयरधनी आफैले खाली कोष्ठहरू भर्नुहोला ।
२. सभाकक्षमा प्रवेश गर्न यो प्रवेशपत्र प्रस्तुत गर्नु अनिवार्य छ ।

कम्पनी सचिव



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दशौं वार्षिक साधारण सभामा संचालक समितिको तर्फबाट अध्यक्षज्यूको प्रतिवेदन

आदरणीय शेयरधनी महानुभावहरू,

एनआईबिएल एस क्यापिटल लिमिटेडको दशौं वार्षिक साधारण सभामा उपस्थित सबैलाई संचालक समितिको तर्फबाट म हार्दिक स्वागत तथा अभिवादन गर्दछु।

तपाईंहरूको सहयोग, सद्भाव एवं शुभेच्छाबाट संचालन भएको हाम्रो यस कम्पनीले सफलतापूर्वक दशौं वर्ष पुरा गरी नेपालको मर्चेन्ट तथा इन्भेष्टमेन्ट बैंकिङ व्यवसायमा अग्रणी भूमिका खेल्दै आफ्नो कार्य क्षेत्रको बिस्तार गर्न सफल भएको छ। नेपाल धितोपत्र बोर्डबाट धितोपत्र व्यवसायी (मर्चेन्ट बैंकर) को रुपमा निष्काशन तथा बिक्री प्रबन्धक, धितोपत्र प्रत्याभुतिकर्ता, शेयर रजिष्ट्रेशन, लगानी व्यवस्थापन तथा संस्थागत परामर्श सेवाको साथै सामुहिक लगानी कोषको योजना ब्यवस्थापक तथा डिपोजिटरी र निक्षेप सदस्यको कार्य गर्न अनुमतिपत्र प्राप्त गरेको यस कम्पनीले आगामी दिनहरूमा आफ्नो सेवाग्राही समक्ष दक्ष एवं तालिम प्राप्त कर्मचारीहरू मार्फत विशिष्टीकृत लगानी कोष तथा अन्य नवीनतम सेवाहरू उपलब्ध गराई धेरै भन्दा धेरै ग्राहकहरूको विश्वास हासिल गर्न प्रतिवद्ध रहेको छ।

अब, म शेयरधनी महानुभावहरू समक्ष यस कम्पनीको मर्चेन्ट बैंकिङ तथा अन्य कार्यक्षेत्रको परिदृश्यहरू प्रस्तुत गर्दै समीक्षा अवधि आ.ब.२०७८/०७९ को कार्यसम्पादनको समीक्षा तथा भावी योजनाहरू प्रस्तुत गर्दछु।

कम्पनी ऐन २०६३ को दफा १०९ को उपदफा ४ अनुसारको विवरण :

१. विगत वर्षको कारोवारको सिंहावलोकन :

समीक्षा वर्षमा शेयर बजारमा ठूलो गिरावट रहन गयो। २०७८ असार मसान्तमा २८८३.४१ रहेको नेप्से सूचकाङ्क २०७९ असार मसान्तमा २००९.४६ रहेको छ। त्यसैगरी, २०७९ असार मसान्तमा धितोपत्र बजार पुँजीकरण रु.२८६९ अर्ब ३४ करोड रहेको छ भने गत आ.ब. को सोही अवधिमा बजार पुँजीकरण रु.४०१० अर्ब ९६ करोड रहेको थियो।

बैंक तथा वित्तिय संस्थाहरूलाई दीर्घकालीन ऋणपत्र जारी गरी वित्तीय साधन परिचालन गर्न प्रोत्साहित गरिएका कारण धितोपत्र बजारमा उपकरणगत विविधीकरण प्रारम्भ भएको छ। आर्थिक वर्ष २०७८/७९ मा बैंक तथा वित्तीय संस्थाहरूले रु. ११ अर्ब २८ करोडको ऋणपत्र निष्काशन गर्न नेपाल धितोपत्र बोर्डबाट स्वीकृति प्राप्त गरेका छन्। २०७९ असार मसान्त सम्ममा बैंक तथा वित्तीय संस्थाबाट ऋणपत्र मार्फत रु.१२३ अर्ब ७६ करोड वित्तीय साधन परिचालन भएको छ।

आर्थिक वर्ष २०७८/७९ को एघार महिनामा नेपाल धितोपत्र बोर्डले रु.११ अर्ब २८ करोड बराबरको डिबेन्चर, रु.६ अर्ब ९० करोड बराबरको म्युचुअल फण्ड, रु.६ अर्ब ५१ करोड बराबरको साधारण शेयर र रु.३ अर्ब ४६ करोड बराबरको हकप्रद शेयर गरी कुल रु.२८ अर्ब १५ करोड बराबरको धितोपत्र सार्वजनिक निष्काशनका लागि अनुमति प्रदान गरेको छ।

विश्वव्यापी रुपमा आर्थिक गतिविधिहरू संकुचित हुनुका साथै रुस र युक्रेनबीच जारी युद्धको कारण विश्व अर्थतन्त्रनै प्रभावित भएको छ। पेट्रोलियम पदार्थ र खाद्य वस्तुको मूल्यमा उल्लेख्य वृद्धि भएको छ। विश्व व्यापार गतिविधि तथा पुँजी प्रवाह प्रभावित भएको छ। अन्तर्राष्ट्रिय स्तरमा देखापरेको उच्च मुद्रास्फीतिको समस्या समाधान गर्न अधिकांश केन्द्रीय बैंकहरूले कोभिडको समयमा अवलम्बन गरेका राहत कार्यक्रम तथा नियामकीय छुटहरू विस्तारै हटाउँदै लम्नुको साथै अर्थतन्त्रमा देखिएको असन्तुलन सम्बोधन गर्नका लागि मौद्रिक नीतिको कार्यदिशालाई पनि कसिलो बनाउँदै लगेका छन्।

विश्व अर्थतन्त्रमा आएको परिवर्तनबाट नेपाली अर्थतन्त्र पनि अछुतो रहन सकेन। नेपालको सन्दर्भमा पनि मूल्य एवम् बाह्य क्षेत्र स्थायित्वमा देखिएको दबाव र लगानीयोग्य साधनमा आएको संकुचनका कारण अर्थतन्त्रको पुनरुत्थान सँगै उच्च आर्थिक वृद्धिदर हासिल गर्ने दिशामा चुनौती सिर्जना भएको छ। चालु खाता एवम् शोधनान्तर घाटाले गर्दा विदेशी विनिमय सञ्चिति घट्दै जाँदा बैंकिङ प्रणालीको तरलतामा चाप पर्नुको साथै ब्याजदरमा वृद्धि भएको छ।

उच्च मूल्य वृद्धिलाई नियन्त्रण गर्न अवलम्बन गरेको कसिलो मौद्रिक नीतिको कारण ब्याजदर वृद्धि भएको छ। २०७८ असारमा ९१-दिने ट्रेजरी बिलको भारित औसत ब्याजदर ४.५५ प्रतिशत रहेकोमा २०७९ असारमा आईपुग्दा यस्तो ब्याजदर १०.६६ प्रतिशत भन्दा बढी पुगेको छ। तरलता संकुचन र लागत वृद्धिका कारण समग्र आर्थिक वर्षमा शेयर बजार समेत ऋणात्मक अवस्थामा रहन गयो।

समीक्षा वर्षमा सामूहिक लगानी कोष नियमावली, २०६७ अन्तर्गत देशकै पहिलो “एनआईबिएल सहभागिता फण्ड” को आकार बृद्धि गरी रु १ अर्ब सम्मको आकारको लागी नियमक निकायबाट स्वीकृती समेत प्राप्त गरिसकिएको छ। यस कम्पनीबाट उपलब्ध गराइने मर्चेन्ट बैकिङ्ग अन्तर्गतका सेवाहरूलाई सुलभ एवं सहज बनाउन विगत वर्षहरूमा जस्तै उपत्यका भित्र लाजिम्पाट काठमाडौंमा केन्द्रीय कार्यालय सहित पुतलीसडक र लगनखेल तथा उपत्यका बाहिर पोखरा, बुटवल, बीरगञ्ज र बिराटनगरमा रहेको शाखाहरूबाट सेवा पुर्याउने कार्यलाई निरन्तरता दिदै आएको छ। त्यसैगरी निष्काशन तथा बिक्री प्रबन्ध अन्तर्गत विभिन्न कम्पनीहरूको शेयर तथा डिवेञ्चरहरूको सार्वजनिक निष्काशन (आईपीओ) र हकप्रद शेयर निष्काशन तथा बिक्री प्रबन्ध सम्बन्धी कार्य सम्पन्न गरेको; शेयर रजिष्ट्रारको रूपमा कार्य गरिरहेको कम्पनीको संख्या (डिवेञ्चर सहित) कुल ५१ पुर्‍याउन सफल रहेको; लगानी ब्यवस्थापन सेवा अन्तर्गत ग्राहक संख्या ७४१ तथा लगानी ब्यवस्थापन रकम करिब रु.२ अर्ब ८४ करोड जति रहेको छ।

संस्थागत परामर्श सेवा अन्तर्गत विभिन्न क्षेत्रहरूमा परामर्श सेवा प्रदान गर्दै आईरहेको र विशिष्टीकृत लगानी कोष संचालनका लागि कोष व्यवस्थापकको अनुमति पत्रका लागि नेपाल धितोपत्र बोर्डबाट माग भएबमोजिमका आवश्यक कागजातहरू र तोकिएको पूर्वाधारको विवरण बोर्ड समक्ष पेश गरि सकेको छ र बोर्डबाट अनुमति पत्र स्वीकृतिको अन्तिम चरणमा रहेको छ।

साथै निक्षेप सदस्य अन्तर्गत नेपाल इन्भेष्टमेण्ट बैंक लिमिटेडको सम्पूर्ण शाखा कार्यालयहरू लगायत यस कम्पनीको समेत सम्पूर्ण शाखा कार्यालयहरूबाट तथा अनलाईन सेवा बाट समेत खाता खोल्न सकिने ब्यवस्था मिलाई समीक्षा अवधीमा करिब ४३,५४६ नयाँ हितग्राही खाता खोली कुल खाता संख्या २,९८,३६२ पुर्‍याउन सफल भएको छ।

आर्थिक वर्ष २०७८/०७९ मा कम्पनीले गरेको आर्थिक प्रगति (NFRS अनुसार) को संक्षिप्त विवरण निम्नानुसार रहेको छ।

सि. नं.	विवरण	२०७९ आषाढ मसान्त	२०७८ आषाढ मसान्त
१.	शेयर पूँजी	२७०,०००,०००.००	२७०,०००,०००.००
२.	जगेडा कोषहरू	२१९,६४०,८३२.००	१८७०३६४२१.००
३.	अन्य दायित्व	७६१,६२२,४०४.००	२,३६०,३८१,७३१.००
४.	कुल पूँजी तथा दायित्व	१,२५१,२६३,२३६.००	२,८१७,४१८,१५२.००
५.	स्थिर सम्पत्ति खुद	३७,३०६,७२५.००	३२,५५२,६६१.००
६.	नगद तथा बैक मौज्दात	१३१,१४८,७७१.००	९७५,४९७,०६१.००
७.	लगानी	८८३,५६१,७४७.००	१,७०८,८१०,११६.००
८.	अन्य सम्पत्ति	१९९,२४५,९९३.००	१००,५५८,३१४.००
९.	कूल सम्पत्ति	१,२५१,२६३,२३६.००	२,८१७,४१८,१५२.००
१०.	कुल आम्दानी	२८२,१७८,४२६.००	३१५,१६४,१७५.००
११.	कुल खर्च	१३६,७५०,८६१.००	११८,५५७,७६४.००
१२.	खुद संचालन मुनाफा	१४५,४२७,५६५.००	१९६,६०६,४११.००
१३.	आयकर व्यवस्था	४२,६२३,१५४.००	६०,०११,४३७.००
१४.	खुद / नाफा (नोक्सान)	१०२,८०४,४११.००	१३६,५९४,९७४.००
१५.	शेयर संख्या	२,७००,०००.००	२,७००,०००.००
१६.	प्रति शेयर आम्दानी	३८.०८	५०.५९
१७.	नेटवर्थ (बुक भ्यालु) रु.	१८१.३५	१६९.२७

मिति २०७८ श्रावण १ देखि मिति २०७९ आषाढ मसान्त सम्मको समष्टिगत आर्थिक अवस्था एवं कार्यसम्पादनको भ्रलक निम्नानुसार प्रस्तुत गरिएको छ।

निष्काशन तथा बिक्री प्रबन्ध सेवा :

यस एनआईबिएल एस क्यापिटल लिमिटेडले आर्थिक वर्ष २०७८/०७९ मा निम्न अनुसारका कम्पनीहरूको साधारण शेयर सर्वसाधारणमा जारी गर्न श्री नेपाल धितोपत्र बोर्डबाट स्वीकृत प्राप्त गरेको थियो र सोही अनुसार निष्काशन तथा बिक्री प्रबन्धको कार्य सम्पन्न गरेको र केही आगामी वर्ष गरिने योजना रहेको छ।

क) सार्वजनिक निष्काशन - IPO

सि.नं.	कम्पनीको/निष्काशित धितोपत्रको नाम	निष्काशनको प्रकार	निष्काशन रकम (रु.)
१.	तेह्रथुम पावर कम्पनी लिमिटेड	साधारण शेयर	१२,००,००,०००
२.	साहास उर्जा लिमिटेड	साधारण शेयर	१,०५,००,००,०००
३.	राष्ट्र उत्थान लघुवित्त वित्तीय संस्था लिमिटेड	साधारण शेयर	८,५०,००,०००
४.	मध्य भोटेकोशी जलविद्युत कम्पनी लि.	साधारण शेयर	१,५०,००,००,०००

ख) डिबेन्चर तथा ऋणपत्र निष्काशन - Debenture Issue

सि.नं.	कम्पनीको नाम	निष्काशन रकम (रु.)
१.	८.७५ % गरिमा डिबेन्चर, २०८५	१,००,००,००,०००
२.	८.५ % एभरेष्ट बैंक लि ऋणपत्र, २०८६	२,००,००,००,०००
३.	४ % कृषि ऋणपत्र	६,००,००,००,०००

ग) हकप्रद शेयर निष्काशन - Right Share Issue

सि.नं.	कम्पनीको नाम	निष्काशन रकम(रु.)
१.	एक्सेल डेभलपमेन्ट बैंक	२४,३३,३६,३६४.७२
२.	शिखर इन्व्हेस्टर्स कम्पनी लि.	५२,७५,५७,२००.००

घ) शेयरको लिलाम - Auction of Shares

यस कम्पनीले समीक्षा अवधिमा हकप्रद निष्काशनको क्रममा बिक्री नभई बाँकी रहेको लगायत कम्पनीहरूले आफ्नो नाममा रहेको शेयर लिलाम बिक्री मार्फत बिक्री गर्न प्रबन्धक नियुक्त गरेको समेत गरी जम्मा ६ कम्पनीको संस्थापक तथा सर्वसाधारण समूहको शेयर लिलाम बिक्रीको माध्यमबाट बिक्री गर्ने कार्य सफलतापूर्वक सम्पन्न गरेको छ ।

ड) शेयर प्रत्याभूति सेवा सम्बन्धी विवरण : कुल २ वटा ।

सि.नं.	कम्पनीको नाम	शेयरको प्रकार	प्रत्याभूति गरेको रकम (रु.)
१.	समता घरेलु लघुवित्त वित्तीय संस्था लिमिटेड	साधारण शेयर	४,६०,४१,२२०.८०/-
२.	सानिमा मिडिल तमोर हाइड्रोपावर लिमिटेड	साधारण शेयर	४९,९८,७५,०००.००/-

च) शेयर रजिष्ट्रेशन सम्बन्धी विवरण : आ.व.२०७८/०७९ को अन्त्य सम्ममा कुल ५१ वटा ।

सि.नं.	कम्पनीको नाम	सि.नं.	कम्पनीको नाम
१.	नेपाल इन्भेष्टमेन्ट बैंक लि.	२७.	रु रु जलविद्युत परियोजना लि.
२.	एनआईबीएल समृद्धि फण्ड-२	२८.	निर्धन उत्थान लघुवित्त वित्तीय संस्था लि.
३.	शिखर इन्व्हेस्टर्स कम्पनी लि.	२९.	एनआईबीएल प्रगति फण्ड
४.	गोर्खाज फाइनेन्स लि.	३०.	लुम्बिनी जनरल इन्व्हेस्टर्स कम्पनी लि.
५.	सिन्धु विकास बैंक लि.	३१.	मञ्जुश्री फाइनेन्स लिमिटेड
६.	साल्ट टेडिङ्ग कर्पोरेशन लि.	३२.	सोलेटी होटल लिमिटेड
७.	माउन्टेन इनर्जी नेपाल लि.	३३.	काठमाण्डौ मेडिकल कलेज
८.	माण्डु हाइड्रोपावर लि.	३४.	गणपति माइक्रोफाइनेन्स वित्तीय संस्था लि.
९.	विजय लघुवित्त वित्तीय संस्था लि.	३५.	गुराँस लघुवित्त वित्तीय संस्था लि.
१०.	कृषि विकास बैंक लि.	३६.	एनआईबीएल सहभागिता फण्ड

११. दिव्यश्वरी हाइड्रोपावर कम्पनी लि.	३७. आँधिखोला लघुवित्त वित्तीय संस्था लि.
१२. एक्सेल डेभलपमेन्ट बैंक लिमिटेड	३८. सबैको लघुवित्त वित्तीय संस्था लि.
१३. गरिमा विकास बैंक लिमिटेड	३९. १०.५ % नेपाल इन्भेष्टमेन्ट डिभेन्चर, २०८२
१४. ज्योती वकास बैंक लिमिटेड	४०. १०.३५ % बन्दीकृषि बैंक ऋणपत्र, २०८३
१५. प्रोग्रेसिभ फाईनान्स लिमिटेड	४१. १२ % गुडविल फाइनेन्स लि. डिभेन्चर, २०८३
१६. एशियन लाईफ इन्स्योरेन्स क. लि.	४२. ८.५ % नेपाल इन्भेष्टमेन्ट बैंक ऋणपत्र, २०८४
१७. नेपाल ल्यूब आयल लि.	४३. ९.५ % ल्हाङ्ग ऋणपत्र, २०८६
१८. राष्ट्रिय बीमा कम्पनी लि.	४४. ९.५ % मञ्जुश्री फाइनेन्स लि. डिभेन्चर, २०८५
१९. नेशनल माईक्रोफाईनान्स वित्तीय संस्था लि.	४५. ९ % पद्मिनी डिभेन्चर, २०८७
२०. राष्ट्र उत्थान लघुवित्त वित्तीय संस्था लिमिटेड	४६. ९ % साँग्रिला डेभलपमेन्ट बैंक डिभेन्चर, २०८७
२१. गुडविल फाइनेन्स लि.	४७. ४ % बन्दी कृषि ऋणपत्र - ७ वर्षे
२२. साहास उर्जा लि.	४८. ४ % बन्दी कृषि ऋणपत्र - ८ वर्षे
२३. साँग्रिला डेभलपमेन्ट बैंक लि.	४९. ४ % बन्दी कृषि ऋणपत्र - ९ वर्षे
२४. ओरियन्टल होटल्स लि.	५०. ८.७५ % गरिमा डिभेन्चर, २०८५
२५. शाइन रेसुसा डेभलपमेन्ट बैंक लि.	५१. ९ % ज्योति विकास बैंक बण्ड, २०८७
२६. नेपाल इन्स्योरेन्स क. लि.	

लगानी ब्यबस्थापन सम्बन्धी सेवा :

आ.व.२०७८/०७९ को अन्त्य सम्ममा लगानी ब्यबस्थापन (एसेट अन्डर म्यानेजमेन्ट) करिब रु.२ अर्ब ८४ करोड (मुल्यमा) रहेको र ग्राहक संख्या ७४१ रहेको छ ।

निक्षेप सदस्य :

समीक्षा अवधिमा यस कम्पनीले नेपाल धितोपत्र बोर्ड तथा सिडिएस एण्ड क्लियरिङ लिमिटेडबाट निक्षेप सदस्यको रुपमा नेपाल इन्भेष्टमेन्ट बैंक लि.को सम्पूर्ण शाखा कार्यालयहरू लगायत यस कम्पनीको केन्द्रीय कार्यालय सहित ७ वटा स्थानहरूबाट निक्षेप सदस्य सम्बन्धी सेवा उपलब्ध गराउने ब्यवस्था मिलाई समीक्षा अवधिमा करिब ४३,५४६ नयाँ हितग्राही खाता खोली कुल खाता संख्या २,९८,३६२ पुर्याउन सफल भएको छ ।

एनआईबिएल म्युचुअल फण्ड :

एनआईबिएल म्युचुअल फण्ड अन्तर्गतको एनआईबिएल सहभागिता फण्ड, एनआईबिएल प्रगति फण्ड र एनआईबिएल समृद्धि फण्ड-२ को योजना व्यवस्थापक रही यस कम्पनीले रु. २ अर्ब ८८ करोडको कोष संचालन गरी आएको छ । यस आ.व.मा एनआईबिएल प्रगति फण्डका इकाईधनीहरूलाई ४.२० प्रतिशतका दरले र एनआईबिएल सहभागिता फण्डका इकाईधनीहरूलाई ७.२० प्रतिशतका दरले कर सहित प्रतिफल वितरण गर्ने निर्णय समेत गरिएको छ । साथै, समीक्षा अवधिमा एनआईबिएल म्युचुअल फण्ड अन्तर्गतको पहिलो योजना एनआईबिएल समृद्धि फण्ड-१ परिपक्व भई यही मिति २०७८ पौष २२ गते पश्चात खारेजीमा लिएको थियो । यस योजनाको ७ वर्षे अवधिमा औसत प्रतिफल करिब १८ प्रतिशत रहेको थियो र उक्त योजनाका इकाईधनीहरूलाई परिपक्व समयमा प्रति इकाई कर सहित रु. १२.७४ फिर्ता भूतान गरिएको थियो ।

संस्थागत परामर्श सेवा :

संस्थागत परामर्श सेवा अन्तर्गत विभिन्न क्षेत्रहरूमा परामर्श सेवा प्रदान गर्दै आईरहेकामा ७ वटा आयोजनाको लागी ऋण सहजिकरण तथा वित्तिय प्रक्षेपण कार्य गरिएको छ । १० वटा विभिन्न संघ संस्थाको लागी लगानीको मुल्यांकन प्रतिवेदन तयार गरिएको छ । ३ वटा वित्तीय संस्थालाई लगानी तथा परामर्श सेवा प्रदान गरिएको छ । साथै, नयाँ व्यवसाय संचालनका लागी सम्भाव्यता अध्ययन सम्बन्धी सेवा सम्बन्धी कार्य गरिएको छ । ५ वटा वित्तीय संस्थाहरूको लागी पूँजी संकलन कार्यका मध्यस्तकर्ताको सेवा पनि प्रदान गरिएको छ ।

विशिष्टीकृत लगानी कोष :

विशिष्टीकृत लगानी कोष संचालनका लागि कोष व्यवस्थापकको अनुमति पत्रका लागि नेपाल धितोपत्र बोर्डबाट माग भए बमोजिमका आवश्यक कागजातहरू र तोकिएको पूर्वाधारको विवरण बोर्ड समक्ष पेश गरि सकेको छ र बोर्डबाट अनुमति पत्र स्वीकृतिको अन्तिम चरणमा रहेको छ ।

२. राष्ट्रिय तथा अन्तर्राष्ट्रिय परिस्थितीबाट कम्पनीको कारोबारलाई कुनै असर परेको भए सो असरको समीक्षा :

आर्थिक वर्ष २०७८/०७९ मा विश्वव्यापी रुपमा आर्थिक गतिविधिहरू संकुचित हुनुका साथै रुस र युक्रेनबीच जारी युद्धको कारण विश्व अर्थतन्त्रनै प्रभावित भएको छ । पेट्रोलियम पदार्थ र खाद्य वस्तुको मूल्यमा उल्लेख्य वृद्धि भएको छ । विश्व व्यापार गतिविधि तथा पूँजी प्रवाह प्रभावित भएको छ । अन्तर्राष्ट्रिय स्तरमा देखापरेको उच्च मुद्रास्फीतिको समस्या समाधान गर्न अधिकांश केन्द्रीय बैंकहरूले कोभिडको समयमा अवलम्बन गरेका राहत कार्यक्रम तथा नियामकीय छुटहरू विस्तारै हटाउँदै लम्नुको साथै अर्थतन्त्रमा देखिएको असन्तुलन सम्बोधन गर्नका लागि मौद्रिक नीतिको कार्यदिशालाई पनि कसिलो बनाउँदै लगेका छन् ।

विश्व अर्थतन्त्रमा आएको परिवर्तनबाट नेपाली अर्थतन्त्र पनि अछुतो रहन सकेन । नेपालको सन्दर्भमा पनि मूल्य एवम् बाह्य क्षेत्र स्थायित्वमा देखिएको दबाव र लगानीयोग्य साधनमा आएको संकुचनका कारण अर्थतन्त्रको पुनरुत्थानसँगै उच्च आर्थिक वृद्धिदर हासिल गर्ने दिशामा चुनौती सिर्जना भएको छ । यस बिषय परिस्थितिमा कम्पनीले नबिन प्रकारका अवसर तथा चुनौतीहरूको सामना गर्नु का साथै चुनौतीहरूलाई अवसरमा परिणत गर्दै मुनाफा आर्जन गर्न सफल रहयो ।

नेपाल धितोपत्र बोर्डको नयाँ निति/निर्देशिका अनुसार मर्चेन्ट बैंकरलाई नयाँ कार्यक्षेत्रहरू व्यवसायिक योजना, लोन सिण्डिकेशन, वर्किङ क्यापिटल फाइनान्सिङ, प्राईभेट इक्विटी, हेज फण्ड आदी क्षेत्रमा संस्थागत परामर्शदाता सम्बन्धि सेवाहरू प्रदान गर्न सक्ने गरि विस्तार गरिएका छन् । यसलाई पूँजी बजारको लागि नयाँ आयाम मान्न सकिन्छ । मर्चेन्ट बैंकिङ व्यवसायको दायरा सोचे अनुकुल फराकिलो हुन नसक्नु, यस क्षेत्रमा भएको अस्वस्थ प्रतिस्पर्धा, अधिकांश बैंक तथा वित्तीय संस्था तथा बिमा कम्पनीहरूले सहायक कम्पनीको रुपमा यो व्यवसायलाई सुरुवात गर्नु जस्ता चुनौतीहरूका बाबजुद यस कम्पनीले आफुलाई नेपालको बर्तमान बजारमा अब्बल रुपमा स्थापित गर्न सफल भएको छ ।

तथापी नेपाल सरकारको उच्च आर्थिक वृद्धि दर कायम राख्ने लक्ष्य तथा नेपाल राष्ट्र बैंकको मुद्रास्फीति न्यून राख्न र वित्तीय सन्तुलन कायम गर्ने जस्ता मौद्रिक नीतिको असरले समेत शेयरबजारमा नकारात्मक असर परेको संदर्भमा आगामी दिनमा वर्तमान आर्थिक अवस्थामा सूधार आई कम्पनीको कारोवार अभ्र परिसकृत ढङ्गले उल्लेख्य वृद्धि हुने विश्वास हामीले लिएका छौं ।

३. प्रतिवेदन तयार भएको मिति सम्म चालु वर्ष २०७८/०७९ को उपलब्धि र भविष्यमा गर्नुपर्ने कुराको सम्बन्धमा संचालक समितिको धारणा :

यो प्रतिवेदन तयार हुँदा सम्म यस कम्पनीले गरेको उपलब्धिहरू साथै भविष्यमा गर्नुपर्ने कार्यहरूको विवरण सम्बन्धमा संचालक समितिको धारणाहरू निम्न बमोजिम रहेका छन् :

- यस कम्पनीले नयाँ नयाँ कानून बमोजिम भएको परिवर्तनलाई आन्तरिक रुपमा लागु गर्न त्यसलाई पुरानो आन्तरिक विनियमावलीहरू पुनरावलोकन तथा नभएकाहरू निर्माण गर्ने कार्य गरिरहेको छ ।
- नेपाल धितोपत्र बोर्डले समय समयमा जारी गरेको निर्देशिका तथा अन्य प्रचलित कानूनहरू बमोजिम विवरणहरू बुझाउने तथा नमूना तयार गर्ने कार्य भईरहेको छ ।
- नेपाल इन्भेष्टमेन्ट बैंक लिमिटेड कोष प्रबर्द्धक तथा एनआईबिएल एस क्यापिटल लिमिटेड योजना ब्यवस्थापक रहेको एनआईबिएल म्युचुअल फण्ड अन्तर्गत नयाँ योजना सञ्चालनमा ल्याउने गृहकार्य भईरहेको छ ।
- यस कम्पनीले हितग्राही खाता विस्तारको निरन्तरतामा राम्रो उपलब्धि हासिल गर्न सफल भएको छ, यसलाई भविष्यमा समेत निरन्तरता दिईनेछ । अनलाइन (Online) मार्फत हितग्राही तथा मेरो शेयर खाता खोल्ने ब्यवस्थालाई थप परिस्कृत गराई सेवाको पहुँच बिस्तार गरिनेछ ।
- यस कम्पनीले संस्थागत सामाजिक उत्तरदायित्वलाई प्राथमिकतामा राख्दै यस वर्ष देखि नियमित रुपमा विभिन्न कार्यक्रमहरू गरी यसलाई निरन्तरता दिने योजना बनाएको छ ।
- एनआईबिएल म्युचुअल फण्ड अर्न्तगतको एनआईबिएल प्रगति फण्डको इकाईधनीहरूलाई ४.२० प्रतिशत र एनआईबिएल सहभागिता फण्डको इकाईधनीहरूलाई ७.२० प्रतिशतका दरले कर सहित प्रतिफल वितरण गरिएको छ ।

- विशिष्टीकृत लगानी कोष संचालनका लागि कोष व्यवस्थापकको अनुमति पत्रका लागि नेपाल धितोपत्र बोर्डबाट माग भएबमोजिमका आवश्यक कागजातहरू र तोकिएको पूर्वाधारको विवरण बोर्ड समक्ष पेश गरि सकेको छ ।
- लगानी व्यवस्थापन सेवा प्रवाहलाई थप व्यवस्थित गर्दै ग्राहकहरूको दुर्घटना बीमा, परिवारका सदस्यहरूलाई समेत निशुल्क डिम्याट खाता तथा सेवा शुल्कमा छुट दिने लगायतका बिभिन्न प्रकारका प्रवर्द्धनान्तमक योजनाहरू लागु गरीएको छ । लगानी व्यवस्थापन सेवालाई थप परिष्कृत बनाउँदै Online मार्फत समेत ग्राहकहरू आवद्य हुन सक्ने व्यवस्था मिलाईनेछ ।
- संस्थागत परामर्श सेवा अर्न्तगत बिगत देखिनै प्रदान गर्दै आईरहेको ऋण सहजिकरण, वित्तिय प्रतिवेदन तथा मुल्यांकन प्रतिवेदन तयार गर्ने, प्रत्याभूतिकर्ताको व्यवस्थापन गर्ने तथा लगानी सम्बन्धि अन्य परामर्श सेवा प्रदान गर्दै आईरहेको छ ।

भावी योजनाहरू

कम्पनीले आगामी दिनहरूमा सशक्त रुपमा नेपाली पूँजी बजारका बिभिन्न क्षेत्रहरूमा कार्य गरी सर्वसुलभ सेवा उपलब्ध गराउने प्रतिबद्धता गरे बमोजिम नियमन निकायबाट प्राप्त आवश्यक स्विक्कृती अनुसार निम्न मुख्य उद्देश्यहरूका राखेको छ ।

मुख्य उद्देश्यहरू :

१. सम्पूर्ण विभागका कार्यहरूलाई प्रणालीमा आधारित स्वचालित प्रकृया तर्फ लगिने (System Based Automation) ।
२. कम्पनीले प्रदान गर्ने सम्पूर्ण सेवाहरू Mobile App तथा online प्रणाली मार्फत प्रवाहित गर्ने व्यवस्था मिलाइने ।
३. मुनाफा वृद्धिमा मात्र केन्द्रित नभई नयाँ ग्राहक संख्या वृद्धि गर्ने तथा पुराना ग्राहकहरूलाई परिष्कृत सेवा मार्फत प्रतिधारण (retain) गर्ने ।

साथै, माथि उल्लेखित मुख्य उद्देश्यहरू पूरा गर्नका लागि निम्न कार्य योजनाहरू बनाइएको छ ।

क) मर्चेण्ट बैकिङ्ग सम्बन्धि कार्यहरू :

आगामी दिनहरूमा यस कम्पनीले गर्दै आएको मर्चेण्ट बैकिङ्ग सम्बन्धि कार्यहरूको गुणात्मक वृद्धि गर्नका लागि आवश्यक रणनीती तयार गर्न विशेष ध्यान केन्द्रित गर्नेछ ।

- आगामी आ.व. मा यस कम्पनीले ३ वटा कम्पनीको सार्वजनिक निष्काशन, २ वटा सामूहिक लगानी कोषको सार्वजनिक निष्काशन, ४ वटा बित्तिय संस्थाको डिवेन्चर, २ वटा कम्पनीको प्रत्याभूति र ४ वटा कम्पनीको लिलामी कार्य अगाडी बढाउने लक्ष्य राखेको छ । साथै अधिल्लो आ.ब. मा सम्पन्न हुन नसकेका ८ वटा कम्पनीको सार्वजनिक निष्काशन र ३ वटा बित्तीय संस्थाको डिवेन्चरहरू समेत यसै आर्थिक वर्षमा सम्पन्न गरिने लक्ष्य राखिनेछ ।
- आगामी आ.व.मा यस कम्पनीले शेयर रजिष्ट्रेशन सम्बन्धी सेवा दिन अन्य कम्पनीहरू समेत थप गर्दै लैजाने उद्देश्यले अगाडी बढेको छ ।
- आगामी आ.व.मा यस कम्पनीले बजारको अवस्था र कम्पनीको अवस्था हेरि सावधानी पूर्वक प्रत्याभूतिकर्ता सेवा प्रदान गर्नेछ ।

ख) निक्षेप सदस्य:

यस अर्न्तगतको कार्य तथा प्रकृयाहरूलाई प्रभावकारी बनाउने तथा सेवाग्राहीहरूको हितग्राही खाता खोल्ने तथा वार्षिक शुल्क उठाउने कार्य लाई समेत जोड दिईनेछ । यस्तै विभिन्न शुल्कहरू उठाउने सम्बन्धमा डिजिटल भुक्तानी प्रदायक संस्थाहरू जस्तै : थैली, कनेक्ट आइपिएस, ईसेवा, खल्ली आदी सँग सम्झौता अनुसार गत वर्ष सुरु भएका कामहरूलाई अझ विस्तार गर्ने योजना रहेको छ । अनलाइन मार्फत हितग्राही तथा मेरो शेयर खाता खोल्ने कार्यलाई समेत जोड दिईनेछ । प्रादेशिक रुपमा नेपाल ईन्भेष्टमेण्ट बैंक लि. सँग समन्वय गरी भौतिक रुपमा नै मातहतका कार्यालयहरूलाई निक्षेप सदस्य सेवा सम्बन्धि तालिम प्रदान गर्नुका साथै शाखा कार्यालयहरूलाई भौतिक/अभौतिक रुपमा निक्षेप सदस्य सेवा सम्बन्धी तालिम प्रदान गरिनेछ । हितग्राही खाता खोल्ने ग्राहकहरूलाई नेपाल ईन्भेष्टमेण्ट बैंक लि. मा नै बैंक खाता खोल्न समेत प्रोत्साहन गरिनेछ ।

ग) शाखा विस्तार:

यस कम्पनीले पूँजी बजारको पहुँच बढाउनको लागि हालसम्म उपत्यका भित्र पुतलीसडक र लगनखेल तथा उपत्यका बाहिर पोखरा, बुटवल, बीरगञ्ज र बिराटनगरमा गरी ६ स्थानमा शाखा विस्तार गरी सेवा पुर्‍याउँदै आएको छ । आगामी आ.व.मा कम्तिमा सबै प्रदेशहरूलाई शाखा सञ्जाल मार्फत जोड्ने योजना अनुरूप चितवन, सुर्खेत र धनगढीमा शाखा सञ्जाल विस्तार गर्ने योजना बनाएको छ ।

घ) सामूहिक लगानी कोष:

यस कम्पनीले नेपाल ईन्भेष्टमेण्ट बैंक लिमिटेड कोष प्रबर्द्धक तथा एनआईबिएल एस क्यापिटल लिमिटेड योजना व्यवस्थापक रहेको एनआईबिएल म्युचुअल फण्ड अर्न्तगत सञ्चालित “एनआईबिएल सहभागिता फण्ड” नामक नेपालको पहिलो खुलामुखी सामूहिक लगानी कोषको आकार बढाउन विभिन्न प्रवर्द्धनात्मक कार्यक्रम हरू संचालन गर्ने तथा खरिद बिक्री केन्द्रहरू थप गर्दै लगिने व्यहोरा जानकारी गराउँदछौं ।

एनआईबीएल म्युचुअल फण्ड अन्तर्गतको एनआईबीएल प्रगति फण्ड समेत समाप्ति उन्मुख भईरहेको अवस्थामा नयाँ बन्दमुखी योजना यहि आ. व. बाट सञ्चालनमा ल्याउन आवश्यक पहल गरिने व्यहोरा समेत जानकारी गराउँदछौं ।

ड) संस्थागत परामर्श सेवा:

यस कम्पनीले नेपाल धितोपत्र बोर्डको स्वीकृती पश्चात संस्थागत परामर्श सेवा अन्तर्गत निम्न क्षेत्रहरूमा परामर्श सेवा प्रदान गर्दै आइरहेका छौं, यसलाई भविष्यमा समेत निरन्तरता दिईनेछ ।

- Equity Raise
- Debt Raise
- Market Research, Business Plan and Financial Projection
- Escrow Agency
- Investment Training to Network Clients
- FDI Advisory
- SWEAT EQUITY VALUATION
- Research report sale/subscription income NIBL and group companies
- Equity valuation/ Investment valuation
- Subsidized Loan Processing and Facilitation
- Merger and acquisition -Recommending and Finding merger partners
- Issue and Sales Management Pre and Post Advisory Fee

च) विशिष्टीकृत लगानी कोष :

यस कम्पनीले विशिष्टीकृत लगानी कोष संचालनका लागि कोष व्यवस्थापकको अनुमति पत्रका लागि नेपाल धितोपत्र बोर्डबाट माग भएबमोजिमका आवश्यक कागजातहरू र तोकिएको पूर्वाधारको विवरण बोर्ड समक्ष पेश गरि सकेको छ र बोर्डबाट अनुमति पत्र स्वीकृतको अन्तिम चरणमा रहेको छ । उक्त अनुमति पत्र स्वीकृती पश्चात् विशिष्टीकृत लगानी कोष नियमावली, २०७५ बमोजिम नयाँ कोष दर्ता प्रकृया अगाडि बढाइने छ । सो को लागि आवश्यक जनशक्ति व्यवस्थापनको लागि गत आ.ब. मा नै विज्ञापन समेत प्रकाशित गरिसकिएको छ ।

छ) अनलाइन (Online) मार्फत सेवा प्रदान गर्ने तथा प्रदान गर्ने सेवा स्वचालन (Automation) गर्ने सम्बन्धि :

कोभिड १९ ले सिकाएको पाठ तथा अवसर आत्मसात गरि आन्तरिक रुपमा गर्नुपर्ने तथा ग्राहकहरूले गर्नुपर्ने कार्यहरू समेत जस्तै :

- डिम्याट खाता खोल्ने, मेरो शेयरमा दर्ता, एनआईबीएल सहभागिता फण्डको खरिद गर्न आवेदन दिने आदि सम्भव भए सम्म डिजिटल माध्यमबाट अनलाईन मार्फत घरमै बसेर गर्न सकिने व्यवस्था गरिएको छ ।
- विभिन्न डिजिटल वालेट मार्फत आवश्यक शुल्क भुक्तानी गर्ने व्यवस्थालाई बिस्तार गरिने ।
- सेवा तथा सुबिधाहरू प्रदान गर्न web based माध्यमलाई प्राथमिकताका साथ प्रयोग गरिने तथा सेवा तथा सुबिधाहरूलाई परिष्कृत Mobile App मार्फत समेत प्रवाह गरिने ।

ज) लगानी व्यवस्थापन सेवा :

सेवा प्रवाहलाई थप ब्यवस्थित गर्दै Online मार्फत समेत ग्राहकहरू आवद्य हुन सक्ने व्यवस्था मिलाईनेछ । विभिन्न प्रवृद्धनात्मक कार्यहरू संचालन गरी ग्रहक संख्या तथा लगानी रकम उल्लेख्य रुपमा बृद्धि गर्दै लगीने छ ।

४. कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्ध :

कम्पनीले आफ्ना सबै सरोकारवालाहरू सँग सौहाद्रपूर्ण र व्यवसायिक सम्बन्ध विस्तार गरेको छ । यस सम्बन्धलाई व्यवसायिक तथा पारदर्शिताका आधारमा विकसित गर्दै लैजानु फलदायी हुने र कम्पनीको प्रगतिका लागि उपयुक्त माध्यम हुने यस कम्पनीको विश्वास रहेको छ ।

५. संचालक समितिमा भएको हेरफेर र सोको कारण :

यस समिक्षा वर्षमा संचालक समितिमा कुनै हेरफेर भएको छैन ।

६. कारोबारलाई असर पार्ने मुख्य कुराहरू :

- नेपालको राजनैतिक अवस्था र त्यसमा आउने विचलनबाट प्रत्यक्ष प्रभाव पार्ने,
- अनलाईन प्रणाली तथा शेयर खरिद बिक्रीको रकम सिधै बैंक खाताबाट हुने व्यवस्थाले लगानी गर्न सहज बातावरण तयार हुने,
- ब्याजदर तथा मुद्राबजारमा तरलताको अवस्था,
- कोभिड १९ ले सृजना गरेको अस्थिरता तथा यसको प्रभाव र समाधानको प्रयास,
- अधिकांश बाणिज्य बैंकहरू तथा अन्य वित्तिय संस्था तथा बीमा कम्पनीहरूले समेत सहायक कम्पनीको रुपमा यो व्यवसायको सुरुवात,

- बैंकहरूलाई सहायक कम्पनी मार्फत स्टक ब्रोकरको कार्य गर्न गरिएको प्रोत्साहनबाट पनि सकारात्मक असर पर्ने,
- नियमन निकायहरूको समय समयमा जारी हुने नयाँ नयाँ निर्देशनहरू जसलाई प्रयोगमा ल्याउन समय लाग्ने,
- यस क्षेत्रमा भएको अस्वस्थ प्रतिस्पर्धा,
- कम्पनीहरूको गाभ्ने र गाभिने प्रकृया (merger and acquisition of companies), आदी

७. लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर संचालक समितिको प्रतिक्रिया :

नियमित कारोबारमा देखिएका सामान्य कैफियत बाहेक लेखापरीक्षण प्रतिवेदनमा अरु कुनै कैफियत उल्लेख भएको छैन । प्राप्त प्रतिक्रिया र सुझावहरूका सम्बन्धमा संचालक समितिको ध्यानाकर्षण भएको छ र सुधारका लागि आवश्यक कदम पनि चालिसकिएको छ । साथै, अधिल्लो आ.व. का कैफियतको उल्लेखनीय सुधार भएको छ ।

८. लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम : आर्थिक वर्ष ०७८/०७९ को लागि संचालक समितिको मिति २०७९/०५/१९ गते बसेको १००औँ बैठकले २० प्रतिशत नगद लाभांश (रु.२७,००,००,०००/- चुक्ता पूँजीको २० प्रतिशतले हुन आउने रकम रु. ५,४०,००,०००/-) कर सहित वितरणको प्रस्ताव सिफारिस गरेको छ ।

९. शेयर जफत भएको भए जफत भएको शेयर संख्या, त्यस्तो शेयरको अङ्कित मूल्य, त्यस्तो शेयर जफत हुनुभन्दा अगावै सो बापत कम्पनीले प्राप्त गरेको जम्मा रकम र त्यस्तो शेयर जफत भएपछि सो शेयर बिक्री गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण : समीक्षा वर्षमा कुनै पनि शेयर जफत गरिएको छैन ।

१०. विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्त्यमा रहेको स्थितिको पुनरावलोकन : यस कम्पनीको कुनै सहायक कम्पनी छैन ।

११. कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरू र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन : यस कम्पनीको कुनै सहायक कम्पनी छैन ।

१२. विगत आर्थिक वर्षमा कम्पनीका आधारभुत शेयरधनीहरूले कम्पनीलाई उपलब्ध गराएको जानकारी : केही नभएको ।

१३. विगत आर्थिक वर्षमा कम्पनीका संचालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोबारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी : केही नभएको ।

१४. विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्झौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा : यस प्रकारको कुनै सम्झौता नभएकाले त्यस सम्बन्धमा कुनै खुलासा गर्नुपर्ने नदेखिएको ।

१५. कम्पनीले आफ्नो शेयर आफैले खरिद गरेको भए त्यसरी आफ्नो शेयर खरिद गर्नुको कारण, त्यस्तो शेयरको संख्या र अङ्कित मूल्य तथा त्यसरी शेयर खरिद गरे बापत कम्पनीले भुक्तानी गरेको रकम : समीक्षा वर्षमा शेयरहरूको पुनः खरिद कार्य नभएको ।

१६. आन्तरिक नियन्त्रण व्यवस्था भए वा नभएको र भएको भए सोको विवरण :

कम्पनीले आन्तरिक नियन्त्रण व्यवस्था कायम गर्नका लागि मानव संसाधन विकास समिति र लगानी एवं जोखिम व्यवस्थापन समिति गठन गरेको छ । यी समितिहरूको बैठक नियमित रूपमा बस्ने गर्दछ र समय-समयमा यी समितिहरूले व्यवस्थापन तथा संचालक समितिलाई सल्लाह र सुझाव दिने गर्दछन् । प्रभावकारी आन्तरिक नियन्त्रण कायम गर्नका लागि यस कम्पनीले विभिन्न नीति, निर्देशन तथा प्रक्रियाहरू तर्जुमा गरी अवलम्बन गरेको छ ।

साथै अनुपालनको अवस्था, आन्तरीक नियन्त्रणको सुनिश्चितता तथा अन्य विविध कार्यहरूको सम्परिक्षणको लागी प्रत्येक त्रैमासिक अवधि समाप्त भएपछि आन्तरीक लेखापरीक्षण गर्ने ब्यवस्था समेत मिलाईएको छ ।

१७. विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण :

खर्च शिर्षक	खर्च रकम (रु.)
कर्मचारी खर्च	रु.५७,६६८,६०२/-
संचालन खर्च	रु.६२,९२३,६४१/-
जम्मा व्यवस्थापन खर्च	रु.१२०,५९२,२४३/-

१८. लेखापरीक्षण समितिका सदस्यहरूको नामावली निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेका काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण :

कम्पनीमा हाल लेखापरीक्षण समिति नरहेको तथा बाह्य फर्मद्वारा आन्तरिक लेखापरीक्षण गर्ने व्यवस्था गरिएको छ । कम्पनीको वित्तीय स्थिति, आन्तरिक नियन्त्रण र जोखिम व्यवस्थापन, कानूनी र नियम अनुपालना आदिको अवस्था हालसम्म कम्पनीको आकार सानो भएकोले संचालक समितिले नै हेर्ने गरेको छ ।

१९. संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेका फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा: केही नभएको ।

२०. संचालक, प्रबन्ध संचालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम :

क. संचालक समिति बैठकको विवरण :

सि.नं	पद	नाम	बैठकको संख्या	पारिश्रमिक भत्ता	कैफियत
१.	अध्यक्ष	श्री सचिन टिवडेवाल	११	रु.१३२,०००/-	बैठक भत्ता
२.	संचालक	श्री दिपक कुमार श्रेष्ठ	११	रु.११०,०००/-	बैठक भत्ता
३.	संचालक	श्रीमती बन्दना थापा	९	रु.९०,०००/-	बैठक भत्ता
४.	संचालक	श्री रविन्द्र भट्टराई	११	रु.११०,०००/-	बैठक भत्ता
५.	संचालक	श्री आनन्द कुमार भट्टराई	११	रु.११०,०००/-	बैठक भत्ता
जम्मा				रु.५,५२,०००/-	

ख. मानव संसाधन समिति बैठकको विवरण :

सि.नं	पद	नाम	बैठकको संख्या	पारिश्रमिक भत्ता	कैफियत
१.	संचालक	श्री सचिन टिवडेवाल	४	रु.३२,०००/-	बैठक भत्ता
२.	संचालक	श्रीमती बन्दना थापा	३	रु.२४,०००/-	बैठक भत्ता
जम्मा				रु.५६,०००/-	

ग. लगानी तथा जोखिम व्यवस्थापन समिति बैठकको विवरण :

सि.नं	पद	नाम	बैठकको संख्या	पारिश्रमिक भत्ता	कैफियत
१.	संचालक	श्री सचिन टिवडेवाल	९	रु.७२,०००/-	बैठक भत्ता
२.	संचालक	श्री रविन्द्र भट्टराई	९	रु.७२,०००/-	बैठक भत्ता
३.	संचालक	श्री आनन्द कुमार भट्टराई	९	रु.७२,०००/-	बैठक भत्ता
जम्मा				रु. २,१६,०००/-	

घ. कार्यकारी प्रमुखको विवरण :

सि.नं	पद	नाम	पारिश्रमिक भत्ता	कैफियत
१.	प्रमुख कार्यकारी अधिकृत	श्री शिवान्त बहादुर पाँडे	रु. १९,००,०००/-	पारिश्रमिक भत्ता

२१. शेयरधनीहरूले बृक्षिलिन बाँकी रहेको लाभांश रकम : नरहेको ।

२२. कम्पनी ऐन, २०६३ को दफा १४१ बमोजिम खरिद वा बिक्री गरिएको सम्पत्तिको विवरण : समीक्षा वर्षमा यस प्रकारको कुनै खरिद बिक्री नभएको ।

२३. कम्पनी ऐन, २०६३ को दफा १७५ बमोजिम सम्बद्ध कम्पनीबिच भएको कारोबारको विवरण :

कम्पनी ऐन, २०६३ को दफा १७५ बमोजिम सम्बद्ध कम्पनी बीच भएको कारोबारको विवरण तल उल्लेख गरिएको छ :

- २०७९ आषाढ मसान्त सम्म एनआईबिएल एस क्यापिटल लिमिटेडले मुख्य कम्पनी नेपाल इन्भेष्टमेन्ट बैंक लि. मा कुल निक्षेप रु. ८,३६०,३५१/- राखेको छ । चौथो त्रैमासिकको अन्त्य सम्ममा यस कम्पनीले मुख्य कम्पनीबाट व्याज आम्दानी स्वरुप रु. ४,५०२,३४२/- आर्जन गरेको छ ।
- मुख्य कम्पनी नेपाल इन्भेष्टमेन्ट बैंक लि. को तर्फबाट श्री सचिन टिवडेवाल, श्री दिपक कुमार श्रेष्ठ र श्रीमती बन्दना थापा यस कम्पनीको संचालकका रुपमा; श्री शिवान्त बहादुर पाँडे प्रमुख कार्यकारी अधिकृतको रुपमा; श्री मेख बहादुर थापा ठाडा नायब प्रमुख कार्यकारी अधिकृतको रुपमा र श्री रेखा पन्त प्रमुख-शेयर रजिष्ट्रारको रुपमा नियुक्त हुनुभएको छ ।
- मुख्य कम्पनी नेपाल इन्भेष्टमेन्ट बैंक लिमिटेडले लाजिम्पाटस्थित कार्यालयमा यस कम्पनीलाई दैनिक कार्य संचालन गर्नको लागि स्थान उपलब्ध गराएको छ र सो स्थान तथा अन्य प्राविधिक सहयोगका लागि यस कम्पनीले वार्षिक रु.६,००,०००/- (छ लाख मात्र) मुख्य कम्पनीलाई भुक्तान गर्दै आएको छ । कार्य स्थानसँग सम्बन्धित सम्पूर्ण खर्चहरू यस कम्पनी स्वयंमले व्यहोर्दै आएको छ ।
- यस कम्पनी र मुख्य कम्पनीका सम्पूर्ण कारोबारहरूको प्रचलित ऐन तथा नियमहरू अनुसार वित्तिय पारदर्शीता कायम राखिएको छ ।

२४. कम्पनी ऐन, २०६३ तथा प्रचलित कानून बमोजिम संचालक समितिको प्रतिवेदनमा खुलाउनुपर्ने अन्य कुनै कुरा :

- (क) कार्यालय, धितोपत्र बोर्ड वा नियमनकारी निकायमा कार्यरत त्यस्तो कर्मचारी वा पदाधिकारीको नाम, थर, ठेगाना र पद सम्बन्धी कुरा : यस कम्पनीको सञ्चालक वा पदाधिकारीको नजिकको नातेदार कम्पनी रजिष्ट्रारको कार्यालय, नेपाल धितोपत्र बोर्ड वा त्यस्तो कम्पनीलाई नियमन गर्ने अन्य कुनै नियमनकारी निकायमा अधिकृत वा सो भन्दा माथिल्लो तहमा कार्यरत नरहेको ।
- (ख) कम्पनीको कुनै सञ्चालक वा पदाधिकारीको नजिकको नातेदार हो र निजहरू बिच के कस्तो नाता सम्बन्ध रहेको हो, सो कुरा: नभएको ।
- (ग) कार्यालय, धितोपत्र बोर्ड वा अन्य कुनै नियमनकारी निकायमा उक्त नजिकको नातेदार कार्यरत रहेको को सो कुरा : नभएको ।

२५. अन्य आवश्यक कुराहरू : अन्य आवश्यक कुराहरू नभएको व्यहोरा जानकारी गराइन्छ ।

धन्यवाद ज्ञापन :

यथा समयमै लेखापरीक्षण कार्य सम्पन्न गरी यस कम्पनीलाई यथोचित व्यावसायिक सूभावहरू प्रदान गर्ने आन्तरिक तथा बाह्य लेखापरीक्षकलाई संचालक समितिको तर्फबाट हार्दिक कृतज्ञता ज्ञापन गर्दछु ।

संस्थापन समय देखिनै प्रेरणादायी र निरन्तर सहयोग पुर्याउने हाम्रो मुख्य कम्पनीको संचालक समिति, व्यवस्थापन तथा कर्मचारीहरूलाई विशेष धन्यवाद दिन चाहन्छु ।

त्यसै गरी यस कम्पनीको उद्देश्य प्राप्तिका लागि सहयोग पुर्याउनु हुने शेयरधनी महानुभावहरू, ग्राहकबर्ग तथा नेपाल सरकारको सम्बन्धित निकाय लगायत नेपाल धितोपत्र बोर्ड, कम्पनी रजिष्ट्रारको कार्यालय, नेपाल राष्ट्र बैंक, नेपाल स्टक एक्सचेञ्ज लिमिटेड तथा सिडिएस एण्ड क्लियरिङ लिमिटेड प्रति संचालक समितिको तर्फबाट हार्दिक आभार प्रकट गर्दछु । कम्पनीको उत्तरोत्तर उन्नति तथा प्रगतिमा आफ्नो अमूल्य श्रम र समय खर्च गरी लगनशीलताका साथ योगदान पुर्याउनु हुने कम्पनीको व्यवस्थापन तथा कर्मचारीहरूका साथै कम्पनीको गतिविधिको बारेमा सकारात्मक रुपमा जनसमक्ष पुर्याईदिने संचार जगत र प्रत्यक्ष/अप्रत्यक्ष रुपमा सहयोग पुर्याउनु हुने सम्पूर्ण शुभेच्छुकहरू प्रति पनि म हार्दिक आभार व्यक्त गर्दछु र यस साधारण सभा सफल बनाईदिनु समेत यहाँ उपस्थित सम्पूर्ण महानुभावहरूलाई हार्दिक धन्यवाद व्यक्त गर्दछु ।

श्री दिपक कुमार श्रेष्ठ

संचालक

मिति : २०७९/०५/१९

श्री सचिन टिवडेवाल

अध्यक्ष

कम्पनी दर्ता नं. १२८४/०६७/०६८

कम्पनी ऐन, २०६३ को दफा ७८ बमोजिमको एनआईबिएल एस क्यापिटल लिमिटेडको आर्थिक वर्ष २०७८/०७९ को सञ्चालक समितिबाट स्वीकृत भई लेखापरीक्षकबाट प्रमाणित प्रतिवेदन

१. बाँडफाँड भएको शेयर संख्या :

बाँडफाँड भएको शेयरको संख्या : २७,००,००० /-

२. बाँडफाँड भएको शेयर मध्ये चुक्ता भएको र नभएको शेयरको संख्या :

चुक्ता भएको शेयरको संख्या : २७,००,००० /-

३. कम्पनीको सञ्चालक, प्रबन्ध सञ्चालक, लेखापरीक्षक, कार्यकारी प्रमुख, प्रबन्धकको विवरण र निजहरूलाई भुक्तान गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम : यस कम्पनीको सञ्चालक समिति देहाय बमोजिम रहेको छ -

क्र. सं.	सञ्चालक
१.	सचिन टिवडेवाल
२.	दिपक कुमार श्रेष्ठ
३.	बन्दना थापा
४.	रबिन्द्र भट्टराई
५.	आनन्द कुमार भट्टराई

(ग) सञ्चालकहरूलाई तल उल्लेख गरे बमोजिम भत्ता प्रदान गरिएको छ ।

क) सञ्चालक समितिको बैठक भत्ता निम्नअनुसार रहेको छ :

क्र. सं.	सञ्चालक	बैठक सं.	बैठक भत्ता
१.	सचिन टिवडेवाल	११	१३२,०००/-
२.	दिपक कुमार श्रेष्ठ	११	११०,०००/-
३.	बन्दना थापा	९	९०,०००/-
४.	रबिन्द्र भट्टराई	११	११०,०००/-
५.	आनन्द कुमार भट्टराई	११	११०,०००/-
जम्मा			५५२,०००/-

ख) मानव संसाधन समितिको बैठक भत्ता निम्नअनुसार रहेको छ :

बैठक भत्ता: रु.८,०००/- प्रति बैठक

क्र. सं.	सञ्चालक	बैठक सं.	बैठक भत्ता
१.	सचिन टिवडेवाल	४	३२,०००/-
२.	बन्दना थापा	३	२४,०००/-
जम्मा			५६,०००/-

ग) लगानी तथा जोखिम समितिको बैठक भत्ता निम्नअनुसार रहेको छ :

बैठक भत्ता : रु.८,०००/- प्रति बैठक

क्र. सं.	सञ्चालक	बैठक सं.	बैठक भत्ता
१.	सचिन टिवडेवाल	९	७२,०००/-
२.	रविन्द्र भट्टराई	९	७२,०००/-
३.	आनन्द कुमार भट्टराई	९	७२,०००/-
जम्मा			२१६,०००/-

- (२) कार्यकारी प्रमुख र व्यवस्थापकीय/प्रबन्धक स्तरका कर्मचारी पदाधिकारीहरूको वार्षिक तलब, भत्ता र अन्य सुविधाहरू निम्नबमोजिम रहेको छ :

क्र. सं.	विवरण	प्रमुख कार्यकारी अधिकृत	अन्य कार्यकारी/व्यवस्थापकहरू
१.	तलब		१,५१९,६३२/-
२.	भत्ता	१,९००,०००/-	१,३६३,०८८/-
३.	दशै भत्ता		१९७,१२०/-
४.	संचयकोष		१५१,९६३/-
जम्मा		१,९००,०००/-	३,२३१,८०३/-

तलब भत्ता बाहेक कार्यकारी प्रमुख तथा अन्य कार्यकारी/व्यवस्थापकहरूलाई निम्नबमोजिम सुविधाहरू प्रदानगर्ने व्यवस्था छ :

- कार्यकारी तथा व्यवस्थापकहरूलाई मानव शंसाधन नितीमा उल्लेख भए बमोजिम सवारी कर्जा/सुविधा ।
- बोनस व्यवस्था बोनस ऐन अनुसार ।
- दुर्घटना बीमा, औषधि उपचार बीमा, स्वास्थ्य विमा, जीवन बीमा - कम्पनीको मानव शंसाधन नितीमा उल्लेख भए बमोजिम ।

- (३) कम्पनीको लेखापरीक्षक श्री एन. अमात्य एण्ड कम्पनी, चार्टर्ड एकाउण्टेण्टस् लाई आर्थिक वर्ष २०७८/७९ को लेखा परीक्षण गरे बापत लेखापरीक्षक शुल्क कर सहित रु.२५४,२५०/-तोकिएको छ ।

४. कम्पनीको चुक्ता पूँजीको पाँच प्रतिशत वा सो भन्दा बढी शेयर खरिद गरी लिने व्यक्ति वा संगठित संस्थाको नाम र निजहरूको नाममा रहेको शेयर वा डिबेञ्चरको विवरण :

	शेयर स्वामित्व	संख्या
नेपाल ईन्भेष्टमेण्ट बैंक लिमिटेड	१०० प्रतिशत	२७,००,०००

५. शेयर बिक्रीबाट प्राप्त भएको जम्मा रकम र सम्बन्धित आर्थिक वर्षमा कम्पनीले खरिद गरेको तथा जारी गरेको नयाँ शेयर तथा डिबेञ्चरको विवरण :

शेयर

कम्पनीबाट समीक्षा अवधिमा कुनै शेयर जारी गरिएको नभएको ।

डिबेञ्चर

कम्पनीबाट समीक्षा अवधिमा कुनै डिबेञ्चर जारी नभएको ।

६. सञ्चालक वा आधारभूत शेयरधनी वा निजका नजिकका नातेदारले कम्पनीलाई बुझाउन बाँकी रहेको रकम : सञ्चालक वा निजका नजिकका नातेदारले कम्पनीलाई कुनै रकम बुझाउन बाँकी रहेको छैन ।

७. शेयर बिक्री वा अन्य कुनै काम कुरा गरे बापत दिएको वा दिनु पर्ने रकम :

शेयर बिक्री वा अन्य कुनै काम कुरा गरे बापत दिएको वा दिनु पर्ने रकम छैन ।

८. बैङ्क तथा वित्तीय संस्थाहरूबाट लिएको ऋण तथा बुझाउन बाँकी रहेको साँवा तथा व्याजको रकम :

बैङ्क तथा वित्तीय संस्थाहरूबाट लिएको ऋण तथा बुझाउन बाँकी रहेको साँवा तथा व्याजको रकम छैन ।

९. कम्पनीले भुक्तानी लिनु पर्ने वा कम्पनीले अन्य व्यक्तिलाई भुक्तानी गर्नुपर्ने भनी दाबी गरिएको रकम वा यस विषयमा मुद्दा मामिला चलिरहेको भए त्यसको विवरण :
सो सम्बन्धि कुनै पनि मुद्दा मामिला छैन ।
१०. कम्पनीको व्यवस्थापनमा कार्यरत तथा अन्य स्तरका कर्मचारी वा कामदारको संख्या :
कम्पनीको व्यवस्थापनमा कार्यरत तथा अन्य स्तरका कर्मचारी वा कामदारको संख्या निम्नबमोजिम रहेको छ :
- | | |
|--|------------|
| (क) प्रमुख कार्यकारी अधिकृत | १ |
| (ख) नायब प्रमुख कार्यकारी अधिकृत तथा कम्पनी सचिव | १ |
| (ग) नायब महाप्रबन्धक | १ |
| (घ) अन्य कर्मचारीहरू (Pay roll) | ६० |
| (ङ) करार (Contract) | २३ |
| (च) दैनिक ज्यालादारी (Daily Wages) | १५ |
| जम्मा कर्मचारीहरू | १०१ |
११. कम्पनीको व्यवस्थापनमा कार्यरत तथा अन्य स्तरमा कार्यरत विदेशीहरूको संख्या तथा निजहरूलाई भुक्तान गरिएको पारिश्रमिक, भत्ता तथा सुविधा :
छैन ।
१२. कम्पनी र कुनै विदेशी निकाय वा व्यक्तिहरू बीच लगानी व्यवस्थापन वा प्राविधिक सेवा वा अन्य विषयमा एक वर्ष भन्दा बढी अवधिको लागि कुनै सम्झौता गरिएको भए सोको विवरण र सम्बन्धित आर्थिक वर्षमा त्यस्तो सम्झौता अनुसार भुक्तान गरिएको लाभांश, कमिसन, शुल्क, दस्तुर र रोयल्टी आदिको विवरण :
सो सम्बन्धी कुनै पनि सम्झौता भएको छैन ।
१३. कम्पनीको आर्थिक वर्ष २०७८/०७९ को व्यवस्थापन खर्चको विवरण :
कम्पनीको आर्थिक वर्ष २०७८/०७९ को कर्मचारी बोनस खर्च बाहेकको व्यवस्थापन खर्चको विवरण कम्पनीको वार्षिक प्रतिवेदनको अनुसूची ४, ५, ११ र १२ मा विस्तृत रूपमा उल्लेख गरिएको छ ।
रकम रु. १२०,५९२,२४३/-
१४. शेयरधनीहरूले बुझि लिन बाँकी रहेको लाभांशको रकम :
छैन ।
१५. कम्पनीले कम्पनी ऐन तथा प्रचलित कानूनको पालना पूर्ण रूपमा गरेको छ भन्ने कुराको उद्घोषण :
यस कम्पनीले कम्पनी ऐन, २०६३ तथा प्रचलित कानूनको पालना पूर्ण रूपमा गरेको छ भन्ने कुराको उद्घोषण गर्दछौं:
- (क) कम्पनीको प्रबन्धपत्र वा नियमावलीमा संशोधन गरिएको भए संशोधन गरेको मिति, संशोधित प्रबन्धपत्र वा नियमावली कार्यालयमा अभिलेख गरेको वा नगरेको लगायत ऐनका व्यवस्थाहरू पालना गरिएको वा नगरिएको कुरा, समिक्षा अवधीमा कम्पनीको प्रबन्धपत्र तथा नियमावलीमा कुनै संशोधन नभएको ।
- (ख) नयाँ शेयर जारी गरिएको भए ऐनको म्यादभित्र शेयर बाँडफाँडको विवरण म्यादभित्र पेश गरेको वा नगरेको कुरा र म्याद नाघी पेश भएको भए जरिवाना तिरेको रकम,
– नयाँ शेयर जारी नभएको ।
- (ग) कम्पनीले डिभेन्चर उठाउँदा ऐनमा गरिएको व्यवस्था गरे नगरेको कुरा,
– हालसम्म कम्पनीले कुनै डिभेन्चर नउठाएको ।
- (घ) शेयरधनी वा डिभेन्चरवालाको दर्ता किताबको निरीक्षण बन्द गरेको मिति, पटक सो सम्बन्धमा ऐनका पालना गरेको वा नगरेको कुरा,
– ऐनको व्यवस्था पालना गरेको ।
- (ङ) कम्पनीले शेयर जफत गरेको भए ऐनका व्यवस्थाहरू पालना गरेको वा नगरेको कुरा,
– हालसम्म कुनै शेयर जफत नगरेको ।

- (च) कम्पनीको खुद सम्पत्ति घट्न गई चुक्ता पूँजीको आधा वा सो भन्दा कम भएको भए सो सम्बन्धमा सञ्चालक समितिले ऐन बमोजिमको जिम्मेवारी पूरा गरेको वा नगरेको कुरा,
– कम्पनीको खुद सम्पत्ति घट्न नगएको र चुक्ता पूँजीको आधा वा सो भन्दा कम नगरेको ।
- (छ) कम्पनीले आफ्नो शेयर आफैले खरीद गरेको भए खरीद गरेको मिति र सो सम्बन्धमा ऐनका व्यवस्थाहरू पालना गरेको वा नगरेको कुरा,
– हालसम्म आफ्नो शेयर आफैले खरीद नगरेको ।
- (ज) कम्पनीले ऐन बमोजिम वार्षिक साधारण सभा गरे नगरेको कुरा, वार्षिक साधारण सभाको सूचना, गणपूरक संख्या, स्थान लगायतका विषयहरूमा ऐनको व्यवस्थाहरू पालना भएको वा नभएको कुरा, वार्षिक साधारण सभाको निर्णय विवरण रीतपूर्वक अभिलेख गरेको वा नगरेको कुरा,
– कम्पनीले ऐन बमोजिम वार्षिक साधारण सभा गरेको र सभाको निर्णय विवरण रीतपूर्वक अभिलेख गरेको ।
- (झ) कम्पनीले विशेष साधारण सभा गरेको भए सो गरेको मिति र सो सम्बन्धमा ऐनको व्यवस्थाहरू पालना भएको वा नभएको कुरा,
– समिक्षा अवधिमा विशेष साधारण सभामा नगरेको ।
- (ञ) कम्पनीले देहाय बमोजिमका विवरण वा सूचना म्यादभित्र कार्यालयमा पेश गरेको वा नगरेको कुरा:
- (१) कम्पनीको प्रबन्धपत्र र नियमावलीमा भएको संशोधन ।
– म्याद भित्र पेश गर्ने गरेको ।
 - (२) शेयर बाँडफाँडको विवरण ।
– म्याद भित्र पेश गर्ने गरेको ।
 - (३) धितोपत्र व्यवसायी र कम्पनी बीच भएको सम्झौता ।
– समिक्षा अवधिमा त्यस्तो सम्झौता नभएको ।
 - (४) शेयरमा रहेको हक सम्बन्धी जानकारी ।
– लागू नहुने ।
 - (५) शेयर, डिभेन्चर र ऋणको लगत ।
– म्याद भित्र पेश गर्ने गरेको ।
 - (६) आफ्नो शेयर आफैले खरीद गरेकोमा सो सम्बन्धी जानकारी ।
– लागू नहुने ।
 - (७) अग्राधिकार शेयर फिर्ता लिएको भए सो सम्बन्धी जानकारी ।
– लागू नहुने ।
 - (८) वार्षिक साधारण सभा गर्नुभन्दा कम्तीमा एक्काइस दिन अघि पेश गर्नुपर्ने प्रतिवेदन ।
– म्याद भित्र पेश गरेको ।
 - (९) वार्षिक साधारण सभाको विवरण र वार्षिक आर्थिक विवरणहरू ।
– म्याद भित्र पेश गरेको ।
 - (१०) लेखापरीक्षकको नियुक्तिको जानकारी ।
– म्याद भित्र जानकारी गराएको ।
 - (११) कम्पनीको रजिष्टर्ड कार्यालय रहेको ठेगाना परिवर्तन गरिएको भए सोको जानकारी ।
– समिक्षा अवधिमा ठेगाना परिवर्तन नगरिएको ।
 - (१२) कम्पनीका सञ्चालकहरूको निजी स्वार्थ रहेको विषयमा गराएको जानकारी ।
– निजी स्वार्थको विषय नरहेको ।
- (ट) कम्पनीका पदाधिकारीहरूले कम्पनीमा बुझाउनुपर्ने देहायका लिखतहरू बुझाएको वा बुझाएको कुरा:
- (१) आफ्नो निज स्वार्थ रहेको विषयमा सञ्चालकले गराउनुपर्ने जानकारी ।
 - (२) कम्पनीको सञ्चालक वा निजको नजिकको नातेदारले कम्पनीको शेयरमा हकप्राप्त गरेको जानकारी ।
 - (३) आफू आधारभूत शेयरधनी हुन पुगेको वा आधारभूत शेयरधनी नरहेकोमा त्यस्तो शेयरधनीले कम्पनीलाई गराउनुपर्ने जानकारी ।
 - (४) अन्य कसैको हक वा लगानी ।
- कम्पनीका पदाधिकारीहरूले कम्पनीमा बुझाउनुपर्ने उपरोक्त जानकारी तथा लिखतहरू बुझाएको ।

- (ठ) कम्पनीको सञ्चालक, प्रबन्ध सञ्चालकवाप्रमुखकार्यकारी अधिकृतको नियुक्ति, निजहरूको कार्यकाल, पारिश्रमिक, भत्ता र सुविधा ऐन बमोजिम रीतपूर्वक भएको वानभएको कुरा ।
– ऐन बमोजिम रीतपूर्वक भएको ।
- (ड) ऐन बमोजिम कम्पनीमा स्वतन्त्र सञ्चालकको नियुक्तिभएको वा नभएको कुरा ।
– ऐन बमोजिम भएको ।
- (ढ) कम्पनीको सञ्चालक समितिको बैठक कहिले बस्यो, सञ्चालक समितिको बैठकको न्यूनतम संख्या, सो सम्बन्धी सूचना र निर्णय विवरण लगायतका विषयहरूमा ऐनका व्यवस्थाहरूको पालना भएको वा नभएको कुरा ।
– ऐनका व्यवस्थाहरूको पालना भएको ।
- (ण) कम्पनीले आफ्नो सञ्चालक वा निजको नजिकको नातेदारसँग कुनै अर्थपूर्ण कारोबार गरेको भए त्यस्तो कारोबार गर्न साधारण सभाको स्वीकृतिलिएको वानलिएको कुरा ।
– त्यस्तो कारोबार नभएको ।
- (त) कुनै सञ्चालकले कम्पनी मार्फत् आफुलाई व्यक्तिगत फाइदा हुने काम गरेको भए साधारण सभाको निर्णय बमोजिम त्यस्तो फाइदा लिएको हो वा होइन सो कुरा ।
– सञ्चालकहरूले समिक्षा अवधीमा कम्पनी मार्फत् आफुलाई व्यक्तिगत फाइदा हुने काम नगरेको ।
- (थ) कम्पनीले सञ्चालन गरी आएको व्यवसायको सत्तरी प्रतिशतभन्दा बढी व्यवसाय विक्री गर्दा वा कुनै व्यहोराले हक छोडिदिँदा, चुक्ता पूँजी र सञ्चित मुनाफाको जम्मा रकम भन्दा बढी हुने गरी ऋण लिँदा वा एक आर्थिक वर्षमा पचास हजार रुपैयाँ वा कम्पनीको विगत तीन आर्थिक वर्षको सरदर खुद मुनाफाको एक प्रतिशतले हुनआउने रकममध्ये जुनकम हुन्छ सो रकमभन्दा बढीको चन्दा वा अनुदान दिएको भए साधारण सभाबाट विशेष प्रस्ताव पारित गरेको वा नगरेको कुरा सो सम्बन्धी व्यहोरा ।
– यस्तो अवस्था विद्यमान हुँदा विशेष प्रस्ताव पेश गरि पारित गर्ने गरेको ।
- (द) ऐन बमोजिम कम्पनीले राख्नुपर्ने देहाय बमोजिमका दर्ता किताबहरू खडा गरी कम्पनीको रजिष्टर्ड कार्यालयमा राखेको वा नराखेको कुरा खुलाउने:
(१) शेयरधनीको दर्ता किताब : कम्पनीमा रहेको ।
(२) डिवेञ्चरवालाको दर्ता किताब : हालसम्म डिवेञ्चर जारी नभएको ।
(३) सञ्चालक तथा कम्पनी सचिवको दर्ता किताब : कम्पनीमा रहेको ।
(४) कम्पनीले अर्को कम्पनीलाई दिएको सापटी, अर्को कम्पनीले लिएको ऋण बापत दिएको जमानत वा कम्पनीको धितोपत्रमा गरेको लगानीको विवरण : लागु नहुने ।
- (ध) ऐन बमोजिम कम्पनीले वार्षिक आर्थिक विवरणहरू लेखापरीक्षण गराएको वा नगराएको कुरा ।
– कम्पनीले वार्षिक आर्थिक विवरणहरू ऐन बमोजिम लेखापरीक्षण गराएको ।
- (न) कम्पनीले ऐन बमोजिम सञ्चालक समितिको प्रतिवेदन तयार गरेको वा नगरेको कुरा ।
– सञ्चालक समितिको प्रतिवेदन ऐन बमोजिम गरेको ।
- (प) ऐन विपरीत कम्पनीले आफ्ना सञ्चालक, पदाधिकारी, आधारभूत शेयरधनी वा निजहरूको नातेदारहरूलाई ऋण प्रदान गरेको वा नगरेको कुरा ।
– लागु नहुने ।
- (फ) कम्पनीले डिष्काउन्टमा शेयर जारी गरेको भए सो सम्बन्धमा ऐनका व्यवस्थाहरूको पालना गरेको वा नगरेको कुरा ।
– डिष्काउन्टमा शेयर जारी नगरेको ।
- (ब) कम्पनीले बोनस शेयर जारी गरेको भए सो सम्बन्धमा ऐन बमोजिमका व्यवस्थाहरूको पालना भएको वा नभएको कुरा ।
– समिक्षा अवधीमा कम्पनीले बोनस शेयर जारी नगरेको ।
- (भ) कम्पनीले प्रिमियम मूल्यमा शेयर जारी गरेको भए सो सम्बन्धमा ऐन बमोजिमका व्यवस्थाहरूको पालना भएको वा नभएको कुरा ।
– प्रिमियम मूल्यमा शेयर जारी नगरेको ।

- (म) कम्पनीले आफ्नो शेयर खरीद गर्न आफ्ना शेयरधनी वा अन्य व्यक्तिलाई कुनै ऋण वा आर्थिक सहयोग प्रदान गरेको वा नगरेको कुरा ।
– त्यस्तो सहयोग प्रदान नगरेको ।
- (य) कम्पनीको स्वार्थसँग बाझिन सक्ने आफ्ना निजी स्वार्थहरू भए सो सम्बन्धमा कम्पनीलाई तोकिएको म्यादभित्र जानकारी गराएको वा नगराएको कुरा ।
– निजी स्वार्थ नदेखिएको ।
- (र) सञ्चालकले आफ्नो कम्पनी वा सो कम्पनीको सहायक वा प्रमुख कम्पनीको अन्य सहायक कम्पनीको शेयर वा डिभेन्चरमा हक प्राप्त गरेको भए म्यादभित्र कम्पनीलाई जानकारी गराएको वा नगराएको कुरा ।
– कम्पनीका सञ्चालकहरूले समिक्षा अवधीमा त्यस्तो हक प्राप्त गरेको कुरा जानकारीमा नआएको ।
- (ल) कम्पनीले लाभांश वा अन्तरिम लाभांश बाँड्दा ऐनको पालना गरेको वा नगरेको कुरा ।
– ऐनको पालना गरेको ।
- (व) कम्पनीका साधारण सभामा शेयरधनीलाई लाभांश बाहेक कम्पनीको कोषमा व्ययभार पर्ने गरी नगद वा जिन्सीको रुपमा कुनै रकम भुक्तानी गरेको वा नगरेको कुरा ।
– नगरेको ।
- (श) कार्यालयबाट कम्पनीलाई कुनै निर्देशन दिएको भए सो निर्देशनको पालना भएको वा नभएको कुरा ।
– समिक्षा अवधीमा कार्यालयबाट कुनै निर्देशन जारी नभएको ।
- (ष) सूचीकृत कम्पनी भए वार्षिक साधारण सभाको सूचनाको साथमा संक्षिप्त आर्थिक विवरण शेयरधनीलाई पठाएको वा नपठाएको कुरा ।
– लागु नहुने ।
- (स) लेखापरीक्षण समिति गठन गर्नुपर्ने सूचीकृत कम्पनी भए ऐन बमोजिम त्यस्तो समिति गठन गरिएको वा नगरिएको कुरा ।
– लागु नहुने ।
- (ह) ऐनको उल्लङ्घन गरेको अभियोगमा कम्पनी विरुद्ध कुनै कारबाही चलिरहेको वा त्यस्तो कसूर ठहर भई कम्पनीले कुनै दण्ड सजाय व्यहोर्नु परेको भए सो को व्यहोरा ।
– नभएको ।
- (क्ष) ऐनको दफा ८१ अनुसार कम्पनीका सञ्चालक तथा पदाधिकारीले कार्यालयलाई तिरेको जरिवानाको विवरण ।
– कुनै जरिवाना नलागेको ।
- (त्र) कम्पनीको सुशासन तथा पारदर्शिताको दृष्टिकोणबाट कम्पनी सचिवले खुलाउन आवश्यक ठानेका अन्य आवश्यक कुराहरू ।
– त्यस्तो खुलाउनु पर्ने कुनै व्यहोरा नरहेको ।
- (ज्ञ) अन्य आवश्यक कुरा
– केही नभएको ।

प्रस्तुत प्रतिवेदन यस कम्पनीको मिति २०७९/०५/१९ मा बसेको १००औं सञ्चालक समितिको बैठकबाट पारित भएको व्यहोरा प्रमाणित गर्दछौं ।

.....
मेख बहादुर थापा ठाडा
कम्पनी सचिव

.....
सिए. मनिश अमात्य
एन. अमात्य एण्ड कम्पनी,
चार्टर्ड एकाउण्टेण्ट्स

मिति : २०७९/०५/१९

N. Amatya & Co.

Chartered Accountants

UDIN: 220912CA00209Daa43

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF NIBL ACE CAPITAL LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **NIBL ACE Capital Limited** (the Company), which comprise the statement of financial position as at Ashad 32, 2079 (July 16, 2022), and the statement of profit or loss and other comprehensive income, the statement of changes in shareholders' equity, the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at Ashad 32, 2079 (July 16, 2022), and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics for professional accountant issued by Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2063 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics for professional accountants. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the year ended on Ashad 32, 2079 (July 16, 2022). These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Investments (Refer Note 13 "Financial instruments and fair value measurement" and Note 14 of the financial statements)	
Investment of the Company comprises of quoted and unquoted marketable equity shares of various companies, fixed deposits in various banks and financial institutions, investment in mutual fund as seed capital, investment in marketable mutual fund, private equity and debentures. The valuation of the investments is done in compliance with Nepal Financial Reporting Standards (NFRS) – 9: Financial Instruments. The investment in marketable equity securities and mutual funds are valued at fair value through profit and loss (FVPL). The investment in debentures and fixed deposits with	Our audit procedures included the following: ▪ Tested the design implementation and operating effectiveness of key controls over valuation process of investments. ▪ Assessed appropriateness of the valuation techniques with reference to NAS 39 – Financial Instruments: Recognition and Measurement read together with NFRS 9 – Financial Instruments along with the Company's own valuation policy. ▪ We have agreed a sample of year-end investment holdings to external valuations



Key audit matters	How our audit addressed the key audit matter
various banks and financial institutions are valued at amortized cost. The valuation of the investment requires special attention and further in view of the significance of the amount of the investment in the financial statements, the same is considered a key audit matter in our audit.	and custody sources to verify the valuation and existence of these investments. ▪ Obtained an understanding of price verification control, which is designed to review the appropriateness of valuation methodologies to derive model inputs. ▪ Based on our audit procedures performed, we concluded that the valuation of level 1 and level 3 financial instruments is appropriate.
Revenue Recognition <i>(Refer Note 3 "Revenue" and Note 3.1 of the financial statements)</i>	
Revenue comprises of issue and sales management income, underwriting fee, share registrar income, portfolio management service income, fund management fee, mutual fund depository fee, DP income, collection commission income, advisory income and other operating income. The Company also recognizes net changes in gain / (losses) on financial assets and liabilities at FVPL as a part of revenue in its financial statements. Since the management considers revenue as key measure of evaluation of performance, there is a risk of revenue being recorded before service is rendered and is not recognised in the correct period.	Our audit procedures included the following: ▪ Obtained and read the Company's revenue accounting policy on revenue recognition in accordance with the requirements of NFRS 15 – Revenue from Contracts with Customer. ▪ Understood and tested the design, implementation and operating effectiveness of key controls over revenue generation and its recognition. ▪ Obtained clear understanding of the process of operating and deriving income from mutual funds and portfolio management services as per directives issued by the Securities Board of Nepal (SEBON) and understood the process of booking such revenue. ▪ Tested on a sample basis the recorded revenue to ensure that the revenue is recorded when the right to receive has been established and the management is certain to receive such amount. ▪ Verified on a sample basis the related documents including portfolio management service income calculations and mutual fund management fee income therein as per regulatory requirements and internal policies of the Company along with cash receipt with special attention to the timestamp thereto so as to ascertain the correctness of period of revenue recognition. ▪ Based on our audit procedures performed, we concluded that the revenue from merchant banking operation recognition is appropriate.

Information other than the financial statements and auditor's report thereon

The management of the Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements 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 audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

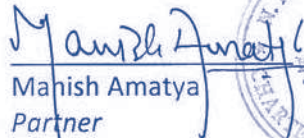
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

We report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
- c. The enclosed statement of financial position, statement of profit or loss and other comprehensive income and statement of cash flows have been prepared in conformity with provision of the Company Act, 2063 and the same are in agreement with the books of account maintained by the Company.
- d. In our opinion and to the best of our information and according to the explanations given to us, the board or any member thereof or any employee of the Company has not acted against the provision of law relating the accounts nor caused loss or damage to the Company or misappropriated the funds of the Company.


Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants



Place: Kathmandu

Date: September 4, 2022 (Bhadra 19, 2079)

NIBL ACE CAPITAL LTD.

1. Statement of Financial Position

As on Ashad 32, 2079 (Corresponding to 16 July 2022)

Amount in NRs.

Particulars	Notes	As at 16 July 2022	As at 15 July 2021
STOCKHOLDERS' EQUITY:			
Paid up capital	7	270,000,000	270,000,000
Retained Earnings	8	188,376,990	165,768,645
Reserves		31,263,841	21,267,776
Total Stockholders' Equity		489,640,831	457,036,421
NON CURRENT LIABILITIES			
Deferred Tax Liability	6.3	-	6,349,213
Employment Benefits		2,032,145	1,627,431
Total Non-Current Liabilities		2,032,145	7,976,644
CURRENT LIABILITIES			
Trade and Other Payables	10.1	721,299,332	2,309,924,080
Other Current Liabilities	10.2	36,044,842	40,234,921
Provisions	19	2,246,086	2,246,086
Current Tax Liabilities		-	-
Total Current Liabilities		759,590,260	2,352,405,087
Total Liabilities and Stockholders' Equity		1,251,263,236	2,817,418,152
NON-CURRENT ASSETS			
Property, plant and equipment	11	35,399,653	30,355,483
Intangible Assets	12	1,907,072	2,197,178
Investments	14	60,921,804	32,233,900
Advance for Investment in Equity Instruments		27,500,000	-
Staff Loan		53,545,600	27,439,379
Total Non-Current Assets		179,274,129	92,225,940
CURRENT ASSETS			
Investments	14	822,639,943	1,676,576,216
Trade Receivables, advances and deposits	16.1	106,716,160	69,327,104
Current Tax Assets	6.2	7,013,584	3,791,831
Deferred Tax Asset	6.3	4,470,649	-
Cash and cash equivalents	16.2	131,148,771	975,497,061
Total Current Assets		1,071,989,107	2,725,192,212
Total Assets		1,251,263,236	2,817,418,152
Contingent Liabilities	17		

As per our report of even date,

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Rabindra Bhattarai
Independent Director

Ananda Kumar Bhattarai
Independent Director

Shivanth Bahadur Pandé
CEO

Mekh Bahadur Thapa
DCEO

Sachindra Dhungana
DGM

Anup Shakya
Head - GSD

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

Date: 19 Bhadra 2079 (September 4, 2022)



NIBL ACE CAPITAL LTD.

2. Statement of Profit or Loss and Other Comprehensive Income

From Shrawan 1, 2078 to Ashad 32, 2079 (July 16, 2021 to July 16, 2022)

Amount in NRs.

Particulars	Notes	For the Year Ended	
		16 July 2022	15 July 2021
Revenue:			
Revenue from operation	3.1	198,763,059	186,250,432
Other income	3.2	107,583,257	93,281,251
Net changes in gain/(losses) on financial assets and liabilities at FVTPL	14.1	(24,167,890)	35,632,492
Total revenue		282,178,426	315,164,175
Expenses:			
Operating Expenses	4	23,137,196	32,103,803
General and Administrative Expenses	5	103,794,985	78,040,803
Depreciation and Amortization	11 & 12	9,818,680	8,413,158
Total expenses		136,750,861	118,557,764
Income before income taxes		145,427,565	196,606,411
Tax expense /(income)	6.1	42,623,154	60,011,437
Profit for the year		102,804,411	136,594,974
Gains /(losses) on re-measuring available for sale financial assets		-	16,404,821
Gain/(loss) on Actuarial valuation of defined benefit liability		-	-
Total Other Comprehensive income/(Loss) – A		-	16,404,821
Income tax income /(expense) relating to components of other comprehensive income - B		-	(4,921,446)
Other Comprehensive income /(loss) for the year, net of income tax (A-B)		-	11,483,375
Total comprehensive income for the year		102,804,411	148,078,349

As per our report of even date,

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Rabindra Bhattarai
Independent Director

Ananda Kumar Bhattarai
Independent Director

Shivanth Bahadur Pandé
CEO

Mekh Bahadur Thapa
DCEO

Sachindra Dhungana
DGM

Anup Shakya
Head - GSD

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

Date: 19 Bhadra 2079 (September 4, 2022)



NIBL ACE CAPITAL LTD.

3. Statement of Cash Flow

For the Year Ended Ashad 32, 2079 (Corresponding to 16 July 2022)

Amount in NRs.

	FY 2021.22	FY 2020.21
A. Cash Flows From Operating Activities:		
Cash Inflows	288,635,515	277,125,889
Interest Income	70,023,332	103,662,388
Issue and Sales Management & Underwriting Fee	19,089,123	21,177,833
Advisory Income	2,239,208	1,150,750
Share Registrar	2,947,428	4,386,366
Portfolio Management	24,991,362	15,505,250
Fund Management Fee	58,648,069	43,678,069
MF Depository	7,985,715	6,327,709
DP Income	58,300,968	62,064,363
Income from Investment	24,384,430	10,680,048
Other Income	20,025,879	8,493,113
Cash Outflows	180,344,101	147,533,720
SEBON Fee	7,378,130	5,332,484
CDS Fee	3,502,904	11,839,833
DP Commission Expense	2,270,971	603,917
Staff Expenses	78,786,309	48,131,102
Office and other Overhead Expenses	31,741,018	25,879,127
Income Tax Paid	56,664,768	55,747,258
Cash Flow Before Changes in Working Capital	108,291,414	129,592,169
(Increase)/Decrease in Current Assets	706,094,469	(789,047,566)
(Increase)/Decrease in Short Term Investments	762,736,943	(770,646,604)
(Increase)/Decrease in Other Assets	(56,642,474)	(18,400,962)
Increase/(Decrease) in Liabilities	(1,573,961,429)	1,383,115,549
Increase/(Decrease) in Other Liabilities	(1,573,961,429)	1,383,115,549
Increase/(Decrease) in Sundry Creditors	-	-
Net Cash Flows from Operating Activities	(759,575,547)	723,660,151
B. Cash Flows from Investing Activities:	(14,572,743)	(18,912,925)
Purchase of Fixed Assets	(14,572,743)	(20,423,523)
Proceeds from disposal of Fixed Assets	-	1,510,599
C. Cash Flows from Financing Activities:	(70,200,000)	(60,000,000)
Increase/(Decrease) in Share Capital	-	-
Dividend Paid	(70,200,000)	(60,000,000)
Current Year's Cash Flow from All Activities	(844,348,290)	644,747,227
Opening Balance of Cash and Bank Balance	975,497,061	330,749,834
Closing Balance of Cash and Bank Balance	131,148,771	975,497,061

As per our report of even date,

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Rabindra Bhattarai
Independent Director

Ananda Kumar Bhattarai
Independent Director

Shivanth Bahadur Pandé
CEO

Mekh Bahadur Thapa
DCEO

Sachindra Dhungana
DGM

Anup Shakya
Head - GSD

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

Date: 19 Bhadra 2079 (September 4, 2022)



4. Statements of Changes in Shareholders' Equity

For the Year Ended Ashad 32, 2079 (Corresponding to 16 July 2022)

Amount in NPRs

Particulars	Accumulated Other Comprehensive Income/(Losses)								Total Equity
	Share Capital	Net unrealized gain (loss) on available-for- sale investments	Net actuarial gain (loss) on defined benefit plans	Other	Accumulated Other Comprehensive Income (Loss)	CSR Fund	General Reserve	Retained Earnings	
Balance as at 15 July 2021	270,000,000	-	-	-	-	1,274,677	19,993,098	165,768,645	457,036,420
Profit for the year	-	-	-	-	-	-	-	102,804,411	102,804,411
Other comprehensive (loss) income	-	-	-	-	-	-	-	-	-
Dividends (Distributed)/ Recapitalized	-	-	-	-	-	-	-	(70,200,000)	(70,200,000)
Shares issued for dividend reinvestment plan	-	-	-	-	-	-	-	-	-
Transfer of net actuarial loss on defined benefit plans	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	10,280,441	(10,280,441)	-
Transfer to CSR Fund	-	-	-	-	-	1,028,044	-	(1,028,044)	-
Less: CSR Expenses During the year	-	-	-	-	-	(1,312,419)	-	1,312,419	-
Addition through Business Combination	-	-	-	-	-	-	-	-	-
Balance as at 16 July 2022	270,000,000	-	-	-	-	990,302	30,273,539	188,376,990	489,640,831

Date: 19 Bhadra 2079 (September 4, 2022)

NIBL ACE CAPITAL LTD.

Notes to the Financial Statements as of Ashad End 2079 (16th July 2022)

1. Corporate Information

NIBL Ace Capital Limited is a limited liability company incorporated in Nepal at office of company registrar (OCR) under Companies Act of Nepal with its registered office at Lazimpat, Kathmandu. The Company is a subsidiary of Nepal Investment Bank Limited.

The company has been established with objectives of providing merchant banking services in Nepal. The company has obtained merchant banking license from Securities Board of Nepal (SEBON) and also has obtained license of Depository participant from SEBON and CDS & Clearing Limited.

The Company is engaged in business of issue and sales management, underwriting, portfolio management, share registrar, depository participants and other advisory services. The Company is also fund manager and mutual fund depository for NIBL mutual fund and currently manages three schemes namely NIBL Pragati Fund, NIBL Sahabhagita Fund and NIBL Samriddhi Fund II. The close end fund, NIBL Samriddhi Fund I was matured on 2078 Poush 22 (2022 January 6).

The financial statements have been authorized for issue on 4 September 2022 by the Board of Directors.

2. Basis of preparation and presentation of financial statements

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

2.1. Statement of compliance

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS). These financial statements are also prepared in accordance with the relevant presentation requirements of the Companies Act, 2063 of Nepal.

2.3 Basis of Measurement

The financial statements have been prepared under historical cost convention basis except for certain items that are measured and presented at fair value as required by relevant NFRS as explained in respective notes. These financial statements cover the reporting period from 1st Shrawan 2078 to 32 Ashad 2079.

2.4. Basis of preparation

The financial statements are prepared on accrual and going concern basis. The accounting policies are applied consistently to all the period presented in the financial statements.

2.5. Functional and presentation currency

These financial statements are prepared in Nepalese Rupee, which is functional currency of the company. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

Functional currency is the currency of the primary economic environment in which the Company operates. Company's transactions including income, investment and expenses are denominated in Nepalese Rupee, which the management determines to be the functional currency of the Company.

2.6. Significant Accounting judgments, estimates and assumptions

Preparation of financial statements in accordance with Nepal Financial Reporting Standards (NFRS) requires the management to make use of significant accounting judgments, estimates and assumptions that affect the reported amount of asset and liabilities, income and expenses, and disclosures of contingent items during the reporting period. These accounting policies adopted are used on consistent basis. Estimates are reviewed on continuous basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The significant accounting policies adopted, judgments and estimates while preparing these financial statements in accordance with NFRS are set out in corresponding notes.

3. Revenue

Revenue is recognized on accrual basis and is measured at the fair value of the consideration received or receivable. The management of the Company determines the amount of revenue based on the applicable service agreement. Fees and commission arising from transactions are recognized on basis of completion of underlying transaction. Accounting policies, estimates and judgments used by management for each item of revenue is detailed below:

Item of revenue	Accounting policy, significant estimates and judgments used for revenue recognition																									
Issue management fee	Issue management fee is recognized based on completion of work for the issue of securities to the extent that it is probable that economic benefit will flow to the Company and the amount can be measured reliably. Management determines that the volume of work is completed to the extent of fifty percent of total work at time of signing of agreement for issue management, and accordingly recognizes fifty percent of total fee as income from issue management immediately after signing the contract which is generally non-refundable. The balance of agreed fee is recognized as income when allotment of the related issue is completed.																									
Collection commission	Collection commission is recognized as revenue after the related allotment is completed. ASBA commission income is also included in collection commission revenue on completion of process for allotment of IPO.																									
Refund commission	Refund commission income is recognized one month after the certificate distribution has been started. However, refund commission revenue is recognized when allotment is made for issue management whose refund commission has been predetermined.																									
Underwriting fee	Underwriting fee is recognized based on the recoverability of fee and non-refundability of fixed amount of fee. Management estimates that recoverability of fee can be reliably measured at the date of issue.																									
RTS & RTA fee	RTS/ RTA fee is recognized on accrual basis of service offered throughout the year.																									
Mutual fund depository and fund management fee	Fund management and depository fee revenue is recognized as per the rate agreed with the fund sponsor based on the fund size as guided by Mutual Fund Regulation 2067. The rate of Fund Management and Depository Fee has been revised as per revised Mutual Fund Regulation 2067 from Falgun 1, 2076. Following is the agreed rate for fund management and depository fee for each scheme of mutual fund: <table><tr><th>Fund</th><th>Fund management fee</th><th>Revised Fund management fee</th><th>Depository fee</th><th>Revised Depository fee</th></tr><tr><td>NIBL Samriddhi Fund I</td><td>1.75 %</td><td>1.50%</td><td>0.50 %</td><td>0.20%</td></tr><tr><td>NIBL Pragati Fund</td><td>1.50 %</td><td>1.50%</td><td>0.50 %</td><td>0.20%</td></tr><tr><td>NIBL Sahabthagita Fund</td><td>1.25 %</td><td>1.25%</td><td>0.40 %</td><td>0.20%</td></tr><tr><td>NIBL Samriddhi Fund II</td><td></td><td>1.50%</td><td></td><td>0.20%</td></tr></table>	Fund	Fund management fee	Revised Fund management fee	Depository fee	Revised Depository fee	NIBL Samriddhi Fund I	1.75 %	1.50%	0.50 %	0.20%	NIBL Pragati Fund	1.50 %	1.50%	0.50 %	0.20%	NIBL Sahabthagita Fund	1.25 %	1.25%	0.40 %	0.20%	NIBL Samriddhi Fund II		1.50%		0.20%
Fund	Fund management fee	Revised Fund management fee	Depository fee	Revised Depository fee																						
NIBL Samriddhi Fund I	1.75 %	1.50%	0.50 %	0.20%																						
NIBL Pragati Fund	1.50 %	1.50%	0.50 %	0.20%																						
NIBL Sahabthagita Fund	1.25 %	1.25%	0.40 %	0.20%																						
NIBL Samriddhi Fund II		1.50%		0.20%																						
Portfolio management fee	Entry load is recognized as revenue when agreement with client is signed. Performance fee, annual fee and service fee is recognized as revenue when it is due.																									
Depository participants (DP) fee	Due to uncertainty on recoverability of DP income that will flow to the entity, management estimates that the income recognized on realized income basis shall provide reliable and more relevant information about the effects of transactions, and conditions on financial performance of the entity. DP income is recognized on realized basis on the rate given in CDS Bylaws and the regulations issued by the SEBON.																									
Dividend income	Dividend income is recognized when right to receive is established. Management determines the right to receive is established when shareholders approve the resolution of dividend distribution by the entity at general meeting of shareholders.																									
Interest income	Interest income is recognized as it accrues using effective interest rate method.																									
Other income	Other incomes are recognized when it is probable that consideration associated with the transaction will flow to the company and the amount of revenue can be measured reliably.																									

3.1. Revenue from operation

Following table summarizes the operating revenue recognized during the period:

Amount in NRs

Particulars	FY 2021.22	FY 2020.21
Issue and Sales Management Income	2,819,643	5,060,000
Underwriting Fee	739,219	1,481,202
Share Registrar Income	5,715,195	5,442,154
Portfolio Management Service Income	18,539,058	23,725,202
Fund Management Fee	51,775,748	45,835,307
Mutual Fund Depository Fee	7,074,563	6,239,295
DP Income	69,225,662	72,292,488

Collection Commission Income	27,503,856	11,697,379
Advisory Income	3,730,503	1,400,000
Other operating income	11,639,612	13,077,405
Total	198,763,059	186,250,432

3.2. Other income

Following table summarizes other income recognized during the period:

Amount in NRs

Particular	FY 2021.22	FY 2020.21
Interest Income	85,666,639	86,100,708
Dividend Income	17,449	178,472
Return on Investment on Mutual Fund	15,401,336	3,198,555
Other Non-Operating Income	6,497,833	3,803,516
Total	107,583,257	93,281,251

4. Operating Expenses

Amount in NRs

Particular	FY 2021.22	FY 2020.21
SEBON Fee	6,153,388	6,690,086
CDS Fee	13,771,263	15,061,065
DP Commission Expenses	1,392,503	1,627,710
RTS and Issue Management Related Expenses	1,585,886	7,881,003
PMS- Commission Expense	234,156	843,939
Total	23,137,196	32,103,803

Apart from SEBON Fee and CDS Fee in regard to DP - AMC Fee collection which has been booked on cash basis, all other expenses has been booked on accrual basis.

5. General and Administrative Expenses

Amount in NRs

Particular	FY 2021.22	FY 2020.21
Employee Costs	54,912,689	38,953,296
Employee Training and Development	2,755,913	339,040
Staff Bonus Expenses	16,158,618	21,845,157
Office Advertisement and Business Promotion Expenses	5,650,779	1,706,160
AGM Expenses	96,128	26,128
Membership Fee, Renewal and Subscription Fee	1,285,808	1,303,143
Audit Fee	254,250	254,250
Internal Audit Fee	200,000	149,160
Audit Expenses	-	76,620
Bank Charges	102,775	15,961
Cleaning Expenses	1,137,632	760,455
Dashain, Tihar & Pooja Expenses	292,172	142,937
Non-Capital Assets	220,802	69,680
Other Office Expenses	27,600	1,271
CSR Expenses	1,312,419	424,000
Security Expenses	2,053,335	1,093,489
Office Gardening Expenses	44,440	106,370
Electricity Expenses	268,150	-
Printing & Stationary Expense	2,196,596	3,351,452

Newspaper & Periodicals Subscription Fee	15,430	24,923
Communications Expense	3,452,609	2,171,948
Courier & Postage Expenses	122,668	49,857
Fuel Expense	913,686	437,839
Vehicle Annual Charge	110,183	91,289
Insurance	166,785	84,979
Rental	4,206,481	568,149
Software Expenses – Office	1,351,092	833,385
Repair and Maintenances	1,735,083	1,246,154
BOD Meeting Expenses & Other Related Expenses	855,760	893,988
Miscellaneous Expenses	60,704	31,553
Transportation & Freight Expenses	147,973	67,800
Consulting & Legal Advisory Expense	186,450	16,950
Budget Meeting Expenses	829,575	101,830
Data Management and Entry Fee	70,400	201,590
Management Fee	600,000	600,000
Total	103,794,985	78,040,803

6. Income taxes

Tax Expense for the year

Tax expense comprises current tax expense and deferred tax expense (deferred tax income).

Current tax

Current tax is the expected tax payable on taxable income for the year calculated as per taxation law and rates applicable at date of statement of financial position. Current tax expenses include any adjustments to income tax payable or recoverable in respect of previous years.

Deferred tax

Deferred tax is recognized based on temporary difference between financial statement's carrying amounts of asset and liabilities and their respective income tax bases. Deferred tax is determined using the tax rates that has been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax is reviewed at each reporting date and reduced to the extent of non-recoverability of deferred tax assets.

Current and deferred tax for the year

Current and deferred tax for the year are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case current and deferred tax are also recognized in other comprehensive income or equity respectively.

Offsetting of current and deferred tax assets and liabilities

Current and deferred tax assets and liabilities are offset when the company has legally enforceable right to offset the recognized amount and intention to settle on net basis.

6.1. Income tax expenses

Following is the details of tax expenses recognized in statement of Profit or Loss.

Amount in INRs		
Particulars	Year Ended 16 July 2022	Year Ended 15 July 2021
Current tax expenses		
in respect of current year	53,179,300	51,292,535
in respect of prior years – Expenses / (Income)	263,715	123,377
	53,443,015	51,415,912
Deferred tax expenses/ (income)		
In respect of current year	(10,819,861)	8,595,525
Total income tax expenses recognized in current year	42,623,154	60,011,437

Following table shows the reconciliation of taxable profit with the accounting profit.

Amount in NRs

Particulars	Year Ended 16 July 2022	Year Ended 15 July 2021
Profit/ (loss) before tax for the year as per accounting	145,427,565	196,606,410
<u>As per accounting</u>		
Add: Depreciation Expenses not allowed	9,818,680	8,413,158
<u>As per Income Tax</u>		
Less: Depreciation Expenses allowed	(11,747,971)	(8,841,387)
Less: Dividend Income - Final Tax Holding Income	(17,449)	(178,472)
Less: Unrealized Gain on Investment	-	(28,158,177)
Less: Realized Gain on Investment as per book value	(1,503,974)	(7,474,314)
Add: Disallowed Expenses	-	-
■ Provisional Expenses – Leave	608,313	630,152
■ Staff Bonus – Allocation to Staff Welfare Fund	200,000	200,000
■ Unrealized Losses on Investment	25,671,864	-
■ Realized Gain on Investment as per cost value	8,547,636	4,686,826
■ Miscellaneous and Provisional Expenses	259,667	5,090,919
Profit/(loss) as per Income Tax	177,264,331	170,975,115
Effective Tax Rate	30%	30%
Current Tax Expenses	53,179,300	51,292,535

6.2. Current tax asset or liabilities

Amount in NRs

Particulars	Year Ended 16 July 2022	Year Ended 15 July 2021
Current tax assets		
Opening balance (net offset with current tax liabilities)	-	-
+ Advance Tax during the year	60,192,884	55,084,366
Closing balance (A)	60,192,884	55,084,366
Current tax liabilities		
Opening balance (net offset with current tax assets)	-	-
+ Current tax payable during the year	53,179,300	51,292,535
+ Tax payable due to Business Combination	-	-
Closing balance (B)	53,179,300	51,292,535
Net current tax asset/ (liabilities) (A-B)	7,013,584	3,791,831

6.3. Deferred tax asset or liabilities

Amount in NRs

Particulars	Carrying Value	Tax Base	Difference
Fixed Assets	37,306,725	39,496,383	2,189,658
Provision for Leave	2,032,145	-	2,032,145
Provision for Expenses	2,246,086	-	2,246,086
Investment	883,561,747	891,996,021	8,434,274
Total Temporary Difference			14,902,163
Total Deferred tax Assets/(Liabilities) for the Year			4,470,649
Less: Deferred Tax Assets/(Liabilities) relating to OCI			-
Less: Deferred Tax Assets/(Liabilities) up-to Previous Year			(6,349,213)
Deferred Tax Income /(Expense) of this Year			10,819,861

7. Share Capital

The company applies NAS 32 Financial Instruments: Presentation to determine whether the contribution received is either outsiders' liability/debt or equity. Financial instruments issued or their component is classified as liabilities if contractual arrangements give rise to the Company having present obligation to either deliver cash or another financial asset, or a variable number of equity shares to the holders of instrument. Otherwise, it is recognized as equity instrument. Any incremental costs directly attributable to the issue of new shares are shown in equity as deduction from the proceeds.

Share capital represents residual interests of equity holders in the company. The company's share capital is as follows:

Particulars	Value per share	As at 16 July 2022		As at 15 July 2021	
		No of shares	NRs.	No of Shares	NRs.
Authorized capital	100	5,000,000	500,000,000	5,000,000	500,000,000
Issued and subscribed capital	100	2,700,000	270,000,000	2,700,000	270,000,000
Paid in capital	100	2,700,000	270,000,000	2,700,000	270,000,000

Following is the reconciliation of outstanding no of shares at the reporting period end.

Particulars	As at 16 July 2022	AS at 15 July 2021
No of Paid in Capital at beginning	2,700,000	2,700,000
+ Additional issue of equity instruments	-	-
+ Issue of bonus shares	-	-
+ Acquired through business combination	-	-
No of paid shares outstanding at period end	2,700,000	2,700,000

7.1. Share held by holding company

Out of the ordinary shares issued by the Company, 100% of the shares are held by the holding company Nepal Investment Bank Ltd.

8. Retained Earnings

All accumulated profit less distribution is represented under retained earnings. The other comprehensive income/ (loss) has been presented separately under Retained Earnings as at reporting period. Following is the table of retained earnings.

Amount in NRs

Particulars	As at 16 July 2022	As at 15 July, 2021
Opening Balance	165,768,645	92,291,744
+ Acquired through BC	-	-
+ Profit for the year	102,804,411	136,594,973
-Distribution During the period	(70,200,000)	(60,000,000)
- Transfer to General Reserve	(10,280,441)	(13,659,497)
- Transfer to CSR Fund	(1,028,044)	(1,365,950)
+CSR Expenses, Charged to Fund	1,312,419	424,000
Sub- Total	188,376,990	154,285,270
+/(-)Other Comprehensive Income / (Loss)	-	11,483,375
Closing Balance of Retained Earning	188,376,990	165,768,645

Reserves

- General Reserve**

As per Revised Mutual Fund Regulations 2067 implemented from Falgun 1, 2076, Section 38 Ka, every fund manager merchant banking company shall allocate 10% of Net Profit After Tax every year to a General Reserve Fund for risk management and maintenance of corporate financial stability. The company shall not distribute dividend from the allocated amount to such reserve.

Following is the table of General Reserve:

Amount in NRs

Particulars	As at 16 July 2022	As at 15 July, 2021
Opening Balance	19,993,098	6,333,601
+ General Reserve allocated during the year	10,280,441	13,659,497
Closing Balance of General Reserve	30,273,539	19,993,098

- **Corporate Social Responsibility (CSR) Fund**

As per Revised Securities Businessperson (Merchant Banker) Regulation, 2064 implemented from Falgun 1, 2076, Section 30 Ka, every merchant banking company shall form a Corporate Social Responsibility (CSR) Fund and shall allocate 1% of Net Profit after Tax every year to a CSR Fund. The expenses in related to CSR activities shall be done, charging to the Fund during the year.

Following is the table of CSR Fund that has been shown under reserves:

Amount in NRs

Particulars	As at 16 July 2022	As at 15 July, 2021
Opening Balance	1,274,677	332,727
+ CSR Fund allocated during the year	1,028,044	1,365,950
- CSR Expenses, charged to fund during the year	(1,312,419)	(424,000)
Closing Balance of CSR Fund	990,302	1,274,677

Proposed Dividend

For Fiscal year 2078/79, the board has proposed 20% cash dividend including tax amounting NRs. 5,40,00,000 (NRs. Five Crores Forty Lakhs Only), which is subject to approval from the Annual General Meeting.

9. Capital Management

The primary objectives of capital management policy are to ensure that the Company complies with externally imposed capital requirements and that the company maintains strong credit ratings and healthy capital ratios in order to support its business and maximize shareholders value.

When managing capital, which is a broader concept than the equity in the statement of financial position, the objectives of the company are:

- To comply with the capital requirements set by the regulatory authority where the company operates
- To safeguard the company's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders; and
- To maintain a strong capital base to support the development of its business.

SEBON requires minimum of NRs. 200,000,000 equity capital to carry out all services that the company provides.

The management monitors its capital structure and required level of regulatory capital requirement based on the changes in economic condition in which company operates. The management may adjust the structure by adopting the policies of dividend payments, issues of new shares, acquiring new or retiring existing debts.

10. Current Liabilities

The company classifies a liability as current when such liability is expected to be settled within twelve months after the reporting period end and it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period, and such liabilities are primarily held for ordinary purpose of business. Current liabilities of the company have been classified into different group of Trade and payables, other current liabilities and provision balances. Following tables details the current liabilities of the company.

10.1. Trade and Other Liabilities

Trade liabilities include the current liabilities directly related to the operating income or expenses.

Amount in NRs

Particulars	AS AT 16 July 2022	AS AT 15 July 2021
Issue Collection Refundable	159,815,191	945,264,090
RTS Client Dividend Warrant Payable	531,153,226	477,560,142
RTA Bonus and Tax Payables	4,474,747	4,243,026
CDS Fee Payable	16,788,958	6,520,599
SEBON Fee Payable	1,888,932	3,113,675
Advance received from Customer	2,877,911	2,400,407
Other payables	3,551,125	19,194,431
DP Commission Payables	749,242	1,627,710
*Advisory Payables	-	850,000,000
Total	721,299,332	2,309,924,080

*It is in regard to functioning of NIBL Ace Capital as Escrow Agent under Advisory Service in regard to Issue & Sales business.

10.2. Other current liabilities

Other current liabilities of the company include payable balances on account of general and administrative expenses. Following is the list of other current liabilities.

Amount in NRs

Particulars	AS AT 16 July 2022	AS AT 15 July 2021
Audit fee payable	250,875	278,750
Salary, Wages and Bonus Payable	17,896,999	23,260,802
Statutory Liabilities	1,917,484	881,143
Staff Housing loan insurance premium	6,718,847	5,491,241
Other sundry payables	9,260,637	10,322,985
Total	36,044,842	40,234,921

11. Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment (PPE) are those tangible assets used for business operation, administrative purpose or for rental to others. An item of PPE is recognized at the statement of financial position at cost less accumulated depreciation and impairment allowances if any when it is probable that future economic benefits associated with such item of PPE will flow to the Company for more than one accounting period, and the cost of the item can be measured reliably.

Costs includes purchase price and directly attributable costs incurred in bringing the assets to the present location and conditions of being operable as intended by the management. Borrowing costs incurred for qualifying assets are capitalized.

Depreciation

Depreciation is recognized to write off the costs of item of PPE less their estimated residual values using straight line method over their estimated useful lives and is recognized in statement of profit or loss. Management estimates the useful life for each component of assets separately. Following estimations of useful life on each category of asset is used by management for depreciation.

Category of Assets	Estimated Useful Life
Data Processing Hardware	5 Years
Office Equipment	10 Years
Office Furniture and Fixtures	6.67 Years
Vehicles	6.67 Years
Leasehold assets	5 Years

De-recognition & Impairment

An item of PPE is de recognized upon disposal or when no future economic benefits are expected to flow to the Company from continued use of the asset. Any gain or loss arising on disposal or retirement of an item of PPE is determined as the difference between net sales proceeds and carrying amount of the assets and is recognized in statement of Profit or loss.

Following is details of PPE.

Amount in NRs

Particulars	Vehicle	Data Processing Hardware	Office Equipment	Office Furniture & Fixtures	Leasehold Assets	Total PPE
(A) Cost or Valuation						
Opening balance as at 15 July 2021	11,429,100	27,892,234	5,812,007	11,304,509	8,726,158	65,164,008
+Additions during the year	14,325	4,027,668	2,756,255	1,995,732	5,332,763	14,126,743
- Disposal	-	-	-	-	-	-
Balance as at 16 July 2022	11,443,425	31,919,902	8,568,262	13,300,241	14,058,921	79,290,751
(B) Accumulated Depreciation, amortization and impairment						
Opening balance as at 15 July 2021	1,411,726	19,741,207	870,387	7,287,716	5,497,488	34,808,524
+Additions during the year	1,715,260	3,154,416	741,187	1,650,247	1,821,463	9,082,573
-Deletion	-	-	-	-	-	-
Balance as at 16 July 2022	3,126,986	22,895,623	1,611,574	8,937,963	7,318,951	43,891,097
(C) Carrying Amount						
As at 15 July 2021	10,017,374	8,151,026	4,941,619	4,016,794	3,228,670	30,355,483
As at 16 July 2022	8,316,439	9,024,279	6,956,687	4,362,279	6,739,970	35,399,653

Impairment losses for the year have not been provided on any assets and no assets have been pledged as security against borrowing or commitments.

12. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortization and accumulated impairment losses. Amortization is recognized on straight line basis over their estimated useful life. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for as per Note 2.6 Following estimate of useful life on each item of intangible assets is used by management.

Item of intangible asset	Estimated useful life
Software	5 Years

Intangible assets with indefinite useful lives that are acquired separately are carried at costs less any accumulated impairment losses.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from their use. Gain or losses arising from derecognition of an intangible asset is measured as the difference between net proceeds from disposal and carrying amount of the asset and are recognized in statement of profit or loss.

Following is the details of intangible assets as at the period end.

Amount in NRs

Particulars	Software	Total Intangibles
(A) Cost or Valuation		
Opening balance as at 15 July 2021	5,356,602	5,356,602
+Additions during the year	446,000	446,000
-Disposal	-	-
Balance as at 16 July 2022	5,802,602	5,802,602

(B) Accumulated Depreciation, amortization and impairment		
Opening balance as at 15 July 2021	3,159,423	3,159,423
+Additions during the year	736,107	736,107
-Deletion	-	-
Balance as at 16 July 2022	3,895,530	3,895,530
(C) Carrying Amount		
As at 15 July 2021	2,197,178	2,197,178
As at 16 July 2022	1,907,072	1,907,072

13. Financial Instruments and Fair Value Measurement

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date in the principal, or in its absence, the most advantageous market to which the company has access at that date.

The fair value of the financial assets and liabilities that is traded in an active market is based on the quoted market prices at the close of trading date on the reporting date. The company uses the last traded market price.

The fair value for all other financial instruments not traded in an active market is determined by using the valuation techniques deemed to be appropriate in the circumstances. These valuation techniques include the market approach, income approach or cost approach, or other valuation techniques commonly used by market participants making the maximum use of observable inputs and relying as little as possible on unobservable inputs.

For instruments for which active market is not available, the company may also use the internally developed valuation model as per company's valuation guideline which describes about the methods and techniques generally recognized as standard within the industry. Valuation models are primarily used for the unlisted equity securities or other financial instruments for which market is not active during the year. Some of the inputs to these models may not be market observable and hence requires the management judgments and thus valuation is estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques used may not fully reflect all factors relevant to the conditions the company holds. Valuations are therefore adjusted wherever appropriate to adjust the factors including model risk, liquidity risk.

Fair value hierarchy

The company measures the fair value using the following fair value hierarchy that reflects the significance of the input used in measurements.

- Level 1 (L1): Inputs that are quoted market prices (unadjusted) in an active market for identical instruments.
- Level 2 (L2): Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 (L3): Inputs that are unobservable. This category includes all instruments for which the valuation techniques include inputs not based on observable data and whose unobservable inputs have a significant effect on the instruments' valuation.

Financial Instruments

Classification and Measurement

Financial instruments included in the statement of financial position are measured at fair value through profit or loss or measured at amortized costs. Financial instruments measured at fair value through profit or loss (FVTPL) or fair values through other comprehensive income (FVOCI) are classified into following:

- **Financial assets or financial liabilities held for trading:** financial assets are classified as held for trading if they are acquired for purpose of selling or repurchasing in near future. This category includes equities and other fixed income securities. These assets are acquired principally for the purpose of generating a profit from short term changes in price.

- **Financial assets and financial liabilities designated at fair value** these financial assets and liabilities are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluation on a fair value basis in accordance with the policy and strategy of the company.
- **Financial assets available for sale:** financial asset that are not classified as held for trading or designated at fair value are classified as available for sale. Available-for-sale financial assets are those intended to be held for an indeterminate period of time and may be disposed due to changes in interest rates, underlying prices or other requirements. Gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognized directly in other comprehensive income, until the financial assets are sold or impaired or retires, when cumulative gain or losses previously recognized in other comprehensive income is recognized in statement of profit or loss

Financial assets and liabilities measured at Amortized Cost

Financial assets and liabilities held to maturity are classified and measured at amortized cost. These financial asset or liabilities are initially recognized at fair value including direct and incremental costs and subsequently measured at amortized costs, using the effective interest method, less any impairment allowances.

Recognition

The company recognizes financial assets or liabilities when it becomes the party to contractual provisions of the instrument. Recognition takes place on the trade date where the purchase or sale of an investment is under a contract whose terms requires delivery of the investment within the timeframe established by the market concerned.

Derecognition

Financial assets are de recognized when the contractual right to receive cash has expired or the company has transferred substantially all risks and rewards of ownership.

Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contracts is discharged, cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liabilities simultaneously.

Following table details the financial instruments included in the statements of financial position are measured at fair value or amortized costs.

Financial instruments measured at fair value	Fair Value method
Cash and cash equivalents	Carrying amount (approximation to fair value assumed due to short-term nature)
Investments held for trading	Closing price of scrips (L1) as at the statement of financial position dates. or L2 or L3 value as determined by management
Available for sale investments	Closing price of scrips (L1) as at the statement of financial position dates. or L2 or L3 value as determined by management
Financial instruments measured at Amortized Cost	Fair Value method
Receivables, short term payables and accrued charges	Carrying amount (approximation to fair value assumed due to short term nature)
Employee Loan	Fair value calculated using effective interest rate.
Fixed deposits investments	Carrying amount as effective interest rate shall be the interest rate of each deposit instrument.

14. Investments

Following table details the investments and analysis within the fair value hierarchy as at date of reporting period end.

Amount in NRs

Investments in	Fair Value as at 16 July 2022	FY 2021.22			Fair Value as at 15 July 2021	FY 2020.21		
		L1	L2	L3		L1	L2	L3
(A) Held for trading (classified as current assets)								
Mutual Funds	46,737,640	46,737,640	-	-	88,750,328	88,750,328	-	-
Equity Securities	24,002,303	23,938,670	-	63,633	3,325,888	3,325,888	-	-
Total	70,739,943	70,676,310	-	63,633	92,076,216	92,076,216	-	-
(B) Available for Sale (Classified as Non-Current Assets)								
Equity Securities	24,462,900	-	24,462,900	-	24,462,900	-	24,462,900	-
Total	24,462,900	-	24,462,900	-	24,462,900	-	24,462,900	-
(B) Measured at Amortized Cost								
Fixed Deposit at Bank	752,150,000				1,584,750,000			
Investments on Debentures	36,208,904				7,521,000			
Total Value of Investment	883,561,747				1,708,810,116			
Investments Classified to								
A. Current Assets								
Held for Trading	70,739,943				92,076,216			
Measured at Amortized Costs	751,900,000				1,584,500,000			
Total	822,639,943				1,676,576,216			
B. Non-Current Assets								
Available for Sale	24,462,900				24,462,900			
Measured at Amortized Cost	36,458,904				7,771,000			
Total	60,921,804				32,233,900			

14.1. Net change in fair value of investments

Amount in NRs

Particulars	FY 2021.22 Net Gain / (Losses)	FY 2020.21 Net Gain / (Losses)
(A) Held for trading		
Mutual Fund	(17,196,598)	26,536,077
Equity Securities	(8,475,266)	1,622,246
Total	(25,671,864)	28,158,323
Net Change in fair value	(25,671,864)	28,158,323
+ Realized gain/(loss) on Investments	1,503,974	7,474,169
Net changes in gain/(losses)	(24,167,890)	35,632,492

The net change in fair value of investments has been recognized on Mark to Market basis.

14.2. Details of Investment

A. Investment on Mutual Funds

Fiscal Year 2021.22					
Name of Company	Unit	Market Value per unit as on 16 July 2022	Market Value as on 16 July 2022 Amount(A)	Book Value as on 16 July 2022 Amount (B)	Gain/(Loss) (A-B)
NIBL Pragati Fund	1,051,384	10.02	10,534,868	15,613,052	(5,078,185)
Laxmi Equity Fund	320,176	9.90	3,169,742	4,418,429	(1,248,686)
Sanima Equity Fund	22,600	12.75	288,150	379,454	(91,304)
NIBL Sahabhabhagita Fund	1,526,641	10.71	16,350,325	23,640,098	(7,289,773)
Sanima Large Cap Fund	100,000	9.32	932,000	1,050,000	(118,000)
Kumari Equity Fund	42,210	10.07	425,055	443,205	(18,150)
Sunrise Bluechip Fund	500,000	8.74	4,370,000	5,080,000	(710,000)
NIBL Samriddhi Fund-II	1,000,000	8.67	8,670,000	10,810,000	(2,140,000)
Mega Mutual Fund - 1	250,000	7.99	1,997,500	2,500,000	(502,500)
Total	4,813,011		46,737,640	63,934,238	(17,196,598)

Fiscal Year 2020.21					
Name of Company	Unit	Market Value per unit as on 15 July 2021	Market Value as on 15 July 2021 Amount(A)	Book Value as on 15 July 2021 Amount (B)	Gain/(Loss) (A-B)
Global IME Samunnat Scheme-1	38,000	20.28	770,640	326,040	444,600
NIBL Samriddhi Fund -1	1,000,000	14.36	14,360,000	9,900,000	4,460,000
NMB Hybrid Fund L1	94,644	13.65	1,291,891	899,118	392,773
Nabil Equity Fund	112,646	14.60	1,644,632	1,050,987	593,644
NIBL Pragati Fund	1,051,384	14.85	15,613,052	8,568,780	7,044,273
Laxmi Equity Fund	436,397	13.80	6,022,279	3,827,202	2,195,077
Siddhartha Equity Fund	350,000	14.05	4,917,500	3,500,000	1,417,500
Sanima Equity Fund	130,300	16.79	2,187,737	1,293,879	893,858
NIBL Sahabhabhagita Fund	1,071,270	17.40	18,640,098	11,848,246	6,791,852
NMB50	250,000	14.95	3,737,500	2,500,000	1,237,500
Sanima Large Cap Fund	100,000	10.50	1,050,000	1,000,000	50,000
Kumari Equity Fund	250,000	10.50	2,625,000	2,500,000	125,000
Sunrise Bluechip Fund	500,000	10.16	5,080,000	5,000,000	80,000
NIBL Samriddhi Fund-II	1,000,000	10.81	10,810,000	10,000,000	810,000
Total	6,384,641		88,750,329	62,214,252	26,536,077

B. Investment on Listed Shares

Fiscal Year 2021.22					
Name of Company	Unit	Market Value per unit as on 16 July 2022	Market Value as on 16 July 2022 Amount (A)	Book Value as on 16 July 2022 Amount (B)	Gain/(Loss) (A-B)
Nepal Life Insurance Co. Ltd.	1	747.00	747	-	747
Butwal Power Co. Ltd.	3	322.00	966	1,518	(552)
Mero Microfinance Bittiya Sanstha Limited	34	847.00	28,798	41,742	(12,944)
National Microfinance Bittiya Sanstha Limited	15	1,935.00	29,025	39,633	(10,608)
Mega Bank Nepal Ltd.	13,800	226.00	3,118,800	4,289,113	(1,170,313)
Rasuwigadi Hydropower Co.Ltd	7,000	273.00	1,911,000	2,884,523	(973,523)
Deprosc Laghubitta Bittiya Sanstha Ltd.	2,544	940.00	2,391,360	3,796,846	(1,405,486)

Forward Microfinance Laghubitta Bittiya Sanstha Ltd.	210	2,385.00	500,850	444,144	56,706
Upper Tamakoshi Hydropower Ltd	6,000	542.00	3,252,000	3,425,088	(173,088)
Sanjen Jalavidhyut Company Ltd	6,000	260.00	1,560,000	2,396,667	(836,667)
NIC Asia Bank Ltd	9,105	696.00	6,337,080	8,256,419	(1,919,339)
Ngadi Group Power Ltd.	1	297.00	297	-	297
Jyoti Bikas Bank Ltd.	1	302.20	302	-	302
RSDC Laghubitta Bittiya Sanstha Ltd.	1	554.80	555		555
Siddhartha Bank Ltd.	5,712	303.00	1,730,736	2,318,399	(587,663)
Nepal Reinsurance Co. Ltd.	1,100	735.00	808,500	1,458,449	(649,949)
Surya Life Insurance Co. Ltd.	1,283	387.00	496,521	1,089,363	(592,842)
Prime Life Insurance Co. Ltd.	959	569.00	545,671	758,521	(212,850)
Nadep Laghubitta Bittiya Sanstha Limited	238	1,039.00	247,282	226,040	21,242
Aadhikhola Laghubitta Bittiya Sanstha Limited	714	1,370.00	978,180	895,693	82,487
Samaj Laghubitta Bittiya Sanstha Limited	117	543.87	63,633	155,412	(91,779)
Total	54,838		24,002,303	32,477,569	(8,475,266)

Fiscal Year 2020.21					
Name of Company	Unit	Market Value per unit as on 15 July 2021	Market Value as on 15 July 2021 Amount (A)	Book Value as on 15 July 2021 Amount (B)	Gain/(Loss) (A-B)
Butwal Power Co. Ltd.	3	506	1,518	959	559
Mero Microfinance Bittiya Sanstha Limited	27	1546	41,742	15,599	26,143
National Microfinance Bittiya Sanstha Limited	11	3603	39,633	14,877	24,756
Saptakoshi Development Bank Limited	863	365	314,995	97,687	217,308
Mega Bank Nepal Ltd.	8,000	366	2,928,000	1,574,520	1,353,480
Total	8,904		3,325,888	1,703,642	1,622,246

C. Investment on Unlisted Shares

Fiscal Year 2021.22					
Name of Company	Unit	Fair Value per unit as on 16 July 2022	Fair Value as on 16 July 2022 Amount (A)	Book Value as on 16 July 2022 Amount (B)	Gain/(Loss) (A-B)
M. Nepal Ltd.	244,629	100	24,462,900	24,462,900	-
Total	244,629		24,462,900	24,462,900	-

Fiscal Year 2020.21					
Name of Company	Unit	Fair Value per unit as on 15 July 2021	Fair Value as on 15 July 2021 Amount (A)	Book Value as on 15 July 2021 Amount (B)	Gain/(Loss) (A-B)
M. Nepal Ltd.	244,629	100	24,462,900	8,058,079	16,404,821
Total	244,629		24,462,900	8,058,079	16,404,821

The fair value of the investment in equity shares of M Nepal Ltd. has been considered at the book value of NRs. 100 per share as M Nepal Ltd has successfully commenced its operation and launched the digital wallet app, Thaili and started generating revenue. As a result, the Company has valued the same at book value per share of NRs. 100 each and also, classified the investment under Level 2 under the Fair Value Hierarchy for financial instrument.

D. Investment on Debentures

Name of Company	Fiscal Year 2021.22		
	Unit	Cost Price per Unit	Total Cost Amount
Siddhartha Bank Debentures 2082	2,500	1000.00	2,500,000
Sunrise Debenture 2080	2,500	1000.00	2,500,000
Goodwill Finance Debenture 2083	2,521	1000.00	2,521,000
8.5% Nepal Bank Ltd Debenture 2087	12,500	850.26	10,628,213
8.5% GBIME Debenture 2086/87	18,300	850.26	15,559,692
10.50% Century Debenture 2088	2,500	1000.00	2,500,000
Total	40,821		36,208,905

Name of Company	Fiscal Year 2020.21		
	Unit	Cost Price per Unit	Total Cost Amount
Siddhartha Bank Debentures 2082	2500	1000.00	2,500,000
Sunrise Debenture 2080	2500	1000.00	2,500,000
Goodwill Finance Debenture 2083	2521	1000.00	2,521,000
Total	7521		7,521,000

E. Investment on Fixed Deposit

Details	Fiscal Year 2021.22	Fiscal Year 2020.21
	Amount	Amount
Fixed Deposit with Commercial Banks	40,250,000	250,250,000
Fixed Deposit with Development Banks	447,900,000	1,063,500,000
Fixed Deposit at Finance Companies	264,000,000	271,000,000
Total Fixed Deposit	752,150,000	1,584,750,000

The Company has invested the fund available for dividend warrants distribution and IPO Refund Amounts of NRs. 571,000,000 (2020.21 Rs. 489,000,000) as FD placement, especially for the short-term period. As the dividend distribution takes a certain period of time to complete, the Company mobilizes the fund available in its custody for the purpose of distribution.

14.3. Seed Capital Investment

The Company is the Fund Manager and Depository and its holding company, Nepal Investment Bank Limited is the Sponsor of scheme, viz. NIBL Pragati Fund, NIBL Sahabagita Fund and NIBL Samriddhi Fund II under NIBL Mutual Fund. The Company has invested 1% of the Fund as seed capital. As a close ended fund and open-ended fund, the scheme is required to be held till the maturity date. Although there is no regulatory requirement that the Fund manager that restricts the transfer and sale of this investment in seed capital, the Company has considered to hold the investment till the maturity. The investments are classified as held for trading and is measured at fair value through profit or loss statement.

14.4. Investment Commitments

As the approved Qualified Institutional Investor in regard to Book Building Processed IPO, we have committed the investment on IPO through Book Building Process of following companies:

Investment Commitment	For	Amount (NRs)
Sarbottom Cement Ltd.	IPO	6,262,500
Reliance Spinning Mills Limited	IPO	5,500,000
Total Investment Commitment		11,762,500

15. Risk Management

The company is exposed to various risks in nature of activities it carries. These risks particularly include market risk and interest rate risk. The company's objective of managing risk is for the protection and creation of shareholders and investors value. The company's investment policy has established a risk management framework, which is the continuous process of identification, measurement, monitoring and control of risks.

Risk management structure

The board of directors is ultimately responsible for the overall risk management. The management of the company has been delegated and instructed for the responsibility for identifying and controlling risks of the company.

Risk measurement and reporting system

The company uses various techniques to identify and measure the risks. These measures reflect the company's philosophy of management and risk tolerance as determined by the management. Determination of risk tolerance level is the judgement, philosophy and actions of the management in response to the circumstances in given environment. The management uses various tools and methods to measure and monitor the risks in relation to the aggregate risk across all risk type and activities.

Following are three broad methods used by the company.

Risk mitigation

The company's investment and risk management committee decides the risk management framework and guidelines that encompasses overall investment strategy, limit and tolerance of risk. The company uses other instruments for trading and risk management purpose.

Excessive risk concentration

Concentration risk arises when a number of financial instruments are entered with similar or identical characteristics. Those characteristics may be identified as sector of business; same counterparty, or have similar economic features that are similarly affected by the changes in economic, political or typical industrial and other conditions. To avoid excessive concentration risk, the Company focuses on managing diversified portfolio.

Market risk

Market risk is the risk that fair value or future cash flow of financial instrument will change due to changes in market variables such as interest rates, equity prices. The maximum risk resulting from financial instruments the company held equals their fair value.

a) Price risk

Price risk is the risk of unfavourable changes in fair value of instruments as a result of changes in the level of equity indices and the value of individual instruments. The company manages price risk by investing in a variety of scrips in a particular sector and diversifying investment in particular sector.

b) Interest rate risk

Interest rate risk arises from the possibility of changes in interest rate which will affect the future cash flow or fair value of financial instrument. The company makes investment in fixed income securities and demand deposits in bank. The interest income from such instruments will be affected by the changes in interest rate. The company's demand deposit only is exposed to the interest rate risk.

Liquidity risk

Liquidity risk is the risk that the company may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous.

The company is exposed to settlement of operational obligations and investment commitments in portfolio companies. The company policy to invest in listed securities in active trading market is readily disposable in normal market conditions and hence is assumed highly liquid. Further the company has the ability to borrow in short term to ensure settlements. No such borrowings have been raised during the year. The company does not have any foreign exchange currency risk during the year

Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Company. Management of the Company determines the creditworthiness of counterparty as a mean of mitigating risk of financial loss from defaults before entering into any business arrangement. Company's exposure to and the credibility of counterparties are continuously monitored.

16. Current Assets

The company classifies assets as current when such asset is expected to be realized or consumed within twelve months after the reporting period end and such assets are primarily held for ordinary purpose of business. Current assets of the company have been classified into different group based on their nature of asset held. Following tables details the current asset of the company.

16.1. Trade Receivables, Advances and Deposits

These current assets include the assets directly held for the ordinary purpose of business. Following is the details.

Amount in NRs

Particulars	AS AT 16 July 2022	AS AT 15 July 2021
RTS Service Fee Receivable	9,376,584	6,131,314
Underwriting & Issue management Fee Receivable	17,723,721	5,750,126
Fund Management Fee Receivable	10,029,112	16,901,433
Fund Depository Fee Receivable	1,415,502	2,326,655
Other Sundry Receivables	1,557,545	66,250
Prepaid Expenses	30,754,134	2,496,379
Staff Loan	4,981,686	2,703,188
Other Current Assets	4,840,606	11,386,879
PMS Income Receivables	2,040,453	8,492,757
DP Income Receivables	23,996,817	13,072,123
Total	106,716,160	69,327,104

16.2. Cash and Cash Equivalents

For the purpose of the cash flow statement, Cash and cash equivalents includes cash balance in hand, demand deposits with bank, other short term highly liquid investments with original maturity of three months or less. Following is the details of cash and cash equivalents.

Amount in NRs

Particulars	AS AT 16 July 2022	AS AT 15 July 2021
Cash in Hand	-	-
Balance at Bank	131,148,771	975,497,061
Total	131,148,771	975,497,061

Restricted cash balances that are not available for use by the Company includes the amount collected from issue managements and dividend warrant distribution amount. Following is the details of amount not available for use during the reporting period.

Amount in NRs

Particulars	AS AT 16 July 2022	AS AT 15 July 2021
Dividend Warrants	85,627,973	27,560,142
IPO Collection	38,815,191	910,307,115
Total	124,443,164	937,867,257

The Company does not have amount of undrawn borrowing facilities that are available for use in future operating activities or to settle capital commitments.

17. Lease, Commitments and Guarantees (Contingent Liabilities)

Determination of whether an arrangement contains a lease is based on the substance of the arrangement at the inception of the lease. A lease is classified as finance or an operating lease.

The Company has an operating lease arrangement. Operating lease payments are recognized as an expense in the statement of profit or loss in the year which it becomes payable. Lease amount payable in respect of operating lease is:

Period	Amount (NRs)
Up to 1 year	4,568,316
1-5 year	-
Above 5 years	-
Total	4,568,316

Following table details the commitments that the Company has issued as at end of reporting period.

Underwriting Commitment to	For	AS AT 16 July 2022	AS AT 15 July 2021
IME Life Insurance Co. Ltd.	IPO	-	600,000,000
Samling Power Co, Ltd.	IPO	-	123,000,000
Sanima Middle Tamor Hydropower Ltd.	IPO	499,875,000	-
Samata Gharelu Laghubitta Bittiya Sanstha Ltd.	IPO	46,041,221	-
Total Underwriting Commitment		545,916,221	723,000,000

Capital Commitment

Estimated amounts of contract remaining to be executed on capital account as on 16 July 2022 is NRs. 33,447,141. During the year, advance of NRs. 25,248,810 has been paid the vendors as per the construction agreement as part of mobilization advance and running bills

18. Employment Benefits

The Company has schemes of employee benefits namely provident fund, employee gratuity and earned leave pay as per Employee Service Bylaws, 2068.

Defined contribution plan - Provident fund and Gratuity

Under defined contribution plan, the Company makes payment of pre-determined amounts to separate fund and does not have any legal or other obligation to pay additional amount. Contribution to defined contribution scheme is charged to statement of profit or loss in the year to which they relate to as the company as no further defined obligation beyond such contribution.

The company and employee contribute 10% each on the salary of each employee to an approved Provident Fund maintained at NIBL Retirement Fund.

From Bhadra 19, 2074, the Company has contributed the monthly gratuity liability of 8.33% of the basic salary in the respective retirement fund account of the employees with NIBL Retirement Fund as per the Labour Act 2074 by charge to statement of profit or loss. The total charge for the year amounts to NRs. 1,775,949 (2020.21 NRs. 1,303,418).

Defined benefit plan - Leave Pay

The Company provides for defined benefit in form of leave pay. The liabilities or asset recognized in the statement of financial position in respect of defined benefit obligation at the end of the presorting period less fair value of plan assets. The defined benefit obligation is calculated annually using accrual basis.

The liability on account of earned leave is determined by the management based on the accumulated leaves and the present earnings on the employees together with judgment and estimation. The liability so determined amounts to NRs. 2,032,145 as on 16 July 2022 (2020.21 NRs. 1,627,431). Management has not considered the actuarial valuation because of the limited number of staff, high labour turnover, nature of industry, number of year of operation and also the cost versus benefit analysis.

Short-term employee benefits

Short term employee benefit includes any benefits accruing to employee in respect of wages, salaries, allowances and other pay in the period of related service. Short term employee benefits are charged to statement of profit or loss in period which service are rendered by the employee.

Other benefits include various types of loan to its staffs at prescribed rates as per the provisions of Employees' Byelaws of the Company. The types of staff's loans are namely EMI Loan (provided at base rate of Nepal Investment Bank Ltd.) and Housing Loan (Tied up with insurance policy). Difference between the fair value of loan given to employee and loan amount given to employee at lower interest rate as compared to market interest rate are charged to statement of profit or loss as employee benefits.

Employee Bonus Expenses: Employee Bonus Expenses has been provided on the basis of profit before staff bonus and tax.

19. Provision and contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at present value of management's best estimate of the expenditure required to be settle the present obligation at the end of the reporting period.

A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible obligation or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Provision for expenses of NRs. 2,246,086 has been recognized at the end of reporting period. The company does not have any contingent liabilities at the reporting period end.

The details of Provisions are as below:

Particulars	AS AT 16 July 2022	AS AT 15 July 2021
Provision for Other Expenses	1,326,727	1,326,727
Provision for Possible Liabilities and Debts	919,359	919,359
Total	2,246,086	2,246,086

20. Related Party Transactions

A person or entity is considered a related party if it:

- controls or has significant influence to the Company
- is subsidiary, joint venture, associates or in which the Company can have significant influence
- is member of key management personnel of the company or its parent

(A) Nature of Relationship and Name of Related Parties

- **Parent Company:** Nepal Investment Bank Ltd.

- **Associate Company:** M Nepal Ltd.

Percentage of Shareholding: - 22.67%

- **Board of Directors:**

Mr. Sachin Tibrewal	Chairman
Mr. Deepak Kumar Shrestha	Director
Mrs. Bandana Thapa	Director
Mr. Rabindra Bhattarai	Independent Director
Mr. Ananda Kumar Bhattarai	Independent Director

Mr. Sachin Tibrewal, Mr. Deepak Kumar Shrestha and Mrs. Bandana Thapa have been appointed by the Parent Company. Independent directors have been appointed by existing Board of Directors from AGM.

■ Transaction with Board of Directors:

The Board of Directors are entitled to meeting allowances as per the Articles of Association of the Company. As per amended Articles of Association as approved by Special General Meeting dated 2074 Mangsir 29, meeting allowances per meeting per member of Board of Directors has been increased to NRs. 12,000 for Chairman and NRs. 10,000 for other directors from existing allowance of NRs 8,000. No other benefits or allowances are provided to the board of directors. During the year, NRs 552,000 has been paid as meeting allowances of Board of Directors for Eleven BOD meeting. The Meeting Allowances per meeting per member of Board of Directors of NRs. 8,000 has been provided for HR Committee Meeting and Investment Risk and Management Committee Meeting. During the year, NRs 56,000 and NRs. 216,000 has been paid as meeting allowances per member of Board of Directors for Four HR Committee meeting and Nine Investment Risk and Management Committee Meeting respectively.

■ Key Management Personnel

Shivanth Bahadur Pandé	Chief Executive Officer
Mekh Bahadur Thapa Thada	Deputy Chief Executive Officer
Sachindra Dhungana	Deputy General Manager

Chief Executive Officer has been deputed by the Parent Company and is entitled to monthly allowance of NRs. 160,000 (NRs. One Lakhs Sixty Thousand only). From Bhadra 1, 2078, the monthly allowance has been increased to NRs. 160,000 (NRs. One Lakhs Sixty Thousand only) from NRs. 140,000 (NRs. One Lakhs Forty Thousand only). During the year, NRs. 1,900,000 (NRs. Nineteen Lakhs only) has been paid to the CEO as remuneration.

Deputy Chief Executive Officer has been deputed by the Parent Company from Magh 1, 2076 during the fiscal year after his resignation from the company as on Poush End, 2076 and is entitled to monthly allowance of NRs. 50,000 (NRs. Fifty Thousand only). During the year, NRs. 350,000 (NRs. Three Lakhs Fifty Thousand only) has been paid to the DCEO as remuneration.

Following is the key management compensation during the period.

	Amount in NRs	
	FY 2021.22	FY 2020.21
Short term employee benefits		
- Salary & Allowances including Dashain Allowance	4,979,840	3,694,222
Total Short Term Employee Benefits (A)	4,979,840	3,694,222
Post-Employment Benefits		
- Provident Fund	151,963	120,960
- Gratuity	126,585	100,760
- Leave Encashment	39,945	31,680
Total Post-Employment Benefits (B)	318,493	253,400
Total Benefits (A+B)	5,298,333	3,947,622

(B) Related party transactions

i. Related Party Transactions with Parent

The following is the related party transactions with the Parent

Amount in NRs					
SN	Particular	FY 2021.22	FY 2020.21	Nature of Transactions	Remarks
1	Deposit at NIBL (Operating account)	1,232,898	23,194,435	Bank Deposit	
2	Deposit at NIBL (Other bank balances)	7,127,453	8,919,803	Bank Deposit	
3	Interest earned from account maintained at NIBL (Operating Account) and Fixed Deposit Account	4,502,342	898,575	Interest Income	
4	Registrar to Share Fee from holding company	500,000	500,000	Share Registrar Income	For FY 77-78, received during the year
5	Human Resource Expenses – expenses reimbursed	1,212,899	1,107,670	Staff Expenses	Staff from the holding company has been deputed as RTA/RTS officer of the company for day to day operations.

SN	Particular	FY 2021.22	FY 2020.21	Nature of Transactions	Remarks
6	Depository Participant Fee	881,460	1,627,710	DP Commission Expenses	Paid during the year.
7	Service Level Agreement (SLA).	600,000	600,000	SLA Expenses	Paid during the year.

ii) Related Party Transactions with NIBL Mutual Funds

The Company is also fund manager and mutual fund depository for NIBL mutual fund and currently manages three schemes namely NIBL Samriddhi Fund I, NIBL Pragati Fund, NIBL Sahabagita Fund and NIBL Samriddhi Fund II. The following is the related party payment during the period.

Amount in NRs

Related Party	Fiscal Year 2021.22			
	Relation	Transaction Amount	Outstanding Balance	Nature of Transaction
NIBL Samriddhi Fund – I	Fund Manager	10,736,764	-	Receivable
NIBL Pragati Fund	Fund Manager	16,107,021	3,529,940	Receivable
NIBL Sahabagita Fund	Fund Manager	7,444,144	2,191,644	Receivable
NIBL Samriddhi Fund – II	Fund Manager	24,562,378	5,723,034	Receivable

Amount in NRs

Related Party	Fiscal Year 2020.21			
	Relation	Transaction Amount	Outstanding Balance	Nature of Transaction
NIBL Samriddhi Fund – I	Fund Manager	23,269,442	6,713,246	Receivable
NIBL Pragati Fund	Fund Manager	18,354,351	5,734,536	Receivable
NIBL Sahabagita Fund	Fund Manager	5,564,530	1,967,321	Receivable
NIBL Samriddhi Fund – II	Fund Manager	4,886,279	4,812,985	Receivable

The company has not provided any provision or impairment allowances on such outstanding related party balances and has not recognized any expenses for bad or doubtful debts on such balance. The company has not obtained any guarantee on such transactions.

iii) Related Party Transactions with M Nepal Ltd.

During the year, the company has advance receivable of NRs. 1,000,000 (2020.21 NRs. 500,000) as the advance for expenses to M Nepal Ltd.

21. Events after the Reporting Period

The Company follows NAS 10 - Events after the Reporting Period for accounting and reporting of events that occur after the reporting period, which requires to classify those events into adjusting and non-adjusting events.

There is no material events either adjusting or non-adjusting events for the reporting period end.

22. Comparative Information

The comparative information is reclassified wherever necessary to conform with the current year's classification in order to provide a better presentation and has been reclassified wherever necessary.

Reclassification in statement of profit or loss for FY 2077/78 is as follows:

Particulars	New Reporting	Old Reporting	Difference	Remarks
Audit Fee	254,250	403,410	(149,160)	Being classified to Internal Audit Fee from Audit Fee
Internal Audit Fee	149,160	-	(149,160)	Being classified to Internal Audit Fee from Audit Fee



*T&C Apply

अब खरिद-बिक्री, online मार्फत सजिलो, भन्ने सजिलो

NIBL Sahabhagita Fund (खुलामुखी योजना) को खरिद मात्रै होइन, अब बिक्री पनि online मार्फत सजिलै गर्नुहोस्।

अनलाइन मार्फत सजिलै कारोबार गर्न तथा थप जानकारीको लागि QR code scan गर्नुहोस् वा तल दिएको link मा जानुहोस्

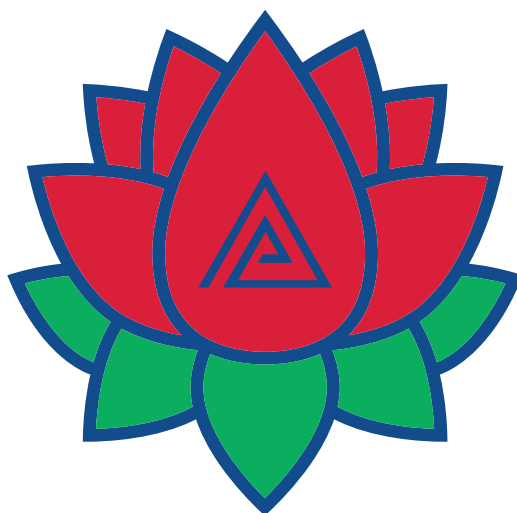
<https://mutualfund.niblcapital.com/>

+977-1-4425280 www.niblcapital.com

Mutual Funds are subject to market risks. Please read all the documents carefully.



A wholly owned subsidiary of
नेपाल इन्भेस्टमेन्ट बैंक लि.
NEPAL INVESTMENT BANK LTD.



NIBL Sahabagita Fund

NIBL Sahabagita Fund (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual Fund Regulations, 2067 as Nepal's first Open Ended Mutual Fund, a diversified investment scheme. The primary objective of the scheme is to explore and establish open ended Mutual Fund in Nepalese Capital Market and provide investor's with alternative investment instrument across the country with ease of investment and liquidity. This scheme also encourages the conversion of savings into investments regularly for long period of time. On the other side, the investment objective of the scheme is to provide steady returns to unit-holders over the long period of time.

Fund	NIBL Mutual Fund
Scheme	NIBL Sahabagita Fund
Fund Sponsor	Nepal Investment Bank Limited (NIBL) (Licensed by NRB as Class A bank)
Fund Management	NIBL Ace Capital Limited (A subsidiary of Nepal Investment Bank Limited)
Fund Supervisors	Dr. Bimal Prasad Koirala
	Dr. Shambhu Ram Simkhada
	Dr. Durgesh Man Singh
	CA. Jitendra Bahadur Rajbhandari Mr. Raju Nepal
Total Authorized Units of Scheme	100,000,000 (One Hundred Million Units)
Outstanding Units of Scheme	63,294,535 (Sixty-Three Million Two Hundred Ninety-Four Thousand Five Hundred Thirty-Five Only)
Total Unit Capital	NPR. 632,945,350 (NPR. Six Hundred Thirty-Two Million Nine Hundred Forty-Five Thousand Three Hundred Fifty)
Scheme type	Open-ended

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF NIBL SAHABHAGITA FUND

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of NIBL Sahabagita Fund ("the Mutual Fund" which comprise the statement of financial position as at Ashad 32, 2079 [July 16, 2022], the statement of profit or loss, the statement of other comprehensive income, the statement of changes in unit holders fund & the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Mutual Fund as at Ashad 32, 2079 (July 16, 2022) and its financial performance, changes in Unit Holders Fund and its cash flows for the year then ended on that date in accordance with Nepal Financial Reporting Standards (NFRSs) and comply with Securities Act 2063, Security Board Regulation 2064, Mutual Fund Regulations 2067, Mutual Fund Guidelines 2069 and other prevailing legislations.

Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Mutual Fund in accordance with the Institute of Chartered Accountant of Nepal's 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 other ethical responsibilities in accordance with those requirements. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.N	Key Audit Matters	Our Audit Approach and Response
1.	Investment Decision by the Fund Manager	
	The mutual fund manager makes investments on the behalf of unitholders. The investment decisions as such shape a material portion of the scheme.	Our audit procedures included but not limited to: - Evaluate the results and returns from the investments on an average. - On sample basis, evaluate the performance of the investments in comparison to market returns.

S.N	Key Audit Matters	Our Audit Approach and Response
2.	Unit Transactions with Unitholders	Our audit procedures included but not limited to:
	- Open- ended mutual fund and redeem units of the scheme as per the request.	- Evaluate the process of new issue of the units and redemption of the units during the year. - Review of the new units issued during the year on sample basis against the published net assets value. - On sample basis, review the units redeemed during the year as per the published net assets value.

3. Fees Payable to Supervisor, Manager and Depository

- The material expenses for the mutual fund in Nepal largely relate to the fees payable to the supervisors, manager and depository.
- Rule 23 of the Mutual Fund Regulations, 2067 (4th Amendment) issued by SEBON specifies the maximum limit of the fees so payable by a mutual fund scheme.

Our audit procedures included but not limited to:

- Review of the approved rates for the fees.
- Evaluate the periodic gross net assets values factored to calculate the fees payable.

Other Information

The directors are responsible for the other information presented in the Mutual Fund's annual report. Our opinion on the financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. We have nothing to report in this respect.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting Standards (NFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Mutual Fund'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 Mutual Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 evidences 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 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 evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Mutual Fund'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 evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Mutual Fund 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, including the disclosures, represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Mutual Fund to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Mutual Fund audit. We remain solely responsible for our audit opinion.

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.

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

Report on Other 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 as per NSA.

The financial statement including the statement of comprehensive income, statement of changes in Unit Holders fund, statement of cash flows including a summary of significant accounting policies and other explanatory notes have been prepared in all material respect in accordance with the provisions of Securities Act 2063, Security Board Regulations 2064, Mutual Fund Regulations 2067, Mutual Fund Guidelines 2069 and other prevailing legislations.



In our opinion, proper books of account as required by law have been kept by the Mutual Funds, in so far as appears from our examination of those books of account and the financial statements dealt by this report, are in agreement with the books of accounts.

To the best of our knowledge and according to the explanation given to us and from the examination of the books of accounts of the mutual fund, we have not come across any case where the board of directors or any employee of the Mutual Fund have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused any loss or damage to the Mutual Fund or its property and violated any directives or regulations issued by SEBON.

For N. B. S. M. & Associates
Chartered Accountants


CA. Rajesh Kumar Sah
Partner



Date : August 25, 2022

Place: Kathmandu, Nepal
UDIN : 220825CA00546o2Jyz

NIBL Sahabhagita Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Financial Position

as at 32nd Ashad 2079 (16th July, 2022)

NPR

Particulars	Notes	FY 2078/79	FY 2077/78
Assets			
Current Assets			
Cash and Cash Equivalents	3.2	187,267,866	147,493,911
Other Current Assets	4.5	8,565,047	45,044,278
Financial Assets Held at Amortized Cost	13	154,954,810	118,497,000
Financial Assets Held at Fair Value Through Profit or Loss	4.6	330,995,826	240,780,842
Total		681,783,550	551,816,032
Liabilities			
Current Liabilities			
Accrued Expenses & Other Payables	5.2	3,206,000	2,697,684
Liabilities (Excluding Net Assets Attributable to Unitholders)		3,206,000	2,697,684
Unit Holder's Funds			
Net Assets Attributable to Unit Holders	6	678,577,550	549,118,347
Total		681,783,550	551,816,032
Outstanding Units		63,294,535	31,467,466
NAV per Unit		10.72	17.45

Schedules and Explanatory Notes forms integral part of Statement of Position

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

CA. Rajesh Kumar Sah
Partner
N. B. S. M. & Associates,
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Sahabhagita Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Profit or Loss and Other Comprehensive Income

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particulars	Notes	Ashad End 2079	Ashad End 2078
Income			
Interest Income	7.2	16,668,009	9,038,895
Dividend Income	7.3	307,671	829,639
Net Gains/(Losses) on Financial Assets at Fair Value through Profit or loss	14(b)	(90,179,988)	183,895,187
Exit Load Incomes		231,597	227,738
Other Income		70,006	5,746
Total		(72,902,706)	193,997,205
Expenses and Losses			
Fund Management Fees	8.1	6,417,366	4,797,009
Depositary Fees	8.1	1,026,779	767,521
Fund Supervisors Fees	8.1	616,067	410,168
Publication Expenses		195,880	153,890
Audit Fees		113,000	113,000
Bank Charges		4,804	5,450
Fund Management Quality Rating Expense		-	12,389
Book Building Registration Expenses-SEBON		-	10,000
Book Building Registration Expenses-NEPSE		10,000	-
Book Building Registration Renewal Fee-NEPSE		5,000	-
Communication Expenses		122,011	-
Annual Operating Expenses		319,440	182,206
DP & Other Expenses		11,750	-
Total expenses		8,842,096	6,451,633
Net Gains/(Losses) for the Period		(81,744,802)	187,545,572
Other Comprehensive income		-	-
Net Surplus/(Deficit) for the period		(81,744,802)	187,545,572

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

CA. Rajesh Kumar Sah
Partner
N. B. S. M. & Associates,
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Sahabhagita Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Cash Flow

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particulars	Ashad End 2079	Ashad End 2078
A. Cash Flow from Operating Activities		
Surplus/ (Deficit) for the year	(81,744,802)	187,545,572
Adjustments For :		
Increase/Decrease in Unrealised (gain)/loss on financial assets held for trading purposes	126,972,556	(23,971,406)
Increase/(Decrease) in Liabilities	508,316	731,094
(Increase)/Decrease in Share	(217,187,539)	(107,898,365)
(Increase)/Decrease in Debenture	(17,957,810)	(24,484,000)
(Increase)/Decrease in Fixed Deposit	(18,500,000)	(61,500,000)
(Increase)/Decrease in Other Assets	36,479,231	(35,445,084)
Net Cash Generated /(used) in Operations (1)	(171,430,050)	(65,022,189)
B. Cash Flow from Financing Activities		
Issue of Unit Capital	368,905,285	152,393,167
Dividend Paid during the year	(157,701,280)	(17,287,106)
Net Cash Generated / (used) in financing (2)	211,204,005	135,106,061
C. Cash Flow from Investing Activities	-	-
Net cash generated/(used) in investing (3)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (1+2+3)	39,773,955	70,083,872
Cash and Cash Equivalents at beginning of the year/period	147,493,911	77,410,040
Cash and Cash Equivalents at end of period	187,267,866	147,493,911
Components of Cash and Cash Equivalents		
Balance with Banks	187,267,866	147,493,911

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

CA. Rajesh Kumar Sah
Partner
N. B. S. M. & Associates,
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Sahabhagita Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Change in Equity

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particular	Ashad End 2079	Ashad End 2078
Unit Holders' Fund at the Beginning of the Year/Period	549,118,347	226,466,715
Issue of Unit Capital	318,270,686	110,061,299
Unit Reserve Capital	50,634,599	42,331,868
Increase in Net Assets Attributable to Unit Holders:		
Net Gains/(Losses) for the Period	(81,744,802)	187,545,572
Other Comprehensive Income	-	-
Distribution to Unit Holders'	(157,701,280)	(17,287,106)
Unit Holders' Fund at the End of the Year/Period	678,577,550	549,118,347

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

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Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Sahabhagita Fund

Fund Sponsored by Nepal Investment Bank Limited and Fund Managed by NIBL Ace Capital Limited

Notes to the Financial Statements as of Ashad End 2079 (16th July 2022)

1. General Information of the Scheme

Fund	NIBL Mutual Fund
Scheme	NIBL Sahabhagita Fund
Fund Sponsor	Nepal Investment Bank Limited (NIBL) (Licensed by NRB as Class A bank)
Fund Management	NIBL Ace Capital Limited (A subsidiary of Nepal Investment Bank Limited)
Fund Supervisors	Dr. Bimal Prasad Koirala
	Dr. Shambhu Ram Simkhada
	Dr. Durgesh Man Singh
	CA. Jitendra Bahadur Rajbhandari Mr. Raju Nepal
Total Authorized Units of Scheme	100,000,000 (One Hundred Million Units)
Outstanding Units of Scheme	63,294,535 (Sixty-Three Million Two Hundred Ninety-Four Thousand Five Hundred Thirty-Five Only)
Total Unit Capital	NPR. 632,945,350 (NPR. Six Hundred Thirty-Two Million Nine Hundred Forty-Five Thousand Three Hundred Fifty)
Scheme type	Open-ended

NIBL Sahabhagita Fund (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual Fund Regulations, 2067 as Nepal's first Open Ended Mutual Fund, a diversified investment scheme. The primary objective of the scheme is to explore and establish open ended Mutual Fund in Nepalese Capital Market and provide investor's with alternative investment instrument across the country with ease of investment and liquidity. This scheme also encourages the conversion of savings into investments regularly for long period of time. On the other side, the investment objective of the scheme is to provide steady returns to unit-holders over the long period of time.

The Scheme commenced its operation on 24th Ashad, 2076 (Scheme allotment date) B.S. The scheme is not required to be listed in Nepal Stock Exchange (NEPSE) and the units are traded on the Fund Managers' end. The Scheme's Financial Statements for the year 2078/79 were approved by the Board of Directors of the NIBL Ace Capital Limited held on 9th Bhadra, 2079 being the Fund Management and Depository Company. Similarly, the Fund Supervisors' consent on the approved Financial Statements has also been duly obtained.

The Unit Capital of the Scheme comprises of the following:

Holder	Status	No. of Units	Holding Amount @ 10 Each	Holding (%)
Nepal Investment Bank	Fund Sponsor	12,910,254	129,102,541	20%
NIBL Ace Capital Limited	Fund Manager / Depository	1,526,641	15,266,411	2%
General Public		48,857,640	488,576,397	77%
Total		63,294,535	632,945,349	100%

2. Summary of Significant Accounting Policies

The Principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1 Statement of Compliance:

The Financial Statements are presented in Nepalese Rupees, rounded to the nearest Rupee. The Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS). Further the financial statements are in compliance with Securities Act, 2063, Mutual Fund regulation 2067 (Amendments 2076), other regulation and other relevant laws.

2.2 Basis of Preparation

The fund while complying with the reporting standards makes critical accounting judgment as having potentially material impact on the financial statements. The significant accounting policies that relate to the financial statements as a whole along with the judgment made are described herein.

Where an accounting policy is generally applicable to a specific item, the policy is described within that relevant note. NFRS requires the fund to exercise judgment in making accounting estimates. Description of such estimates has been given in the relevant sections wherever they have been applied.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities.

The statement of financial position is presented on liquidity basis. Assets and liabilities are presented in decreasing order of liquidity. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unit-holders.

2.3 Reporting Pronouncements

The fund has, for the preparation of financial statements, adopted the NFRS pronounced by ASB. NFRS conform, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.4 Accounting Conventions

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The financial statements have been prepared on a going concern basis where the accounting policies and judgments as required by the standards are consistently used and in case of deviations disclosed specifically.

2.5 Presentation

The financial statements have been presented in the nearest Nepalese Rupees.

For presentation of the statement of financial position assets and liabilities have been bifurcated into current and non-current distinction.

The statement of profit or loss has been prepared using classification 'by nature' method.

The cash flows from operation within the statement of cash flows have been derived using the indirect method.

2.6 Presentation currency

Financial statements are denominated in Nepalese Rupees, which is the functional and presentation currency of the fund.

2.7 Accounting Policies and accounting estimates

The fund, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further, the fund 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.

Accounting policies have been included in the relevant notes for each item of the financial statements.

NFRS requires the fund 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 fund applies estimates in preparing and presenting the financial statements. The estimates and underlying assumptions are reviewed periodically. Revision to accounting estimates are recognized in the period in which the estimates are revised and applied prospectively.

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

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.8 Financial Periods

The fund follows the Nepalese financial year based on the Nepalese calendar.

2.9 Discounting

Discounting has been applied where assets and liabilities are non-current and the impact of the discounting is material.

2.10 Limitation of NFRS implementation

If the information is not available and the cost to develop would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective section.

3. Cash and Cash Equivalents

Accounting policy

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank.

- 3.1** Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

Explanatory notes

- 3.2** The carrying amount of cash and cash equivalents are representative of their fair values as at the respective reporting date;

Particulars	32 Ashad 2079	31 Ashad 2078
Cash at Bank	187,267,866	147,493,911
Total	187,267,866	147,493,911

4. Financial Instruments

Accounting policy

- 4.1** The Fund's principal financial assets comprise assets held at fair value through profit and loss, assets measured at amortized cost, loans and receivables. The main purpose of these financial instruments is to generate a return on the investment made by unit-holders. The Funds' principal financial liabilities comprise accrued expenses and other payables which arise directly from its operations.

In Accordance with NFRS 9; Financial Instruments: Recognition and Measurement, the Fund's interest receivables, fixed deposits and debentures are classified as "Financial Assets measured at Amortized Cost". Equity securities are classified as fair value through profit and loss. The amount attributable to unit holders is classified as equity and is carried at the redemption amount being net asset value. Payables are designated as 'other financial liabilities' at amortized cost.

4.2 Classification

The Fund's investments are classified as fair value through profit or loss, fair value at amortized cost and loans and receivables. They comprise:

Financial Assets and Liabilities Held at Fair Value through Profit or Loss

Financial assets, held for trading are recorded in the statement of financial position at fair value. Changes in fair value are recognized through profit or loss. This classification includes quoted and unquoted equity securities held for trading. The dividend income from the quoted equity securities is recorded in the profit or loss.

Recognition / De- recognition

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

Investments are derecognized when the right to receive cash flows from the investments has expired or the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged or expired.

Realized gains and realized losses on de-recognition are determined using the weighted average method and are included in the profit or loss in the period in which they arise. The realized gain is the difference between an instrument's weighted average cost and disposal amount.

4.3 Measurement

a. Financial Assets and Liabilities Held at Fair Value through Profit or Loss

At initial recognition, the Fund measures a financial asset at its fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category is presented in the statement of Profit or Loss in the period in which they arise.

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

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Fund is the closing price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques.

b. Financial Assets Measured at Amortized Cost

Financial assets at this category are measured initially at fair value plus transaction costs and subsequently amortized using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognized in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognized on a financial asset carried at amortized cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through profit or loss.

Receivables may include amounts for dividends, interest and trade receivables. Dividends are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(6) above.

Receivable are recognized and carried at amortized cost, less a provision for any uncollectable debts. An estimate for doubtful debt is made when collection of an amount is no longer probable.

Recoverability of receivable is reviewed on an ongoing basis at an individual portfolio level, Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognized when there is objective evidence that the Fund will not be able to collect the receivable. Financial difficulties of the debtor, default payments are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

4.4 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Explanatory note

4.5 Other Current Assets

S.N.	Particulars	Ashad End 2079	Ashad End 2078
1	Dividend Income Receivable	45,619	16,237
2	Interest Receivables	5,635,973	2,487,128
3	Broker Receivables	1,008,157	42,209,343
4	Prepaid Expenses	80,498	23,969
5	Other Receivables	137,000	307,600
6	IPO Application Advance	1,657,800	-
	Total Amount	8,565,047	45,044,278

Financial Assets Held at Fair Value Through Profit or Loss

Particulars	Ashad End 2079	Ashad End 2078
Financial Assets Held for Trading		
Equity Security	330,995,826	240,780,842
Total Financial Assets held for Trading (A)	330,995,826	240,780,842
Designated Financial Assets at Fair Value Through Profit or Loss		
Total Designated at Fair Value Through Profit or Loss (B)	-	-
Total Financial Assets Held at Fair Value Through Profit or Loss (A+B)	330,995,826	240,780,842

Comparative Investment in Listed Shares

S.N.	Name of Companies	Ashad End 2079			Ashad End 2078		
		Unit	Value per Unit	Value Amount	Unit	Value per Unit	Value Amount
Listed Companies							
1	Prabhu Bank Limited	22,479	207.00	4,653,153	18,070	457.00	8,257,990
2	Siddhartha Bank Limited	26,942	303.00	8,163,426	7,956	504.00	4,009,824
3	Global IME Bank Limited	22,154	251.40	5,569,516	14,138	441.00	6,234,858
4	Neco Insurance Co. Ltd.	12,747	694.00	8,846,418	5,738	1,348.00	7,734,824
5	Sanima Bank Limited	-	-	-	3,021	485.00	1,465,185
6	Garima Bikas Bank Limited	17,113	387.00	6,622,731	-	-	-
7	Nabil Bank Limited	9,803	824.00	8,077,672	5,500	1,359.00	7,474,500
8	Prime Commercial Bank Ltd.	29,648	265.00	7,856,720	15,258	479.00	7,308,582
9	Machhapuchhre Bank Limited	25,300	254.00	6,426,200	-	-	-
10	Prime Life Insurance Company Limited	12,007	569.00	6,831,983	4,143	954.00	3,952,422
11	NIC Asia Bank Ltd.	32,342	696.00	22,510,032	8,342	994.00	8,291,948
12	Mega Bank Nepal Ltd.	32,550	226.00	7,356,300	-	-	-
13	Chhimek Laghubitta Bikas Bank Limited	9,364	1,100.00	10,300,400	5,000	1,738.00	8,690,000
14	Deprosc Laghubitta Bittiya Sanstha Ltd.	10,082	940.00	9,477,080	6,973	1,686.00	11,756,478
15	Agriculture Development Bank Limited	-	-	-	9,073	479.00	4,345,967
16	Adhikhola Laghubitta Bittiya Sanstha Ltd.	114	1,370.00	156,180	600	465.00	279,000
17	NMB Bank Limited	19,498	261.00	5,088,978	7,270	440.00	3,198,800
18	Jyoti Bikas Bank Limited	5,220	302.20	1,577,484	-	-	-
19	Premier Insurance Co. Ltd.	13,383	576.00	7,708,608	6,281	1,170.00	7,348,770
20	Life Insurance Co. Nepal	9,232	1,415.00	13,063,280	4,335	2,342.00	10,152,570
21	Nepal Reinsurance Company Limited	15,014	735.00	11,035,290	-	-	-
22	Surya Life Insurance Company Limited	20,299	387.00	7,855,713	6,536	922.00	6,026,192
23	Samaj Laghubitta Bittiya Sanstha Ltd.	120	166.21	19,945	120	166.21	19,945
24	First Micro Finance Development Bank Ltd.	-	-	-	5,328	823.00	4,384,944
25	Everest Bank Limited	-	-	-	10,970	738.00	8,095,860
26	Sanjen Jalavidhyut Company Limited	14,584	260.00	3,791,840	14,614	449.00	6,561,686
27	Rasuwagadhi Hydropower Company Ltd.	18,146	273.00	4,953,858	10,146	474.00	4,809,204
28	Mountain Energy Nepal Ltd.	10,190	800.00	8,152,000	-	-	-
29	Nepal Doorsanchar Comapany Limited	-	-	-	5,024	1,314.00	6,601,536
30	National Life Insurance Co. Ltd.	19,734	577.00	11,386,518	9,234	1,151.00	10,628,334
31	Mero Microfinance Bittiya Sanstha Ltd.	2,214	847.00	1,875,258	1,510	1,546.00	2,334,460
32	Nepal Infrastructure Bank Limited	8,030	240.00	1,927,200	41,890	492.00	20,609,880
33	Kumari Equity Fund	-	-	-	250,000	10.50	2,625,000
34	Grameen Bikas Laghubitta Bittiya Sanstha Ltd.	5,525	756.00	4,176,900	2,000	1,225.00	2,450,000
35	Nerude Laghubita Bikas Bank Limited	3,523	880.00	3,100,240	2,900	1,600.00	4,640,000
36	Nirdhan Utthan Laghubitta Bittiya Sanstha Limited Promoter Share	21,105	600.00	12,663,000	16,298	600.00	9,778,800

37	Nepal Bangladesh Bank	6,141	399.00	2,450,259	-	-	-
38	Kamana Sewa Bikas Bank Limited	14,074	349.90	4,924,493	-	-	-
39	Soaltee Hotel Limited	10,000	202.50	2,025,000	-	-	-
40	Manushi Laghubitta Bittiya Sanstha Ltd.	127	1,002.00	127,254	-	-	-
41	Sahas Urja Ltd.	7,010	460.00	3,224,600	-	-	-
42	Himalayan General Insurance Ltd.	10,665	520.00	5,545,800	-	-	-
43	Citizens Investment Trust	2,429	2,515.00	6,108,935	-	-	-
44	Nepal Credit Commercial Bank Ltd.	21,075	210.90	4,444,718	-	-	-
45	Century Commercial Bank Limited	23,809	183.00	4,357,047	-	-	-
46	Shivam Cements Ltd.	1,500	760.00	1,140,000	-	-	-
47	Rastra Utthan Laghubitta Sanstha Ltd.	425	926.00	393,550	-	-	-
48	Himalayan Distillery Limited	1,660	3,410.00	5,660,600	-	-	-
49	Upakar Laghubitta Bittiya Sanstha Ltd.	126	2,699.00	340,074	-	-	-
50	Civil Bank Limited	17,028	213.00	3,626,964	-	-	-
51	Mountain Hydro Nepal Limited	10,000	272.00	2,720,000	-	-	-
52	CYC Nepal Laghubitta Bittiya Sanstha Ltd.	211	1,698.20	358,320	-	-	-
Total				258,671,536			190,067,559

Comparative Investment in Unlisted Shares

S.N.	Name of Companies	Ashad End 2079			Ashad End 2078		
		Unit	Value per Unit	Value Amount	Unit	Value per Unit	Value Amount
	Unlisted Companies						
1	Jeevan Bikas Laghubitta Bittiya Sanstha Ltd- IPO	-	-	-	685	547.05	374,729
2	Manakamana Smart Laghubitta Bittiya Sanstha-IPO	-	-	-	135	513.29	69,294
3	Union Life Insurance Co. Ltd.-IPO	-	-	-	2,073	116.93	242,396
4	Mailing Khola Hydropower Co.Ltd.-IPO	-	-	-	237	113.35	26,864
5	Citizen Unit Scheme	100,000	100.00	10,000,000	100,000	100.00	10,000,000
6	Citizen Unit Scheme	100,000	100.00	10,000,000	100,000	100.00	10,000,000
7	Citizen Unit Scheme	300,000	100.00	30,000,000	300,000	100.00	30,000,000
8	Citizen Unit Scheme	130,000	100.00	13,000,000	-	-	-
9	Citizen Unit Scheme	34,000	100.00	3,400,000	-	-	-
10	Bindhyabasini Hydropower Development Co. Ltd.-IPO	900	155.41	139,869	-	-	-
11	Adarsha Laghubitta Sanstha-IPO	40	203.17	8,127	-	-	-
12	NIC Asia Flexi Cap Fund-IPO	500,000	10.00	5,000,000	-	-	-
13	Himalayan Hydropower Ltd.-IPO	1,378	100.80	138,902	-	-	-
14	Upper Solu Hydro Electric Co. Ltd.-IPO	1,370	111.58	152,865	-	-	-
15	Upper Hewakhola Hydrpower Co. Ltd.-IPO	1,050	110.75	116,288	-	-	-
16	Swet Ganga Hydropower & Construction Ltd.-IPO	1,673	112.26	187,811	-	-	-
17	Rapti Hydro & General Construction Ltd.-IPO	1,775	101.65	180,429	-	-	-
Total				72,324,290	50,713,283		

5. Payables

Accounting policy

- 5.1** Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period.

Explanatory notes

5.2 Accrued Expenses and Other Payables

Particulars	Ashad End 2079	Ashad End 2078
Provision For Audit Fee	111,500	113,000
Provision For Reporting Expense	20,000	17,372
TDS Liability	66,254	279,489
Business Payables- Brokers	-	-
Unit Transactions Payables	422,935	20,960
Fund Management Fee Payable- NIBL Ace Capital	1,889,348	1,695,967
Depository Fee Payables- NIBL Ace Capital	302,296	271,355
Supervisor Fee Payables	156,519	140,498
Other Payables	5,000	-
Unit Purchase Advance	11,000	-
Software AMC Payable- PCS	97,948	89,044
Provision For Software AMC & Unit Dematerization- CDSC	118,200	70,000
Provision For Qualified Institutional Investor AMC- NEPSE	5,000	-
Total	3,206,000	2,697,684

Fund management fee and depository fee includes fee payable to NIBL Ace Capital Limited for fund management and depository services. Supervisor's SEBON Fee Payables includes an amount payable to SEBON which is equal to 5% of Supervisor fee.

Provision for reporting expenses includes cost payable for monthly NAV report publication for the month of Ashad-2079 and audited financials publication for fiscal year 2078-79 as per prevailing regulation.

Provision for Software AMC & Unit dematerization fee includes Software Annual Maintenance Charge and Unit dematerization fees for FY 2078-79 payable to CDS and Clearing Ltd. as per CDSC Bylaws 2068.

Provision for Qualified Institutional Investor AMC includes fees payable to Nepal Stock Exchange Ltd. for FY 2078-79 as per Book Building Guidelines 2077.

6. Net Assets Attributable to Unit-holders

Unit-holders' funds have been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities, other than those due to unit-holders, as at the statement of financial position date.

The Fund Manager calculates the NAV per unit of the Scheme by deducting the Schemes' expenses over market value of the total investment plus investment income divided by number of units on a weekly basis in accordance with the prevailing regulations/guidelines on mutual funds and publishes the same on its official website: www.niblcapi.com. The said information is also shared with the Board members of the Fund Manager & the Fund Supervisors via e-mail. Further, the NAV per unit calculated on a monthly basis is published on a national daily newspaper and uploaded on the website of the Fund Manager with prior notification of the same forwarded to the Fund Supervisors & SEBON in writing.

Each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund. The Fund considers its net assets attributable to unit-holders as capital (which includes unit capital, realized and unrealized gain), notwithstanding net assets attributable to unit-holders are classified as a liability. The amount of net assets attributable to unit-holders can change significantly on a daily basis.

Distribution to unit holders is recognized in the statement of changes in unit-holders' funds. Income not distributed is included in net assets attributable to unit-holders.

Particular	Ashad End 2079	Ashad End 2078
Unit Holders' Fund at the Beginning of the Year/Period	549,118,347	226,466,715
Issue of Unit Capital	318,270,686	110,061,299
Unit Reserve Capital	50,634,599	42,331,868
Increase in Net Assets Attributable to Unit Holders:		
Net Gains/(Losses) for the Period	(81,744,802)	187,545,572
Other Comprehensive Income	-	-
Distribution to Unit Holders'	(157,701,280)	(17,287,106)
Unit Holders' Fund at the End of the Year/Period	678,577,550	549,118,347

Unit Reserve Capital reflects the net difference between the face value and traded daily NAV of unit transactions of the Scheme.

7. Investment Income

Accounting Policy

- 7.1** Interest income is recognized in profit or loss for all financial instruments that are not held at fair value through profit or loss using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the net gains/ (losses) on financial instruments.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Dividend income is recognized on the ex-dividend date.

Explanatory notes

7.2 Interest Income

S.N.	Particulars	Ashad End 2079	Ashad End 2078
1	Interest Income on Debentures	4,156,480	718,608
2	Interest Income on Fixed Deposit	6,733,294	2,746,325
3	Interest income on fixed income instruments	3,601,634	1,129,589
4	Interest Income on Call Deposits	2,176,602	4,444,372
	Total Amount	16,668,009	9,038,895

7.3 Dividend Income

Particulars	Ashad End 2079	Ashad End 2078
Dividend Income Realized	307,671	829,639
Total	307,671	829,639

8. Expenses

8.1 Fund Management, Depository and Supervisor Fees

Fund Management, Depository and Supervisors fees, are recognized in profit or loss on accruals basis.

The management participation fees of the fund of the period 1st Shrawan 2078 to 32nd Ashad 2079 are as follows:

- Fund Management Fees : 1.25% of Net Assets Value (NAV)
- Depository Fees : 0.2% of NAV
- Fund Supervisor Fees : 0.12% of NAV

Total Fund Management, Depository & Fund Supervisor's Fees are calculated and recognized as per the Mutual Fund Regulation 2067 and Mutual Fund Guidelines, 2069.

The total fees are presented in Nepalese currency and charged as under:

Particulars	Ashad End 2079	Ashad End 2078
Fund Management Fee	6,417,366	4,797,009
Depository Fee	1,026,779	767,521
Fund Supervisor Fee	616,067	410,168
Total	8,060,211	5,974,698

9. Income Tax

Income Tax Act, 2058 has not specifically charged corporate tax liability on Mutual Fund. TDS is not applicable on withholding tax on interest, dividend income and gain on disposal of shares of Mutual Fund Scheme. Accordingly, Mutual Fund Scheme is not considered as tax-entity and corporate tax on Fund is not considered. However, the Office of the Auditor's General in its 56th Annual Report has raised concern on taxability of the mutual fund. Further, the finance ordinance of FY 2078/79 has included Mutual Fund under Section 10 of the Income Tax Act, 2058 as tax exempt entities. TDS on return from mutual fund (i.e. dividend) paid to individual is deducted at 5% which is final and to entity is tax deducted at 15% (which is not final). Therefore, the fund management is of the view that return from the fund is duly taxed as per the principal of income tax and is not subject to further tax liability for FY 2078/79.

10. Distributions

The distributions, if any to unit-holders are recognized in statement of changes in unit-holders' funds.

11. Financial Risk Management

The Fund's activities are exposed to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management program focuses on ensuring compliance with the Fund's investment policy. It also seeks to maximize the returns derived for the level of risk to which the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions.

The management of these risks is carried out by the NIBL Ace Capital, the fund management company. The fund supervisors provide principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and non-derivative financial instruments and the investment of excess liquidity.

The Fund uses different methods to measure and mitigate different types of risk to which it is exposed.

11.1 Market Risk

a. Price Risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain. Paragraph below sets out how this component of price risk is managed and measured. Investments are classified in the statement of financial position as at fair value through profit or loss and loans and receivables. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the management company.

All of the Fund's equity investments in companies are listed in NEPSE. The Fund's policy requires that the overall market position is monitored on a daily basis by the Fund Management Company.

b. Foreign Exchange Rate Risk

The Fund is not exposed to the fluctuations in exchange rates as all investments and transactions of the fund are made in investments denominated in NPR.

c. **Cash Flow and Fair Value Interest Rate Risk**

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates.

Financial instruments with fixed rates expose the Fund to fair value interest rate risk. The Fund's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The Fund has direct exposure to interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Fund invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model.

11.2 Credit Risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Fund is exposed arises from the Fund's investments in debt securities. However, there is no investment in debt securities.

Credit risk on cash and cash equivalents, other receivable balances.

11.3 Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of redeemable units. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market or can be readily disposed.

The Fund's listed securities are considered readily realizable, as all are listed on the Nepal Stock Exchange.

The Fund has the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the period.

In accordance with the Fund's policy, the Management Company monitors the Fund's liquidity position on a regular basis.

12. Fair Value Measurement

The Fund measures and recognizes the following assets and liabilities at fair value on a recurring basis:

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period:

NFRS 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

i. Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in note 2 to the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from NEPSE and are traded frequently.

ii. Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques.

Equities which are listed but no transactions are made within last 30 days is valued at 180 days Average Market price provided by NEPSE and Equities which are listed but no transactions are made within last 180 days is valued at last traded price of the stock at NEPSE considering it as level two input.

The Fair value of IPO Investments after allotment till listing is valued applying the valuation model as specified below:

- I) 50% of the Latest Net Worth Published by the Company.
- II) 50% based on the Earnings Capitalization, based on the projections of the company by considering latest interest rate of the Government Bonds after applicable tax deductions as discount factor which is considered as level 3 input.

After the book closure date and till the rights are listed, right entitlements are valued as difference between the right price and ex-right price. This is explained with the help of following formula:

$$V_r = n / m \times (P_{ex} - P_{of})$$

Where,

V_r = Value of Rights

n = Number of rights offered

m = Number of original shares held

P_{ex} = Ex-right price

P_{of} = Rights offer price

Valuation of total Right Entitlement = $V_r \times$ No. of shares held before Ex-date

13. Financial Assets Held at Amortized Cost

Particulars	Ashad End 2079	Ashad End 2078
Debentures	54,954,810	36,997,000
Fixed Deposit	100,000,000	81,500,000
Total	154,954,810	118,497,000

Note (a):

The investment on fixed deposit is recognized on cost. The maturity period of the fixed deposits are not more than one year from the reporting date. They are classified based on maturity period using the effective interest rate and classified as held to maturity. Interest on the fixed deposits are recognized daily as per accrual basis. The interest are received on quarterly and on maturity as per the deals executed with the banks. As there are no other associated costs, premium or discount the investment and the investment are settled with receiving the principal and interest the intrinsic coupon rate has been used as effective interest rate.

14. Net Gain/Losses on financial assets held at fair value through profit or loss

a. Accounting policy

Realized gain is the difference between the cost price and realized price on the sale of the shares after deducting the selling expenses.

Unrealized gain is the difference between the cost price and the closing market price available at the end of the reporting period or the latest trading price if the closing price as on the year end is not available.

b. Explanatory notes

Particulars	Ashad End 2079	Ashad End 2078
Net Realized Gains/(Losses) on Financial Assets at Fair Value Through Profit or loss	36,792,568	159,923,781
Net Unrealized Gains/(Losses) on Financial Assets at Fair Value Through Profit or Loss	(126,972,556)	23,971,406
Total	(90,179,988)	183,895,187

Computation of Unrealized Gains for FY 2078/79:

S/ No.	Name of Companies	Fiscal Year 2078-79				
		Unit	Value per Unit	Value Amount	Cost Price	Total Cost
Listed Companies						
1	Prabhu Bank Limited	22,479	207.00	4,653,153	396.90	8,921,965
2	Siddhartha Bank Limited	26,942	303.00	8,163,426	430.86	11,608,172
3	Global IME Bank Limited	22,154	251.40	5,569,516	399.81	8,857,455
4	Neco Insurance Co. Ltd.	12,747	694.00	8,846,418	1,224.63	15,610,400
6	Garima Bikas Bank Limited	17,113	387.00	6,622,731	528.56	9,045,279
7	Nabil Bank Limited	9,803	824.00	8,077,672	1,133.06	11,107,370
8	Prime Commercial Bank Ltd.	29,648	265.00	7,856,720	395.96	11,739,438
9	Machhapuchhre Bank Limited	25,300	254.00	6,426,200	335.12	8,478,475
10	Prime Life Insurance Company Limited	12,007	569.00	6,831,983	707.46	8,494,523
11	NIC Asia Bank Ltd.	32,342	696.00	22,510,032	915.94	29,623,292
12	Mega Bank Nepal Ltd.	32,550	226.00	7,356,300	301.28	9,806,512
13	Chhimek Laghubitta Bikas Bank Limited	9,364	1,100.00	10,300,400	1,290.11	12,080,590
14	Deprosc Laghubitta Bittiya Sanstha Limited	10,082	940.00	9,477,080	1,246.27	12,564,880
16	Adhikhola Laghubitta Bittiya Sanstha Limited	114	1,370.00	156,180	84.03	9,580
17	NMB Bank Limited	19,498	261.00	5,088,978	350.66	6,837,160
18	Jyoti Bikas Bank Limited	5,220	302.20	1,577,484	385.71	2,013,417
19	Premier Insurance Co. Ltd.	13,383	576.00	7,708,608	946.25	12,663,700
20	Life Insurance Co. Nepal	9,232	1,415.00	13,063,280	1,873.19	17,293,283
21	Nepal Reinsurance Company Limited	15,014	735.00	11,035,290	1,143.05	17,161,816
22	Surya Life Insurance Company Limited	20,299	387.00	7,855,713	797.08	16,179,916
23	Samaj Laghubitta Bittiya Sanstha Limited	120	166.21	19,945	100.00	12,000
26	Sanjen Jalavidhyut Company Limited	14,584	260.00	3,791,840	431.29	6,290,004
27	Rasuwagadhi Hydropower Company Limited	18,146	273.00	4,953,858	443.92	8,055,449
28	Mountain Energy Nepal Ltd.	10,190	800.00	8,152,000	1,200.06	12,228,600
30	National Life Insurance Co. Ltd.	19,734	577.00	11,386,518	988.84	19,513,707
31	Mero Microfinance Bittiya Sanstha Ltd.	2,214	847.00	1,875,258	1,125.20	2,491,190
32	Nepal Infrastructure Bank Limited	8,030	240.00	1,927,200	110.69	888,813
34	Grameen Bikas Laghubitta Bittiya Sanstha Ltd.	5,525	756.00	4,176,900	1,084.58	5,992,279
35	Nerude Laghubita Bikas Bank Limited	3,523	880.00	3,100,240	1,441.09	5,076,975
36	Nirdhan Utthan Laghubitta Bittiya Sanstha Limited Promoter Share	21,105	600.00	12,663,000	426.07	8,992,161
37	Nepal Bangladesh Bank	6,141	399.00	2,450,259	406.44	2,495,937
38	Kamana Sewa Bikas Bank Limited	14,074	349.90	4,924,493	563.49	7,930,578
39	Soaltee Hotel Limited	10,000	202.50	2,025,000	276.29	2,762,925
40	Manushi Laghubitta Bittiya Sanstha Ltd.	127	1,002.00	127,254	100.00	12,700
41	Sahas Urja Ltd.	7,010	460.00	3,224,600	605.91	4,247,409
42	Himalayan General Insurance Ltd.	10,665	520.00	5,545,800	735.11	7,839,911
43	Citizens Investment Trust	2,429	2,515.00	6,108,935	3,097.19	7,523,066
44	Nepal Credit Commercial Bank Ltd.	21,075	210.90	4,444,718	241.82	5,096,329
45	Century Commercial Bank Limited	23,809	183.00	4,357,047	220.80	5,257,072
46	Shivam Cements Ltd.	1,500	760.00	1,140,000	1,481.27	2,221,909
47	Rastra Utthan Laghubitta Sanstha Ltd.	425	926.00	393,550	100.00	42,500
48	Himalayan Distillery Limited	1,660	3,410.00	5,660,600	3,686.32	6,119,284
49	Upakar Laghubitta Bittiya Sanstha Ltd.	126	2,699.00	340,074	100.00	12,600

50	Civil Bank Limited	17,028	213.00	3,626,964	212.17	3,612,850
51	Mountain Hydro Nepal Limited	10,000	272.00	2,720,000	292.92	2,929,223
52	CYC Nepal Laghubitta Bitiya Sanstha Ltd.	211	1,698.20	358,320	100.00	21,100
Sub-Total (A)				258,671,536		357,763,796
Unlisted Companies						
1	Citizen Unit Scheme	100,000	100.00	10,000,000	100.00	10,000,000
2	Citizen Unit Scheme	100,000	100.00	10,000,000	100.00	10,000,000
3	Citizen Unit Scheme	300,000	100.00	30,000,000	100.00	30,000,000
4	Citizen Unit Scheme	130,000	100.00	13,000,000	100.00	13,000,000
5	Citizen Unit Scheme	34,000	100.00	3,400,000	100.00	3,400,000
6	Bindhyabasini Hydropower Development Co. Ltd.-IPO	900	155.41	139,869	100.00	90,000
7	Adarsha Laghubitta Sanstha-IPO	40	203.17	8,127	100.00	4,000
8	NIC Asia Flexi Cap Fund-IPO	500,000	10.00	5,000,000	10.00	5,000,000
9	Himalayan Hydropower Ltd.-IPO	1,378	100.80	138,902	100.00	137,800
10	Upper Solu Hydro Electric Co. Ltd.-IPO	1,370	111.58	152,865	100.00	137,000
11	Upper Hewakhola Hydropower Co. Ltd.-IPO	1,050	110.75	116,288	100.00	105,000
12	Swet Ganga Hydropower & Construction Ltd.-IPO	1,673	112.26	187,811	100.00	167,300
13	Rapti Hydro & General Construction Ltd.-IPO	1,775	101.65	180,429	100.00	177,500
Sub-Total (B)				72,324,290		72,218,600
Grand Total				330,995,826		429,982,396
					Unrealized Gain/(Loss)	(98,986,570)
					Less: Previous Year Unrealized Gain/(Loss)	27,985,986
					Unrealized Gain/(Loss) This Year	(126,972,556)

15. Impairment

Accounting policy

The fund assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the asset (a 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.

16. Related Party Transactions

(As identified by the management and relied upon by the auditors)

Related Parties

- Fund Sponsor: Nepal Investment Bank Limited.
- Fund Manager and Depository: NIBL Ace Capital Limited, a subsidiary of the Sponsor.
- Shareholders holding substantial interest in the Fund Manager: Nepal Investment Bank Limited.
- Subsidiaries of Major Shareholders of Fund Manager with whom the Fund transacted: None

The Scheme has entered into transactions with related parties which are required to be disclosed in accordance with Accounting Standard - on 'Related Party Disclosures'.

- Unit Holding of Nepal Investment Bank Limited (Fund Sponsor) amounts to NPR 129,102,541 (at par value of NPR 10 per unit)
- Unit Holding of NIBL Ace Capital Limited (Fund Management) amounts to NPR 15,266,411 (at par value of NPR 10 per unit)
- NIBL Sahabagita Fund has earned interest amounting to NPR 2,95,270.87 (NPR. Two Lakh Ninety-Five Thousand Two Hundred Seventy and paisa Eighty-Seven Only) from Nepal Investment Bank Limited.

- Fund Management and Depository Fee incurred by NIBL Sahabhagita Fund during the year amounts to NPR. 7,444,144 (NPR. Seven Million Four Hundred Forty-Four Thousand One Hundred Forty-Four Only). The amount is payable to NIBL Ace Capital Limited.
- Fund management and depository fee payable by NIBL Sahabhagita Fund to NIBL Ace Capital Limited NPR. 2,191,644 (NPR. Two Million One Hundred Ninety-One Thousand Six Hundred Forty-Four Only).
- The Scheme has a Call/Current account bank balance of NPR. 20,948,593 (NPR. Twenty Million Nine Hundred Forty-Eight Thousand Five Hundred Ninety-Three Only) as on Balance Sheet date with the Fund Sponsor - Nepal Investment Bank Limited.

17. Reporting

The Fund Manager has been reporting its Fund Management Activities to its Board and the Fund Supervisor on regular basis while the statutory reports are also forwarded in line with the prevailing regulations/guidelines on mutual funds.

18. Contingent Liability

There is no contingent liability in respect of underwriting commitments, uncalled liability on partly paid shares and other commitments.

19. Proposed Dividend

The scheme has proposed 7.2% Cash Dividend (including applicable withholding tax) for fiscal year 2078/79 to its outstanding unit-holders as of 25th August, 2022 (9th Bhadra, 2079) which is also the Announcement/Book Closure Date.

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

Sachin Tibrewal
Chairman

Rabindra Bhattarai
Director

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Deepak Kumar Shrestha
Director

Ananda Kumar Bhattarai
Director

Sachindra Dhungana
Deputy General Manager

Bandana Thapa
Director

Shivanth Bahadur Pandé
Chief Executive Officer

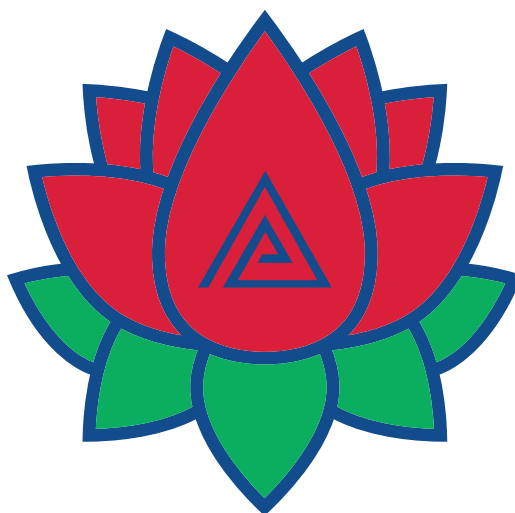
Subhash Poudel
Head- Investment Banking

As per our Report of even date

CA. Rajesh Kumar Sah
Partner
N. B. S. M. & Associates,
Chartered Accountants

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Samriddhi Fund-II

NIBL Samriddhi Fund- II (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual

Fund Regulations, 2067 as a closed-end, diversified investment scheme. The objective of the Fund is to generate returns by investing in a mix of securities comprising of equity, equity related instruments & fixed income instruments as allowed by prevailing rules/regulations on mutual fund. The Scheme commenced its operation on 24th Baishakh 2078 (Scheme allotment date) B.S. with maturity period of 10 years (i.e. 23rd Baishakh 2088 B.S.). It was listed in NEPSE on 11th Ashad 2078. The Scheme's Financial Statements for the year 2078/79 were approved by the Board of Directors of the NIBL Ace Capital Limited on 9th Bhadra, 2079 being the Fund Management and Depository Company. Similarly, the Fund Supervisors' consent on the approved Financial Statements has also been duly obtained on 9th Bhadra, 2079.

Fund:	NIBL Mutual Fund
Scheme:	NIBL Samriddhi Fund- II
Fund Sponsor:	Nepal Investment Bank Limited (NIBL) (Licensed by NRB as Class A bank)
Fund Management:	NIBL Ace Capital Limited (A subsidiary of Nepal Investment Bank Limited)
Fund Supervisors:	Dr. Bimal Prasad Koirala
	Dr. Shambhu Ram Simkhada
	Dr. Durgesh Man Singh
	CA. Jitendra Bahadur Rajbhandari Mr. Raju Nepal
Total Units of Scheme:	150,000,000 (One Hundred Fifty Million Units)
Total Unit Capital:	NPR 1,500,000,000 (NPR One Billion Five Hundred Million)
Scheme type:	Close-ended

**INDEPENDENT AUDITOR'S REPORT TO
THE FUND MANAGER AND UNIT HOLDERS OF NIBL SAMRIDDDHI FUND- II**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **NIBL Samriddhi Fund- II ("the Scheme")**, which comprise the Statement of Financial Position as at Ashad 32, 2079, (July 16, 2022), the Statement of Profit or Loss (including Other Comprehensive Income), the Statement of Change in Unit Holders' Fund and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (hereafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid the financial statements presents fairly, in all material respects, the financial position of the Scheme, as at Ashad 32, 2079 (July 16, 2022), and its financial performance, changes in Unit Holders' Fund, cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with Nepal Financial Reporting Standards (NFRS) and other prevailing laws.

Basis for Opinion

We conducted our audit of the financial statements in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Scheme in accordance with the Handbook of The Code of Ethics for Professional Accountants issued by The Institute of Chartered Accountants of Nepal (ICAN), and we have fulfilled our other ethical responsibilities in accordance with the ICAN's Handbook of The 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 audit opinion on the financial statements.

Key Audit Matters

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

We have determined that there are no any key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Scheme's 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 and Chairman's statement but does not include the financial statements 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 that fact. We have nothing to report in this regard.

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

In preparing the financial statements, management is responsible for assessing the Scheme'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 Scheme or to cease operations, or has no realistic alternative but to do so.

The Board of Directors / Scheme managers are responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



considered material if, individually or in 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 controls 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 Scheme'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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

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 Other Legal and Regulatory Requirements

Based on our examination, we would like to further report that:

- i. The Financial Statement dealt by this report are prepared in accordance with Nepal Financial Reporting Standards (NFRS); Securities Act, 2063; Securities Board Regulations, 2064; Mutual Fund Regulations, 2067; Mutual Fund Guidelines, 2069 and other prevailing laws and are in agreement with the books of account maintained by the Scheme.
- ii. During our examination of the books of account of the Scheme, we have not come across the cases where any office holder or any employee of the Scheme has acted contrary to the provisions of law or caused loss or damage to the Scheme.
- iii. The Fund manager has maintained the required internal control system.
- iv. We have not come across any cases where the Scheme has conducted any activities against the interest of unit holders and the capital market.
- v. The Scheme has effective internal audit system.
- vi. The Scheme has invested its funds according to Mutual Fund Regulations 2067.
- vii. The operations of the Scheme were found satisfactory.

For, S. R. Pandey & Co.
Chartered Accountants

Place: Kathmandu
Date: 25th August, 2022
UDIN: 220829CA00485ZsX7Y

Arun Raut, FCA
Partner



NIBL Samriddhi Fund-II

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Financial Position

as at 32nd Ashad 2079 (16th July, 2022)

NPR

Particulars	Notes	32 Ashad 2079	31 Ashad 2078
Assets			
Current Assets			
Cash and Cash Equivalents	3.2	84,798,821	543,679,283
Other Current Assets	4.6	20,571,176	22,949,961
Financial Assets Held at Amortized Cost	13	340,344,323	280,922,000
Financial Assets Held at Fair Value Through Profit or Loss	4.7	844,468,930	659,027,045
Total		1,290,183,250	1,506,578,289
Liabilities			
Current Liabilities			
Accrued Expenses & Other Payables	5.2	6,630,304	7,302,880
Liabilities (Excluding Net Assets Attributable to Unitholders)		6,630,304	7,302,880
Unit Holder's Funds			
Net Assets Attributable to Unit Holders	6	1,283,552,946	1,499,275,409
Total		1,290,183,250	1,506,578,289
NAV per Unit		8.56	10.00

Schedules and Explanatory Notes forms integral part of Statement of Position

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Arun Raut, FCA
Partner
S. R. Pandey & Co.
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Samriddhi Fund-II

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Profit or Loss and other Comprehensive Income

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particulars	Notes	32 Ashad 2079	31 Ashad 2078
Income			
Interest Income	7.2	43,099,117	6,020,508
Dividend Income	7.3	1,797,937	8,415
Net Profit/(Loss) on Financial Assets Held at Fair Value through Profit and Loss	14b	(233,737,127)	6,381,954
Other Income		901	-
Total		(188,839,172)	12,410,877
Expenses and Losses			
Fund Management fees		21,672,686	4,311,423
Depository Fees		2,889,691	574,856
Fund Supervisors Fees		1,733,815	344,914
Publication Expenses		128,841	39,084
Listing Fees		50,000	50,000
DP Expense		300	50
Audit Fees		113,000	113,000
Bank Charges		10,424	1,495
Book Building Registration Expenses- SEBON		-	10,000
Book Building Registration & AMC Expenses- NEPSE		15,000	-
Other Expenses		94	-
Annual Service Charges on Software		99,440	15,067
Pre-operating Expenses		-	7,505,580
CDS Dematerialisation Registration Fee		170,000	170,000
Total expenses		26,883,291	13,135,468
Net Gains/(Losses) for the Period		(215,722,463)	(724,591)
Other Comprehensive income		-	-
Net Surplus/(Deficit) for the period		(215,722,463)	(724,591)

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

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Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Samriddhi Fund-II

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Cash Flows

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particulars	32 Ashad 2079	31 Ashad 2078
A. Cash Flow from Operating Activities		
Surplus/ (Deficit) for the year	(215,722,463)	(724,591)
Adjustments for:		
Increase/Decrease in Unrealised (gain)/loss on financial assets held for trading purposes	315,070,143	2,217,925
Increase/(Decrease) in Liabilities	(672,576)	7,302,880
(Increase)/Decrease in Share	(500,512,028)	(661,244,970)
(Increase)/Decrease in Debenture	(59,422,323)	(60,922,000)
(Increase)/Decrease in Fixed Deposit	-	(220,000,000)
(Increase)/Decrease in Other Assets	2,378,785	(22,949,961)
Net cash generated/(used) in Operations (1)	(458,880,462)	(956,320,717)
B. Cash Flow from Financing Activities		
Issue of Unit Capital	-	1,500,000,000
Dividend Paid during the year	-	-
Net cash generated/(used) in financing (2)	-	1,500,000,000
C. Cash Flow from Investing Activities		
Net cash generated/(used) in investing (3)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (1+2+3)	(458,880,462)	543,679,283
Cash and Cash Equivalents at beginning of the year/period	543,679,283	-
Cash and Cash Equivalents at end of period	84,798,821	543,679,283
Components of Cash and Cash Equivalents		
Balance with Banks	84,798,821	543,679,283

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

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Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Samriddhi Fund-II

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement in Changes in Unit holders' Fund

For the Period from 1st Shrawan, 2078 to 32nd Asadh, 2079 (16th July, 2021 to 16th July, 2022)

NPR

Particular	Unit Capital	Realized Profit	Unrealized Profit	Total
Opening Balance	-	-	-	-
Issue of Unit Capital	1,500,000,000			1,500,000,000
Net Profit (Loss) Upto Last Year	-			-
Net Profit (Loss) During the year	-	1,493,334	(2,217,925)	(724,591)
Dividend Paid	-			-
Balance as on 31/03/2078	1,500,000,000	1,493,334	(2,217,925)	1,499,275,409
Opening Balance	1,500,000,000	-	-	1,500,000,000
Issue of Unit Capital	-	-	-	-
Net Profit (Loss) Upto Last Year	-	1,493,334	(2,217,925)	(724,591)
Net Profit (Loss) During the year	-	99,347,680	(315,070,143)	(215,722,463)
Dividend Paid	-	-	-	-
Balance as on 32/03/2079	1,500,000,000	100,841,014	(317,288,068)	1,283,552,946

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

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Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Samriddhi Fund - II

Fund Sponsored by Nepal Investment Bank Limited and Fund Managed by NIBL Ace Capital Limited

Notes to the Financial Statements as of 32nd Ashad 2079 (16th July 2022)

1. General Information of the Scheme

Fund:	NIBL Mutual Fund
Scheme:	NIBL Samriddhi Fund- II
Fund Sponsor:	Nepal Investment Bank Limited (NIBL) (Licensed by NRB as Class A bank)
Fund Management:	NIBL Ace Capital Limited (A subsidiary of Nepal Investment Bank Limited)
Fund Supervisors:	Dr. Bimal Prasad Koirala
	Dr. Shambhu Ram Simkhada
	Dr. Durgesh Man Singh
	CA. Jitendra Bahadur Rajbhandari Mr. Raju Nepal
Total Units of Scheme:	150,000,000 (One Hundred Fifty Million Units)
Total Unit Capital:	NPR 1,500,000,000 (NPR One Billion Five Hundred Million)
Scheme type:	Close-ended

NIBL Samriddhi Fund- II (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual

Fund Regulations, 2067 as a closed-end, diversified investment scheme. The objective of the Fund is to generate returns by investing in a mix of securities comprising of equity, equity related instruments & fixed income instruments as allowed by prevailing rules/regulations on mutual fund. The Scheme commenced its operation on 24th Baishakh 2078 (Scheme allotment date) B.S. with maturity period of 10 years (i.e. 23rd Baishakh 2088 B.S.). It was listed in NEPSE on 11th Ashad 2078. The Scheme's Financial Statements for the year 2078/79 were approved by the Board of Directors of the NIBL Ace Capital Limited on 9th Bhadra, 2079 being the Fund Management and Depository Company. Similarly, the Fund Supervisors' consent on the approved Financial Statements has also been duly obtained on 9th Bhadra, 2079.

Nepal Investment Bank Ltd. (NIBL) is the Fund Sponsor and NIBL Ace Capital Ltd (NIBL Ace Capital), a subsidiary of NIBL duly licensed by Securities Board of Nepal (SEBON), has been appointed as the Fund Manager of the Scheme by the Sponsor after obtaining due approval from SEBON. Further, the Fund Manager is also providing Depository services to the unit holders of the Scheme in line with the prevailing regulations on mutual fund.

The Unit Capital of the Scheme comprises of the following:

Holder	Status	No. of Units	Holding Amount @ 10 Each	Holding (%)
Nepal Investment Bank	Fund Sponsor	29,000,000	290,000,000	19.33%
NIBL Ace Capital Limited	Fund Manager / Depository	1,000,000	10,000,000	0.67%
General Public		120,000,000	1,200,000,000	80.00%
Total		150,000,000	1,500,000,000	100%

2. Summary of Significant Accounting Policies

The Principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1 Statement of Compliance

The Financial Statements are presented in Nepalese Rupees, rounded to the nearest Rupee. The Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS). Further the financial statements are in compliance with Securities Act, 2063 and its regulation and other relevant laws.

2.2 Basis of Preparation

The fund while complying with the reporting standards, makes critical accounting judgment as having potentially material impact on the financial statements. The significant accounting policies that relate to the financial statements as a whole along with the judgment made are described herein.

Where an accounting policy is generally applicable to a specific item, the policy is described within that relevant note. NFRS requires the fund to exercise judgment in making accounting estimates. Description of such estimates has been given in the relevant sections wherever they have been applied. The financial statements are prepared on the basis of fair value measurement of assets and liabilities.

The statement of financial position is presented on liquidity basis. Assets and liabilities are presented in decreasing order of liquidity. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unit holders.

The statement of profit or loss has been prepared using classification "by nature" method.

The cash flow from operation within the statement of cash flows have been derived using the indirect method.

2.3 Reporting Pronouncements

The fund has, for the preparation of financial statements, adopted the NFRS pronounced by Accounting Standard Board, Nepal and Pronounced by Institute of Chartered Accountant of Nepal (ICAN) as effective on September 13, 2013. NFRS conform, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.4 Accounting Conventions

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The financial statements have been prepared on a going concern basis where the accounting policies and judgments as required by the standards are consistently used and in case of deviations disclosed specifically.

2.5 Accounting Policies and accounting estimates

The fund, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further the fund is required to make judgment 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.

Accounting policies have been included in the relevant notes for each item of the financial statements.

NFRS requires the fund 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 fund applies estimates in preparing and presenting the financial statements. The estimates and underlying assumptions are reviewed periodically. Revision to accounting estimates are recognized in the period in which the estimates is revised and are applied prospectively.

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

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.6 Reporting Periods

The fund follows the Nepalese financial year based on the Nepalese calendar as reporting period.

2.7 Presentation Currency

Financial statements are denominated in Nepalese Rupees, which is the functional and presentation currency of the company.

2.8 Comparatives

The comparatives comprise of the previous year figure for period from Baisakh 24, 2078 to Ashad 31, 2078.

2.9 Limitation of NFRS implementation

If the information is not available and the cost to develop would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective section.

3. Cash and Cash Equivalents

Accounting policy

- 3.1** For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

Explanatory notes

- 3.2** The carrying amount of cash and cash equivalents are representative of their fair values as at the respective reporting date

Particulars	32 Ashad 2079	31 Ashad 2078
Cash at Bank	84,798,821	543,679,283
Total	84,798,821	543,679,283

4. Financial Instruments

Accounting policy

- 4.1** The Fund's Principal financial assets comprise asset held at fair value through profit and loss, loans and receivables and cash and cash equivalents. The main purpose of these financial instruments is to generate a return on the investment made by unit holders. The Funds' principal financial liabilities comprise accrued expenses and other payables which arise directly from its operations.

In Accordance with NFRS 9; Financial Instruments: Recognition and Measurement, the Fund's interest receivables are classified as 'Financial Assets measured at Amortized Cost'. Equity securities / debentures are classified as fair value through profit and loss. The amount attributable to unit holders is classified as equity and is carried at the redemption amount being net asset value. Payables are designated as 'other financial liabilities' at amortized cost.

4.2 Classification

The Fund's investments are classified as fair value through profit or loss and loans and receivables. They comprise:

■ Financial instruments classified as fair value through profit or loss

Financial assets, held for trading are recorded in the statement of financial position at fair value. Changes in fair value are recognized through profit or loss. This classification includes quoted equity securities held for trading. The dividend income from the quoted equity securities is recorded in the profit or loss.

4.3 Recognition / De- recognition

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

Investments are derecognized when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged or expired.

Realized gains and realized losses on de-recognition are determined using the weighted average method and are included in the profit or loss in the period in which they arise. The realized gain is the difference between an instrument's weighted average cost and disposal amount.

4.4 Measurement

a. Financial Assets and Liabilities Held at Fair Value through Profit or Loss

At initial recognition, the Fund measures a financial asset at its fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category is presented in the statement of comprehensive income within net gains/(losses) on financial instruments held at fair value through profit or loss in the period in which they arise.

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

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Fund is the closing price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques.

b. Financial Assets Measured at Amortized Cost

Financial assets at this category are measured initially at fair value plus transaction costs and subsequently amortized using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognized in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognized on a financial asset carried at amortized cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through profit or loss.

Receivables may include amounts for dividends, interest and trade receivables. Dividends are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(6) above.

Receivable are recognized and carried at amortized cost, less a provision for any uncollectable debts. An estimate for doubtful debt is made when collection of an amount is no longer probable.

Recoverability of receivable is reviewed on an ongoing basis at an individual portfolio level. Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognized when there is objective evidence that the Fund will not be able to collect the receivable. Financial difficulties of the debtor, default payments are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

4.5 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Explanatory note

4.6 Other Current Assets

S.N.	Particulars	32 Ashad 2079	31 Ashad 2078
1	Dividend Income Receivable	196,094	8,415
2	Interest Receivables	15,202,797	1,411,053
3	Broker Receivables	1,233,455	-
4	9% Shangrila Development Bank Debenture 2087- IPO Advance	-	20,000,000
5	IPO Application Refund Receivable	3,714,500	1,435,800
6	Other Receivable	224,330	94,693
Total Amount		20,571,176	22,949,961

4.7 Financial Assets Held at Fair Value Through Profit or Loss

Particulars	32 Ashad 2079	31 Ashad 2078
Financial Assets Held for Trading		
Equity Security	844,468,930	659,027,045
Total Financial Assets held for Trading (A)	844,468,930	659,027,045
Designated Financial Assets at Fair Value Through Profit or Loss		-
Total Designated at Fair Value Through Profit or Loss (B)		-
Financial Assets Held at Fair Value Through Profit/Loss (A+B)	844,468,930	659,027,045

Comparative Investment in Listed Shares

Name	Fiscal Year 2078-79			Fiscal Year 2077-78		
	Unit	Value per unit	Value Amount	Unit	Value per unit	Value Amount
LISTED						
Nabil Bank Limited	20,085	824.00	16,550,040	31,229	1,359.00	42,440,211
Civil Bank Ltd	16,168	213.00	3,443,784	21,160	286.00	6,051,760
Shivam Cements Ltd	32,723	760.00	24,869,480	14,806	1,458.00	21,587,148
Nepal Reinsurance Company Limited	20,335	735.00	14,946,225	-	-	-
NMB Microfinance Bittiya Sanstha Ltd.	10,341	750.10	7,756,784	8,511	1,429.00	12,162,219
Forward Microfinance Laghubitta Bittiya Sanstha Limited	9,628	2,385.00	22,962,780	7,545	2,770.00	20,899,650
Premier Insurance Company (Nepal) Limited	26,950	576.00	15,523,200	15,578	1,170.00	18,226,260
Surya Life Insurance Company Limited	28,122	387.00	10,883,214	9,179	922.00	8,463,038
NIC Asia Bank Ltd.	53,433	696.00	37,189,368	26,059	994.00	25,902,646
Sanima Bank Limited	-	-	-	20,100	485.00	9,748,500
Prime Life Insurance Company Limited	22,350	569.00	12,717,150	10,958	954.00	10,453,932
Deprosc Laghubitta Bittiya Sanstha Limited	17,182	940.00	16,151,080	11,804	1,686.00	19,901,544
First Micro Finance Laghubitta Bittiya Sanstha Limited	-	-	-	10,489	823.00	8,632,447
Shikhar Insurance Co. Ltd.	34,843	807.00	28,118,301	9,494	1,952.00	18,532,288
Sabaiko Laghubitta Bittiya Sanstha Limited	5,110	1,074.90	5,492,739	13,344	1,815.00	24,219,360
Global IME Laghubitta Bittiya Sanstha Ltd.	17,487	1,299.00	22,715,613	8,662	2,815.00	24,383,530
Kumari Bank Limited	-	-	-	21,664	371.00	8,037,344
Mero Microfinance Bittiya Sanstha Ltd.	17,997	847.00	15,243,459	10,000	1,546.00	15,460,000
Nepal Credit And Commercial Bank Limited	40,200	210.90	8,478,180	15,000	367.00	5,505,000
Nepal Bangladesh Bank Limited	22,252	399.00	8,878,548	16,619	436.00	7,245,884
Prudential Insurance Co. Ltd.	9,501	348.00	3,306,348	8,880	810.00	7,192,800
Nepal Life Insurance Co. Ltd.	18,637	747.00	13,921,839	11,349	1,919.00	21,778,731
Neco Insurance Limited	29,251	694.00	20,300,194	14,281	1,348.00	19,250,788
Life Insurance Corporation (Nepal) Limited	15,454	1,415.00	21,867,410	9,379	2,342.00	21,965,618
Agricultural Development Bank Limited	-	-	-	18,240	479.00	8,736,960
Prabhu Bank Limited	30,059	207.00	6,222,213	21,839	457.00	9,980,423
Prime Commercial Bank Ltd.	42,393	265.00	11,234,145	22,446	479.00	10,751,634
Nirdhan Utthan Laghubitta Bittiya Sanstha Limited Promoter Share	99,356	600.00	59,613,600	76,723	600.00	46,033,800
National Life Insurance Co. Ltd.	30,991	577.00	17,881,807	11,861	1,151.00	13,652,011
Prabhu Select Fund	1,468,090	9.61	14,108,345	1,468,090	10.14	14,886,433
Sanjen Jalavidhyut Company Limited	23,475	260.00	6,103,500	10,220	449.00	4,588,780

Rasuwigadhi Hydropower Company Limited	33,159	273.00	9,052,407	9,025	474.00	4,277,850
Sanima Mai Hydropower Ltd.	5,571	306.00	1,704,726	11,191	513.00	5,740,983
Nepal Bank Limited	19,722	298.00	5,877,156	11,300	443.00	5,005,900
Mountain Energy Nepal Limited	13,260	800.00	10,608,000	4,500	890.00	4,005,000
Citizen Investment Trust	4,947	2,515.00	12,441,705	-	-	-
Standard Chartered Bank Limited	14,374	396.30	5,696,416	-	-	-
Mahalaxmi Bikas Bank Ltd.	14,540	378.00	5,496,120	-	-	-
Machhapuchhre Bank Limited	44,346	254.00	11,263,884	-	-	-
Kamana Sewa Bikas Bank Limited	18,221	349.90	6,375,528	-	-	-
Garima Bikas Bank Limited	17,560	387.00	6,795,720	-	-	-
Muktinath Bikas Bank Ltd.	21,248	439.90	9,346,995	-	-	-
Prabhu Insurance Ltd.	18,598	428.00	7,959,944	-	-	-
Soaltee Hotel Limited	19,800	202.50	4,009,500	-	-	-
Vijaya laghubitta Bittiya Sanstha Ltd.	8,213	940.00	7,720,220	-	-	-
Swabalamban Laghubitta Bittiya Sanstha Limited	10,553	1,169.00	12,336,457	-	-	-
Laxmi Laghubitta Bittiya Sanstha Ltd.	4,369	1,275.00	5,570,475	-	-	-
Swarogjar Laghu Bitta Bikas Bank Ltd.	10,000	851.00	8,510,000	-	-	-
Global IME Bank Limited	17,820	251.40	4,479,948	-	-	-
Century Commercial Bank Ltd.	45,725	183.00	8,367,675	-	-	-
Sana Kisan Bikas Laghubitta Bittiya Sanstha Limited	10,000	1,065.00	10,650,000	-	-	-
Ridi Hydropower Development Company Ltd.	5,000	838.00	4,190,000	-	-	-
Manushi Laghubitta Bittiya Sanstha Limited	591	1,002.00	592,182	-	-	-
Sahas Urja Limited	9,720	460.00	4,471,200	-	-	-
United Insurance Co. (Nepal) Ltd.	12,000	350.00	4,200,000	-	-	-
Himalayan General Insurance Co. Ltd	11,733	520.00	6,101,160	-	-	-
Siddhartha Bank Limited	29,433	303.00	8,918,199	-	-	-
Himalayan Distillery Limited	4,465	3,410.00	15,225,650	-	-	-
Nabil Balanced Fund-3	16,670	9.43	157,198	-	-	-
NMB Bank Limited	22,606	261.00	5,900,166	-	-	-
Mega Bank Nepal Ltd.	20,058	226.00	4,533,108	-	-	-
Chhimek Laghubitta Bittiya Sanstha Limited	12,482	1,100.00	13,730,200	-	-	-
Samata Gharelu Laghubitta Bittiya Sanstha Limited	3,253	799.00	2,599,147	-	-	-
NIC ASIA Laghubitta Bittiya Sanstha Limited	4,500	859.90	3,869,550	-	-	-
Rastra Utthan Laghubitta Sanstha Limited	1,605	926.00	1,486,230	-	-	-
Rastriya Beema Company Limited	800	13,400.00	10,720,000	-	-	-
Balephi Hydropower Limited	3,412	239.70	817,856	-	-	-
Upakar Laghubitta Bittiya Sanstha Limited	441	2,699.00	1,190,259	-	-	-
CYC Nepal Laghubitta Bittiya Sanstha Limited	738	1,698.20	1,253,272	-	-	-
River Falls Power Limited	5,005	222.00	1,111,110	-	-	-
Sub-Total (A)			691,808,709			505,700,472

Comparative Investment in Listed Shares

Name	Fiscal Year 2078-79			Fiscal Year 2077-78		
	Unit	Value per unit	Value Amount	Unit	Value per unit	Value Amount
UNLISTED						
Jeevan Bikas Laghubitta Bittiya Sanstha-IPO	-	-	-	3,194	547.05	1,747,278
Manakamana Smart Laghubitta Bittiya Sanstha-IPO	-	-	-	629	513.29	322,859
Union Life Insurance Co. Ltd.-IPO	-	-	-	9,675	116.93	1,131,298
Mailing Khola Hydropower Company Ltd.-IPO	-	-	-	1,104	113.35	125,138
Citizen Unit Scheme	700,000	100.00	70,000,000	700,000	100.00	70,000,000
Citizen Unit Scheme	200,000	100.00	20,000,000	200,000	100.00	20,000,000
Citizen Unit Scheme	600,000	100.00	60,000,000	600,000	100.00	60,000,000
Bindhyabasini Hydropower Development Co. Ltd.-IPO	2,750	155.41	427,378	-	-	-
Adarsha Laghubitta Bittiya Sanstha Ltd.-IPO	123	203.17	24,990	-	-	-
Himalayan Hydropower Ltd.-IPO	3,477	100.80	350,482	-	-	-
Upper Solu Hydro Electric Co. Ltd.-IPO	3,458	111.58	385,844	-	-	-
Upper Hewakhola Hydropower Co. Ltd.-IPO	2,650	110.75	293,488	-	-	-
Swet Ganga Hydropower & Construction Ltd.- IPO	4,221	112.26	473,849	-	-	-
Rapti Hydro & General Construction Ltd.-IPO	4,479	101.65	455,290	-	-	-
Mandakini Hydrpower Ltd.-IPO	2,038	122.13	248,901	-	-	-
Sub-Total (B)			152,660,221			153,326,573
Grand Total (A+B)			844,468,930			659,027,045

Valuations:

Valuations of shares of Global IME Bank Limited, Civil Bank Limited, Nepal Bangladesh Bank Limited, Mega Bank Limited, Prime Life Insurance Company Limited, Prabhu Insurance Company Limited, Himalayan General Insurance Company Limited and CYC Nepal Laghubitta Bittiya Sanstha Limited has been valued at last trading price during FY 2078/79 due to trading halted because of Merger and acquisition process.

5. Payables

Accounting policy

- 5.1** Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period.

Explanatory notes

- 5.2** Accrued Expenses and Other Payables

S.N.	Particulars	32 Ashad 2079	31 Ashad 2078
1	Reporting Expenses Payables	22,000	22,000
2	Brokers Payables	-	1,843,969
3	Pre-Operating Expenses Payable	-	66,837
4	Audit Fee Payables	111,500	113,000
5	TDS Liability	154,510	136,072
6	Software AMC (PCS) Payables	97,948	14,841
7	Fund Management Fee Payable - NIBL Ace Capital	5,049,736	4,246,751
8	Depository Fee Payables - NIBL Ace Capital	673,298	566,234

9	Supervisor Fee Payables	348,611	293,177
10	CDS Fees Payables	167,450	-
11	DP Fee Payables	250	-
12	Book Building Resitration at NEPSE AMC	5,000	-
Total		6,630,304	7,302,880

Fund management fee and depository fee includes fee payable to NIBL Ace Capital Limited for fund management and depository services.

6. Net Assets Attributable to Unit holders

Unit holders' funds have been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities, other than those due to unit holders, as at the statement of financial position date.

The Fund Manager calculates the NAV per unit of the Scheme by deducting the Schemes' expenses over market value of the total investment plus investment income divided by number of units on a weekly basis in accordance with the prevailing regulations/guidelines on mutual funds and publishes the same on its official website: www.niblcapital.com. The said information is also shared with the Board members of the Fund Manager & the Fund Supervisors via e-mail. Further, the NAV per unit calculated on a monthly basis is published on a national daily newspaper and uploaded on the website of the Fund Manager with prior notification of the same forwarded to the Fund Supervisors & SEBON in writing.

Each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund. The Fund considers its net assets attributable to unit holders as capital (which includes unit capital, realized and unrealized gain), notwithstanding net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily changes in Market Price of Share at Nepal Stock Exchange.

Distribution to unit holders is recognized in the statement of changes in unit holders' funds. Income not distributed is included in net assets attributable to unit holders.

Particular	For the Year Ended on 32 nd Ashad 2079	For the Year Ended on 31 st Ashad 2078
Unit Holders' Fund at the Beginning of the Year/Period	1,499,275,409	1,500,000,000
Increase / (Decrease) in Net Assets Attributable to Unit Holders		
Net Gains/(Losses) for the Period	(215,722,463)	(724,591)
Other Comprehensive income	-	-
Distribution to Unit Holders'	-	-
Unit Holders' Fund at the End of the Year/Period	1,283,552,946	1,499,275,409

7. Investment Income

7.1 Accounting Policy

Interest income is recognized in profit or loss for all financial instruments that are not held at fair value through profit or loss using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the net gains/ (losses) on financial instruments.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Dividend income is recognized on the ex-dividend date.

Explanatory notes

7.2 Interest Income

Particulars	FY 2078/79	FY 2077/78
Interest income on Debentures, Fixed and Call Deposit	43,099,117	6,020,508
Total		6,020,508

7.3 Dividend Income

Particulars	FY 2078/79	FY 2077/78
Dividend Income Realized	1,797,937	8,415
Total	1,797,937	8,415

8. Expenses

All expenses, including management fees supervisor fees and depository fees, are recognized in profit or loss on accruals basis. The management participation fees of the fund of the period 1st Shrawan 2078 to 32nd Ashad 2079 are as follows:

Fund Management Fees	: 1.5% of Net Assets Value (NAV)
Depository Fees	: 0.2% of NAV
Fund Supervisor Fees	: 0.12% of NAV

Total Fund Management, Depository & Fund Supervisor's Fees are calculated and recognized as per the Mutual Fund Regulation 2067 and Mutual Fund Guidelines, 2069.

Total Fund Management, Depository & Fund Supervisor's Fees calculated on the basis of 365 days a year is presented in Nepalese currency and charged as under:

Particulars	FY 2078/79	FY 2077/78
Fund Management Fee	21,672,686	4,311,423
Depository Fee	2,889,691	574,856
Fund Supervisor Fee	1,733,815	344,914
Total	26,296,192	5,231,193

9. Income Tax

The finance act of FY 2078/79 has included Mutual Fund under Section 10 of the Income Tax Act, 2058 as tax exempt entities. TDS on return from mutual fund (i.e. dividend) paid to individual is deducted at 5% which is final and to entity is tax deducted at 15% (which is not final). Therefore, the fund management is of the view that return from the fund is duly taxed as per the principal of income tax and is not subject to further tax liability for FY 2078/79.

10. Distributions

The distributions, if any to unit holders are recognized in statement of changes in unit holders' funds.

11. Financial Risk Management

The Fund's activities are exposed to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management program focuses on ensuring compliance with the Fund's investment policy. It also seeks to maximize the returns derived for the level of risk to which the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions.

The management of these risks is carried out by the NIBL Ace Capital, the fund management company. The fund supervisors provide principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and non-derivative financial instruments and the investment of excess liquidity.

The Fund uses different methods to measure and mitigate different types of risk to which it is exposed.

11.1 Market Risk

1. Price Risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain. Paragraph below sets out how this component of price risk is managed and measured. Investments are classified in the statement of financial position as at fair value through profit or loss and loans and receivables. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the management company.

All of the Fund's equity investments in companies are listed in NEPSE. The Fund's policy requires that the overall market position is monitored on a daily basis by the Fund Management Company.

Investment Threshold

As per the Mutual Fund Regulation, 2067 in fixed deposit at bank cannot be made more than 15% of total fund size or Net Asset Value (NAV) of the scheme.

b. Foreign Exchange Rate Risk

The Fund is not exposed to the fluctuations in exchange rates as all investments and transactions of the fund are made in investments denominated in NPR.

c. Cash Flow and Fair Value Interest Rate Risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk. The Fund's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The Fund has direct exposure to interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Fund invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model.

11.2 Credit Risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The main concentration to which the Fund is exposed arises from the Fund's investments in debt securities. However, there is no investment in debt securities.

Credit risk on cash and cash equivalents, other receivable balances.

In accordance with the Fund's policy, the Management Company monitors the Fund's credit position on a daily basis. The Fund can maximize the returns derived for the level of risk to which the Fund is exposed. The table below is a summary of the significant sector concentrations within the equity portfolio.

For FY 2078/79

Sector	Value	Cost	Proportionate Exposure	Growth%
Commercial Banks	147,032,830	204,027,659	17.41%	-27.93%
Development Banks	28,014,363	38,614,031	3.32%	-27.45%
Hotels	4,009,500	5,505,193	0.47%	-27.17%
Hydropower	40,694,030	57,631,422	4.82%	-29.39%
Investment	12,441,705	16,439,323	1.47%	-24.32%
Life Insurance	77,271,420	139,173,578	9.15%	-44.48%
Manufacturing & Processing	40,095,130	69,123,329	4.75%	-41.99%
Microfinance	219,469,037	264,934,156	25.99%	-17.16%
Mutual Fund	164,265,543	164,847,600	19.45%	-0.35%
Non-Life Insurance	96,229,147	175,825,595	11.40%	-45.27%
Others	14,946,225	25,635,112	1.77%	-41.70%
TOTAL	844,468,930	1,161,756,998	100.00%	-27.31%



For FY 2077/78

Sector	Value	Cost	Proportionate Exposure	Growth%
Commercial Banks	139,406,262	132,571,476	21%	5.16%
Hydropower	18,737,751	17,590,778	3%	6.52%
Insurance Companies	140,646,764	149,310,336	21%	-5.80%
Microfinance	173,762,687	174,343,363	26%	-0.33%
Mutual Fund	164,886,433	164,680,900	25%	0.12%
Others	21,587,148	22,748,118	3%	-5.10%
Total	659,027,045	661,244,970	100%	

11.3 Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of redeemable units. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market or can be readily disposed.

The Fund's listed securities are considered readily realizable, as all are listed on the Nepal Stock Exchange.

The Fund has the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the period.

In accordance with the Fund's policy, the Management Company monitors the Fund's liquidity position on a regular basis.

12. Fair Value Measurement

The Fund measures and recognizes the following assets and liabilities at fair value on a recurring basis:

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period:

NFRS 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

i. Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in note 2 to the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from NEPSE and are traded frequently.

ii. Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques.

Equities which are listed but no transactions are made within last 30 days is valued at 180 days Average Market price provided by NEPSE and Equities which are listed but no transactions are made within last 180 days is valued at last traded price of the stock at NEPSE considering it as level two input.

Listed stocks that are not trading due to suspension by NEPSE citing Merger, Acquisition, Natural calamity and/or any other reasons is valued at the Closing Price available of particular stock of the last day of its trading on NEPSE

The Fair value of IPO Investments after allotment till listing, is valued applying the valuation model as specified below:

- I) 50% of the Latest Net Worth Published by the Company.
- II) 50% based on the Earnings Capitalization, based on the projections of the company by considering latest interest rate of the Government Bonds after applicable tax deductions as discount factor which is considered as level 3 input.

After the book closure date and till the rights are listed, right entitlements are valued as difference between the right price and ex-right price. This is explained with the help of following formula:

$$V_r = n / m \times (P_{ex} - P_{of})$$

Where

V_r = Value of Rights

n = Number of rights offered

m = Number of original shares held

P_{ex} = Ex-right price

P_{of} = Rights offer price

Valuation of total Right Entitlement = $V_r \times$ No. of shares held before Ex- date

13. Financial Assets Held at Amortized Cost

Particulars	32 Ashad 2079	31 Ashad 2078
Debentures	120,344,323	60,922,000
Fixed Deposit	220,000,000	220,000,000
Total	340,344,323	280,922,000

Comparative Investment in Fixed Deposit

Name of Bank	32 Ashad 2079		31 Ashad 2078	
	Principal Amount	Interest Rate	Principal Amount	Interest Rate
Lumbini Bikas Bank Ltd	-	0.00%	20,000,000	8.50%
Garima Bikas Bank Ltd	-	0.00%	30,000,000	8%
Goodwill Finance Ltd	-	0.00%	20,000,000	8.00%
Kamana Sewa Bikas Bank Ltd	-	0.00%	20,000,000	8%
Kumari Bank Ltd	-	0.00%	30,000,000	7.53%
Kumari Bank Ltd	-	0.00%	40,000,000	7.00%
Shangrila Development Bank Ltd	-	0.00%	20,000,000	7.50%
Mukthinath Bikas Bank	-	0.00%	20,000,000	7.75%
Jyoti Bikas Bank Ltd	-	0.00%	20,000,000	8.25%
Central Finance Ltd.	10,000,000	8.25%	-	0.00%
Shine Resunga Development Bank Ltd.	20,000,000	8.00%	-	0.00%
Goodwill Finance Ltd	10,000,000	11.10%	-	0.00%
Goodwill Finance Ltd	10,000,000	11.10%	-	0.00%
Garima Bikas Bank Ltd	10,000,000	11.10%	-	0.00%
Shine Resunga Development Bank Ltd.	20,000,000	11.00%	-	0.00%
Kamana Sewa Bikas Bank Ltd	20,000,000	11.10%	-	0.00%
Shangrila Development Bank Ltd	20,000,000	11.10%	-	0.00%
Jyoti Bikas Bank Ltd	20,000,000	11.10%	-	0.00%
Lumbini Bikas Bank Ltd	20,000,000	11.10%	-	0.00%
Mukthinath Bikas Bank	20,000,000	11.10%	-	0.00%
Kumari Bank Ltd	40,000,000	10.13%	-	0.00%
Total	220,000,000		220,000,000	



Comparative Investment in Debenture

Name of Debenture	32 Ashad 2079		31 Ashad 2078	
	Investment Amount	Interest Rate	Investment Amount	Interest Rate
8.5% NMB Debenture 2087/88	6,352,000	8.50%	6,352,000	8.50%
8.5% Prabhu Bank Debenture 2087	20,000,000	8.50%	20,000,000	8.50%
8.5% RBBL Debenture	14,570,000	8.50%	14,570,000	8.50%
9% Jyoti Bikas Bank Debenture 2087	20,000,000	9.00%	20,000,000	9.00%
9% SADBIL Debenture 2087	15,135,000	9.00%	-	0.00%
8.5% Machhapuchhre Debenture 2087	7,500,000	8.50%	-	0.00%
10.25% Civil Bank Debenture 2088	4,286,000	10.25%	-	0.00%
8.75% Garima Debenture 2085	7,500,000	8.75%	-	0.00%
8.5% Everest Bank Ltd. Debenture 2086	3,000,000	8.50%	-	0.00%
8.5% Global IME Bank Debenture 2086/87	21,001,323	8.50%	-	0.00%
10% Prime Debenture 2088	1,000,000	10.00%	-	0.00%
Total	120,344,323		60,922,000	

Note a:

The investment in debentures are recognized on cost. They are classified based on maturity period using the effective interest rate and classified as held to maturity. Interest on the debentures are recognized daily as per accrual basis. The interest are received on half yearly basis. The debentures are listed on the stock exchange. As there are no other associated costs, premium or discount the investment and the investment are settled with receiving the principal and interest the intrinsic coupon rate has been used as effective interest rate.

Note b:

The investment in fixed deposit are recognized on cost. The maturity period of the fixed deposits are not more than one year from the reporting date. They are classified based on maturity period using the effective interest rate and classified as held to maturity. Interest on the fixed deposits are recognized daily as per accrual basis. The interest are received on quarterly and on maturity as per the deals executed with the banks. As there are no other associated costs, premium or discount the investment and the investment are settled with receiving the principal and interest the intrinsic coupon rate has been used as effective interest rate.

14. Net Gain/Losses on financial assets held at fair value through profit or loss

a. Accounting policy

Realized gain is the difference between the cost price and realized price on the sale of the shares after deducting the selling expenses.

Unrealized gain is the difference between the cost price and the closing market price available at the end of the reporting period or the latest trading price if the closing price as on the year end is not available.

b. Explanatory notes

Particulars	32 Ashad 2079	31 Ashad 2078
Net Realized Gains/(Losses) on Financial Assets at Fair Value Through Profit or loss	81,333,016	8,599,879
Net Unrealized Gains/(Losses) on Financial Assets at Fair Value Through Profit or Loss	(315,070,143)	(2,217,925)
Total	(233,737,127)	6,381,954

Computation of Unrealized Gains/loss for FY 2078/79:

Name	Unit	Value per unit	Value Amount	Cost Price	Total Cost	Gain/(Loss)
LISTED						
Nabil Bank Limited	20,085	824.00	16,550,040	1,129.82	22,692,336	(6,142,296)
Civil Bank Ltd	16,168	213.00	3,443,784	213.77	3,456,207	(12,423)

SHIVAM CEMENTS LTD	32,723	760.00	24,869,480	1,587.69	51,954,063	(27,084,583)
Nepal Reinsurance Company Limited	20,335	735.00	14,946,225	1,260.64	25,635,112	(10,688,887)
NMB Microfinance Bittiya Sanstha Ltd.	10,341	750.10	7,756,784	1,282.22	13,259,461	(5,502,677)
Forward Community Microfinance Bittiya Sanstha Ltd.	9,628	2,385.00	22,962,780	2,110.98	20,324,477	2,638,303
Premier Insurance Co. Ltd.	26,950	576.00	15,523,200	1,097.15	29,568,315	(14,045,115)
Surya Life Insurance Company Limited	28,122	387.00	10,883,214	860.02	24,185,499	(13,302,285)
NIC Asia Bank Ltd.	53,433	696.00	37,189,368	933.47	49,878,137	(12,688,769)
Prime Life Insurance Company Limited	22,350	569.00	12,717,150	835.11	18,664,646	(5,947,496)
Deprosc Laghubitta Bittiya Sanstha Limited	17,182	940.00	16,151,080	1,481.82	25,460,668	(9,309,588)
Shikhar Insurance Co. Ltd.	34,843	807.00	28,118,301	1,590.41	55,414,690	(27,296,389)
SABAIKO LAGHUBITTA BITTIYA SANSTHA LIMITED	5,110	1,074.90	5,492,739	1,385.48	7,079,788	(1,587,049)
Global IME Laghubitta Bittiya Sanstha Ltd.	17,487	1,299.00	22,715,613	2,133.36	37,306,116	(14,590,503)
Mero Microfinance Bittiya Sanstha Ltd.	17,997	847.00	15,243,459	1,470.83	26,470,494	(11,227,035)
Nepal Credit And Commercial Bank Limited	40,200	210.90	8,478,180	289.70	11,646,073	(3,167,893)
Nepal Bangladesh Bank Limited	22,252	399.00	8,878,548	375.05	8,345,602	532,946
Prudential Insurance Co. Ltd.	9,501	348.00	3,306,348	768.67	7,303,100	(3,996,752)
Nepal Life Insurance Co. Ltd.	18,637	747.00	13,921,839	1,731.49	32,269,858	(18,348,019)
Neco Insurance Co. Ltd.	29,251	694.00	20,300,194	1,214.71	35,531,489	(15,231,295)
Life Insurance Co. Nepal	15,454	1,415.00	21,867,410	2,041.09	31,543,042	(9,675,632)
Prabhu Bank Limited	30,059	207.00	6,222,213	418.11	12,568,007	(6,345,794)
Prime Commercial Bank Ltd.	42,393	265.00	11,234,145	416.42	17,653,185	(6,419,040)
Nirdhan Utthan Laghubitta Bittiya Sanstha Limited Promoter Share	99,356	600.00	59,613,600	425.92	42,317,938	17,295,662
National Life Insurance Co. Ltd.	30,991	577.00	17,881,807	1,049.03	32,510,534	(14,628,727)
Prabhu Select Fund	1,468,090	9.61	14,108,345	10.00	14,680,900	(572,555)
SANJEN JALAVIDHYUT COMPANY LIMITED	23,475	260.00	6,103,500	437.72	10,275,412	(4,171,912)
RASUWAGADHI HYDROPOWER COMPANY LTD.	33,159	273.00	9,052,407	448.78	14,881,122	(5,828,715)
Sanima Mai Hydropower Ltd.	5,571	306.00	1,704,726	456.64	2,543,950	(839,224)
Nepal Bank Limited	19,722	298.00	5,877,156	420.77	8,298,509	(2,421,353)
Mountain Energy Nepal Limited	13,260	800.00	10,608,000	1,262.57	16,741,626	(6,133,626)
Citizen Investment Trust	4,947	2,515.00	12,441,705	3,323.09	16,439,323	(3,997,618)
Standard Chartered Bank Limited	14,374	396.30	5,696,416	555.12	7,979,282	(2,282,866)
Mahalaxmi Bikas Bank Ltd.	14,540	378.00	5,496,120	452.49	6,579,253	(1,083,133)
Machhapuchhre Bank Limited	44,346	254.00	11,263,884	349.91	15,517,090	(4,253,206)
Kamana Sewa Bikas Bank Limited	18,221	349.90	6,375,528	549.79	10,017,813	(3,642,285)
Garima Bikas Bank Limited	17,560	387.00	6,795,720	527.65	9,265,512	(2,469,792)
Muktinath Bikas Bank Ltd.	21,248	439.90	9,346,995	600.12	12,751,452	(3,404,457)
Prabhu Insurance Ltd.	18,598	428.00	7,959,944	942.70	17,532,297	(9,572,353)
Soaltee Hotel Limited	19,800	202.50	4,009,500	278.04	5,505,193	(1,495,693)
Vijaya laghubitta Bittiya Sanstha Ltd.	8,213	940.00	7,720,220	1,567.76	12,876,020	(5,155,800)
Swabalamban Laghubitta Bittiya Sanstha Limited	10,553	1,169.00	12,336,457	1,516.47	16,003,298	(3,666,841)
Laxmi Laghubitta Bittiya Sanstha Ltd.	4,369	1,275.00	5,570,475	1,956.92	8,549,786	(2,979,311)
Swarojgar Laghu Bitta Bikas Bank Ltd.	10,000	851.00	8,510,000	1,230.97	12,309,710	(3,799,710)
Global IME Bank Limited	17,820	251.40	4,479,948	379.79	6,767,850	(2,287,902)
Century Commercial Bank Ltd.	45,725	183.00	8,367,675	259.79	11,878,958	(3,511,283)
Sana Kisan Bikas Laghubitta Bittiya Sanstha Ltd.	10,000	1,065.00	10,650,000	1,589.11	15,891,084	(5,241,084)
Ridi Hydropower Development Company Ltd.	5,000	838.00	4,190,000	835.22	4,176,078	13,922
Manushi Laghubitta Bittiya Sanstha Limited	591	1,002.00	592,182	100.00	59,100	533,082
Sahas Urja Limited	9,720	460.00	4,471,200	603.32	5,864,235	(1,393,035)
United Insurance Co. (Nepal) Ltd.	12,000	350.00	4,200,000	743.14	8,917,678	(4,717,678)
Himalayan General Insurance Co. Ltd	11,733	520.00	6,101,160	723.12	8,484,314	(2,383,154)



Siddhartha Bank Limited	29,433	303.00	8,918,199	454.25	13,370,027	(4,451,828)
Himalayan Distillery Limited	4,465	3,410.00	15,225,650	3,845.30	17,169,266	(1,943,616)
Nabil Balanced Fund-3	16,670	9.43	157,198	10.00	166,700	(9,502)
NMB Bank Limited	22,606	261.00	5,900,166	354.20	8,007,010	(2,106,844)
Mega Bank Nepal Ltd.	20,058	226.00	4,533,108	297.61	5,969,387	(1,436,279)
Chhimek Laghubitta Bittiya Sanstha Limited	12,482	1,100.00	13,730,200	1,338.62	16,708,690	(2,978,490)
Samata Gharelu Laghubitta Bittiya Sanstha Ltd.	3,253	799.00	2,599,147	1,318.27	4,288,331	(1,689,184)
NIC ASIA Laghubitta Bittiya Sanstha Limited	4,500	859.90	3,869,550	1,275.22	5,738,495	(1,868,945)
Rastra Utthan Laghubitta Sanstha Limited	1,605	926.00	1,486,230	100.00	160,500	1,325,730
Rastriya Beema Company Limited	800	13,400.00	10,720,000	16,342.14	13,073,711	(2,353,711)
Balephi Hydropower Limited	3,412	239.70	817,856	100.00	341,200	476,656
Upakar Laghubitta Bittiya Sanstha Limited	441	2,699.00	1,190,259	100.00	44,100	1,146,159
CYC Nepal Laghubitta Bittiya Sanstha Limited	738	1,698.20	1,253,272	100.00	73,800	1,179,472
River Falls Power Limited	5,005	222.00	1,111,110	100.00	500,500	610,610
Sub-Total (A)			691,808,709		1,009,437,398	(317,628,689)
UNLISTED						
Citizen Unit Scheme	700,000	100.00	70,000,000	100.00	70,000,000	-
Citizen Unit Scheme	200,000	100.00	20,000,000	100.00	20,000,000	-
Citizen Unit Scheme	600,000	100.00	60,000,000	100.00	60,000,000	-
Bindhyabasini Hydropower Development Co. Ltd.-IPO	2,750	155.41	427,378	100.00	275,000	152,378
Adarsha Laghubitta Bittiya Sanstha Ltd.-IPO	123	203.17	24,990	100.00	12,300	12,690
Himalayan Hydropower Ltd.-IPO	3,477	100.80	350,482	100.00	347,700	2,782
Upper Solu Hydro Electric Co. Ltd.-IPO	3,458	111.58	385,844	100.00	345,800	40,044
Upper Hewakhola Hydropower Co. Ltd.-IPO	2,650	110.75	293,488	100.00	265,000	28,488
Swet Ganga Hydropower & Construction Ltd.- IPO	4,221	112.26	473,849	100.00	422,100	51,749
Rapti Hydro & General Construction Ltd.-IPO	4,479	101.65	455,290	100.00	447,900	7,390
Mandakini Hydrpower Ltd.-IPO	2,038	122.13	248,901	100.00	203,800	45,101
Sub-Total (B)			152,660,221		152,319,600	340,621
Grand Total			844,468,930		1,161,756,998	
Unrealised Gain / (Loss)					(317,288,068)	
Less: Previous year unrealised gain/(loss)					(2,217,925)	
Unrealised Gain / (Loss) This Year					(315,070,143)	

Computation of Unrealized Gains/loss for FY 2077/78:

Name	Unit	Value per unit	Value Amount	Cost Price	Total Cost	Gain/(Loss)
LISTED						
Nabil Bank Limited	31229	1,359.00	42,440,211	1,297.90	40,532,032	1,908,179
Civil Bank Ltd	21160	286.00	6,051,760	246.37	5,213,142	838,618
Shivam Cements Ltd	14806	1,458.00	21,587,148	1,536.41	22,748,118	(1,160,970)
NMB Microfinance Bittiya Sanstha Ltd.	8511	1,429.00	12,162,219	1,557.92	13,259,461	(1,097,242)
Forward Community Microfinance Bittiya Sanstha Ltd.	7545	2,770.00	20,899,650	2,849.76	21,501,427	(601,777)
Premier Insurance Co. Ltd.	15578	1,170.00	18,226,260	1,262.63	19,669,210	(1,442,950)
Surya Life Insurance Company Limited	9179	922.00	8,463,038	937.40	8,604,408	(141,370)
NIC Asia Bank Ltd.	26059	994.00	25,902,646	905.25	23,589,881	2,312,765
Sanima Bank Limited	20100	485.00	9,748,500	444.04	8,925,211	823,289
Prime Life Insurance Company Limited	10958	954.00	10,453,932	972.45	10,656,095	(202,163)
Deprosc Laghubitta Bittiya Sanstha Limited	11804	1,686.00	19,901,544	1,824.13	21,532,033	(1,630,489)
First Micro Finance Development Bank Ltd.	10489	823.00	8,632,447	857.43	8,993,616	(361,169)
Shikhar Insurance Co. Ltd.	9494	1,952.00	18,532,288	2,080.48	19,752,101	(1,219,813)

Sabaiko Laghubitta Bittiya Sanstha Limited	13344	1,815.00	24,219,360	1,815.33	24,223,731	(4,371)
Global IME Laghubitta Bittiya Sanstha Ltd.	8662	2,815.00	24,383,530	2,772.51	24,015,489	368,041
Kumari Bank Limited	21664	371.00	8,037,344	354.97	7,690,158	347,186
Mero Microfinance Bittiya Sanstha Ltd.	10000	1,546.00	15,460,000	1,811.74	18,117,367	(2,657,367)
Nepal Credit And Commercial Bank Limited	15000	367.00	5,505,000	374.95	5,624,234	(119,234)
Nepal Bangladesh Bank Limited	16619	436.00	7,245,884	403.11	6,699,280	546,604
Prudential Insurance Co. Ltd.	8880	810.00	7,192,800	822.42	7,303,100	(110,300)
Nepal Life Insurance Co. Ltd.	11349	1,919.00	21,778,731	2,090.18	23,721,476	(1,942,745)
Neco Insurance Co. Ltd.	14281	1,348.00	19,250,788	1,433.00	20,464,706	(1,213,918)
Life Insurance Co. Nepal	9379	2,342.00	21,965,618	2,455.43	23,029,435	(1,063,817)
Agriculture Development Bank Limited	18240	479.00	8,736,960	465.28	8,486,754	250,206
Prabhu Bank Limited	21839	457.00	9,980,423	466.24	10,182,276	(201,853)
Prime Commercial Bank Ltd.	22446	479.00	10,751,634	475.13	10,664,839	86,795
Nirdhan Utthan Laghubitta Bittiya Sanstha Limited Promoter Share	76723	600.00	46,033,800	551.57	42,317,938	3,715,862
National Life Insurance Co. Ltd.	11861	1,151.00	13,652,011	1,276.65	15,142,305	(1,490,294)
Prabhu Select Fund	1468090	10.14	14,886,433	10.00	14,680,900	205,533
Sanjen Jalavidhyut Company Limited	10220	449.00	4,588,780	421.60	4,308,797	279,983
Rasuwadaghi Hydropower Company Limited	9025	474.00	4,277,850	445.61	4,021,600	256,250
Sanima Mai Hydropower Ltd.	11191	513.00	5,740,983	480.33	5,375,340	365,643
Nepal Bank Limited	11300	443.00	5,005,900	439.26	4,963,668	42,232
Mountain Energy Nepal Limited	4500	890.00	4,005,000	838.81	3,774,641	230,359
Sub-Total (A)			505,700,472		509,784,770	(4,084,299)
UNLISTED						
Jeevan Bikas Laghubitta Bittiya Sanstha-IPO	3194	547.05	1,747,278	100.00	319,400	1,427,878
Manakamana Smart Laghubitta Bittiya Sanstha-IPO	629	513.29	322,859	100.00	62,900	259,959
Union Life Insurance Co. Ltd.-IPO	9675	116.93	1,131,298	100.00	967,500	163,798
Mailing Khola Hydropower Company Ltd.-IPO	1104	113.35	125,138	100.00	110,400	14,738
Citizen Unit Scheme	700000	100.00	70,000,000	100.00	70,000,000	-
Citizen Unit Scheme	200000	100.00	20,000,000	100.00	20,000,000	-
Citizen Unit Scheme	600000	100.00	60,000,000	100.00	60,000,000	-
Sub-Total (B)			153,326,573		151,460,200	1,866,373
Grand Total			659,027,045		661,244,970	(2,217,925)
Unrealized Gain /(Loss)					(2,217,925)	
Less: Previous Year Unrealized Gain /(Loss)					-	
Unrealized Gain /Loss This Year					(2,217,925)	

15. Impairment

Accounting policy

The fund assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the asset (a 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.

16. Related Party Transactions

(As identified by the management and relied upon by the auditors)

Related Parties

- Fund Sponsor: Nepal Investment Bank Limited.
- Fund Manager and Depository: NIBL Ace Capital Limited, a subsidiary of the Sponsor.

- c. Shareholders holding substantial interest in the Fund Manager: Nepal Investment Bank Limited.
- d. Subsidiaries of Major Shareholders of Fund Manager with whom the Fund transacted: None

The Scheme has entered into transactions with related parties which are required to be disclosed in accordance with Accounting Standard - on 'Related Party Disclosures'.

- Unit Holding of Nepal Investment Bank Limited (Fund Sponsor) amounts to NPR 290,000,000 (at par value of NPR 10 per unit)
- Unit Holding of NIBL Ace Capital Limited (Fund Management) amounts to NPR 10,000,000 (at par value of NPR 10 per unit)
- NIBL Samriddhi Fund- II have earned interest amounting to NPR. 1,16,530.26 (NPR. One Lakh Sixteen Thousand Five Hundred Thirty and paisa Twenty-Six Only) from Nepal Investment Bank Limited.
- Fund Management and Depository Fee incurred by NIBL Samriddhi Fund- II during the year amounts to NPR. 24,562,378 (NPR. Twenty-Four Million Five Hundred Sixty-Two Thousand Three Hundred Seventy-Eight Only).
- Fund management and depository fee payable at year end by NIBL Samriddhi Fund-II to NIBL Ace Capital Limited NPR 5,723,034 (NPR. Five Million Seven Hundred Twenty-Three Thousand Thirty-Four Only).
- The Scheme has a current/call account bank balance of NPR. 2,599,579 (NPR. Two Million Five Hundred Ninety-Nine Thousand Five Hundred Seventy-Nine Only) as on Balance Sheet date with the Fund Sponsor - Nepal Investment Bank Limited earning interest at the rate of 3.03%.
- Depository Participant (DP) Fee for transaction expenses NPR. 300 (NPR. Three-Hundred Only) has been paid to NIBL Ace Capital Limited during the year.

17. Reporting

The Fund Manager has been reporting its Fund Management Activities to its Board and the Fund Supervisor on regular basis while the statutory reports are also forwarded in line with the prevailing regulations/guidelines on mutual funds.

18. Contingent Liability

There is no contingent liability in respect of underwriting commitments, uncalled liability on partly paid shares and other commitments.

19. Event after Reporting Date

The Fund monitors and assess events that may have potential impact to qualify as adjusting and / or non-adjusting events after the end of the reporting period. All adjusting events are adjusted in the books with additional disclosures and non-adjusting material events are disclosed in the notes with possible financial impact, to the extent ascertainable.

There are no material events that has occurred subsequent to 32nd Ashad 2079 till the signing of this financial statement.

20. Proposed Dividend

The Scheme has not proposed any cash dividend for fiscal year 2078/79 to its unit-holders.

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Arun Raut, FCA
Partner
S. R. Pandey & Co.
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

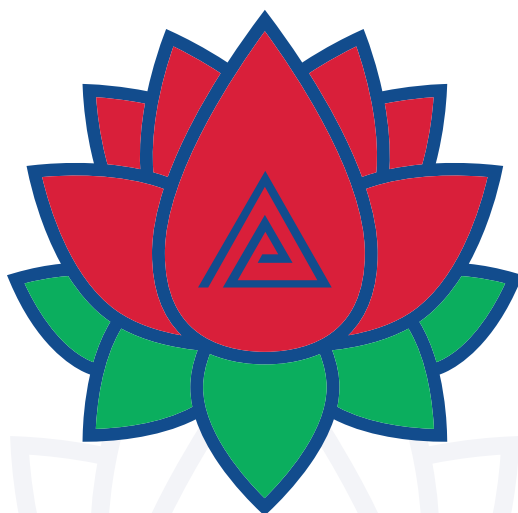
Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu





NIBL Pragati Fund

NIBL Pragati Fund (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual Fund Regulations, 2067 as a closed-end, diversified investment scheme. The objective of the Fund is to diligently manage the fund with the aim to achieve high return for unit holders, growth of both capital and income from investment in shares and conservation of capital. The Scheme commenced its operation on 27th Poush 2073 (Scheme allotment date) B.S. with maturity period of 7 years (i.e. 26th Poush 2080 B.S.). It was listed in NEPSE on 6th Chaitra, 2073. The Scheme's Financial Statements for the year 2078/79 were approved by the Board of Directors of the NIBL Ace Capital Limited on 9th Bhadra, 2079 being the Fund Management and Depository Company. Similarly, the Fund Supervisors' consent on the approved Financial Statements has also been duly obtained.

Fund	NIBL Mutual Fund
Scheme	NIBL Pragati Fund
Fund Sponsor	Nepal Investment Bank Limited (NIBL) (Licensed by NRB as Class A bank)
Fund Management	NIBL Ace Capital Limited (A subsidiary of Nepal Investment Bank Limited)
Fund Supervisors	Dr. Bimal Prasad Koirala Dr. Shambhu Ram Simkhada Dr. Durgesh Man Singh CA. Jitendra Bahadur Rajbhandari Mr. Raju Nepal
Total Units of Scheme	75,000,000 (Seventy-five million units)
Total Unit Capital	NPR 750,000,000 (NPR Seven hundred fifty Million)
Scheme type	Close-ended

Ref. No. – 78.79-01-001

09 Bhadra 2079

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF NIBL PRAGATI FUND

Report on the Audit of Financial Statements

A. Opinion

1. We have audited the accompanying financial statements of NIBL Pragati Fund ("the Mutual Fund") which comprise the statement of financial position as at 32 Ashadh 2079 (corresponding to 16 July 2022), the statement of profit or loss, the statement of other comprehensive income, the statement of changes in unit holders fund and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the financial statements referred to above, present fairly, in all material respects, the financial position of the Mutual Fund as of 32 Ashadh 2079 (16 July 2022), and its performances, changes in Unit Holders Fund and its cash flows for the year ended on that date in conformity with Nepal Financial Reporting Standards (NFRS) and comply with Securities Act 2063, Security Board Regulation 2064, Mutual Fund Regulations 2067 and Mutual Fund Guidelines 2069 and other prevailing legislations.

B. Basis for Opinion

3. We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Mutual Fund in accordance with the Handbook of The Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Nepal (ICAN) and we have fulfilled our ethical responsibilities in accordance with the ICAN's Handbook of The Code of Ethics for Professional Accountants.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

C. Key Audit Matters

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



Key Audit Matters	How the scope of our audit responded to the Key Audit Matter
Investment Decisions by the Fund Manager - The mutual fund manager makes investments on behalf of unitholders. The investment decisions as such shape a material portion of the scheme.	Our procedures included but were not limited to: - Evaluate the results and returns from the investments on an average. - On a sample basis, evaluate the performance of the investments in comparison to market returns.
Fees Payable to Supervisor, Manager and Depository - The material expenses for a mutual fund in Nepal largely relate to the fees payable to the supervisors, manager and depository. - Rule 23 of the Mutual Fund Regulations, 2067 (4th Amendment) issued by SEBON specifies the maximum limit of the fees so payable by a mutual fund scheme.	Our procedures included but were not limited to: - Review of the approved rates for the fees. - Evaluate the periodic gross net assets values factored to calculate the fees payable.

D. Other Information

6. The directors are responsible for the other information presented in the Mutual Fund's annual report. Our opinion on the financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. We have nothing to report in this respect.

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

7. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Nepal Financial Reporting Standards (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.
8. In preparing the financial statements, the management is responsible for assessing the Mutual Fund'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 Mutual Fund or to cease operations or has no realistic alternative but to do so.
9. Those charged with governance are responsible for overseeing the Mutual Fund's financial reporting process.

F. Auditor's Responsibilities for the Audit of Financial Statements

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

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

11. As part of an audit in accordance with NSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - 11.1 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 omission, misrepresentations, or the override of internal control. Evaluate appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the management.
 - 11.2 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up-to the date of our auditor's report. However, future events or conditions may cause the Mutual Fund to cease to continue as a going concern.
 - 11.3 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.
12. We communicated 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.
13. 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 our independence and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significant in the audit of the financial statement of the current period and therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.



G. Report on Other Legal and Regulatory Requirements

15. On examination of the financial statements as aforesaid, we report that:

- 15.1 We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit as per NSA.
- 15.2 The statement of financial position as at 32 Ashadh 2079 (16 July 2022) , the statement of profit or loss, other comprehensive income, statement of changes in Unit Holders fund and statement of Cash flow for the year then ended on that date, and the attached summary of significant accounting policies and notes to accounts dealt and other explanatory information (thereafter referred to as "the financial statements") dealt with by this report are prepared in accordance with Securities Act 2063, Security Board Regulation 2064, Mutual Fund Regulations 2067 and Mutual Fund Guidelines 2069 and other prevailing legislations.
- 15.3 In our opinion, proper books of account as required by law have been kept by the Mutual Fund, in so far as appears from our examination of those books of account and the financial statements dealt with by this report, are in agreement with the books of accounts.
- 15.4 In our opinion and to the best of our information and according to the explanations given to us and from our examination of the books of account of the Mutual Fund, we have not come across the cases where the Board of Directors or the representative or any employee of the Mutual Fund has acted deliberately contrary to the provisions of the law relating to accounts or caused loss or damage to the Mutual Fund nor have, we been informed of any such case by the management.

For and on behalf of,
M.B. Shrestha & Co.
Chartered Accountants
Kathmandu



CA. Maheswarendra Bdr. Shrestha
Proprietor
UDIN: 220825CA00117qVEz7

NIBL Pragati Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Financial Position

as at 32nd Ashad 2079 (16th July, 2022)

NPR

Particulars	Notes	FY 2078/79	FY 2077/78
Assets			
Current Assets			
Cash and Cash Equivalents	3.2	142,557,670	223,333,560
Other Current Assets	4.5	12,223,894	32,226,698
Financial Assets Held at Amortized Cost		-	-
Financial Assets Held at Fair Value Through Profit or Loss	4.6	631,240,368	1,117,638,137
Total		786,021,931	1,373,198,394
Liabilities			
Current Liabilities			
Accrued Expenses & Other Payables	5.2	4,214,731	6,584,777
Liabilities (Excluding Net Assets Attributable to Unitholders)		4,214,731	6,584,777
Unit Holder's Funds			
Net Assets Attributable to Unit Holders	6	781,807,200	1,366,613,617
Total		786,021,931	1,373,198,394
NAV per Unit		10.42	18.22

Schedules and Explanatory Notes forms integral part of Statement of Position

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Maheswarendra Bahadur Shrestha, FCA
Proprietor
M. B. Shrestha & Co.,
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Pragati Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Profit or Loss and other Comprehensive Income

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particulars	Notes	FY 2078/79	FY 2077/78
Income			
Interest Income	7.2	13,898,027	7,923,977
Dividend Income	7.3	1,252,874	3,005,097
Net Profit/(Loss) on Financial Assets Held at Fair Value through Profit and Loss	13b	(207,137,259)	636,123,753
Other Income		-	2,064
Total		(191,986,359)	647,054,890
Expenses and Losses			
Fund Management fees		14,212,077	16,195,016
Depository Fees		1,894,944	2,159,335
Fund Supervisors Fees		1,136,966	1,141,049
Publication Expenses		172,732	174,518
Listing Fees		50,000	50,000
Audit Fees		113,000	113,000
Bank Charges		5,386	5,566
DP Expense		400	352
CDS Dematerialisation Registration Fee		120,000	120,000
Annual Service Charges on Software		99,440	90,400
ICRA -Annual Rating Fee		-	40,643
Book Building Registration Expenses-SEBON		-	10,000
Book Building Registration & AMC Expenses-NEPSE		15,000	
Other Expenses		113	362
Total expenses		17,820,058	20,100,241
Net Gains/(Losses) for the Period		(209,806,417)	626,954,649
Other Comprehensive income		-	-
Net Surplus/(Deficit) for the period		(209,806,417)	626,954,649

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Maheswarendra Bahadur Shrestha, FCA
Proprietor
M. B. Shrestha & Co.,
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Pragati Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Cash Flow

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particulars	FY 2078/79	FY 2077/78
A. Cash Flow from Operating Activities		
Surplus/ (Deficit) for the year	(209,806,417)	626,954,649
Adjustments for:		
Increase/Decrease in Unrealised (gain)/loss on financial assets held for trading purposes	418,817,355	(279,260,670)
Increase/(Decrease) in Liabilities	(2,370,046)	(123,794)
(Increase)/Decrease in Share	67,580,413	(186,357,666)
(Increase)/Decrease in Other Assets	20,002,804	(20,032,132)
Net cash generated/(used) in Operations (1)	294,224,110	141,180,386
B. Cash Flow from Financing Activities		
Dividend Paid during the year	(375,000,000)	-
Net cash generated/(used) in financing (2)	(375,000,000)	-
C. Cash Flow from Investing Activities		
Net cash generated/(used) in investing (3)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (1+2+3)	(80,775,890)	141,180,386
Cash and Cash Equivalents at beginning of the year/period	223,333,560	82,153,174
Cash and Cash Equivalents at end of period	142,557,670	223,333,560
Components of Cash and Cash Equivalents		
Balance with Banks	142,557,670	223,333,560

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Maheswarendra Bahadur Shrestha, FCA
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Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Pragati Fund

(Sponsored by Nepal Investment Bank Ltd. and Managed by NIBL Ace Capital Ltd.)

Statement of Change in Unit Holder's Fund

For the Period from 1st Shrawan 2078 to 32nd Ashad 2079 (16th July 2021 to 16th July 2022)

NPR

Particular	FY 2078/79	FY 2077/78
Unit Holders' Fund at the Beginning of the Year/Period	1,366,613,617	739,658,968
Increase in Net Assets Attributable to Unit Holders:		
Net Gains/(Losses) for the Period	(209,806,417)	626,954,649
Other Comprehensive income	-	-
Distribution to Unit Holders'	(375,000,000)	-
Unit Holders' Fund at the End of the Year/Period	781,807,200	1,366,613,617

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Maheswarendra Bahadur Shrestha, FCA
Proprietor
M. B. Shrestha & Co.,
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Rabindra Bhattarai
Director

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Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



NIBL Pragati Fund

Fund Sponsored by Nepal Investment Bank Limited and Fund Managed by NIBL Ace Capital Limited

Notes to the Financial Statements as of Ashad End 2079 (16th July 2022)

1. General Information of the Scheme

Fund	NIBL Mutual Fund
Scheme	NIBL Pragati Fund
Fund Sponsor	Nepal Investment Bank Limited (NIBL) (Licensed by NRB as Class A bank)
Fund Management	NIBL Ace Capital Limited (A subsidiary of Nepal Investment Bank Limited)
Fund Supervisors	Dr. Bimal Prasad Koirala Dr. Shambhu Ram Simkhada Dr. Durgesh Man Singh CA. Jitendra Bahadur Rajbhandari Mr. Raju Nepal
Total Units of Scheme	75,000,000 (Seventy-five million units)
Total Unit Capital	NPR 750,000,000 (NPR Seven hundred fifty Million)
Scheme type	Close-ended

NIBL Pragati Fund (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual Fund Regulations, 2067 as a closed-end, diversified investment scheme. The objective of the Fund is to diligently manage the fund with the aim to achieve high return for unit holders, growth of both capital and income from investment in shares and conservation of capital. The Scheme commenced its operation on 27th Poush 2073 (Scheme allotment date) B.S. with maturity period of 7 years (i.e. 26th Poush 2080 B.S.). It was listed in NEPSE on 6th Chaitra, 2073. The Scheme's Financial Statements for the year 2078/79 were approved by the Board of Directors of the NIBL Ace Capital Limited on 9th Bhadra, 2079 being the Fund Management and Depository Company. Similarly, the Fund Supervisors' consent on the approved Financial Statements has also been duly obtained.

Nepal Investment Bank Limited (NIBL) is the Fund Sponsor and NIBL Ace Capital Limited (NIBL Ace Capital), a subsidiary of NIBL duly licensed by Securities Board of Nepal (SEBON), has been appointed as the Fund Manager of the Scheme by the Sponsor after obtaining due approval from SEBON. Further, the Fund Manager is also providing Depository services to the unit holders of the Scheme in line with the prevailing regulations on mutual fund.

The Unit Capital of the Scheme comprises of the following:

Holder	Status	No. of Units	Holding Amount at Par	Holding (%)
Nepal Investment Bank	Fund Sponsor	10,250,000	102,500,000	13.66
NIBL Ace Capital Limited	Fund Manager & Depository	1,000,000	10,000,000	1.34
General Public		63,750,000	637,500,000	85
Total		75,000,000	750,000,000	100

2. Summary of Significant Accounting Policies

The Principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1 Statement of Compliance:

The Financial Statements are presented in Nepalese Rupees, rounded to the nearest Rupee. The Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS). Further the financial statements are in compliance with Securities Act, 2063 and its regulation and other relevant laws.

2.2 Basis of Preparation

The fund while complying with the reporting standards, makes critical accounting judgment as having potentially material impact on the financial statements. The significant accounting policies that relate to the financial statements as a whole along with the judgments made are described herein.

Where an accounting policy is generally applicable to a specific item, the policy is described within that relevant note. NFRS requires the fund to exercise judgment in making accounting estimates. Description of such estimates has been given in the relevant sections wherever they have been applied.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities.

The statement of financial position is presented on liquidity basis. Assets and liabilities are presented in decreasing order of liquidity. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unit holders.

2.3 Reporting Pronouncements

The fund has, for the preparation of financial statements, adopted the NFRS pronounced by ASB. NFRS conform, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.4 Accounting Conventions

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The financial statements have been prepared on a going concern basis where the accounting policies and judgments as required by the standards are consistently used and in case of deviations disclosed specifically.

2.5 Presentation

The financial statements have been presented in the nearest Nepalese Rupees.

For presentation of the statement of financial position assets and liabilities have been bifurcated into current and non-current distinction.

The statement of profit or loss has been prepared using classification 'by nature' method.

The cash flows from operation within the statement of cash flows have been derived using the indirect method.

2.6 Presentation currency

Financial statements are denominated in Nepalese Rupees, which is the functional and presentation currency of the fund.

2.7 Accounting Policies and accounting estimates

The fund, under NFRS, is required to apply accounting policies to most appropriately suit its circumstances and operating environment. Further the fund is required to make judgment 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.

Accounting policies have been included in the relevant notes for each item of the financial statements.

NFRS requires the fund 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 fund applies estimates in preparing and presenting the financial statements. The estimates and underlying assumptions are reviewed periodically. Revision to accounting estimates are recognized in the period in which the estimates is revised and are applied prospectively.

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

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.8 Financial Periods

The fund follows the Nepalese financial year based on the Nepalese calendar.

2.9 Limitation of NFRS implementation

If the information is not available and the cost to develop would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective section.

3. Cash and Cash Equivalents

Accounting policy

- 3.1** For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

Explanatory notes

- 3.2** The carrying amount of cash and cash equivalents are representative of their fair values as at the respective reporting date

Particulars	32 Ashad 2079	31 Ashad 2078
Cash at Bank	142,557,670	223,333,560
Total	142,557,670	223,333,560

4. Financial Instruments

Accounting policy

- 4.1** The Fund's principal financial assets comprise assets held at fair value through profit and loss, assets measured at amortized cost, loans and receivables. The main purpose of these financial instruments is to generate a return on the investment made by unit holders. The Funds' principal financial liabilities comprise accrued expenses and other payables which arise directly from its operations.

In Accordance with NFRS 9; Financial Instruments: Recognition and Measurement, the Fund's interest receivables are classified as 'Financial Assets measured at Amortized Cost'. Equity securities / debentures are classified as fair value through profit and loss. The amount attributable to unit holders is classified as equity and is carried at the redemption amount being net asset value. Payables are designated as 'other financial liabilities' at amortized cost.

4.2 Classification

The Fund's investments are classified as fair value through profit or loss, fair value at amortized cost and loans and receivables. They comprise:

Financial Assets and Liabilities Held at Fair Value through Profit or Loss

Financial assets, held for trading are recorded in the statement of financial position at fair value. Changes in fair value are recognized through profit or loss. This classification includes quoted equity securities held for trading. The dividend income from the quoted equity securities is recorded in the profit or loss.

Recognition / De- recognition

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

Investments are derecognized when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged or expired.

Realized gains and realized losses on de-recognition are determined using the weighted average method and are included in the profit or loss in the period in which they arise. The realized gain is the difference between an instrument's weighted average cost and disposal amount.

4.3 Measurement

a. Financial Assets and Liabilities Held at Fair Value through Profit or Loss

At initial recognition, the Fund measures a financial asset at its fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category is presented in the statement of comprehensive income within net gains/(losses) on financial instruments held at fair value through profit or loss in the period in which they arise.

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

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Fund is the closing price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques.

b. Financial Assets Measured at Amortized Cost

Financial assets at this category are measured initially at fair value plus transaction costs and subsequently amortized using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognized in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognized on a financial asset carried at amortized cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through profit or loss.

Receivables may include amounts for dividends, interest and trade receivables. Dividends are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(6) above.

Receivable are recognized and carried at amortized cost, less a provision for any uncollectable debts. An estimate for doubtful debt is made when collection of an amount is no longer probable.

Recoverability of receivable is reviewed on an ongoing basis at an individual portfolio level, Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognized when there is objective evidence that the Fund will not be able to collect the receivable. Financial difficulties of the debtor, default payments are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

4.4 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Explanatory note

4.5 Other Current Assets

Particulars	32 Ashad 2079	31 Ashad 2078
Dividend Income Receivable	70,709	160,429
Interest Receivables	9,450,000	4,059,041
Broker Receivables	616,391	27,161,980
TDS Receivable on Interest	247	-
TDS Receivables	127,347	127,347
IPO Refund Receivables	1,959,200	717,900
Total	12,223,894	32,226,698

4.6 Financial Assets Held at Fair Value Through Profit or Loss

Particulars	32 Ashad 2079	31 Ashad 2078
Financial Assets Held for Trading		
Equity Security	631,240,368	1,117,638,137
Total Financial Assets held for Trading (A)	631,240,368	1,117,638,137
Designated Financial Assets at Fair Value Through Profit or Loss	-	-
Total Designated at Fair Value Through Profit or Loss (B)	-	-
Total Financial Assets Held at Fair Value Through Profit or Loss (A+B)	631,240,368	1,117,638,137

Comparative Investment in Listed Shares

S.N.	Name	Fiscal Year 2078-79			Fiscal Year 2077-78		
		Unit	Value per unit	Value Amount	Unit	Value per unit	Value Amount
LISTED							
1	Himalayan Bank Limited	41,088	299.20	12,293,530	33,851	484.00	16,383,884
2	Bank of Kathmandu Limited	-	-	-	63,364	379.00	24,014,956
3	Machhapuchhre Bank Limited	37,980	254.00	9,646,920	35,726	385.00	13,754,510
4	Siddhartha Bank Limited	39,703	303.00	12,030,009	83,913	504.00	42,292,152
5	Prime Commercial Bank Limited	-	-	-	86,093	479.00	41,238,547
6	Citizens Bank International Limited	12,355	202.50	2,501,888	59,126	386.00	22,822,636
7	Sunrise Bank Limited	-	-	-	12,530	363.00	4,548,390
8	Sanima Bank Limited	11,410	276.00	3,149,160	98,195	485.00	47,624,575
9	NIC Asia Bank Limited	21,479	696.00	14,949,384	21,979	994.00	21,847,126
10	Nepal Bank Limited	-	-	-	40,057	443.00	17,745,251
11	Global IME Bank Limited	-	-	-	8,455	441.00	3,728,655
12	Nepal SBI Bank Limited	39,281	282.30	11,089,026	37,953	409.00	15,522,777
13	Nepal Bangladesh Bank Limited	11,768	399.00	4,695,432	5,000	436.00	2,180,000
14	NMB Bank Limited	20,593	261.00	5,374,773	-	-	-
15	Laxmi Bank Limited	-	-	-	35,579	395.00	14,053,705
16	Agricultural Development Bank Limited	-	-	-	5,170	479.00	2,476,430
17	Century Commercial Bank Limited	53,379	183.00	9,768,357	33,840	291.00	9,847,440
18	Everest Bank Limited	16,349	439.00	7,177,211	25,423	738.00	18,762,174
19	Kumari Bank Limited	-	-	-	33,630	371.00	12,476,730
20	Mega Bank Nepal Limited	45,425	226.00	10,266,050	19,553	366.00	7,156,398
21	Prabhu Bank Limited	67,594	207.00	13,991,958	93,899	457.00	42,911,843
22	Nabil Bank Limited	17,410	824.00	14,345,840	36,301	1,359.00	49,333,059
23	Shine Resunga Development Bank Limited	-	-	-	4,118	447.00	1,840,746
24	Muktinath Bikas Bank Limited	-	-	-	3,647	657.00	2,396,079
25	Excel Development Bank Limited	1	327.00	327	-	-	-
26	Sanima Mai Hydropower Limited	-	-	-	13,166	513.00	6,754,158
27	Himalayan General Insurance Company Limited	5,310	520.00	2,761,200	5,479	768.00	4,207,872
28	Lumbini General Insurance Limited	-	-	-	2,813	780.00	2,194,140
29	Siddhartha Insurance Limited	-	-	-	815	1,058.00	862,270
30	NLG Insurance Company Limited	-	-	-	8,219	1,220.00	10,027,180
31	Nepal Life Insurance Company Limited	-	-	-	1,923	1,919.00	3,690,237
32	National Life Insurance Company Limited	34,385	577.00	19,840,145	18,932	1,151.00	21,790,732
33	Shikhar Insurance Company Limited	15,716	807.00	12,682,812	5,089	1,952.00	9,933,728
34	Life Insurance Corporation Nepal Limited	24,330	1,415.00	34,426,950	14,819	2,342.00	34,706,098
35	Sagarmatha Insurance Company Limited	3,844	870.00	3,344,280	3,203	1,344.00	4,304,832

36	Neco Insurance Company Limited	6,368	694.00	4,419,392	468	1,348.00	630,864
37	Siddhartha Equity Fund	-	-	-	247,750	14.05	3,480,888
38	Laxmi Equity Fund	-	-	-	357,326	13.80	4,931,099
39	NMB Hybrid Fund L1	-	-	-	173,909	13.65	2,373,858
40	Sanima Equity Fund	-	-	-	42,200	16.79	708,538
41	RMDC Laghubitta Bittiya Sanstha Limited	-	-	-	1,897	1,373.00	2,604,581
42	Chhimek Laghubitta Bittiya Sanstha Limited	24,875	1,100.00	27,362,500	24,268	1,738.00	42,177,784
43	Nirdhan Utthan Laghubitta Bittiya Sanstha Limited	-	-	-	1,639	1,600.00	2,622,400
44	Forward Community Microfinance Bittiya Sanstha Limited	1,092	2,385.00	2,604,420	1,196	2,770.00	3,312,920
45	Samata Microfinance Bittiya Sanstha Limited	5,903	799.00	4,716,497	-	-	-
46	Nerude Laghubitta Bittiya Sanstha Limited	16,490	880.00	14,511,200	6,886	1,600.00	11,017,600
47	Mahuli Laghubitta Bittiya Sanstha Limited	1	1,155.00	1,155	122	2,180.00	265,960
48	Aarambha Microfinance Bittiya Sanstha Limited	-	-	-	119	1,574.00	187,306
49	Unnati Microfinance Bittiya Sanstha Limited	-	-	-	866	2,244.00	1,943,304
50	Nepal Sewa Laghubitta Bittiya Sanstha Limited	-	-	-	11	831.00	9,141
51	Deprosc Laghubitta Bittiya Sanstha Limited	26,624	940.00	25,026,560	17,362	1,686.00	29,272,332
52	Swabalamban Laghubitta Bittiya Sanstha Limited	-	-	-	4,690	1,659.00	7,780,710
53	Aadhikholo Laghubitta Bittiya Sanstha Limited	152	1,370.00	208,240	800	465.00	372,000
54	Citizen Investment Trust	11,712	2,515.00	29,455,680	6,618	3,491.00	23,103,438
55	Citizens Mutual fund 1	-	-	-	300	12.58	3,774
56	Himalayan Distillery Ltd.	6,233	3,410.00	21,254,530	3,165	5,512.00	17,445,480
57	Nepal Reinsurance Co Ltd.	19,746	735.00	14,513,310	-	-	-
58	Sabaiko Laghubitta Bittiya Sanstha limited	1	1,074.90	1,075	4,000	1,815.00	7,260,000
59	Sanjen Hydropower Co. Ltd.	1,000	260.00	260,000	17,564	449.00	7,886,236
60	Rasuagadi Hydropower Co Ltd.	-	-	-	20,938	474.00	9,924,612
61	Premier Insurance Co Ltd.	27,603	576.00	15,899,328	15,204	1,170.00	17,788,680
62	Prime Life Insurance Co Ltd.	37,575	569.00	21,380,175	30,110	954.00	28,724,940
63	NIC Asia Growth fund	-	-	-	17,950	15.00	269,250
64	NIC Asia Laghubitta Bittiya Sanstha Limited	5,000	859.90	4,299,500	1,276	1,545.00	1,971,420
65	Nepal Insurance Co. Ltd.	5,170	445.90	2,305,303	21,053	1,022.00	21,516,166
66	Vijaya laghubitta Bittiya Sanstha Ltd.	-	-	-	1,585	1,819.00	2,883,115
67	Samudayik Laghubitta Bittiya Sanstha Limited	-	-	-	193	1,518.00	292,974
68	Shivam Cements Ltd	9,962	760.00	7,571,120	8,094	1,458.00	11,801,052
69	Sadhana Laghubitta Bittiya Sanstha Limited	-	-	-	1,000	1,682.00	1,682,000
70	Surya Life Insurance Company Limited	26,517	387.00	10,262,079	13,059	922.00	12,040,398
71	Samaj Laghubitta Bittiya Sanstha Limited	156	166.21	25,929	156	166.21	25,929
72	Api Power Company Ltd.	1	244.50	245	-	-	-
73	Global IME Samunnat Scheme-1	-	-	-	1,000	20.28	20,280
74	Sunrise First Mutual Fund	-	-	-	128,201	16.00	2,051,216
75	Nabil Equity Fund	-	-	-	96,139	14.60	1,403,629
76	Prudential Insurance Co. Ltd.	-	-	-	160	810.00	129,600
77	First Micro Finance Development Bank Ltd.	-	-	-	23,838	823.00	19,618,674
78	Gurans Life Insurance Company Ltd.	-	-	-	834	759.00	633,006
79	Mero Microfinance Bittiya Sanstha Ltd.	-	-	-	2,654	1,546.00	4,103,084
80	Summit Laghubitta Bittiya Sanstha Limited	-	-	-	418	1,695.00	708,510
81	National Microfinance Bittiya Sanstha Ltd.	1	1,935.00	1,935	945	3,603.00	3,404,835
82	Mountain Energy Nepal Limited	9,404	800.00	7,523,200	-	-	-
83	Nepal Infrastructure Bank Limited	31,301	240.00	7,512,240	118,420	492.00	58,262,640



84	Mahila Laghubitta Bittiya Sanstha Limited	-	-	-	1,000	4,870.00	4,870,000
85	Kumari Equity Fund	150,000	10.07	1,510,500	500,000	10.50	5,250,000
86	Siddhartha Investment Growth Scheme - 2	-	-	-	258,800	14.20	3,674,960
87	Global IME Laghubitta Bittiya Sanstha Ltd.	5,023	1,299.00	6,524,877	3,925	2,815.00	11,048,875
88	Nabil Balanced Fund-2	-	-	-	210,900	14.10	2,973,690
89	Grameen Bikas Laghubitta Bittiya Sanstha Ltd.	9,448	756.00	7,142,688	7,294	1,225.00	8,935,150
90	NIC Asia Balanced Fund	-	-	-	102,541	13.73	1,407,888
91	Nepal Credit And Commercial Bank Limited	40,549	210.90	8,551,784	10,694	367.00	3,924,698
92	Laxmi Laghubitta Bittiya Sanstha Ltd.	8,287	1,275.00	10,565,925	6,907	2,290.00	15,817,030
93	NMB Microfinance Bittiya Sanstha Ltd.	7,898	750.10	5,924,290	6,500	1,429.00	9,288,500
94	Sunrise Bluechip Fund	494,000	8.74	4,317,560	500,000	10.16	5,080,000
95	United Insurance Co. (Nepal) Ltd.	11,215	350.00	3,925,250	5,215	715.00	3,728,725
96	Kamana Sewa Bikas Bank Limited	12,789	349.90	4,474,871	5,000	580.00	2,900,000
97	Ridi Hydropower Development Company Ltd.	5,000	838.00	4,190,000	-	-	-
98	Manushi Laghubitta Bittiya Sanstha Limited	295	1,002.00	295,590	-	-	-
99	Sahas Urja Limited	6,920	460.00	3,183,200	-	-	-
100	Nabil Balanced Fund-3	16,670	9.43	157,198	-	-	-
101	Jyoti Bikas Bank Limited	5,230	302.20	1,580,506	-	-	-
102	Soaltee Hotel Limited	6,000	202.50	1,215,000	-	-	-
103	Rastra Utthan Laghubitta Sanstha Limited	793	926.00	734,318	-	-	-
104	Balephi Hydropower Limited	1,706	239.70	408,928	-	-	-
105	Upakar Laghubitta Bittiya Sanstha Limited	221	2,699.00	596,479	-	-	-
106	Civil Bank Ltd	14,719	213.00	3,135,147	-	-	-
107	CYC Nepal Laghubitta Bittiya Sanstha Limited	369	1,698.20	626,636	-	-	-
108	River Falls Power Limited	2,457	222.00	545,454	-	-	-
Total				495,057,065			980,975,048

Comparative Investment in Unlisted Shares

S.N.	Name	Fiscal Year 2078-79			Fiscal Year 2077-78		
		Unit	Value per unit	Value Amount	Unit	Value per unit	Value Amount
UNLISTED							
1	Jeevan Bikas Laghubitta Bittiya Sanstha-IPO	-	-	-	1,597	547.05	873,639
2	Manakamana Smart Laghubitta Bittiya Sanstha-IPO	-	-	-	314	513.29	161,173
3	Union Life Insurance Co. Ltd.-IPO	-	-	-	4,838	116.93	565,707
4	Mailung Khola Hydropower Company Ltd.-IPO	-	-	-	552	113.35	62,569
5	Citizen Unit Scheme	500,000	100.00	50,000,000	500,000	100.00	50,000,000
6	Citizen Unit Scheme	250,000	100.00	25,000,000	250,000	100.00	25,000,000
7	Citizen Unit Scheme	500,000	100.00	50,000,000	500,000	100.00	50,000,000
8	Citizen Unit Scheme	100,000	100.00	10,000,000	100,000	100.00	10,000,000
9	Bindhyabasini Hydropower Development Co. Ltd.-IPO	1,350	155.41	209,804	-	-	-
10	Adarsha Laghubitta Bittiya Sanstha Ltd.-IPO	61	203.17	12,393	-	-	-
11	Himalayan Hydropower Ltd.-IPO	1,706	100.80	171,965	-	-	-
12	Upper Solu Hydro Electric Co. Ltd.-IPO	1,697	111.58	189,351	-	-	-
13	Upper Hewakhola Hydropower Co. Ltd.-IPO	1,300	110.75	143,975	-	-	-

14	Swet Ganga Hydropower & Construction Ltd.- IPO	2,071	112.26	232,490	-	-	-
15	Rapti Hydro & General Construction Ltd.-IPO	2,197	101.65	223,325	-	-	-
	Total			136,183,303			136,663,088
	Grand Total			631,240,368			1,117,638,137

5. Payables

Accounting policy

- 5.1** Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period.

Explanatory notes

5.2 Accrued Expenses and Other Payables

Particulars	32 Ashad 2079	31 Ashad 2078
Reporting Expenses Payables	34,042	22,000
Audit Fee Payable	111,500	113,000
Provision for Realizable Tax on Dividend	5,975	5,975
Provision for Book Building AMC- NEPSE	5,000	-
TDS Liability	96,804	150,910
Software AMC Payable	97,948	89,044
Fund Management Fee Payable - NIBL Ace Capital	3,114,653	5,059,885
Depository Fee Payables - NIBL Ace Capital	415,287	674,651
Supervisor Fee Payables	215,022	349,312
DP Fee Payable	300	-
CDS Fees Payable	118,200	120,000
Total	4,214,731	6,584,777

Provision for realizable tax on dividend and TDS receivable represents amount of impairment booked on TDS receivable and Dividend receivable.

Fund management fee and depository fee includes fee payable to NIBL Ace Capital Limited for fund management and depository services.

6. Net Assets Attributable to Unit holders

Unit holders' funds have been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities, other than those due to unit holders, as at the statement of financial position date.

The Fund Manager calculates the NAV per unit of the Scheme by deducting the Schemes' expenses over market value of the total investment plus investment income divided by number of units on a weekly basis in accordance with the prevailing regulations/guidelines on mutual funds and publishes the same on its official website: www.niblcapi.com. The said information is also shared with the Board members of the Fund Manager & the Fund Supervisors via e-mail. Further, the NAV per unit calculated on a monthly basis is published on a national daily newspaper and uploaded on the website of the Fund Manager with prior notification of the same forwarded to the Fund Supervisors & SEBON in writing.

Each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund. The Fund considers its net assets attributable to unit holders as capital (which includes unit capital, realized and unrealized gain), notwithstanding net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily changes in Market Price of Share at Nepal Stock Exchange.

Distribution to unit holders is recognized in the statement of changes in unit holders' funds. Income not distributed is included in net assets attributable to unit holders.

Particulars	32 Ashad 2079	31 Ashad 2078
Units Holders' Fund at the beginning of the Year/Period	1,366,613,617	739,658,968
Increase in Net Assets Attributable to Unit Holders	(209,806,417)	626,954,649
Distribution to Unit Holders	(375,000,000)	-
Units Holders' Fund at the end of the Year/Period	781,807,200	1,366,613,617

7. Investment Income

Accounting Policy

- 7.1** Interest income is recognized in profit or loss for all financial instruments that are not held at fair value through profit or loss using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the net gains/ (losses) on financial instruments.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Dividend income is recognized on the ex-dividend date.

Explanatory notes

7.2 Interest Income

Particulars	32 Ashad 2079	31 Ashad 2078
Interest on Bank Deposits	4,448,027	7,923,977
Interest on Fixed income instruments	9,450,000	-
Total	13,898,027	7,923,977

7.3 Dividend Income

Particulars	32 Ashad 2079	31 Ashad 2078
Dividend Income Realized	1,252,874	3,005,097
Total	1,252,874	3,005,097

8. Expenses

All expenses, including management fees supervisor fees and depository fees, are recognized in profit or loss on accruals basis.

The management participation fees of the fund of the period 1st Shrawan 2078 to 32nd Ashad 2079 are as follows:

- Fund Management Fees : 1.5% of Net Assets Value (NAV)
- Depository Fees : 0.2% of NAV
- Fund Supervisor Fees : 0.12% of NAV

Total Fund Management, Depository & Fund Supervisor's Fees are calculated and recognized as per the Mutual Fund Regulation 2067 and Mutual Fund Guidelines, 2069.

Total Fund Management, Depository & Fund Supervisor's Fees calculated on the basis of 365 days a year is presented in Nepalese currency and charged as under:

Particulars	FY 2078/79	FY 2077/78
Fund Management Fee	14,212,077	16,195,016
Depository Fee	1,894,944	2,159,335
Fund Supervisor Fee	1,136,966	1,141,049
Total	17,243,987	19,495,401

9. Income Tax

Income Tax Act, 2058 has not specifically charged corporate tax liability on Mutual Fund. TDS is not applicable on withholding tax on interest, dividend income and gain on disposal of shares of Mutual Fund Scheme. Accordingly, Mutual Fund Scheme is not considered as tax-entity and corporate tax on Fund is not considered. However, the Office of the Auditor's General in its 56th Annual Report has raised concern on taxability of the mutual fund. Further, the finance ordinance of FY 2078/79 has included Mutual Fund under Section 10 of the Income Tax Act, 2058 as tax exempt entities. TDS on return from mutual fund (i.e.; dividend) paid to individual is deducted at 5% which is final and to entity is tax deducted at 15% (which is not final). Therefore, the fund management is of the view that return from the fund is duly taxed as per the principal of income tax and is not subject to further tax liability for FY 2078/79.

10. Distributions

The distributions, if any to unit holders are recognized in statement of changes in unit holders' funds.

11. Financial Risk Management

The Fund's activities are exposed to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management program focuses on ensuring compliance with the Fund's investment policy. It also seeks to maximize the returns derived for the level of risk to which the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions.

The management of these risks is carried out by the NIBL Ace Capital Limited, the fund management company. The fund supervisors provide principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and non-derivative financial instruments and the investment of excess liquidity.

The Fund uses different methods to measure and mitigate different types of risk to which it is exposed.

11.1 Market Risk

a. Price Risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain. Paragraph below sets out how this component of price risk is managed and measured. Investments are classified in the statement of financial position as at fair value through profit or loss and loans and receivables. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the management company.

All of the Fund's equity investments in companies are listed in NEPSE. The Fund's policy requires that the overall market position is monitored on a daily basis by the Fund Management Company.

Investment Threshold

As per the Mutual Fund Regulation, 2067 (Third Amendment) investment in Fixed deposit cannot be made more than 15% of total fund size or NAV of the scheme.

b. Foreign Exchange Rate Risk

The Fund is not exposed to the fluctuations in exchange rates as all investments and transactions of the fund are made in investments denominated in NPR.

c. Cash Flow and Fair Value Interest Rate Risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates.

Financial instruments with fixed rates expose the Fund to fair value interest rate risk. The Fund's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The Fund has direct exposure to interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the

earnings of certain companies in which the Fund invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model.

11.2 Credit Risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Fund is exposed arises from the Fund's investments in debt securities. However, there is no investment in debt securities.

Credit risk on cash and cash equivalents, other receivable balances.

In accordance with the Fund's policy, the Management Company monitors the Fund's credit position on a daily basis. The Fund can maximize the returns derived for the level of risk to which the Fund is exposed. The table below is a summary of the significant sector concentrations within the equity portfolio.

For FY 2078/79:

Sector	Value	Cost	Proportionate Exposure	Growth%
Commercial Banks	142,966,469	209,714,535	22.65%	-31.83%
Development Banks	6,055,704	9,001,190	0.96%	-32.72%
Hotels	1,215,000	1,434,875	0.19%	-15.32%
Hydro Power	17,281,937	21,523,563	2.74%	-19.71%
Investment	36,967,920	43,959,367	5.86%	-15.90%
Life Insurance	85,909,349	126,418,812	13.61%	-32.04%
Manufacturing And Processing	28,825,650	34,998,317	4.57%	-17.64%
Microfinance	111,182,207	131,734,541	17.61%	-15.60%
Mutual Fund	140,985,258	141,606,700	22.33%	-0.44%
Non-Life Insurance	45,337,565	77,090,411	7.18%	-41.19%
Others	14,513,310	24,577,519	2.30%	-40.95%
Total	631,240,368	822,059,828	100.00%	

For FY 2077/78:

Sector	Value	Cost	Proportionate Exposure	Growth%
Commercials Banks	434,645,936	352,820,313	38.89%	23.19%
Development Banks	7,136,825	4,512,493	0.64%	58.16%
Hydropower	24,627,575	12,681,903	2.20%	94.19%
Insurance Companies	177,475,175	159,085,779	15.88%	11.56%
Microfinance	194,510,946	132,213,145	17.40%	47.12%
Mutual Fund	164,170,394	159,661,318	14.69%	2.82%
Others	115,071,286	68,665,292	10.30%	67.58%
Total	1,117,638,137	889,640,241	100.00%	

11.3 Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of redeemable units. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market or can be readily disposed.

The Fund's listed securities are considered readily realizable, as all are listed on the Nepal Stock Exchange.

The Fund has the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the period.

In accordance with the Fund's policy, the Management Company monitors the Fund's liquidity position on a regular basis.

12. Fair Value Measurement

The Fund measures and recognizes the following assets and liabilities at fair value on a recurring basis:

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period:

NFRS 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

i. Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in note 2 to the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from NEPSE and are traded frequently.

ii. Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques.

Equities which are listed but no transactions are made within last 30 days is valued at 180 days Average Market price provided by NEPSE and Equities which are listed but no transactions are made within last 180 days is valued at last traded price of the stock at NEPSE considering it as level two input.

Listed stocks that are not trading due to suspension by NEPSE citing Merger, Acquisition, Natural calamity and/or any other reasons is valued at the Closing Price available of particular stock of the last day of its trading on NEPSE.

The Fair value of IPO Investments after allotment till listing, is valued applying the valuation model as specified below:

- I) 50% of the Latest Net Worth Published by the Company.
- II) 50% based on the Earnings Capitalization, based on the projections of the company by considering latest interest rate of the Government Bonds after applicable tax deductions as discount factor which is considered as level 3 input.

After the book closure date and till the rights are listed, right entitlements are valued as difference between the right price and ex-right price. This is explained with the help of following formula:

$$V_r = n / m \times (P_{ex} - P_{of})$$

Where

V_r = Value of Rights

n = Number of rights offered

m = Number of original shares held

P_{ex} = Ex-right price

P_{of} = Rights offer price

Valuation of total Right Entitlement = $V_r \times$ No. of shares held before Ex- date

7. Net Gain/Losses on financial Assets held at fair value through profit or loss

a. Accounting policy

Realized gain is the difference between the cost price and realized price on the sale of the shares after deducting the selling expenses.

Unrealized gain is the difference between the cost price and the closing market price available at the end of the reporting period or the latest trading price if the closing price as on the year end is not available.

b. Explanatory notes

Particulars	FY 2078/79	FY 2077/78
Net Realised (Losses)/Gains on Financial Assets at Fair Value Through Profit or loss	211,680,096	356,863,082
Net Unrealised (Losses)/Gains on Financial Assets at Fair Value Through Profit or Loss	(418,817,355)	279,260,670
Total	(207,137,259)	636,123,753

Computation of Unrealized Gains for FY 2078/79:

Name	Unit	Price	Value	Cost Price	Total Cost	Gain/ (Loss)
LISTED						
Himalayan Bank Limited	41088	299.20	12,293,530	470.00	19,311,404	(7,017,874)
Machhapuchhre Bank Limited	37980	254.00	9,646,920	337.70	12,825,846	(3,178,926)
Siddhartha Bank Limited	39703	303.00	12,030,009	451.02	17,906,899	(5,876,890)
Citizens Bank International Limited	12355	202.50	2,501,888	253.11	3,127,123	(625,236)
Sanima Bank Limited	11410	276.00	3,149,160	335.96	3,833,306	(684,146)
NIC Asia Bank Limited	21479	696.00	14,949,384	800.71	17,198,384	(2,249,000)
Nepal SBI Bank Limited	39281	282.30	11,089,026	666.25	26,170,806	(15,081,780)
Nepal Bangladesh Bank Limited	11768	399.00	4,695,432	373.09	4,390,530	304,902
NMB Bank Limited	20593	261.00	5,374,773	353.74	7,284,543	(1,909,770)
Century Commercial Bank Limited	53379	183.00	9,768,357	244.41	13,046,481	(3,278,124)
Everest Bank Limited	16349	439.00	7,177,211	866.01	14,158,425	(6,981,214)
Mega Bank Nepal Limited	45425	226.00	10,266,050	307.07	13,948,666	(3,682,616)
Prabhu Bank Limited	67594	207.00	13,991,958	334.91	22,638,210	(8,646,252)
Nabil Bank Limited	17410	824.00	14,345,840	1,121.17	19,519,605	(5,173,765)
Excel Development Bank Limited	1	327.00	327	100.00	100	227
Himalayan General Insurance Company Ltd.	5310	520.00	2,761,200	659.94	3,504,267	(743,067)
National Life Insurance Company Limited	34385	577.00	19,840,145	965.26	33,190,625	(13,350,480)
Shikhar Insurance Company Limited	15716	807.00	12,682,812	1,509.89	23,729,421	(11,046,609)
Life Insurance Corporation Nepal Limited	24330	1,415.00	34,426,950	1,863.14	45,330,265	(10,903,315)
Sagarmatha Insurance Company Limited	3844	870.00	3,344,280	1,288.43	4,952,737	(1,608,457)
Neco Insurance Company Limited	6368	694.00	4,419,392	1,020.30	6,497,240	(2,077,848)
Chhimek Laghubitta Bittiya Sanstha Limited	24875	1,100.00	27,362,500	765.24	19,035,287	8,327,213
Forward Community Microfinance Bittiya Sanstha Limited	1092	2,385.00	2,604,420	2,293.67	2,504,688	99,732
Samata Microfinance Bittiya Sanstha Ltd.	5903	799.00	4,716,497	1,313.11	7,751,300	(3,034,803)
Nerude Laghubitta Bittiya Sanstha Limited	16490	880.00	14,511,200	1,072.99	17,693,616	(3,182,416)
Mahuli Laghubitta Bittiya Sanstha Limited	1	1,155.00	1,155	-	(0)	1,155
Deprosc Laghubitta Bittiya Sanstha Limited	26624	940.00	25,026,560	1,083.92	28,858,260	(3,831,700)
Aadhikhola Laghubitta Bittiya Sanstha Ltd.	152	1,370.00	208,240	84.03	12,773	195,467
Citizen Investment Trust	11712	2,515.00	29,455,680	3,429.43	40,165,471	(10,709,791)
Himalayan Distillery Ltd.	6233	3,410.00	21,254,530	3,245.22	20,227,457	1,027,073
Nepal Reinsurance Co Ltd.	19746	735.00	14,513,310	1,244.68	24,577,519	(10,064,209)
Sabaiko Laghubitta Bittiya Sanstha limited	1	1,074.90	1,075	-	(0)	1,075
Sanjen Hydropower Co. Ltd.	1000	260.00	260,000	355.52	355,522	(95,522)
Premier Insurance Co Ltd.	27603	576.00	15,899,328	974.14	26,889,185	(10,989,857)
Prime Life Insurance Co Ltd.	37575	569.00	21,380,175	745.87	28,026,234	(6,646,059)
NIC Asia Laghubitta Bittiya Sanstha Ltd.	5000	859.90	4,299,500	1,277.96	6,389,817	(2,090,317)
Nepal Insurance Co. Ltd.	5170	445.90	2,305,303	645.41	3,336,792	(1,031,489)
Shivam Cements Ltd	9962	760.00	7,571,120	1,482.72	14,770,860	(7,199,740)
Surya Life Insurance Company Limited	26517	387.00	10,262,079	749.39	19,871,688	(9,609,609)

Samaj Laghubitta Bittiya Sanstha Limited	156	166.21	25,929	100.00	15,600	10,329
Api Power Company Ltd.	1	244.50	245	100.00	100	145
National Microfinance Bittiya Sanstha Ltd.	1	1,935.00	1,935	-	-	1,935
Mountain Energy Nepal Limited	9404	800.00	7,523,200	1,208.53	11,365,038	(3,841,838)
Nepal Infrastructure Bank Limited	31301	240.00	7,512,240	121.21	3,793,896	3,718,344
Kumari Equity Fund	150000	10.07	1,510,500	10.00	1,500,000	10,500
Global IME Laghubitta Bittiya Sanstha Ltd.	5023	1,299.00	6,524,877	2,102.94	10,563,085	(4,038,208)
Grameen Bikas Laghubitta Bittiya Sanstha Ltd.	9448	756.00	7,142,688	1,183.50	11,181,723	(4,039,035)
Nepal Credit And Commercial Bank Limited	40549	210.90	8,551,784	276.69	11,219,499	(2,667,715)
Laxmi Laghubitta Bittiya Sanstha Ltd.	8287	1,275.00	10,565,925	2,082.62	17,258,702	(6,692,777)
NMB Microfinance Bittiya Sanstha Ltd.	7898	750.10	5,924,290	1,303.59	10,295,790	(4,371,500)
Sunrise Bluechip Fund	494000	8.74	4,317,560	10.00	4,940,000	(622,440)
United Insurance Co. (Nepal) Ltd.	11215	350.00	3,925,250	729.45	8,180,769	(4,255,519)
Kamana Sewa Bikas Bank Limited	12789	349.90	4,474,871	547.61	7,003,394	(2,528,523)
Ridi Hydropower Development Company Ltd.	5000	838.00	4,190,000	834.51	4,172,532	17,468
Manushi Laghubitta Bittiya Sanstha Limited	295	1,002.00	295,590	100.00	29,500	266,090
Sahas Urja Limited	6920	460.00	3,183,200	604.33	4,181,970	(998,770)
Nabil Balanced Fund-3	16670	9.43	157,198	10.00	166,700	(9,502)
Jyoti Bikas Bank Limited	5230	302.20	1,580,506	381.97	1,997,696	(417,190)
Soaltee Hotel Limited	6000	202.50	1,215,000	239.15	1,434,875	(219,875)
Rastra Utthan Laghubitta Sanstha Limited	793	926.00	734,318	100.00	79,300	655,018
Balephi Hydropower Limited	1706	239.70	408,928	100.00	170,600	238,328
Upakar Laghubitta Bittiya Sanstha Limited	221	2,699.00	596,479	100.00	22,100	574,379
Civil Bank Ltd	14719	213.00	3,135,147	212.98	3,134,809	338
CYC Nepal Laghubitta Bittiya Sanstha Limited	369	1,698.20	626,636	100.00	36,900	589,736
River Falls Power Limited	2457	222.00	545,454	100.00	245,700	299,754
(A) Sub-Total			495,057,065		686,021,628	(190,964,563)
UNLISTED						
Citizen Unit Scheme	500000	100.00	50,000,000	100.00	50,000,000	-
Citizen Unit Scheme	250000	100.00	25,000,000	100.00	25,000,000	-
Citizen Unit Scheme	500000	100.00	50,000,000	100.00	50,000,000	-
Citizen Unit Scheme	100000	100.00	10,000,000	100.00	10,000,000	-
Bindhyabasini Hydropower Development Co. Ltd.-IPO	1350	155.41	209,804	100.00	135,000	74,804
Adarsha Laghubitta Bittiya Sanstha Ltd.-IPO	61	203.17	12,393	100.00	6,100	6,293
Himalayan Hydropower Ltd.-IPO	1706	100.80	171,965	100.00	170,600	1,365
Upper Solu Hydro Electric Co. Ltd.-IPO	1697	111.58	189,351	100.00	169,700	19,651
Upper Hewakhola Hydropower Co. Ltd.-IPO	1300	110.75	143,975	100.00	130,000	13,975
Swet Ganga Hydropower & Construction Ltd.- IPO	2071	112.26	232,490	100.00	207,100	25,390
Rapti Hydro & General Construction Ltd.- IPO	2197	101.65	223,325	100.00	219,700	3,625
Sub-Total (B)			136,183,303		136,038,200	145,103
Grand Total (A+B)			631,240,368		822,059,828	(190,819,460)
Unrealised Gain / (Loss)					(190,819,460)	
Less: Previous year unrealised gain/(loss)					227,997,895	
Unrealised Gain / (Loss) This Year					(418,817,355)	



Computation of Unrealized Gains for FY 2077/78:

Name	Unit	Price	Value	Cost Price	Total Cost	Gain/ (Loss)
LISTED						
Himalayan Bank Limited	33851	484.00	16,383,884	570.48	19,311,404	(2,927,520)
Bank of Kathmandu Limited	63364	379.00	24,014,956	279.63	17,718,643	6,296,313
Machhapuchhre Bank Limited	35726	385.00	13,754,510	252.05	9,004,739	4,749,771
Siddhartha Bank Limited	83913	504.00	42,292,152	420.06	35,248,665	7,043,487
Prime Commercial Bank Limited	86093	479.00	41,238,547	362.37	31,197,660	10,040,887
Citizens Bank International Limited	59126	386.00	22,822,636	298.79	17,666,550	5,156,086
Sunrise Bank Limited	12530	363.00	4,548,390	297.45	3,727,073	821,317
Sanima Bank Limited	98195	485.00	47,624,575	362.32	35,578,213	12,046,362
NIC Asia Bank Limited	21979	994.00	21,847,126	777.67	17,092,506	4,754,620
Nepal Bank Limited	40057	443.00	17,745,251	383.27	15,352,710	2,392,541
Global IME Bank Limited	8455	441.00	3,728,655	241.10	2,038,461	1,690,194
Nepal SBI Bank Limited	37953	409.00	15,522,777	689.56	26,170,806	(10,648,029)
Nepal Bangladesh Bank Limited	5000	436.00	2,180,000	384.42	1,922,123	257,877
Laxmi Bank Limited	35579	395.00	14,053,705	252.01	8,966,101	5,087,604
Agricultural Development Bank Limited	5170	479.00	2,476,430	435.42	2,251,102	225,328
Century Commercial Bank Limited	33840	291.00	9,847,440	257.81	8,724,397	1,123,043
Everest Bank Limited	25423	738.00	18,762,174	918.01	23,338,497	(4,576,323)
Kumari Bank Limited	33630	371.00	12,476,730	265.73	8,936,633	3,540,097
Mega Bank Nepal Limited	19553	366.00	7,156,398	236.79	4,629,954	2,526,444
Prabhu Bank Limited	93899	457.00	42,911,843	375.10	35,221,818	7,690,025
Nabil Bank Limited	36301	1,359.00	49,333,059	681.37	24,734,240	24,598,819
Shine Resunga Development Bank Limited	4118	447.00	1,840,746	214.33	882,595	958,151
Muktinath Bikas Bank Limited	3647	657.00	2,396,079	280.99	1,024,769	1,371,310
Sanima Mai Hydropower Limited	13166	513.00	6,754,158	376.76	4,960,438	1,793,720
Himalayan General Insurance Company Limited	5479	768.00	4,207,872	624.63	3,422,347	785,525
Lumbini General Insurance Limited	2813	780.00	2,194,140	560.51	1,576,713	617,427
Siddhartha Insurance Limited	815	1,058.00	862,270	735.88	599,742	262,528
NLG Insurance Company Limited	8219	1,220.00	10,027,180	794.49	6,529,923	3,497,257
Nepal Life Insurance Company Limited	1923	1,919.00	3,690,237	937.72	1,803,237	1,887,000
National Life Insurance Company Limited	18932	1,151.00	21,790,732	1,160.61	21,972,675	(181,943)
Shikhar Insurance Company Limited	5089	1,952.00	9,933,728	2,124.58	10,811,969	(878,241)
Life Insurance Corporation Nepal Limited	14819	2,342.00	34,706,098	2,248.54	33,321,168	1,384,930
Sagarmatha Insurance Company Limited	3203	1,344.00	4,304,832	1,546.28	4,952,737	(647,905)
Neco Insurance Company Limited	468	1,348.00	630,864	1,277.13	597,695	33,169
Siddhartha Equity Fund	247750	14.05	3,480,888	10.11	2,504,517	976,370
Laxmi Equity Fund	357326	13.80	4,931,099	9.90	3,537,111	1,393,988
NMB Hybrid Fund L1	173909	13.65	2,373,858	9.02	1,568,562	805,296
Sanima Equity Fund	42200	16.79	708,538	9.09	383,513	325,025
RMDC Laghubitta Bittiya Sanstha Limited	1897	1,373.00	2,604,581	919.49	1,744,271	860,310
Chhimek Laghubitta Bittiya Sanstha Limited	24268	1,738.00	42,177,784	889.73	21,591,930	20,585,854
Nirdhan Utthan Laghubitta Bittiya Sanstha Ltd.	1639	1,600.00	2,622,400	806.04	1,321,106	1,301,294
Forward Community Microfinance Bittiya Sanstha Limited	1196	2,770.00	3,312,920	1,211.90	1,449,434	1,863,486
Nerude Laghubitta Bittiya Sanstha Limited	6886	1,600.00	11,017,600	1,096.70	7,551,843	3,465,757
Mahuli Laghubitta Bittiya Sanstha Limited	122	2,180.00	265,960	47.64	5,813	260,147
Aarambha Microfinance Bittiya Sanstha Limited	119	1,574.00	187,306	85.75	10,204	177,102
Unnati Microfinance Bittiya Sanstha Limited	866	2,244.00	1,943,304	45.82	39,681	1,903,623

Nepal Sewa Laghubitta Bittiya Sanstha Limited	11	831.00	9,141	97.61	1,074	8,067
Deprosc Laghubitta Bittiya Sanstha Limited	17362	1,686.00	29,272,332	1,124.51	19,523,744	9,748,588
Swabalamban Laghubitta Bittiya Sanstha Ltd.	4690	1,659.00	7,780,710	903.39	4,236,888	3,543,822
Aadhikhola Laghubitta Bittiya Sanstha Limited	800	465.00	372,000	100.00	80,000	292,000
Citizen Investment Trust	6618	3,491.00	23,103,438	3,546.97	23,473,846	(370,408)
Citizens Mutual fund 1	300	12.58	3,774	9.62	2,885	889
Himalayan Distillery Ltd.	3165	5,512.00	17,445,480	4,440.76	14,055,004	3,390,476
Sabaiko Laghubitta Bittiya Sanstha limited	4000	1,815.00	7,260,000	1,125.25	4,501,002	2,758,998
Sanjen Hydropower Co. Ltd.	17564	449.00	7,886,236	241.51	4,241,938	3,644,298
Rasuagadi Hydropower Co Ltd.	20938	474.00	9,924,612	163.55	3,424,327	6,500,285
Premier Insurance Co Ltd.	15204	1,170.00	17,788,680	1,108.50	16,853,644	935,036
Prime Life Insurance Co Ltd.	30110	954.00	28,724,940	852.17	25,658,869	3,066,071
NIC Asia Growth fund	17950	15.00	269,250	12.73	228,545	40,705
NIC Asia Laghubitta Bittiya Sanstha Limited	1276	1,545.00	1,971,420	99.98	127,569	1,843,851
Nepal Insurance Co. Ltd.	21053	1,022.00	21,516,166	716.36	15,081,570	6,434,596
Vijaya laghubitta Bittiya Sanstha Ltd.	1585	1,819.00	2,883,115	847.34	1,343,036	1,540,079
Samudayik Laghubitta Bittiya Sanstha Limited	193	1,518.00	292,974	814.85	157,265	135,709
Shivam Cements Ltd	8094	1,458.00	11,801,052	1,546.70	12,518,990	717,938)
Sadhana Laghubitta Bittiya Sanstha Limited	1000	1,682.00	1,682,000	84.78	84,784	1,597,216
Surya Life Insurance Company Limited	13059	922.00	12,040,398	829.03	10,826,295	1,214,103
Samaj Laghubitta Bittiya Sanstha Limited	156	166.21	25,929	100.00	15,600	10,329
Global IME Samunnat Scheme-1	1000	20.28	20,280	9.13	9,130	11,150
Sunrise First Mutual Fund	128201	16.00	2,051,216	13.30	1,704,498	346,718
Nabil Equity Fund	96139	14.60	1,403,629	10.45	1,004,982	398,648
Prudential Insurance Co. Ltd.	160	810.00	129,600	-	0	129,600
First Micro Finance Development Bank Ltd.	23838	823.00	19,618,674	682.29	16,264,543	3,354,131
Gurans Life Insurance Company Ltd.	834	759.00	633,006	606.50	505,819	127,187
Mero Microfinance Bittiya Sanstha Ltd.	2654	1,546.00	4,103,084	1,052.18	2,792,476	1,310,608
Summit Laghubitta Bittiya Sanstha Limited	418	1,695.00	708,510	923.24	385,913	322,597
National Microfinance Bittiya Sanstha Ltd.	945	3,603.00	3,404,835	1,596.34	1,508,540	1,896,295
Nepal Infrastructure Bank Limited	118420	492.00	58,262,640	130.90	15,500,889	42,761,751
Mahila Lagubitta Bittiya Sanstha Limited	1000	4,870.00	4,870,000	100.00	100,000	4,770,000
Kumari Equity Fund	500000	10.50	5,250,000	10.00	5,000,000	250,000
Siddhartha Investment Growth Scheme - 2	258800	14.20	3,674,960	12.32	3,187,446	487,514
Global IME Laghubitta Bittiya Sanstha Ltd.	3925	2,815.00	11,048,875	2,691.23	10,563,085	485,790
Nabil Balanced Fund-2	210900	14.10	2,973,690	11.56	2,437,625	536,065
Grameen Bikas Laghubitta Bittiya Sanstha Ltd.	7294	1,225.00	8,935,150	1,243.18	9,067,753	(132,603)
NIC Asia Balanced Fund	102541	13.73	1,407,888	11.79	1,209,079	198,809
Nepal Credit And Commercial Bank Limited	10694	367.00	3,924,698	372.92	3,988,018	(63,320)
Laxmi Laghubitta Bittiya Sanstha Ltd.	6907	2,290.00	15,817,030	2,498.73	17,258,702	(1,441,672)
NMB Microfinance Bittiya Sanstha Ltd.	6500	1,429.00	9,288,500	1,583.97	10,295,790	(1,007,290)
Sunrise Bluechip Fund	500000	10.16	5,080,000	10.00	5,000,000	80,000
United Insurance Co. (Nepal) Ltd.	5215	715.00	3,728,725	783.81	4,087,574	(358,849)
Kamana Sewa Bikas Bank Limited	5000	580.00	2,900,000	521.03	2,605,128	294,872
Sub-Total (A)			980,975,048		753,910,141	227,064,907



UNLISTED						-
Jeevan Bikas Laghubitta Bittiya Sanstha-IPO	1597	547.05	873,639	100.00	159,700	713,939
Manakamana Smart Laghubitta Bittiya Sanstha-IPO	314	513.29	161,173	100.00	31,400	129,773
Union Life Insurance Co. Ltd.-IPO	4838	116.93	565,707	100.00	483,800	81,907
Mailung Khola Hydropower Company Ltd.-IPO	552	113.35	62,569	100.00	55,200	7,369
Citizen Unit Scheme	500000	100.00	50,000,000	100.00	50,000,000	-
Citizen Unit Scheme	250000	100.00	25,000,000	100.00	25,000,000	-
Citizen Unit Scheme	500000	100.00	50,000,000	100.00	50,000,000	-
Citizen Unit Scheme	100000	100.00	10,000,000	100.00	10,000,000	-
Sub-Total (B)			136,663,088		135,730,100	932,988
Grand Total (A+B)			1,117,638,137		889,640,241	227,997,895
Unrealised Gain / (Loss)					227,997,895	
Less: Previous year unrealised gain/(loss)					(51,262,775)	
Unrealised Gain / (Loss) This Year					279,260,670	

14. Impairment

Accounting policy

The fund assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the asset (a 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.

15. Related Party Transactions

(As identified by the management and relied upon by the auditors)

Related Parties

- Fund Sponsor: Nepal Investment Bank Limited.
- Fund Manager and Depository: NIBL Ace Capital Limited, a subsidiary of the Sponsor.
- Shareholders holding substantial interest in the Fund Manager: Nepal Investment Bank Limited.
- Subsidiaries of Major Shareholders of Fund Manager with whom the Fund transacted: None

The Scheme has entered into transactions with related parties which are required to be disclosed in accordance with Accounting Standard - on 'Related Party Disclosures'.

- Unit Holding of Nepal Investment Bank Limited (Fund Sponsor) amounts to NPR 102,500,000 (at par value of NPR 10 per unit)
- Unit Holding of NIBL Ace Capital Limited (Fund Management) amounts to NPR 10,000,000 (at par value of NPR 10 per unit)
- NIBL Pragati Fund have earned interest amounting to NPR 1,77,864.06 (NPR One Lakh Seventy-Seven Thousand Eight Hundred Sixty-Four and paisa Six Only) from Nepal Investment Bank Limited.
- Fund Management and Depository Fee incurred by NIBL Pragati Fund during the year amounts to NPR 16,107,021 (NPR Sixteen Million One Hundred Seven Thousand Twenty-One Only).
- Fund management and depository fee payable at year end by NIBL Pragati Fund to NIBL Ace Capital Limited NPR 3,529,940 (NPR Three Million Five Hundred Twenty-Nine Thousand Nine Hundred Forty Only).
- The Scheme has a Current/call account bank balance of NPR 1,948,729 (NPR One Million Nine Hundred Forty-Eight Thousand Seven Hundred Twenty-Nine Only) as on Balance Sheet date with the Fund Sponsor - Nepal Investment Bank Limited at the rate of 1% per annum.

16. Reporting

The Fund Manager has been reporting its Fund Management Activities to its Board and the Fund Supervisor on regular basis while the statutory reports are also forwarded in line with the prevailing regulations/guidelines on mutual funds.

17. Contingent Liability

There is no contingent liability in respect of underwriting commitments, uncalled liability on partly paid shares and other commitments.

18. Proposed Dividend

The Scheme has proposed 4.2% Cash Dividend (including applicable withholding tax) for fiscal year 2078/79 to its unit-holders which amounts to NPR. 3,15,00,000 (Nepalese Rupees Three Crore and Fifteen Lakh Only).

On Behalf of NIBL Ace Capital Limited
(Fund Management Company)

As per our Report of even date

Sachin Tibrewal
Chairman

Deepak Kumar Shrestha
Director

Bandana Thapa
Director

Maheswarendra Bahadur Shrestha, FCA
Proprietor
M. B. Shrestha & Co.,
Chartered Accountants

Rabindra Bhattarai
Director

Ananda Kumar Bhattarai
Director

Shivanth Bahadur Pandé
Chief Executive Officer

Mekh Bahadur Thapa
Deputy Chief Executive Officer

Sachindra Dhungana
Deputy General Manager

Subhash Poudel
Head- Investment Banking

Poskar Basnet
Head- Mutual Fund

Date : 25th August, 2022
Place : Kathmandu



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NEPAL INVESTMENT BANK LTD.
Truly a Nepali Bank

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