

sct

22

ANNUAL REPORT

2079 / 80

नेपाल राष्ट्र बैंकबाट इजाजतपत्र प्राप्त भुक्तानी प्रणाली सञ्चालक



SmartChoice Technologies Limited,
Panipokhari - 3, Kathmandu Nepal

AGM NOTICE

SCT स्मार्टच्वाइस टेक्नोलोजिज लिमिटेड

Share and Share alike "Share with confidence" and not just for the sake of it

पानीपोखरी, काठमाण्डौ-३, नेपाल

११ औं वार्षिक साधारण सभा सम्बन्धी सूचना

आदरणीय शेयरधनी महानुभाव ज्युहरु,
मिति २०८० साल मंसिर २६ गते मंगलबार बसेको यस कम्पनीको सञ्चालक समितिको ७४औं बैठकले निर्णय गरे अनुसार यस कम्पनीको २२औं वार्षिक साधारणसभा निम्नलिखित मिति, स्थान र समयमा निम्न विषयहरु उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा कम्पनी ऐन, २०६३ को दफा ६७ अनुसार सम्पूर्ण शेयरधनी महानुभावहरुको जानकारीको लागि यो सूचना प्रकाशित गरिएको छ।

साधारण सभा वस्ने :

मिति : २०८० साल पौष महिना २० गते शुक्रबार (तदनुसार 5th Jan., 2024, Friday)।

स्थान : होटेल ले हिमालय, लाजिम्पाट काठमाडौं।

समय : दिनको ३:०० बजे।

छलफलका विषयहरु :

(क) सामान्य प्रस्तावहरु:

- १) सञ्चालक समितिको तर्फबाट अध्यक्षज्यूले प्रस्तुत गर्नुहुने आ.व. २०७९/०८० को वार्षिक प्रतिवेदन परित गर्ने।
- २) लेखापरीक्षकको प्रतिवेदन सहितको आ.व. २०७९/०८० को वासलात, नाफा नोक्सान हिसाव र नगद प्रवाह विवरण लगायत वित्तीय विवरण स्वीकृत गर्ने।
- ३) कम्पनी ऐन, २०६३ को दफा १११ बमोजिम आ.व. २०८०/०८१ को लेखापरीक्षण कार्यको लागि लेखापरीक्षक नियुक्ती गर्ने र निजको पारिश्रमिक निर्धारण गर्ने।
- ४) सञ्चालकहरुको नियुक्ति सम्बन्धमा।
- ५) कम्पनीको रजिष्टर्ड कार्यालयको ठेगाना परिवर्तन गर्ने सम्बन्धमा।

(ख) विशेष प्रस्ताव :

- १) यस कम्पनी र अन्य उपयुक्त कम्पनी एक आपसमा गाभ्ने र गाभ्ने (मर्ज गर्न) वा प्राप्त (एक्विजिसन गर्न) उपयुक्त देखिएको अवस्थामा सो सम्बन्धि प्रारम्भिक तथा अन्तिम सम्झौता गर्न आवश्यक पर्ने सम्पूर्ण कार्य गर्नका लागि सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने।
- २) कम्पनीको अधिकृत पुँजी वृद्धि गरि रु १,०००,०००,०००। (अक्षरेपी एक अरब रुपैयाँ), जारी पुँजी तथा चुक्ता पुँजी रु ६५०,०००,०००। (अक्षरेपी पैसठी करोड रुपैयाँ) बनाउने।
- ३) प्रबन्धपत्र तथा नियमावली संशोधन गर्ने।
- ४) कम्पनीको हाल रहेको चुक्ता पुँजीको ३०% बराबरको हकप्रद शेयर जारी गर्ने।
- ग) विविध

सञ्चालक समितिको आज्ञाले
कम्पनी सचिव

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1. OVERVIEW

CORPORATE PROFILE

Company Name:	SmartChoice Technologies Limited (SCT)
Location:	Panipokhari - 3, Kathmandu
Contact Details:	URL: www.sct.com.np Tel: +977-1-4514166, 4514155, 4514211 Toll Free Number: 16600144155 Email: info@sct.com.np
Legal Status:	Public limited company incorporated under section 5 (1) of Companies Act, 2063
Date of Incorporation:	Private Limited Company Registration Date: 29 th Sravān, 2058 (13 th August 2001) Converted in Public Limited Company: 4 th Ashad, 2074 (18 th June 2017)
Authorized Capital:	Rs. 500,000,000 (NPR Fifty Crore)
Paid-up Capital:	Rs. 500,000,000 (NPR Fifty Crore)
Registration Details:	Company Registration Number: 169909-73-074 (16295/058/59) PAN/VAT Number: 300343144
License/Certifications:	Payment System Operator (PSO) License Number: 3/2079/80 PCI DSS V 3.2.1 Certification
Statutory Auditor:	B.R. Pandey & Associates, Chartered Accountants 162 'GA' Gaurighat Marga Sanguri Galli – 37 Post Box No. 21977 Kathmandu, Nepal
Internal Auditor:	KB Chitrakar & Co., Chartered Accountants Bhamnimal, Lalitpur Post Box No. 2043, Kathmandu
PCI DSS Auditor:	Foregenix Ltd. 1 Watts Barn, Badbury, Wiltshire, SN4 0EU United Kingdom

About the Report:

This is SmartChoice Technologies' Annual Report for the fiscal year ended in July 16, 2023. The Financial Statements has been prepared in accordance with the Nepal Financial Reporting Standards (NFRS). Through this report SCT aims to provide its stakeholders a comprehensive review of its operations, performance and its financial resources and long-term strategies.

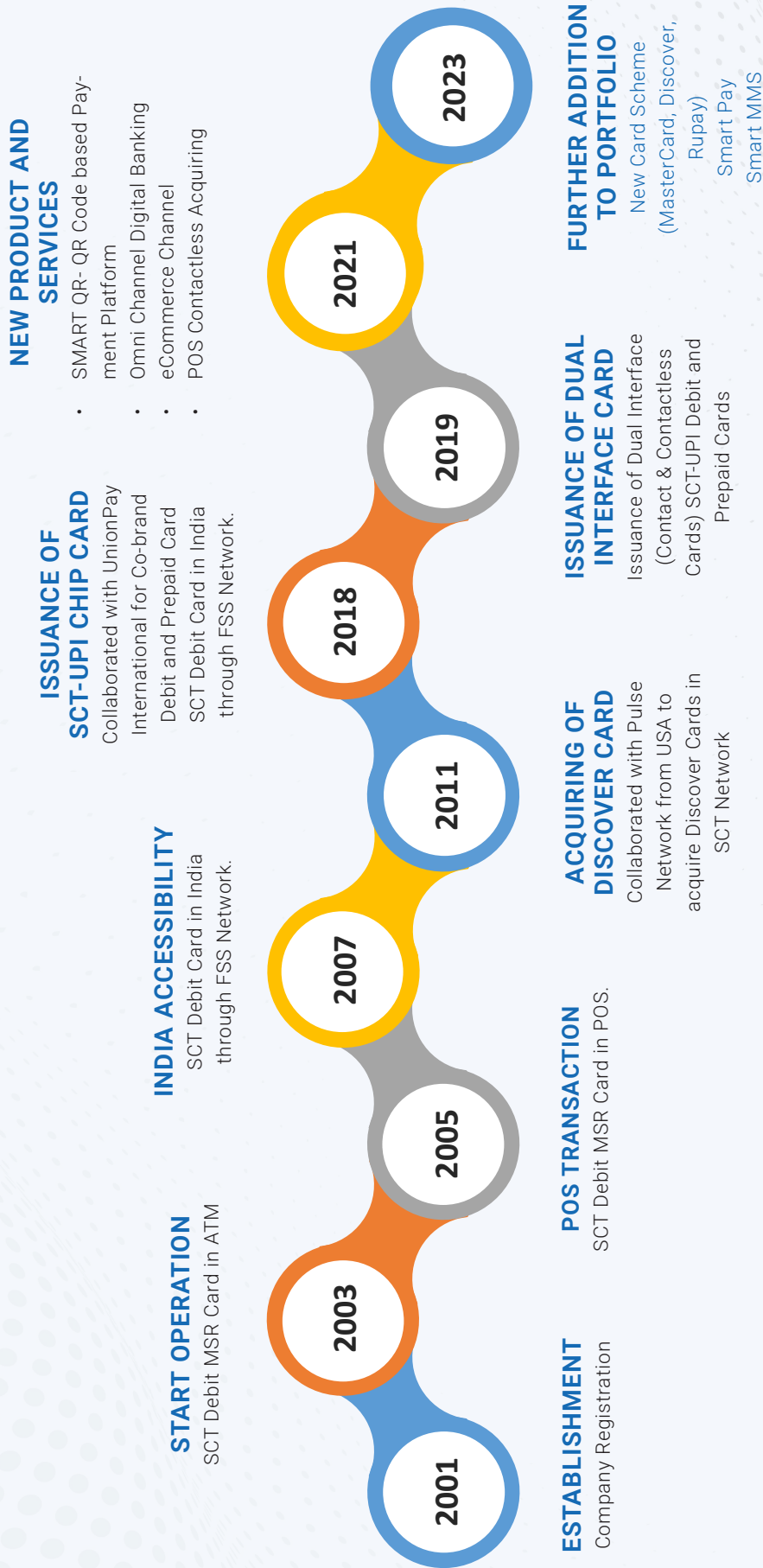
MISSION AND VISION**Vision:**

To establish SCT as the most preferred payment solution provider by providing integrated secure payment solution by single platform.

Mission:

To transform digital payment landscape with diverse range of secured payment services envisioned to drive cashless economy.

MAJOR MILESTONE



BOARD OF DIRECTORS



Mr. Suman Pokharel
Chairman



Mr. Mrigendra Pradhan
Director



Mr. Bipin Thapa
Director



Mrs. Rashmi Pant
Director



Bikash Kumar Nahata
Director



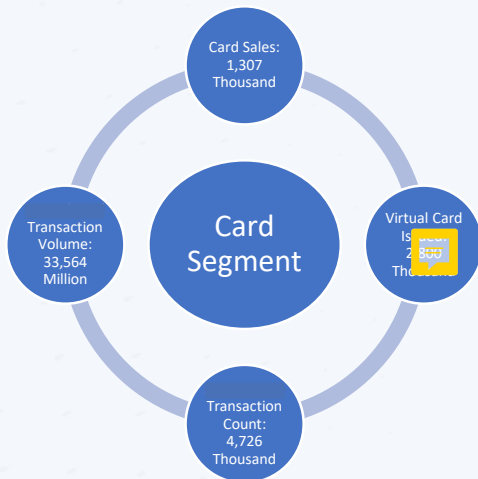
Mr. Subhas Gyawali
Director



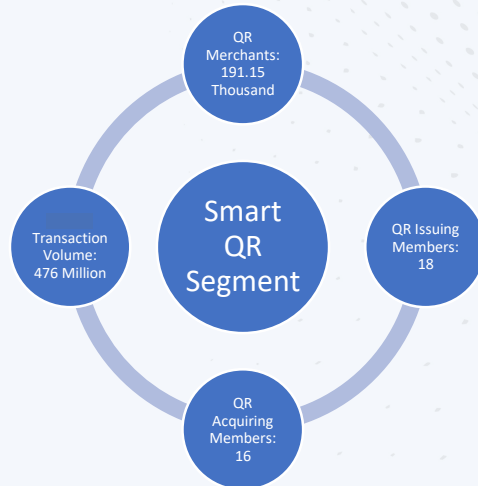
Mr. Shanta Raj Batas
Independent Director

KEY FIGURES

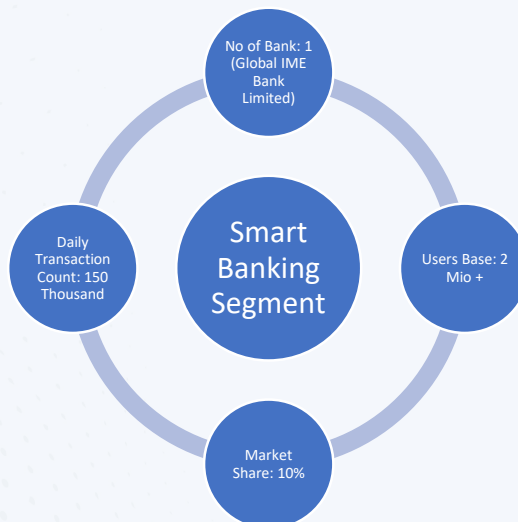
Card Segment



Smart QR Segment



Smart Banking Segment



PRODUCTS AND SERVICES

SCT UPI Cards:

Experience of over 20 years providing EMV chip based and contactless cards for 100+ BFI's in association with UnionPay International. Our card services are accessible to different channels like ATM, POS and E-commerce throughout Nepal and India.

The logo for SCT, consisting of the lowercase letters 'sct' in a bold, blue, sans-serif font.The logo for Smart QR, featuring a red square icon with a white QR code pattern to the left of the text 'smartQR' in a blue, sans-serif font.

Smart QR:

Smart QR Network is the first interoperable QR payment system developed and managed for our consumers, banks, payment service providers, merchants, and other domestic digital platforms.

Smart-Banking:

Innovative Omni-Channel Solution providing enhanced digital experience to consumers through offering seamless, consistent and unparalleled banking interaction across various channels.

The logo for Smart Banking, featuring a red network icon with five nodes connected to a central node, followed by the text 'smart banking' in a blue, sans-serif font.The logo for Smart Pay, featuring a red and white striped globe icon to the left of the text 'smartpay' in a blue, sans-serif font.

Smart Pay:

Smart Pay is a versatile financial platform specializing in seamless Inter-Bank Fund Transfers and a variety of innovative services. With a strategic emphasis on enhancing financial connectivity, Smart Pay provides convenient and innovative solutions for your financial transactions.

अब आफ्नो खाता आफ्नै हातमा



बृहत् पहुँच



सुरक्षित



नगद रहित



भरपर्दो



Tap & Pay मार्फत चुट्कीमै भुक्तानी
(NFC & Contactless Card)



Green PIN को सुविधा



नेपालका सबै बैंक तथा
इंडियाको NPCI मा आबद्ध बैंकहरु
बाट पैसा निकाल्न सकिने



Online Shopping तथा
E-Commerce मा
भुक्तानी गर्न मिल्ने

Please contact us if you have any issues

Email : support@sct.com.np Whatsapp/Viber: 9860923979
Phone : +977-01-4414166, 4414211, 4414155, 9860923979

Location :
Smart Choice Technologies Limited,
Panipokhari - 3, Kathmandu, Nepal

OUR MEMBERS

Commercial Banks



Development Banks



Finance Companies



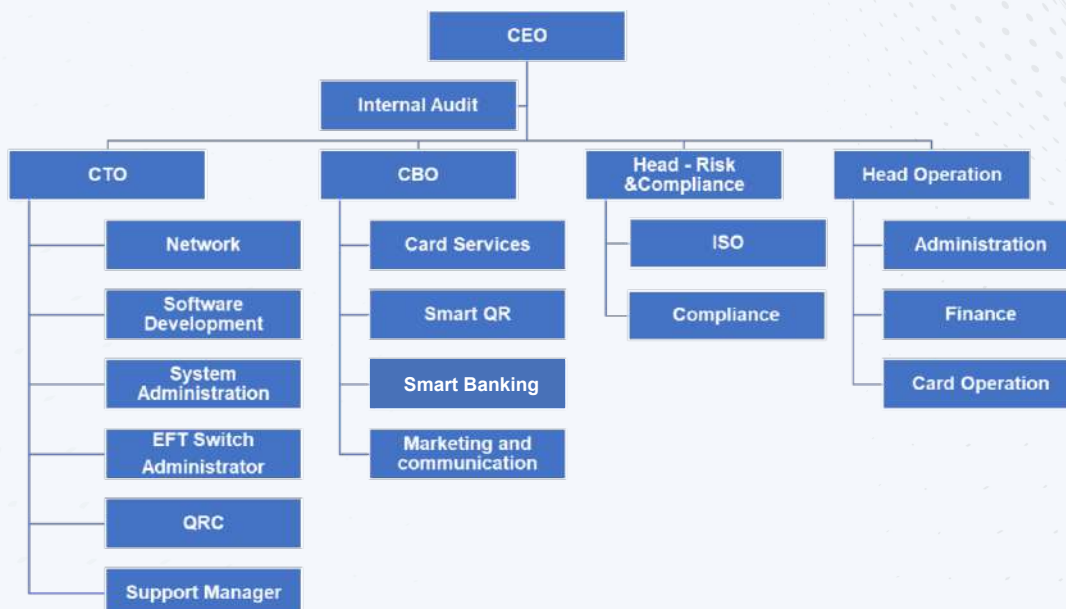
Co-operatives Banks



120+ Co-operatives

2. CORPORATE GOVERNANCE

Organizational Structure



Guiding Rules and Regulations:

SCT follows rules written in its Memorandum of Association (MOA) and Articles of Association (AOA). It got permission from Nepal Rastra Bank to operate as a Payment System Operator (PSO). Different laws and rules control how SCT works are as follows:


- Companies Act, 2063 (First Amendment, 2074)
- Payment and Settlement Act, 2075
- Electronic Transactions Act, 2063
- Payment and Settlement Bylaw, 2077 (First Amendment, 2080)
- Licensing Policy for Institution/Mechanism for Operating Payment Related Activities, 2073 (First Amendment, 2080)
- Directive and circulars issued by Nepal Rastra Bank on time to time
- Internal Rules and Policies
- Cyber Resilience Guidelines issued by Nepal Rastra Bank

Board of Directors

The Board of Directors is a body of elected or appointed members by the shareholders, who jointly oversees the activities of the company and are responsible for the it's strategy, structure and performance including the assessment and management of risk related activities. The Board is accountable and responsible for ensuring that adequate system and controls are in place for strategic decision making and the financial performance of the company. SCT Board of Directors comprises of 7 directors including Chairman who is elected from amongst the Directors and an Independent Director. The Board is constituted by the institutional representatives from the shareholders.

Following are the members of the current Board of Directors:

Name of Directors	Designation	Institutions Represented
Mr. Suman Pokharel	Chairman	Global IME Bank Limited
Ms. Rashmi Pant	Director	Prabhu Bank Limited
Mr. Bikash Kumar Nahata	Director	IME Limited
Mr. Mrigendra Pradhan	Director	Himalayan Bank Limited
Mr. Subhas Gyawali	Director	City Express Money Transfer Pvt. Ltd.
Mr. Bipin Thapa	Director	IME Limited
Mr. Shanta Raj Batas	Independent Director	Independent Director

The responsibility for day-to-day management of the company is delegated to the management team. The reporting line between the Board and Management team has been clearly defined to ensure effective  monitoring of senior management by the Board. The management team consists of professionals from diverse backgrounds including banking, information technology, chartered accountancy and marketing. The team is led by the Chief Executive Officer, who is accountable to the Board. The Board is primarily engaging in formulating strategic and annual plans, approving annual budget and creating internal policies and procedures including risk management framework. All the key policies, procedures and governance aspects are regularly reviewed by the Board.

Changes in the Board of Directors

There have been few changes in the representations in the Board in the FY 2079/80 (2022/23).

Outgone Board Members		Incoming Board Members		Effective Date
Name	Institutions Represented	Name	Institutions Represented	
Mr. Raghunath Bhandari	IME Limited	Mr. Khilendra Paudel	IME Limited	From 65 th BOD Meeting dated 2079.07.28.
Mr. Gaurav Manandhar	Prabhu Group Pvt. Ltd.	Mr. Subhas Gyawali	City Express Money Transfer Pvt. Ltd.	* From 68 th BOD Meeting dated 2079.12.05.
Ms. Shanta Shiwakoti	Global IME Limited	Mr. Ritesh Lamichhane	Global IME Bank Limited	From 69 th BOD Meeting dated 2080.01.08.
Mr. Dinesh Thakali	Prabhu Bank Limited	Ms. Rashmi Pant	Prabhu Bank Limited	From 70 th BOD Meeting dated 2080.03.04.

* After disposal of all the shares by Prabhu Group Pvt. Ltd to IME Limited and City Express Money Transfer Pvt. Ltd.

Board Meeting

The Board has appointed a Company Secretary who assists in convening Board meetings, preparing agendas for discussions, and documenting the decisions made during the meetings. The Company Secretary ensures the implementation of Board decisions and addresses matters raised by regulatory authorities. The minutes of the board meetings are maintained by the Company Secretary.

During the review period, a total of nine board meetings were conducted and the summary of Directors' attendance in these meetings are as follows:

Name of Director	Total Meeting Allowance	Meeting Attended/Meeting Held
Suman Pokharel	NPR 530,000	9/9
Raghu Nath Bhandari *		2/9
Shanta Shiwakoti *		5/9
Shanta Raj Batas		8/9
Dinesh Thakali *		2/9
Mrigendra Pradhan		7/9
Gaurav Manandhar *		2/9
Sushant Chalise (Alternative Director of Khilendra Paudel)		1/9
Khilendra Poudel		6/9

Manoj Dumar Shrestha (Alternative Director of Mrigendra Pradhan)		1/9
Ritesh Lamichhane		3/9
Subash Gyawali **		5/9
Rashmi Pant **		2/9

* *Outgone Board Members*, ** *Joined during FY 2079-80*.

Audit Committee

The Audit Committee is formed pursuant to Section 164 of the Companies Act, 2063, and operates in accordance with the provisions of Section 165 of the same Act. It comprises two Directors from the Board as its members and the Head of Accounts & Finance acting as its Member Secretary. The committee reports directly to the Board on matters related to financial reporting, internal control, risk management, and auditing, as outlined in the Terms of Reference (TOR) approved by the Board.

The committee regularly reviews the internal control system, risk management system, and compliance related to financial and operational matters. It also conducts periodic reviews of financial statements, findings reported in internal audits, statutory audits, and ISO audits, providing appropriate recommendations to the Board for necessary policy changes resulting from these audits and reviews. The Audit Committee also reviews the results of the semi-annual Risk Register, Assessment & Treatment Plan, as well as the Compliance Self-assessment & Cross-functional Audit reported by the management. Periodically, the committee updates the Board on control and risk-related matters as well.

During the review period, three meetings were held, and the attendance details of the Audit Committee's members in these meetings are as follows:

Name of Member	Designation	Meeting Attended/Meeting Held
Mr. Shanta Raj Batas	Coordinator	3/3
Mr. Dinesh Thakali *	Member	2/3
Ms. Rashmi Pant **	Member	0/3
Mr. Roshan Bhandari	Member Secretary	3/3

* *Outgone Board Members*, ** *Joined during FY 2079-80*.

Report on the Major Activities of Audit Committee

The Audit Committee performed the functions mandated by Section 165 of the Companies Act, 2063. Accordingly, the major activities conducted by the Audit Committee in the FY 2079/80 are as follows:

- Reviewed financial statement of the FY 2079/80 and recommended to the Board for approval.
- Discussed over matters concerning appointment of Statutory Auditor for the FY 2080/81 and recommended the name to be proposed in the 22nd AGM through the Board.

- Discussed over matters concerning appointment of Internal Auditor for the FY 2080/81 (2023/24) and recommended to the Board of Directors the Internal Auditor. It also reviewed the scope of work, audit plan and schedule of the Internal Auditor.
- Reviewed the findings, recommendations, and management responses of the semi-annually Internal Audit Reports.
- Reviewed the Financial Statements and Budget Variance Report of the company reported by the management on quarterly basis.
- Reviewed the results of Risk Register as well as Compliance Self-assessment reported by the management.

Human Resource Committee

The HR Committee of SCT currently comprises two members from the Board of Directors as its Members, with the Head of Accounts & Finance serving as its Member Secretary. The committee's objective is to formulate necessary policies and plans to develop and retain essential human resources within the company.

The Committee oversees all policies related to employee recruitment, salary and benefits, performance appraisal, and other relevant issues. It provides recommendations to the Board for changes in human resource policies.

A total of one HR Committee meeting was held during the review period. The attendance details of the HR Committee members in the meeting are as follows:

Name of Member	Designation	Meeting Attended/Meeting Held
Mr. Khilendra Paudel *	Coordinator	1/1
Mr. Bikash Kumar Nahata **	Coordinator	0/1
Mr. Subhas Gyawali **	Member	1/1
Mr. Roshan Bhandari	Member Secretary	1/1

* *Outgone Board Members*, ** *Joined during FY 2080-81*.

Report on the Activities of HR Committee

The HR Committee performed the following functions in the fiscal year 2079/80 (2022/23), exercising powers conferred by SCT's Board.

- Reviewed the amendment in SCT Employee Service Rules and SCT Human Resource Plan.
- Reviewed the staffs' salary and benefits and recommended to the Board for necessary approval and considerations.
- Reviewed and recommended necessary restructuring for fulfilling HR requirement.

Risk Management Committee

SCT, engaged in the card payment industry in Nepal, considers prudent risk management practices as the core pillar of sound operation, and a way to uphold the trust of the stakeholders. The primary objective of this committee is to systematically address risks like Operational Risk, Systemic Risk, Liquidity Risk, Business Risk, Credit Risk, Legal Risk, and other risks like Reputation Risk and Strategic Risks. These risks are thoroughly identified, measured, and necessary control mechanisms are implemented and reported to the relevant stakeholders on a regular basis. The Composition of the Risk Management and Compliance Committee is as follows:

A total of two meetings of the Risk Management Committee were held during the review period. The attendance details of the Risk Management committee's members in the meeting are as follows:

Name of Member	Designation	Meeting Attended/Meeting Held
Ms. Shanta Shiwakoti *	Coordinator	2/2
Mr. Mrigendra Pradhan	Member	1/2
Mr. Ritesh Lamichhane **	Member	0/2
Mr. Amit Regmi	Member	2/2

* *Outgone Board Members.* ** *Joined during FY 2079-80.*

Followings are the major agenda discussed during the meeting of the Committee:

- Formulated the Risk Management and Compliance Policy of SCT at the first meeting of the Committee.
- Discussed the matters escalated by the Meeting of the Operational Risk Management Committee meetings (management level committee).
- Discussed the possibility of the implementation of a RACI (Responsible, Accountable, Controlled, and Informed) chart.

Procurement Committee

Procurement Committee is a specialized committee within an organization that focuses on overseeing and managing the procurement process. This committee is responsible for ensuring that the organization's procurement activities are conducted efficiently, ethically, and in compliance with relevant policies and regulations. Procurement Committee of SCT currently comprises of two members from the Board of Directors and Chief Business Officer as members.

A total of two meetings of the Procurement Committee were held during the review period. The attendance details of the Procurement committee's members in the meeting are as follows:

Name of Member	Designation	Meeting Attended/Meeting Held
Mr. Dinesh Thakali *	Coordinator	2/2
Ms. Rashmi Pant **	Coordinator	0/2

Mr. Khilendra Paudel *	Member	2/2
Mr. Bikash Kumar Nahata**	Member	0/2
Mr. Subodh Gautam	Member	2/2

* *Outgone Board Members*, ** *Joined during FY 2080-81*.

Meeting Expenses

The members of Board, Audit Committee, HR Committee, and other Board Level Committees are provided with meeting allowance of NPR 10,000 per member per sitting. Tax Deducted at Source (TDS) has been deducted from the above payment and Net proceed has been made available to members. In the review period, the company incurred the total meeting expenses of NPR 670,000. The details of the meeting expenses are disclosed in notes to the accounts.

Internal Controls

The internal control system of an organization ensures the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. The primary objective of the internal control is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating, and resolving risks associated with organizational activities. To achieve this key objective, the following policies establish a structured and disciplined approach to perform activities, including their associated risk management. SCT has incorporated the following elements as a part of its internal control system:

SCT's Board has formulated a set of internal policies and procedures, which are implemented by the Management in its day-to-day operations. The policies and procedures are regularly reviewed by the Board. The currently prevailing major policies and procedures of SCT are as follows:

S.No.	Policy
1	Financial Rules and Regulations
2	Business Continuity Policy
3	Risk Management Policy
4	Human Resource Policy
5	Disaster Recovery Policy
6	Dispute Management Policy
7	Investment Policy
8	Procurement Policy
9	Anti-Money Laundering (AML) Policy

Internal Audit

The Internal Audit reviews the effectiveness of internal control procedures and compliance with policies and procedures across all system and operational departments. The objective of the internal audit engagement is to review and report

the SCT's management in effective discharge of their responsibilities. The Internal Audit was conducted by K.B. Chitrakar & Co., Chartered Accountants for the FY 2079/80 (2022/23). Semi-annual internal audits were carried out during the review period under the supervision of the Audit Committee. K.B. Chitrakar & Co., Chartered Accountants was paid NPR 180,000 excluding VAT with additional internal audit expenses on actual basis.

Business Continuity Plan

The SCT's Board has approved the Business Continuity Plan and Disaster Recovery Plan (BCP/DRP). To validate their effectiveness, the management conducts regular testing of these plans, ensuring they are meticulously aligned with SCT's IT/IS Policy. This alignment ensures backups, seamless business operations during unforeseen disasters, and comprehensive documentation of these processes.

3. HUMAN RESOURCE MANAGEMENT

SCT acknowledges the significance of employees' contributions towards achieving the overarching organizational objectives. The alignment of employee and employer interests is crucial for reaching organizational goals, and SCT is dedicated to both attracting top-tier talent and retaining it. The HR practices at SCT are shaped by policies such as the SCT Code of Conduct, Employee Service Rules, HR Plan, and Employee Performance Objectives & Appraisal Procedures, all established by the Board. These policies adhere to existing Labor Acts and Bylaws. Furthermore, the HR Plan outlines the responsibilities and job descriptions for each position, and these aspects are consistently monitored through regular performance reviews.

Recruitment Process

SCT adheres to the principle of recruiting employees based on the best-fit criteria, considering competencies, skills, qualifications, experience, and aptitude for any available job or position. The recruitment process at SCT is fair and competitive, ensuring equal opportunities for all deserving candidates. The Admin & HR department oversees the HR function.

Recruitment involves public notices of vacancy announcements, and applicants undergo a series of screening steps. Stringent controls are implemented from initial screening to the finalization of candidates. To familiarize new recruits with the company's work culture, an induction session is organized. The Human Resource plan clearly outlines the job specifications for each position.

Management Team

Name	Designation
Mr. Narayan Prakash Bhuj	Chief Executive Officer
Mr. Sarod Tamang	Chief Technology Officer
Mr. Subodh Gautam	Chief Business Officer
Mr. Roshan Bhandari	Company Secretary

Human Resource Indicator

Number of Staffs

Particulars	As on Ashad End, 2080	As on Kartik End, 2080
Total number of staffs	44	32
Male Staffs	31	25
Female Staffs	13	7

Employee Mix

	As on Ashad End, 2080		As on Kartik End, 2080	
	Count	%	Count	%
Male	31	70	25	78
Female	13	30	7	22

Staff Health and Insurance

The organization recognizes the significance of the health and well-being of its employees in fostering both personal and professional development. To provide coverage for unforeseen circumstances, the company has enrolled in a standard group medical insurance plan. This insurance extends to cover medical expenses for employees and their immediate families, up to a total of NPR 100,000 per annum. Additionally, a group personal accidental insurance is in place, ranging from NPR 700,000, designed to mitigate risks of loss resulting from accidents, with the coverage amount varying based on the employee's level within the company.

COOP CARD को शुभारम्भ कार्यक्रम

मिति: २०१८/०८/१८, बिहीबार



National Co-operative Bank Limited (N/CBL)
राष्ट्रिय सहकारी बैंक लिमिटेड



sct

DIRECTORS REPORT & DISCLOSURES

स्मार्टच्वाईस टेक्नोलोजीज लिमिटेड

कम्पनी ऐन २०६३ को दफा १०९ उपदफा ४ अनुसारको अतिरिक्त विवरण
सञ्चालक समितिको आ.व. २०७९/०८० बार्षिक प्रतिवेदन

- (क) विगत बर्षको कारोवारको सिंहावलोकन
- सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।
- (ख) राष्ट्रिय तथा अन्तराष्ट्रिय परिस्थितिबाट कम्पनीको कारोवारलाई कुनै असर परेको भए सो असर
- बैंक तथा वित्तीय संस्था एक आपसमा गाभिंदा संस्थाको व्यावसायिक कारोवारमा कमि हुनु तथा विद्युतिय भुक्तानी प्रदायक अन्तराष्ट्रिय कम्पनी संगको प्रतिस्पर्धाले गर्दा कारोवारमा मुख्य असर पारेका छन ।
- (ग) प्रतिवेदन तयार भएको मितिसम्म चालु बर्षको उपलब्धि र भविष्यमा गर्नु पर्ने कुराको सम्बन्धमा समितिको धारणा
- सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।
- (घ) कम्पनीको औद्योगिक वा व्यावसायिक सम्बन्ध,
- नेपालभित्र रहेका बैंक तथा वित्तीय संस्थाहरुलाई उच्चस्तरिय विद्युतिय भुक्तानी सेवा प्रदान गर्ने लक्ष्यका साथ अघि बढि रहेको यस संस्थाले देशभरि लोकप्रियता तथा व्यावसायिक सम्बन्ध कायम गर्न सफल रहेको छ ।
- (ङ) सञ्चालक समितिमा भएको हेरफेर र सोको कारण,
- यस कम्पनीको मिति २०८०।०५।०४ गते सम्पन्न ७२ औं सञ्चालक समितिको बैठकबाट आईएमई लिमिटेडबाट प्रतिनिधित्व गर्दै आउनु भएका श्री खिलेन्द्र पौडेलको सट्टामा श्री विकास कुमार नाहाटा लाई बाँकी कार्यकाल को लागि सञ्चालक नियुक्ति गरि पठाईएको कुरा बैठकमा छलफल गरियो तथा सोहि अनुसार श्री विकास कुमार नाहाटा लाई श्री खिलेन्द्र पौडेल को सट्टामा बाँकी कार्यकालको लागि सञ्चालक नियुक्ति गरिएको छ ।
 - यस कम्पनीको मिति २०८०।०८।२२ गते सम्पन्न ७४ औं सञ्चालक समितिको बैठकबाट आईएमई लिमिटेडबाट प्रतिनिधित्व गर्दै आउनु भएका सञ्चालक श्री सुमन पोखरेलको सट्टामा श्री बिपिन थापा लाई बाँकी कार्यकाल को लागि सञ्चालक नियुक्ति गरि पठाईएको कुरा बैठकमा छलफल गरियो तथा सोहि अनुसार श्री बिपिन थापा लाई श्री सुमन पोखरेलको सट्टामा बाँकी कार्यकालको लागि सञ्चालक नियुक्ति गरिएको छ ।
 - यस कम्पनीको मिति २०८०।०८।२२ गते सम्पन्न ७४ औं सञ्चालक समितिको बैठकबाट ग्लोबल आईएमई बैंक लिमिटेडबाट बाट प्रतिनिधित्व गर्दै आउनु भएका सञ्चालक श्री

रितेश लामिछानेको सट्टामा श्री सुमन पोखरेल लाई बाँकी कार्यकाल को लागि सञ्चालक नियुक्ति गरि पठाईएको कुरा बैठकमा छलफल गरियो तथा सोहि अनुसार श्री सुमन पोखरेल लाई श्री रितेश लामिछानेको सट्टामा बाँकी कार्यकालको लागि सञ्चालक नियुक्ति गरिएको छ ।

- (च) कारोबारलाई असर पार्ने मुख्य कुराहरु
- सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।
- (छ) लेखापरीक्षण प्रतिवेदनमा कुनै कैफियत उल्लेख भएको भए सो उपर सञ्चालक समितिको प्रतिक्रिया,
- कैफियत भएको अवस्थामा कैफियत उपर सुधारको निमित्त सञ्चालक समितिले आवश्यक कार्य तथा व्यवस्थापनलाई आवश्यक निर्देशन दिदै आएको छ । सुधारको निमित्त यस संस्था कटिबद्ध रहेको छ ।
- (ज) लाभांश बाँडफाँड गर्न सिफारिस गरिएको रकम,
- नभएको ।
- (झ) शेयर 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 बिक्रि गरी कम्पनीले प्राप्त गरेको रकम तथा जफत भएको शेयर बापत रकम फिर्ता गरेको भए सोको विवरण,
- नभएको ।
- (ञ) विगत आर्थिक वर्षमा कम्पनी र यसको सहायक कम्पनीको कारोबारको प्रगति र सो आर्थिक वर्षको अन्तमा रहेको स्थितिको पुनरावलोकन,
- नभएको ।
- (ट) कम्पनी तथा त्यसको सहायक कम्पनीले आर्थिक वर्षमा सम्पन्न गरेको प्रमुख कारोबारहरु र सो अवधिमा कम्पनीको कारोबारमा आएको कुनै महत्वपूर्ण परिवर्तन,
- नभएको ।
- (ठ) विगत आर्थिक वर्षमा कम्पनीको आधारभूत शेयरधनीहरुले कम्पनीलाई उपलब्ध गराएको जानकारी,
- नभएको ।

- (ड) विगत आर्थिक वर्षमा कम्पनीका संचालक तथा पदाधिकारीहरूले लिएको शेयरको स्वामित्वको विवरण र कम्पनीको शेयर कारोवारमा निजहरू संलग्न रहेको भए सो सम्बन्धमा निजहरूबाट कम्पनीले प्राप्त गरेको जानकारी,
- नभएको ।
- (ढ) विगत आर्थिक वर्षमा कम्पनीसँग सम्बन्धित सम्भौताहरूमा कुनै सञ्चालक तथा निजको नजिकको नातेदारको व्यक्तिगत स्वार्थको बारेमा उपलब्ध गराइएको जानकारीको व्यहोरा,
- नभएको ।
- (ण) 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,
- नभएको ।
- (त) आन्तरिक नियन्त्रण प्रणाली भए वा नभएको र भएको भए सोको विस्तृत विवरण,
- सञ्चालक समितिको प्रतिवेदनमा संलग्न गरिएको ।
- (थ) विगत आर्थिक वर्षको कुल व्यवस्थापन खर्चको विवरण,

कर्मचारी खर्च रु.	३७,९५३,६९३
प्रशासनिक खर्च रु.	७,२७३,४९९
कुल खर्च रु.	४५,२२७,१९२

- कर्मचारी खर्चमा रु १०,८७९,१९३ (अक्षरेपी १ करोड आठ लाख उनानसी हजार एक सय त्रिनाब्बे मात्र) कम्पनीले बनाई रहेको नविनतम प्रोडक्ट हरुमा capitalize गरेको हुँदा उक्त रकम कर्मचारी खर्चबाट घटाईएको ।

- (द) लेखापरीक्षण समितिका सदस्यहरूको नामावली, निजहरूले प्राप्त गरेको पारिश्रमिक, भत्ता तथा सुविधा, सो समितिले गरेको काम कारवाहीको विवरण र सो समितिले कुनै सुझाव दिएको भए सोको विवरण,

- लेखापरीक्षण समितिका सदस्यहरूको नामावली :

श्री शान्त राज बतास	- संयोजक
श्री रश्मी पन्त	- सदस्य
श्री रोशन भण्डारी	- सदस्य सचिव

➤ लेखापरीक्षण समितिका सदस्यहरूले प्राप्त गरेको बैठक भत्ता

नम	जम्मा बैठक भत्ता
श्री शान्त राज बतास	३०,०००
श्री दिनेश थकाली (मिति २०८०।०१।०८ सम्म)	२०,०००
जम्मा	५०,०००

(ध) सञ्चालक, प्रबन्ध संचालक, कार्यकारी प्रमुख, कम्पनीका आधारभूत शेयरधनी वा निजको नजिकका नातेदार वा निज संलग्न रहेको फर्म, कम्पनी वा संगठित संस्थाले कम्पनीलाई कुनै रकम बुझाउन बाँकी भए सो कुरा,

➤ निवर्तमान प्रबन्ध सञ्चालक श्री रविन्द्र बहादुर मल्लबाट यस कम्पनीले प्राप्त गर्न बाँकी रकम: रु. ३४६,५९,२८८.४०

(न) सञ्चालक, प्रबन्ध संचालक, कार्यकारी प्रमुख तथा पदाधिकारीहरूलाई भुक्तानी गरिएको पारिश्रमिक, भत्ता तथा सुविधाको रकम,

सञ्चालक / कार्यकारी प्रमुख	पारिश्रमिक/बैठक भत्ता (रु.)	कैफियत
सुमन पोखरेल	९०,०००	बैठक भत्ता
मृगेन्द्र प्रधान	८०,०००	बैठक भत्ता
खिलेन्द्र पौडेल	९०,०००	बैठक भत्ता
रश्मी पन्त	२०,०००	बैठक भत्ता
सुभाष ज्ञवाली	६०,०००	बैठक भत्ता
रितेश लामिछाने	३०,०००	बैठक भत्ता
शान्ता राज बतास	११०,०००	बैठक भत्ता
रघु नाथ भण्डारी	२०,०००	बैठक भत्ता
गौरव मानन्धर	२०,०००	बैठक भत्ता
दिनेश थकाली	६०,०००	बैठक भत्ता
सुशान्त चालिसे (बैकल्पिक सञ्चालक - खिलेन्द्र पौडेल)	१०,०००	बैठक भत्ता
मनोज दुमरु श्रेष्ठ (बैकल्पिक सञ्चालक - मृगेन्द्र प्रधान)	१०,०००	बैठक भत्ता
शान्ता शिवाकोटी	७०,०००	बैठक भत्ता
नारायण प्रकाश भुजु	७,८३५,८८२	पारिश्रमिक तथा अन्य

- (प) शेयरधनीहरूले बुझिलिन बाँकी रहेको लाभांशको रकम,
➤ नभएको ।
- (फ) दफा १४१ बमोजिम सम्पत्ति खरिद वा बिक्रि गरेको कुराको विवरण,
➤ वित्तीय विवरणमा समावेश गरिएको ।
- (ब) दफा १७५ बमोजिम सम्बद्ध कम्पनीबीच भएको कारोबारको विवरण,
➤ नभएको ।
- (भ) यस ऐन तथा प्रचलित कानून बमोजिम संचालक समितिको प्रतिवेदनमा खुलाउनु पर्ने अन्य कुनै कुरा,
➤ नभएको ।
- (म) अन्य आवश्यक कुराहरु ।
➤ नभएको

मिति : २०८० कार्तिक २२ गते

.....
सुमन पोखरेल
अध्यक्ष

.....
रश्मी पन्त
सञ्चालक

.....
विकास कुमार नाहाटा
सञ्चालक

.....
मृगेन्द्र प्रधान
सञ्चालक

.....
रितेश लामिछाने
सञ्चालक

.....
सुभाष ज्ञवाली
सञ्चालक

.....
शान्ता राज बतास
स्वतन्त्र सञ्चालक

स्मार्टच्वाईस टेक्नोलोजीज लिमिटेडको
२२औं वार्षिक साधारण सभाका लागि सञ्चालक समितिको
तर्फबाट अध्यक्षज्यूको प्रतिवेदन
आ.ब. २०७९/०८०

आदरणीय शेयरधनी महानुभावहरु,

यस स्मार्टच्वाईस टेक्नोलोजीज लिमिटेडको आजको २२औं वार्षिक साधारण सभामा उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरु, अतिथिज्युहरु, सञ्चालक समितिका सदस्यज्युहरु प्रति आजको यस साधारण सभाको शुभ अवसरमा मेरो व्यक्तिगत तथा सञ्चालक समितिका तर्फबाट हार्दिक स्वागत अभिवादन गर्दछु ।

आ.ब. २०७९/०८० हाम्रो लागी संघर्षको वर्ष थियो । हामीलाई एकातिर China UnionPay संग सम्बन्ध सुधार्नु पर्ने र नेपालमा SCT UPI Card को बजार विस्तारमा सहयोगका लागि थप विश्वास जित्नु पर्ने बाध्यताका साथ बजारमा SCT UPI Card जारी गर्न बैंक तथा वित्तीय संस्थाहरुलाई आवद्ध गराउनु एक प्रकारको चुनौती थियो । उक्त चुनौतीका बाबजुत हामीले यस वर्ष राष्ट्रिय वाणिज्य बैंक लिमिटेड जस्तो ठूलो बैंक लाई हाम्रो नेटवर्कमा ल्याउन सफल भयौं र छोटो समयमै पचास हजार भन्दा बढि कार्ड जारी गर्न सफल भयौं भने एभरेष्ट बैंक लाई पुन कार्ड जारी गर्न लगाउन सफल भयौं । समग्रमा बजारमा कार्डको प्रयोग घट्दै गएको भएता पनि, हामीले यस वर्ष थप २ लाख ४४ हजार कार्ड बिक्रि गर्न सफल भयौं । यस वर्ष हाम्रो अथक प्रयास पश्चात यस संस्था द्वारा जारी गरीने कार्ड नेपालको भण्डै ९५ प्रतिशत ATM/POS हरुमा कारोवार गर्न सक्ने व्यवस्था गरिसकेको पनि जानकारी गराउन चाहान्छु । अर्को तिर बजारमा QR मा प्रतिस्पर्धीको एकाधिकार लाई चिर्दै आफ्नो बजार विस्तार गर्नु पर्ने अवस्थामा नयां प्रतिस्पर्धी पनि थपीएको थियो । तर हामीले सुभबुभका साथ हातेमालो गर्दै NepalPay QR संग अन्तरआवद्धता कायम गर्न पनि सफल भयौं र यसबाट हामीसंग प्रत्यक्ष रुपमा आवद्ध नभएका बैंक तथा वित्तीय संस्थाहरुले पनि SmartQR मा कारोवार गर्न मिल्ने वातावरणको सिर्जना गरे संगै हाम्रो नेटवर्कको दायरा फराकिलो बनाउन सफल भयौं ।

हाल ५ वाणिज्य बैंक, ५ विकास बैंक, १२ फाइनान्स कम्पनी तथा १०० भन्दा बढि सहकारीहरुले हाम्रो Card सेवा लिइरहेका छन् भने QR मा ५ वाणिज्य बैंक समेत गरी जम्मा १८ वटा संस्थाहरुले प्रत्यक्ष रुपमा हाम्रो सेवा उपभोग गरिहेका छन् भने NepalPay QR मार्फत थप २२ वटा वित्तीय संस्थाहरुबाट हाम्रो SmartQR को सेवा उपलब्ध भइसकेको छ । त्यस्तै मोवाइल बैंकिंगमा हाल

ग्लोबल आईएमई बैंक मात्र रहेको भएता पनि बैंक मर्जरले गर्दा यसको प्रयोगकर्ताहरूको बृद्धिले गर्दा समग्रमा हाम्रो मोवाइल बैंकिंगको प्रयोगकर्ता बैंकिंग क्षेत्रको करिब १० प्रतिशत भएको जानकारी गराउन चाहन्छु ।

हामीले यसै वर्ष कार्यालयको पुरानो भवनको सम्भौता सकेको र हालको सन्दर्भमा भौतिक संरचना तथा डाटा सेन्टर मा सुधार गर्नु पर्ने आवश्यकतालाई मध्यनजर गर्दै साविकको घर भाडा भन्दा कम लागत लाग्ने गरी बालुवाटार वाट पानीपोखरीमा आधुनिक प्रविधी सहितको डाटा सेन्टर तयार गरी स्थानान्तरण गरेको जानकारी पनि गराउन चाहन्छु ।

आ.व. २०७९/०८० मा यस कम्पनीले हासिल गरेको प्रगति एवं उपलब्धिहरू समावेश गरीएको २०८० आषाढ मसान्त सम्मको वित्तीय अवस्थाको विवरण, नाफा वा नोक्सान विवरण, विस्तृत आयको विवरण, नगद प्रवाह विवरण र इक्युटीमा भएको परिवर्तन तथा सोसँग सम्बन्धित अनुसूचीहरू सहितको सञ्चालक समितिबाट पारित तथा नेपाल राष्ट्र बैंकबाट स्वीकृत वित्तीय विवरण यहाँहरू समक्ष स्वीकृतिका लागि पेश गरेको छु । यस आर्थिक वर्षमा संस्थाको आर्थिक अवस्थामा सुदृढ नदेखिएता पनि हामी प्राविधिक पूर्वाधारको संरचनाको निर्माणमा र बैंक तथा वित्तीय संस्थाहरूको सञ्जाल विस्तारमा विगत वर्षभन्दा तुलनात्मक रूपमा राम्रो प्रदर्शन गरेको यहाँहरू समक्ष जानकारी गराउन पाउँदा मलाई खुशी लागेको छ । हामीले China UnionPay सगंको सम्बन्धलाई सुधारी बजार विस्तारका लागि भनि हालसम्म २ लाख ७६ हजार अमेरिकन डलर प्रोत्साहन स्वरुप प्राप्त गर्न सफल पनि भएका छौं । अन्तमा कडा प्रतिस्पर्धात्मक वातावरणमा समेत कम्पनीलाई सुदृढीकरण गर्दै अन्ततः स्थिरतातर्फ उन्मुख गर्ने हाम्रो प्रयास जारी रहेको जानकारी गराउन चाहन्छु ।

यस वर्ष बजारमा SCT प्रतिको साख बैंक तथा वित्तीय संस्थाहरू माझ बढ्दै गएको र बैंकहरूको विश्वासमा आएको बृद्धिले SCT प्रगति उन्मुख तिर लागेको स्पष्ट देखिन्छ, भने यसलाई भन सुदृढ बनाउदै लैजानको लागि सबैको सदा भैं सहयोग र सदभाव रहिरहेने छ भन्ने कुरामा म विश्वस्त रहेको छु । यस साधारण सभाले कम्पनीले गत आर्थिक वर्षमा गरेका उपलब्धिहरू तथा चालु आर्थिक वर्षमा र भविष्यमा चाल्नु पर्ने कदम तथा अपनाउनु पर्ने नीति र कार्ययोजना सम्बन्धमा सुभाब एवं मार्ग निर्देशन गर्नेछ, भन्ने विश्वासका साथ यहाँहरू सम्पूर्णलाई मनदेखी नै हार्दिक स्वागत गर्दै यस २२औं वार्षिक साधारण सभाको प्रतिवेदन छलफल तथा स्वीकृतिको लागि यहाँहरू समक्ष पेश गर्ने अनुमति चाहन्छु ।

सुमन पोखरेल
अध्यक्ष
स्मार्टचवाईस टेक्नोलोजीज लिमिटेड

सञ्चालक समितिको प्रतिवेदन : आर्थिक वर्ष २०७९/८०

आदरणीय शेयरधनी महानुभावहरु,

स्मार्टच्वाईस टेक्नोलोजीज लिमिटेडको २२औं वार्षिक साधारण सभामा उपस्थित हुनु भएका सम्पूर्ण शेयरधनी महानुभावहरु तथा आमन्त्रित अतिथिहरुलाई सञ्चालक समितिको तर्फबाट म हार्दिक स्वागत गर्दछु । अहिले सम्म कम्पनीसँगको सहयात्रामा निरन्तर रूपले साथ दिई यहाँहरुले संस्थालाई प्रदान गर्नु भएको सद्भाव, सहयोग र मार्गदर्शनका लागी हार्दिक आभार एवं कृतज्ञता व्यक्त गर्दछौं । साथै, आगामी दिनहरुमा समेत यहाँहरुको निरन्तर रूपमा साथ प्राप्त हुनेछ, भन्ने विश्वास लिएका छौं । यहाँहरुको साथ एवं सहयोगले नै स्मार्टच्वाईस टेक्नोलोजीज लिमिटेडले भुक्तानी र फस्यौटको क्षेत्रमा विगत दुई दशकदेखि कार्ड सेवामा मात्र सक्रिय रहि आएकोमा विगत केहि वर्ष देखि समग्र भुक्तानी प्रणालीमा विद्युतीय कारोबारको नया भुक्तानीका उपकरणहरु QR, Mobile Banking तथा IBFT(Inter Bank Fund Transfer) जस्तो सेवाहरु विस्तार गर्दै आईरहेको सर्वविदितै छ । हाल भुक्तानी प्रणाली सञ्चालकहरु मध्ये यस प्रकार भुक्तानी प्रणालीमा विद्युतीय कारोबारको सम्पूर्ण सेवा प्रदान गर्ने संस्थाका रूपमा अलग्गै पहिचान सहित स्थापित संस्थाको रूपमा परिचित हुन सफल भएको छ ।

नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्थाले जारी गरेको नेपाल वित्तीय प्रतिवेदन मानहरु (Nepal Financial Reporting Standards, NFRSs) ले तोकेको ढाँचा बमोजिम संस्थाले वित्तीय विवरणहरु तयार पारेको छ, जसका कारण आर्थिक वर्ष २०७९/८० को वित्तीय विवरणका तथ्याङ्क तथा शिर्षकहरु नेपाल वित्तीय प्रतिवेदन मानहरु अनुरूप गणना, वर्गिकरण, लेखाङ्कन तथा प्रस्तुती गरिएको छ । नेपाल वित्तीय प्रतिवेदन मानहरुको स्वरूप अन्तर्राष्ट्रिय वित्तीय प्रतिवेदन मानहरु (International Financial Reporting Standards, IFRSs) कै अनुरूप भएकोले कम्पनीको वित्तीय विवरणहरु अन्तर्राष्ट्रिय स्तरमा पनि एकरूपता हुनुका साथै तुलनीय एवं विश्वसनीय हुने हुँदा भविष्यमा अन्तर्राष्ट्रिय रूपमा व्यवसाय विस्तार गर्न तथा अन्तर्राष्ट्रिय संघ संस्था लगायत अन्तर्राष्ट्रिय वित्तीय संस्थाहरुसँग सहकार्य गर्न समेत सहज हुने विश्वास लिएका छौं । अब म कम्पनीको २०८० आषाढ मसान्तको वासलात तथा सोही मितिमा समाप्त आर्थिक वर्ष २०७९/८० को नाफा नोक्सान हिसाब, नगद प्रवाह विवरण तथा अन्य वित्तीय विवरणहरु यस सभाको स्वीकृतिको लागि पेश गर्ने अनुमति चाहन्छु ।

१) समष्टिगत विगत वर्षको आर्थिक अवस्थाको सिंहवलोकन

विवरण	आ.ब. २०७९।८० रु.हजारमा (०००)	आ.ब. २०७८।७९ रु.हजारमा (०००)	आ.ब. २०७७।७८ रु.हजारमा (०००)
चुक्ता पुँजी	५००,०००	५००,०००	३७५,०००
कल्स इन एडभान्स	०	०	८४,६४१
जगेडा तथा कोषहरु	(१३२,५९२)	(६३,७६२)	(४१,०५४)
चालु दायित्व	४५,६२९	३९,७५७	३६,०३७
डेफर्ड कर दायित्व (Deferred Tax Liability)	२९,३७१	२४,४३९	२०,६०६
लिज दायित्व (Lease Liability)	२३,५९४	०	०
अचल सम्पति	१५७,२४६	१४६,४१५	१४६,३८६
Right of use Assets	२४,१२२	०	०
निर्माणाधीन सम्पति (Capital WIP)	१०४,८३६	८४,८९९	७३,९०९
अन्य सम्पति	१,२८८	१,२८७	०
चल सम्पति	१७८,५१२	२६७,८३४	२५४,९६५
संचालन आम्दानी	६५,७७४	६९,९४१	६४,४५६
संचालन खर्च	४२,०२५	३५,५६६	२७,७४५
अन्य आम्दानी	१०८	६०९	८५९
कर्मचारी तलब भत्ता	३७,९५४	३५,४६२	२९,१४९
मार्केटिङ खर्च	३२,३०३	१३,०६०	३३४
अन्य प्रशासनिक खर्च	७,२७३	११,१६९	१६,१९७
हास कट्टि	२१,८१३	१७,१६२	११,८६७
अन्य खर्च	१,९७०	१,५२४	१०१
संचालन मुनाफा	(७७,४५६)	(४३,३९३)	(२०,०७८)
ब्याज आम्दानी	१५,४२५	१८,९२८	८,४२२
ब्याज खर्च (लिज दायित्वमा)	८०४	०	०
आयकर खर्च (आर्थिक वर्ष)	०	०	१५,५८८
शेयर बिक्रि बाट प्राप्त आम्दानी	०	०	९७,७३२
आयकर खर्च (अधिल्लो वर्ष)	९०	०	०
Deferred Tax Expenses (Reversal)/Impaired on Assets**	४,९३२	३,८३३	२६,०८३
	९३	५,५९०	(४,१८७)
खुद नाफा/नोक्सान	(६७,७६४)	(२२,७०८)	४०,२१९

***संस्थाले आ.ब. २०७६।७७ देखि** Nepal Financial Reporting Standard (NFRS) लागू गरेको र सोही अनुसार वित्तीय विवरण प्रस्तुत गरिएको । आ.ब. २०७५/७६ मा Nepal Accounting Standard लागू गरेता पनि हाल NFRS अनुसार वित्तीय विवरण प्रस्तुत गरिएको । साथै सो अधिका आ.ब.का वित्तीय विवरण Nepal Accounting Standard अनुसार तयार भएका र सोही अनुसार प्रस्तुत गरिएको ।

**** Impaired on Assets :** कम्पनीको वित्तीय विवरणमा Receivable शिर्षकमा विगत लामो अवधिदेखि रहेको रकमको लागि यस जोखिमको व्यवस्था गरिएको छ । यद्यपी यी रकमको असुल उपरका लागी व्यवस्थापन निरन्तर रूपमा क्रियाशील रहेको छ । गत आ.ब. २०७९/८० मा नारायणी विकास बैंक लिमिटेड बाट रु ९२,६६०।०० बक्यौता रकम उठाउन सफल भएका छौं ।

२) गत वर्षको उपलब्धी :

कुनै पनि माध्यम वाट हुने विद्युतीय कारोवारको लागी भुक्तानी सञ्जालको पूर्वाधार महत्वपूर्ण रहने हुंदा गएको वर्ष हाम्रो प्रथम प्रयासनै देशको सबै ATM संजालमा SCT UPI Debit Card को भुक्तानी सम्भव बनाउने र QR मा बढि भन्दा बढि बैंक तथा वित्तीय संस्थाहरुको Mobile Banking प्रणाली वाट भुक्तानी गर्न सक्ने वातावरणको सिर्जना गर्नु रहेकोमा हामी धेरै हद सम्म सफल भएका छौं । हाल यस संस्था द्वारा जारी गरीने कार्ड नेपालको भण्डै ९५ प्रतिशत ATM/POS हरुमा कारोवार गर्न सक्ने व्यवस्था गरिसकेको छ । साथै राष्ट्रिय वाणिज्य बैंक जस्तो ठूलो बैंक लाई हाम्रो नेटवर्कमा ल्याई छोटो समयमै पचास हजार भन्दा बढि कार्ड जारी गर्न सफल भयौं भने राष्ट्रिय वाणिज्य बैंकको सबै ATM हरुमा यस संस्था द्वारा जारी गरिएका कार्डहरुको कारोवार र पिन परिवर्तन गर्न सक्ने व्यवस्था मिलाईएको छ । त्यस्तै एभरेष्ट बैंक लाई पनि पुन कार्ड जारी गर्न लगाउन सफल भएको छ । साथै संस्थाले China को Union Pay संगको सहकार्यमा SCT UPI Debit Card को मात्र कारोवार गरिरहेको मा हाल Master/Discover संग पनि सहकार्य गरी हाम्रो सञ्जाल मार्फत कारोवार गर्न सक्ने व्यवस्था मिलाइसकेको छ भने Visa संग सहकार्यका लागि पहल सुरु भइसकेको छ । यसवाट बैंक तथा वित्तीय संस्थाहरुलाई सबै ब्राण्डका कार्डहरुको सेवा प्रदान गर्न सक्षम हुने छ जसले गर्दा सदस्य बैंकको एटिएम हाम्रो सञ्जालमा ल्याउन सहज हुने देखिएको छ ।

QR सेवाको विस्तारमा बैंक तथा वित्तीय संस्थाहरुलाई बैंकहरुको प्रयोगमा रहेको Mobile Banking प्रणाली मार्फत भुक्तानी गर्न कठिनाई भइरहेको अवस्थामा NepalPay QR संग अन्तरआवद्धता कायम गरी प्रत्यक्ष रूपमा हाम्रो सञ्जालमा नरहेका बैंक तथा वित्तीय संस्थाहरुलाई पनि कारोवार गर्न सक्ने वातावरणको सिर्जना गरी हाम्रो सञ्जालको दायरा फराकिलो बनाउन सफल भएको छ ।

हाल बढ्दो विद्युतिय भुक्तानीलाई मध्ये नजर गर्दै अन्य भुक्तानी सेवा प्रदान गर्दै आइरहेको रेमिट्यान्स जस्ता कम्पनीहरूलाई लक्षित गर्दै Inter-Bank Fund transfer (IBFT) सेवा हाललाई Business to Customer (B2C) प्रकृतिका कारोबारहरू पूर्ण रूपमा सुचारु गरिसकेको छ । यस सेवाले हाल बजारमा रहेको एकाधिकार लाई तोडदै बैंक तथा वित्तीय संस्थाहरूलाई नयाँ विकल्प प्रदान गरेको छ ।

गत वर्षको मुख्य उपलब्धीहरूको सारांश बुदाँगत रूपमा निम्नअनुसार रहको छ ।

१. यस वर्ष हामीले शत प्रतिशत सरकारी लगानी भएको राष्ट्रिय बाणिज्य बैंक लाई SCT-UPI Debit कार्ड जारी गर्नका लागि आवद्ध गर्न सफल भएको साथै हालसम्म उक्त बैंक ले ५० हजार भन्दा बढी कार्ड जारी गरिसकेको जानकारी गराउन चाहन्छु । साथै बाणिज्य बैंकको २५० वटा भन्दा बढि ATM हरु मार्फत अरु संस्था द्वारा जारी गरीएको SCT-UPI को नगद भिक्त तथा पिन परिवर्तन गर्न मिल्ने ब्यबस्थाले हाम्रो ATM को संजालमा थप आयाम थपिएको जानकारी गराउन चाहन्छु ।

२. एभरेष्ट बैंक द्वारा SCT-UPI Debit कार्ड प्रयोग गरीरहेको भएता पनि विगत केहि वर्ष देखि कार्ड जारी गर्न छोडिसकेको मा पुन SCT-UPI Debit कार्ड जारी गर्नका लागि सहमत गराई थप ७० हजार कार्ड विक्रि गर्न सफल भएको जानकारी गराउन चाहन्छु ।

३. नयाँ बैंकहरू संग सहकार्य गर्न क्रममा NMB Bank संग सहकार्य गरि Smart QR Network मा तथा Master Card Acquiring मा आवद्ध गराइएको र सो बैंकको ATM हरुमा SCT-UPI Debit कार्ड मार्फत नगद भिक्त मिल्ने ब्यबस्था मिलाइ सकेको छ । यस ब्यबस्था पश्चात नेपालको भण्डै ९५ प्रतिशत भन्दा बढि ATM हरु वाट हाम्रो सेवा लिन सक्ने भइसकेको जानकारी गराउन चाहन्छु ।

४. Card तथा QR को क्षेत्रमा Brand Visibility बढाउने, कारोबार तथा User Engagement वृद्धिको लागि देश का ठुला ठुला retail store हरुमा Campaign सञ्चालन गरी करिब ३० लाख भन्दा बढी ग्राहक आवद्ध गराई सकेको र करिब २ लाख व्यवसायीलाई Smart QR आवद्धता गराई सकेका छौं ।

५. लामो समय देखि बन्द रहेको Discover/Dianers Card (Pulse Network) को acquiring सेवा पुनः सुचारु गरी विभिन्न बैंक तथा वित्तीय संस्थाबाट सेवा बिस्तार गरिसकेको जानकारी गराउन चाहन्छु । यस सेवा पश्चात भारतमा जारी हुने RuPay कार्ड मार्फत नेपालमा पनि कारोबार गर्न सकिने भएको जानकारी गराउन चाहन्छु ।

६. SmartQR Network को कार्यक्षेत्र बिस्तार गर्नका लागि अरु PSO हरु सँग Network Interoperability स्थापना गर्ने क्रममा नेपाल क्लियरिङ हाउस लिमिटेड को Nepal Pay QR सँग interoperable को कार्य समाप्त भई कारोबार सुचारु भई सकेको जानकारी गराउन चाहन्छु । यसबाट हामीसँग आवद्ध नभएका थप २२ वटा वित्तीय संस्थाहरुको ग्राहकहरुले हाम्रो सेवा प्रयोग गर्न सक्ने भएको जानकारी गराउन चाहन्छु । साथै PSP र वित्तीय संस्थाहरु गरी १८ वटा संस्थाहरु हामी सँग प्रत्यक्ष रुपमा आवद्ध भइ सकेको कुरा पनि यंहाहरु समक्ष जानकारी गराउन चाहन्छु ।

७. Scheme Partner Union Pay International (UPI) सगँको को Partnership मा निश्चित समय भित्र UPI ले दिएको टारगेट पुरा गरि सो बापतको Incentive प्राप्त गर्न सफल भएका छौ ।

८. बजारको मागलाई पुरा गर्ने उदेश्यका साथ हाल Payment System Operator (PSO) को रुपमा Card, QR, र Mobile Banking सेवाहरु मात्र प्रदान गर्दै आईरहेकोमा यस संस्थाले अन्तर बैंक भुक्तानी (Inter Bank Fund Transfer – IBFT) सेवा भुक्तानी सम्बन्धि कारोबार गर्ने संघ संस्था हरुलाई प्रदान गर्न सुरु गरेको जानकारी गराउन चाहन्छु ।

९. Smart QR मा ग्राहक संलग्नता तथा कारोबार बढाउने उदेश्यले BigMart, Bhatbhateni, Daily Grocery, Metro Mart जस्ता ठुला ठुला stores मा Cashback/Discount Campaign हरु सञ्चालन गरिएको जानकारी गराउँदछु ।

१०. लामो समय देखि बक्यौता रहेका आसामीहरु बाट गत आ.व. २०७९/८० मा नारायणी विकास बैंक लिमिटेड बाट रु ९२,६६०।०० बक्यौता रकम उठाउन सफल भएका छौ ।

११. कम्पनीले POS Acquiring सेवा लाई सुचारु गरी बैंक तथा सहकारी तह सम्म यसको सेवा विस्तार गरिसकेको जानकारी गराउन चाहन्छु ।

३) आगामी नीति, कार्यक्रम तथा योजनाहरु:

हाल विद्युतिय कारोवारमा जनमानसमा बढ्दै गएको विश्वास र प्रयोगलाई मध्यनजर गर्दा हाल कार्डवाट कारोवार घट्टै गइरहेको र मोबाइल बाट QR मार्फत भुक्तानी गर्ने प्रचलन बढ्दै गइरहेको प्रष्ट देखिन्छ भने अर्को तिर Online Ecommerce मार्फत विद्युतिय कारोवार बढ्दै गएको देखिन्छ । यस अवस्थामा SCT ले आफुसंग भएको सेवाहरुलाई बजारमा भएको प्रतिस्पर्धीहरुको सेवा भन्दा भिन्नता कायम गर्दै थप सेवाहरु दिदै जाने नीति तथा योजनाहरु तर्जुमा गरेको छ ।

हाल संस्थाले China को Union Pay संगको सहकार्यमा SCT UPI Debit Card को मात्र जारी गरिरहेको मा बजारमा Visa कार्डको प्रयोग र मागलाई मध्यनजर गर्दै ग्लोबल आइएमई बैंक संगको सहकार्यमा Visa कार्डको Issuing र Acquiring सेवा विस्तार गरी हाम्रो सञ्जालमा Visa कार्डको सेवा विस्तार गरिने छ भने यस पश्चात ग्लोबल आइएमई बैंकको सम्पूर्ण ATM हरुलाई हाम्रो सञ्जालमा जोडिने छ । जस वाट SCT को ATM सञ्जाल ५०० पुऱ्याउने लक्ष्य लिइएको छ । यस सेवाको सुरुवात पछि क्रेडिट तथा प्रिपेड कार्ड जस्ता सेवाको पनि तुरुन्तै सुचारु गर्ने योजना रहेको छ ।

हाल संस्थाले प्रदान गर्दै आईरहेको QR सेवामा समय अनुकुल थप नयां सुविधाहरु प्रदान गर्दै बजारमा अझ बढि सशक्तिकरणका साथ प्रतिस्पर्धीहरु माझ भिन्न रुपमा प्रस्तुत हुन र जोखिमलाई न्यूनिकरण गर्दै लैजानका लागि हाल प्रयोगमा रहेको प्रणालीलाई परिमार्जित गर्दै लैजाने नीति अनुरुप योजना बनाइने छ । साथै Merchant हरुलाई पनि यस सञ्जालमा आवद्ध हुन आकर्षित गर्न तथा बढि भन्दा बढि कारोवार गर्न प्रेरित गर्नका लागि Merchant Lending को ब्यवस्था गरिने छ ।

आगामी वर्षमा तर्जुमा गरिएका कार्यक्रमहरु बुँदागत रुपमा निम्नअनुसार प्रस्तुत गरिएको छ ।

१. यस कम्पनीले ग्लोबल आइएमई बैंक संगको सहकार्यमा VISA Card Issuing and Acquiring सेवा लाई यथाशिघ्र सुचारु गरी बैंक तथा सहकारी तह सम्म यसको सेवा विस्तार गर्दै जाने ।
२. यस संस्थाले हाल डेबिट र प्रिपेड कार्डको सुविधा मात्र दिदै आएको मा आगामी दिनमा क्रेडिट कार्ड जारी गर्न आवश्यक कार्य अगाडी बढाउने ।
३. यस संस्था द्वारा जारी सबै कार्डहरु सुरक्षित रुपमा सबै e-commerce site हरुमा कारोवार गर्न मिल्ने सुविधा प्रदान गरिने छ ।

४. प्लास्टिक कार्ड लाई Virtual कार्डको स्वरूपमा Mobile Banking मार्फत कारोबार गर्न सक्ने ब्यवस्था मिलाउने तथा physical कार्ड लाई tokenization को मार्फत कारोबार गर्न मिल्ने सुविधा को सुरुवात गर्दै लैजाने ।
५. mVisa तथा Visa Direct जस्ता सेवाको विस्तार गर्दै लैजाने ।
६. ATM मार्फत हुने नगद कारोबार सहजीकरणका निमित्त QR तथा OTP को प्रयोग गरी कार्ड बिना नै रकम भिक्न सकिने सुविधा "Cardless Withdrawal" को सुरुवात गर्ने ।
७. डेबिट तथा क्रेडिट कार्ड मार्फत सरल किस्ताबन्दी योजनामा समान खरिद गर्न मिल्ने (EMI) सेवाको सुरुवात गर्ने ।
८. नेपालमै पहिलो पटक Chinese Yuan मुद्रा मा अन्तर्राष्ट्रिय Prepaid Card जारी गर्ने ।
९. प्रयोगमा आएका सम्पूर्ण भुक्तानी उपकरण हरुलाई मिल्ने गरी एकिकृत Customer Loyalty Management को System सञ्चालन गर्ने ।
१०. हाल जारी गरिरहेको Virtual कार्ड लाई अझ बढि विस्तार गर्दै सोहि कार्ड बाट ATM तथा अन्य भुक्तानी सेवाका लागि प्रयोगमा ल्याउन ब्यवस्था मिलाउने ।
११. बढ्दै गएको विद्युतिय कारोवारलाई मध्यनजर गर्दै ग्राहकहरुको कारोवारलाई अध्यन गर्ने क्षमता बृद्धि गर्न Reporting Platform को निर्माण गरी बैंक तथा वित्तीय संस्थाहरुलाई सुबिधा प्रदान गर्ने ।
१२. कार्डको विक्रि तथा एटिएमको संख्या बृद्धिका लागि सबै बैंक तथा वित्तिय संस्थाहरुलाई आवद्ध गराउन पहल गर्ने ।
१३. भुक्तानीका सबै उपकरण र त्यसमा निहित जोखिमहरुको पहिचान तथा निराकरणका लागि विशेष ब्यवस्था गर्ने ।
१४. QR Merchant Network मा बैंक तथा वित्तीय संस्थाहरु लाई प्रत्यक्ष आवद्ध गराउदै जाने र Merchant On-Board मा सक्रिय रुपमा सदस्यहरुलाई परिचालन गर्ने ।
१५. SCT ले सरु गरेको IBFT मा सबै बैंक तथा वित्तीय संस्थाहरुमा प्रत्यक्ष Connectivity बनाउदै लाने तथा सबै रेमिट्यान्स कम्पनि, बिमा कम्पनि, शेयर ब्रोकर कम्पनि जस्ता संस्थाहरुको अन्तर बैंक भुक्तानी यस संस्था मार्फत गराउनका लागि आवद्ध गराउदै लाने ।

४) कारोवारलाई असर पार्ने मुख्य कुराहरु :

भुक्तानी प्रणालीमा प्रयोग हुने उपकरणहरुका लागि सरकारी तथा अन्तर्राष्ट्रिय Scheme Provider हरुको र अन्य प्रतिस्पर्धीहरुको कुनै पनि प्रकारको नीति नियममा हुने परिवर्तनले बजारमा असर पार्न सक्ने हुदां समग्र रुपमा भुक्तानी प्रणालीमा राष्ट्रिय तथा अन्तर्राष्ट्रिय क्षेत्रको घटनाक्रमले प्रभाव पार्न सक्दछन् । SCT ले प्रदान गर्ने सेवाहरु मुख्यतया राष्ट्रिय तथा अन्तर्राष्ट्रिय क्षेत्रको नीति नियमानुसार सञ्चालन गर्नु पर्ने बाध्यताका कारण कुनै पनि तहको नियामक निकायहरुको नीति, नियम तथा निर्देशनहरुको परिवर्तनले प्रत्यक्ष तथा अप्रत्यक्ष रुपमा असर पार्न सक्नेछन् ।

साथै, प्रविधिमा आइरहने विकास तथा परिवर्तनका लागि आवश्यक पुँजी, दक्ष प्राविधिक जनशक्तिको आवश्यकता, अन्तर्राष्ट्रिय ब्राण्डका भुक्तानी प्रदायकहरु सँगको प्रतिस्पर्धा, सुरक्षा प्रणालीलाई पनि थप मजबूत बनाउन आवश्यक पूर्वाधार विकासका लागि पुँजीको व्यापक प्रयोग गर्नुपर्ने अवस्था, सूचना तथा प्रविधिको विकाससंगै वित्तीय कारोवारहरुमा पनि अपराधिक गतिविधीहरु बढ्दै गईरहेका कुराहरु ले कारोवार लाई असर पार्न सक्नेछन् ।

कम्पनीको कारोवारमा असर पुर्याउन सक्ने मुख्य कारक तत्वहरु निम्नअनुसार छन् ।

- प्रविधिको परिवर्तन संगै आउन सक्ने चुनौतीहरु ।
- प्रतिस्पर्धात्मक बजारको आवश्यकता अनुरूप सेवा विस्तारका लागि आउन सक्ने लागत ।
- PCI Council ले समय समयमा थप्दै गईरहेको सुरक्षा नीति नियमको पालना गर्दा आउन सक्ने लागत ।
- बैंक तथा वित्तीय संस्थाहरुको मर्जर ।
- राष्ट्रिय तथा अन्तर्राष्ट्रिय स्तरमा भुक्तानी प्रणाली सम्बन्धित नियम परिवर्तन हुंदा ।
- हाल संस्थाले प्रयोग गरीरहेको Switching System प्रदायकको राम्रो Support नपाएमा तथा समयाअनुकूल System Enhancement गर्नु पर्दा आउन सक्ने लागत ।
- बजारमा एउटै प्रकारको सेवा प्रदान गर्ने सेवाप्रदायक तथा भुक्तानी प्रणाली सञ्चालकहरु बढि हुनु र प्रतिस्पर्धा हुनु ।
- नेपाल राष्ट्र बैंक द्वारा प्रबद्धित संस्था NCHL संग हुन सक्ने प्रतिस्पर्धा ।
- विद्युतीय कारोवारको प्रवद्धनका लागि भुक्तानी प्रणाली सञ्चालकका रुपमा लागत बढ्नु ।
- QR सेवा निशल्क प्रदान गरिरहनु पर्ने बाध्यात्मक समयाबधि लम्बियमा ।

५) आन्तरिक नियन्त्रण प्रणाली

आन्तरिक नियन्त्रण प्रणाली विस्तृत मापदण्ड सहितका नीति, तथा कार्यविधिहरूका साथै प्रभावकारी ढंगले स्थापित संरचनात्मक ढाँचा तथा सो बमोजिमको कार्यक्षेत्र एवम् अधिकार प्रत्यायोजनले संस्थाको आन्तरिक नियन्त्रण प्रणाली चुस्त तथा प्रभावकारी बनाउनुका साथै सञ्चालनमा निहित जोखिमहरूलाई समेत न्यूनिकरण गरेको हुन्छ। यसका साथै कम्पनीमा पर्याप्त आन्तरिक नियन्त्रण कायम राख्न सञ्चालक समिति, लेखापरीक्षण समिति, खरिद समिति, जोखिम व्यवस्थापन समिति, IT Steering Committee र व्यवस्थापनले आन्तरिक नियन्त्रण प्रणालीको प्रभावकारिता पुनरावलोकन गर्ने गरेका छन्। कम्पनीको व्यवस्थापनबाट स्वतन्त्र आन्तरिक तथा बाह्य लेखापरीक्षकले पनि आफ्ना परीक्षण कार्यहरूबाट कम्पनीको नियन्त्रण प्रणाली मापन गरेर कम्पनीकालाई उपयुक्त राय तथा सुझावहरू उपलब्ध गराउँदै आएका छन्। अन्य विभिन्न कृयाशील संगठनात्मक ढाँचाहरूले समेत आन्तरिक नियन्त्रण प्रणालीलाई थप सुदृढ बनाउन आफ्ना गतिविधिहरूको माध्यमबाट सहयोग पुर्याउँदै आएका छन्।

६) संस्थाबाट हाल उपलब्ध गराइएका सेवाहरू

कम्पनीबाट हाल देहाय बमोजिमका सेवाहरू उपलब्ध गराइएको छ।

- Debit Card
- Prepaid Card
- Smart QR
- Smart Banking
- Smart Pay

७) हालको सञ्चालक समितिको विवरण

सि. नं.	सञ्चालकहरूको नाम, थर	पद
१	श्री सुमन पोखरेल	अध्यक्ष
२	श्री रश्मी पन्त	सञ्चालक
३	श्री विकास कुमार नाहाटा	सञ्चालक
४	श्री मृगेन्द्र प्रधान	सञ्चालक
५	श्री सुभाष ज्ञवाली	सञ्चालक
६	श्री बिपिन थापा	सञ्चालक
७	श्री शान्त राज बतास	स्वतन्त्र सञ्चालक

बैकल्पिक सञ्चालक

सि. नं.	बैकल्पिक सञ्चालकको नाम, थर	सञ्चालकको नाम, थर
१	श्री मनोज दुमरू श्रेष्ठ	श्री मृगेन्द्र प्रधान

द) प्रमुख कार्यकारी अधिकृत र व्यवस्थापन समुह

सि. नं.	नाम	पद
१	श्री नारायण प्रकाश भुजु	प्रमुख कार्यकारी अधिकृत
२	श्री सरोद तामाङ्ग	चिफ टेक्नोलोजी अफिसर
३	श्री सुबोध गौतम	चिफ बिजनेस अफिसर
४	श्री रोशन भण्डारी	कम्पनी सचिव

NEPAL RASTRA BANK APPROVAL



नेपाल राष्ट्र बैंक भुक्तानी प्रणाली विभाग



केन्द्रीय कार्यालय
वालुवाटार, काठमाडौं
फोन: ००९७७ १ ४४२८२२६
फ्याक्स: ००९७७ १ ४४४३८७८
E-mail : psdept @nrb.org.np
Web : www.nrb.org.np
पोष्ट बक्स: ७३

पत्रसंख्या : भु.प्र.वि./ ओ.सा.२/SCT/०८०/८१
चलानी नं.: २०२

मिति : २०८०/०८/२१

श्री स्मार्टच्वाईस टेक्नोलोजिज लिमिटेड
वालुवाटार, काठमाडौं ।

विषय: वार्षिक वित्तीय विवरण प्रकाशन गर्न स्वीकृति प्रदान गरिएको सम्बन्धमा ।

वाह्य लेखापरिक्षक श्री वि.आर.पाण्डे एण्ड एसोसियेट्स (चार्टर्ड एकाउन्टेन्ट्स) वाट सम्पन्न गराई तयार गरिएको त्यस संस्थाको आर्थिक वर्ष २०७९/८० को वित्तीय विवरण आगामी साधारण सभामा प्रस्तुत/सार्वजनिक गर्ने अनुमतिको लागि अनुरोध भई आएको सम्बन्धमा भुक्तानी तथा फर्यौट ऐन, २०७५ को दफा २५ को उपदफा ३ बमोजिम देहाय बमोजिमका निर्देशनहरू पालना गर्नेगरी स्वीकृति प्रदान गरिएको ब्यहोरा निर्णयानुसार अनुरोध गर्दछु ।

निर्देशनहरू:

१. अ.प्रा. निर्देशन नं. ३/०८० को बुँदा नं. ४(१) बमोजिम अनुमतिपत्रप्राप्त संस्था (बैंक तथा वित्तीय संस्था बाहेक) ले सेवा सञ्चालन गरेको १ वर्ष पुरा भएपछि भुक्तानी प्रणालीको परीक्षण (System Audit) गराई यस बैंकमा सोको प्रतिवेदन पेश गर्नुपर्ने तथा साविक System प्रतिस्थापन वा System Upgrade नभएको अवस्थामा प्रत्येक २ आर्थिक वर्षमा System Audit गराई आर्थिक वर्ष समाप्त भएको ६ महिनाभित्र यस बैंकमा प्रतिवेदन पेश गर्नुपर्नेमा सो अनुसार गरेको नपाइएकाले यस निर्देशनको अविलम्ब पालना गर्नुहुन ।
२. त्यस संस्थाको मिति २०८०/०४/२८ देखि २०८०/०४/३० गते सम्म सम्पन्न भएको स्थलगत निरीक्षण प्रतिवेदनका आधारमा यस विभागको मिति २०८०/०७/१४ को पत्रबाट दिइएका १३ वटा निर्देशनहरू तोकिएको अवधिभित्रै कार्यान्वयन गर्नुहुन ।
३. वाह्य लेखापरिक्षकले औल्याएका कैफियतहरू सुधार गर्नुहुन ।
४. उपरोक्तानुसारका निर्देशनहरू शेरधनीहरूको जानकारीका लागि वार्षिक प्रतिवेदनको छुट्टै पानामा समावेस गर्नुहुन ।

(लक्ष्मी प्रसाद प्रसाईं)
निर्देशक

INDEPENDENT AUDITOR'S REPORT

B R Pandey & Associates

Chartered Accountants

162 'GA' Gaurighat Marg
Sunguri Galli 37
Post Box No. 21977
Kathmandu, Nepal

Tel: 4114589
E-mail: bpandey@ntc.net.np

INDEPENDENT AUDITOR'S REPORT

To, The Shareholders,
M/S SMARTCHOICE TECHNOLOGIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **M/S SMARTCHOICE TECHNOLOGIES LIMITED** (the Company), which comprise the Statement of Financial Position as at 31 Ashadh 2080 (16 July 2023), and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 Ashadh 2080 (16 July 2023), 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 ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were the most significant 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

Management is responsible for the other information. The other information comprises of the information included in the "Annual Report" (as defined in NSA 720) but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover 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 in the 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 that describes any material misstatement of the other information.



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 NFRSs, and for such internal control as management determines is necessary to enable for 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 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 based on these financial statements.

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

- Identify and assess the risks of material misstatement of the company's 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 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 company's 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 company's financial statements, including the disclosures, and whether the company's financial statements 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 company to express an opinion on the company's financial statements. We are responsible for the direction, supervision, and performance of the company's 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.



Report on Other Legal and Regulatory Requirements

As per the requirements of Section 115 of the Companies Act, 2063 (First Amendment 2074), we further 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 the Company has kept proper books of account as required by law so far, as appears from our examinations of those Books.
- c) To the best of our knowledge and information provided to us, we did not come across any instances where there were accounting fraud during our audit.
- d) Based on written representation letter by management provide to us, Assets, liabilities have not been laundered in case anyone, directly or indirectly, earns from tax evasion or terrorist activities or invests in such activities or acquires, holds, possesses or utilizes assets by committing any or all offences as prescribed by Money Laundering Prevention Act, 2063 (2008) and in case assets acquired, held or accumulated from investment of such assets is possessed, held or used, utilized or consumed or committed any other act so as to present such assets as legally acquired or earned assets or conceals sources of origin of such assets or assists any one to transform, conceal or transfer such assets with an objective of avoiding legal actions to the person having such assets.
- e) As per Chapter 10 of Labour Act, 2074, when employing a person pursuant to this chapter, shall provide, at the minimum, the benefits equivalent to the minimum wage and other social security benefits including sick leave, gratuity, provident fund and insurance. The Company though, has partially complied with said provision, the Company requires to comply with all the said provision of Labour Act, 2074.
- f) In our opinion and to the best of our information and according to the explanation given to us, the financial statement the said Balance Sheet, Income Statement and Cash Flow Statement, read together with the notes forming part of the accounts give the information required by the Companies Act 2063 (First Amendment 2074) in the manner so required and give a true and fair view:
 - i. In the case of Balance Sheet, the state of affairs of the Company as at 31 Ashadh, 2080 (16 July 2023); and
 - ii. In the case of Income Statement, the results of operations of the Company for the year ended on 31 Ashadh, 2080 (16 July 2023); and
 - iii. In the case of the Cash Flow Statement, of Cash inflow and outflow of the Company for the year ended on that date.
- g) Neither we have come across any of the information about the misappropriation of fund by the directors or any of the representatives or company's staffs during our audit nor have we received any such information from the management.
- h) No accounting fraud has been observed during our audit.



Bhoj Raj Pandey
For B R Pandey & Associates
Chartered Accountants



Place Kathmandu, Nepal

Date: 2023-12-17

UDIN No: 240103CA00411Zzpyd

Particulars	Note	Amount in Rs.	
		As at Ashadh 31, 2080 (July 16, 2023)	As at Ashadh 32, 2079 (July 16, 2022)
ASSETS			
NON-CURRENT ASSETS			
a) Property, plant and equipment	4.1	79,448,887	65,341,362
b) Intangible assets	4.2	77,796,917	81,073,178
c) Right of Use Assets	4.3	24,121,886	-
c) Capital Work in Progress	4.4	104,835,765	84,899,029
d) Financial Assets	4.5	1,287,735	1,286,628
Total non-current assets		287,491,191	232,600,198
CURRENT ASSETS			
a) Trade and other receivables	4.6	45,402,836	59,569,210
b) Current tax assets	4.7	21,341,206	18,238,163
c) Cash and cash equivalents	4.8	110,236,480	188,494,743
d) Financial Assets	4.5	1,531,468	1,531,468
Total current assets		178,511,989	267,833,584
TOTAL ASSETS		466,003,180	500,433,781
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4.9	500,000,000	500,000,000
Reserves and surplus	4.10	(132,591,516)	(63,762,131)
Total equity		367,408,484	436,237,869
NON-CURRENT LIABILITIES			
a) Deferred Tax Liability	4.25	29,371,191	24,438,812
b) Other Financial Liabilities	4.11	23,594,118	-
Total non-current liabilities		52,965,309	24,438,812
CURRENT LIABILITIES			
a) Other Financial Liabilities	4.11	1,120,671	-
b) Employee benefit liability	4.12	1,381,656	1,267,733
c) Trade and other payables	4.13	43,127,061	38,489,365
d) Current tax liabilities		-	-
Total current liabilities		45,629,388	39,757,100
TOTAL EQUITY AND LIABILITIES		466,003,180	500,433,781

The accompanying notes are an integral part of the financial statements.

For and on behalf of SmartChoice Technologies Limited

BHOJ RAJ PANDEY, FCA
PROPRIETOR
B.R. PANDEY & ASSOCIATES

SUMAN POKHAREL
CHAIRMAN

NARAYAN PRAKASH BHUJU
CHIEF EXECUTIVE OFFICER

RASHMI PANT
DIRECTOR

MRIGENDRA PRADHAN
DIRECTOR

SUBHAS GYAWALI
DIRECTOR

BIKASH KUMAR NAHATA
DIRECTOR

RITESH LAMICHHANE
DIRECTOR

ROSHAN BHANDARI
FINANCE HEAD

SHANTA RAJ BATAS
INDEPENDENT DIRECTOR

DATE: 8TH NOVEMBER, 2023
PLACE: KATHMANDU

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED ASHADH 31, 2080 (JULY 16, 2023)

Particulars	Notes	Amount in Rs.	
		For the year ended Ashadh 31, 2080 (July 16, 2023)	For the year ended Ashadh 32, 2079 (July 16, 2022)
Income			
Revenue From Operations	4.14	65,774,271	69,941,100
Other income	4.15	200,536	6,199,310
Total Income		65,974,807	76,140,410
Expenses			
Operating Expenses	4.16	42,024,577	35,566,416
Employee Benefit Expenses	4.17	37,953,693	35,462,462
Marketing Expenses	4.18	32,302,838	13,060,393
Administration Expenses	4.19	7,273,499	11,168,747
Foreign exchange(Gain)/ Loss		810,296	1,523,835
Depreciation and Amortization Expenses	4.20	21,813,296	17,161,665
Impairment on Assets	4.21	1,159,559	-
Total Expenses		143,337,757	113,943,517
Net Operating Profit/(Loss)		(77,362,950)	(37,803,107)
Non Operating Income/Expenses			
Finance Cost	4.22	803,919	-
Finance Income	4.23	15,425,403	18,927,523
Profit/(loss) before tax		(62,741,466)	(18,875,584)
Income tax expenses			
Current tax	4.24	89,808	-
Deferred tax	4.25	4,932,380	3,832,665
Profit/(loss) for the year		(67,763,653)	(22,708,249)
Gains /(losses) on re-measuring available for sale financial assets		-	-
Gain/(loss) on Actuarial valuation of defined benefit liability		-	-
Total other comprehensive income		-	-
Deferred tax income /(expense) (relating to components of other comprehensive income)		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		(67,763,653)	(22,708,249)

The accompanying notes are an integral part of the financial statements.

For and on behalf of SmartChoice Technologies Limited

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INDEPENDENT DIRECTOR

DATE: 8TH NOVEMBER, 2023
PLACE: KATHMANDU

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED ASHADH 31, 2080 (JULY 16, 2023)

Particulars	Equity and reserves			Amount in Rs.
	Share capital	Retained earnings	Advance for share capital	Total
	Balance as at July 15, 2021 (Ashadh 31, 2078)	375,000,000	(41,053,882)	84,640,500
Profit/(loss) for the year	-	(22,708,249)	-	(22,708,249)
Issue of share capital	40,359,500	-	-	40,359,500
Adjustment of share capital advance	84,640,500	-	(84,640,500)	-
Balance as at July 16, 2022 (Ashadh 32, 2079)	500,000,000	(63,762,131)	-	436,237,869
Lease Adjustment as per NFRS 16		(1,065,732)		(1,065,732)
Profit/(loss) for the period	-	(67,763,653)	-	(67,763,653)
Balance as at July 16, 2023 (Ashadh 31, 2080)	500,000,000	(132,591,516)	-	367,408,484

The accompanying notes are an integral part of the financial statements.

For and on behalf of SmartChoice Technologies Limited

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INDEPENDENT DIRECTOR

DATE: 8TH NOVEMBER, 2023
PLACE: KATHMANDU

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED ASHADH 31, 2080 (JULY 16, 2023)

Particulars	Amount in Rs.	
	For the year ended Ashadh 31, 2080 (July 16, 2023)	For the year ended Ashadh 32, 2079 (July 16, 2022)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	(62,741,466)	(18,875,584)
Adjustments for :		
Depreciation and Amortization	21,813,296	17,161,665
Net unrealized foreign exchange loss (gain)	771,446	-
Impairment on Assets	1,159,559	-
Interest Expenses on lease liability	803,919	-
Gain on sale of non-current assets	(35,398)	(21,217)
Reversal of Impairment Provision	(92,660)	(5,590,187)
Operating profit before working capital changes	(38,321,304)	(7,325,323)
Adjustments for :		
(Increase)/Decrease in current assets	13,607,928	(15,114,087)
Increase/(Decrease) in current liabilities	3,394,752	3,689,918
Cash generated from operation	(21,318,624)	(18,749,492)
Income tax paid for Current Year	(3,192,851)	(10,729,307)
Net cash from operating activities	(24,511,475)	(29,478,799)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(24,227,367)	(22,958,553)
Purchase of intangible assets	(4,989,478)	(5,227,000)
Increase in Capital WIP	(19,936,736)	-
Proceeds from disposal of property, plant and equipment	35,398	26,549
Net cash generated from / (used in) investing activities	(49,118,182)	(28,159,004)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from share capital	-	40,359,500
Lease Payment - Finance Cost	(186,570)	-
Lease Payment - Liability	(4,442,033)	-
Net cash generated from / (used in) financing activities	(4,628,603)	40,359,500
Net increase / (decrease) in cash and cash equivalents	(78,258,263)	(17,278,302)
	188,494,743	205,773,045
Cash and cash equivalents at the end of the year	110,236,480	188,494,743

The accompanying notes are an integral part of the financial statements.

For and on behalf of SmartChoice Technologies Limited

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FINANCE HEAD

SHANTA RAJ BATAS
INDEPENDENT DIRECTOR

DATE: 8TH NOVEMBER, 2023
PLACE: KATHMANDU

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4.1: PROPERTY, PLANT AND EQUIPMENT

Amount in Rs.

Particulars	Leasehold Improvements	Office Equipment and Computers	Furniture and Fixtures	Vehicles	Plant and Machinery	Total
Cost						
At 16 July 2022	3,535,958	80,540,327	3,894,727	5,748,371	120,908,922	214,628,305
Additions	5,661,949	760,177	-	-	17,805,240	24,227,367
Additions from Acquired Entity	-	-	-	-	-	-
Adjustment/written off	-	-	-	-	-	-
Disposals	(3,535,958)	-	-	-	-	(3,535,958)
At 16 July 2023	5,661,949	81,300,504	3,894,727	5,748,371	138,714,162	235,319,714
Accumulated Depreciation						
At 16 July 2022	3,026,399	58,273,363	3,304,959	2,003,788	82,678,434	149,286,943
Additions	8,997	4,741,399	149,764	748,916	3,961,207	9,610,282
Additions from Acquired Entity	-	-	-	-	-	-
Adjustment/written off	-	-	-	-	-	-
Disposals	(3,026,399)	-	-	-	-	(3,026,399)
At 16 July 2023	8,997	63,014,762	3,454,723	2,752,704	86,639,641	155,870,826
Net Book Value						
At 16 July 2022	509,559	22,266,964	589,768	3,744,583	38,230,488	65,341,362
At 16 July 2023	5,652,953	18,285,742	440,004	2,995,667	52,074,521	79,448,887

NOTE 4.2: INTANGIBLE ASSETS

Particulars	Intangible Assets	Total
Cost		
At 16 July 2022	130,309,465	130,309,465
Additions	4,989,478	4,989,478
Additions from Acquired Entity	-	-
Adjustment/written off	-	-
Disposals	-	-
At 16 July 2023	135,298,943	135,298,943
Accumulated Amortization		
At 16 July 2022	49,236,287	49,236,287
Additions	8,265,738	8,265,738
Additions from Acquired Entity	-	-
Adjustment/written off	-	-
Disposals	-	-
At 16 July 2023	57,502,025	57,502,025
Net Book Value		
At 16 July 2022	81,073,178	81,073,178
At 16 July 2023	77,796,917	77,796,917

NOTE 4.3: RIGHT OF USE (ROU) ASSETS

Amount in Rs.

<i>Particulars</i>	<i>Right of Use Asset - Baluwatar Office</i>	<i>Right of Use Asset - Panipokhari Office</i>	<i>Right of Use Asset - Total</i>
Cost			
At 16 July 2022	-	-	-
Initial Recognition	3,376,301	24,682,860	28,059,161
Additions from Acquired Entity	-	-	-
Adjustment/written off	-	-	-
Disposals	-	-	-
At 16 July 2023	3,376,301	24,682,860	28,059,161
Accumulated Amortization			
At 16 July 2022	-	-	-
Additions	3,376,301	560,974	3,937,275
Additions from Acquired Entity	-	-	-
Adjustment/written off	-	-	-
Disposals	-	-	-
At 16 July 2023	3,376,301	560,974	3,937,275
Net Book Value			
At 16 July 2022	-	-	-
At 16 July 2023	-	24,121,886	24,121,886

<i>Particulars</i>	<i>Amount in Rs.</i>	
	<i>As at Ashadh 31, 2080 (July 16, 2023)</i>	<i>As at Ashadh 32, 2079 (July 16, 2022)</i>
NOTE 4.4: CAPITAL WORK IN PROGRESS		
Capital WIP	104,835,765	84,899,029
Total	104,835,765	84,899,029
NOTE 4.5: FINANCIAL ASSETS		
NON-CURRENT		
Security Deposits	1,287,735	1,286,628
CURRENT		
LC/TT Margin	1,531,468	1,531,468
Total	2,819,203	2,818,096
NOTE 4.6: TRADE AND OTHER RECEIVABLES		
Staff Advances	37,366	13,804
Sundry debtors and receivables	673,970	942,817
Work Advance	34,344,298	36,144,298
Bills receivables	15,654,495	29,864,907
VAT Receivables	19,812,160	19,288,249
Prepaid Expenses	5,278,134	2,009,945
Other Advance	813,750	1,063,750
Custom Margin	5,566,000	1,031,000
Other Receivables	198,143	5,628,582
Less: Provision for Impairment Loss (Receivables)	(36,975,481)	(36,418,141)
Total	45,402,836	59,569,210
NOTE 4.7: CURRENT TAX ASSETS		
Advance Tax Deposits	21,341,206	18,238,163
Less: Current Tax Liabilities	-	-
Total	21,341,206	18,238,163

<i>Particulars</i>	<i>Amount in Rs.</i>	
	<i>As at Ashadh 31, 2080 (July 16, 2023)</i>	<i>As at Ashadh 32, 2079 (July 16, 2022)</i>
NOTE 4.8: CASH & CASH EQUIVALENTS		
Cash balance	21,350	18,850
Balances with banks	33,715,130	11,975,893
Fixed Deposits	76,500,000	176,500,000
Total	110,236,480	188,494,743
NOTE 4.9: SHARE CAPITAL		
Authorized		
50,00,000 Ordinary Share of Rs. 100 each	500,000,000	500,000,000
Issued		
50,00,000 Ordinary Share of Rs. 100 each	500,000,000	500,000,000
Subscribed		
50,00,000 Ordinary Share of Rs. 100 each	500,000,000	500,000,000
Paid - Up		
50,00,000 Ordinary Share of Rs. 100 each	500,000,000	500,000,000
Total	500,000,000	500,000,000
NOTE 4.9.1: RECONCILIATION OF NUMBER OF SHARES		
Ordinary Shares as at the beginning of the year	5,000,000	4,596,405
Add: Issuance of shares	-	403,595
Ordinary Shares as at the end of the year	5,000,000	5,000,000

<i>Particulars</i>	<i>Amount in Rs.</i>	
	<i>As at Ashadh 31, 2080 (July 16, 2023)</i>	<i>As at Ashadh 32, 2079 (July 16, 2022)</i>
NOTE 4.10: RESERVES AND SURPLUS		
Retained earnings		
Opening Balance	(63,762,131)	(41,053,882)
Lease Adjustment as per NFRS 16	(1,065,732)	-
Profit (Loss) for the year	(67,763,653)	(22,708,249)
Total	(132,591,516)	(63,762,131)
NOTE 4.11: OTHER FINANCIAL LIABILITIES		
Lease Liability as on 01 Baishakh, 2080	24,682,860	-
Add: Finance Cost	617,350	-
Less: Rental Payments	(585,420)	-
Lease Liability as on 31 Ashad, 2080	24,714,789	-
Segregation of Liabilities into:		
Non Current		
Lease Liability	23,594,118	-
Current		
Lease Liability	1,120,671	-
Total	24,714,789	-
NOTE 4.12: EMPLOYEE BENEFIT LIABILITY		
Provident fund payable	537,153	514,333
Gratuity payable	215,035	202,387
Salary payable	24,854	24,854
Leave payable	604,613	526,160
Total	1,381,656	1,267,733
NOTE 4.13: TRADE AND OTHER PAYABLE		
Sundry Creditors	34,640,726	32,849,366
TDS payable	1,270,625	790,445
Audit fee payable	270,875	270,875
Expenses payable	898,720	249,055
Royalty payable	1,013,694	985,230
Prepaid revenue	2,149,005	2,263,644
Advance from customers	1,514,432	664,645
Accrual staff expenses	345,726	345,726
Other payable	496,380	70,379
Rent payable	526,878	-
Total	43,127,061	38,489,365

Particulars	<i>Amount in Rs.</i>	
	For the year ended Ashadh 31, 2080 (July 16, 2023)	For the year ended Ashadh 32, 2079 (July 16, 2022)
NOTE 4.14: REVENUE FROM OPERATIONS		
Sale/Revenue	32,697,129	50,355,896
Annual Subscription Fee	5,408,337	4,598,015
Annual Support Fee-Nac	-	444,493
One Time Joining Fee	625,000	1,205,000
Card Renewal Fee	4,908,585	3,247,355
Connectivity Fee	2,297,040	1,987,563
AMC Hardware	40,000	54,460
Atm Switching Fee	2,497,629	2,418,355
Bin Registration Fee	30,000	115,000
Incentive Income	13,371,670	5,512,500
Transaction Fee (Other Network)	112,345	2,463
Income from Smart-Banking	3,786,536	-
Total	65,774,271	69,941,100
NOTE 4.15: OTHER INCOME		
Commission income	-	547,906
Reversal of impairment provision	92,660	5,590,187
Gain on sale of non-current assets	35,398	21,217
Other income	72,477	40,000
Total	200,536	6,199,310
NOTE 4.16: OPERATING EXPENSES		
Purchase ATM cards	26,266,192	23,254,173
Card Design Charge	-	21,500
Annual Support Fee- Nac	-	421,241
Annual Maintenance Charge	4,619,620	5,115,392
Lease Line Cable & Fiber Networking Charge	168,000	888,212
Service Fee-UPI Connectivity	1,634,755	1,456,800
Dispute Resolution Fees	74,393	66,688
Penetration Testing	265,487	265,487
Location Charge	870,000	881,495
Royalty Fee	4,718,243	3,195,430
Smart-banking commission	3,407,888	-
Total	42,024,577	35,566,416

Amount in Rs.

<i>Particulars</i>	<i>For the year ended Ashadh 31, 2080 (July 16, 2023)</i>	<i>For the year ended Ashadh 32, 2079 (July 16, 2022)</i>
NOTE 4.17: EMPLOYEE BENEFIT EXPENSES		
Staff Salary And Allowance Expenses	39,750,719	34,764,519
Gratuity Expenses	5,122,882	8,501,050
Provident Fund Contribution	2,642,821	2,559,888
Mesh Expenses	226,154	265,484
Leave Encashment Expenses	603,613	539,227
Staff Welfare	486,696	527,655
Less: Capitalization - Product Development	(10,879,193)	(11,695,361)
Total	37,953,693	35,462,462
NOTE 4.18: MARKETING EXPENSES		
Advertisement	95,326	77,522
Incentive Expenses	782,394	-
Product Promotion and Marketing Expenses	31,425,118	12,982,871
Total	32,302,838	13,060,393
NOTE 4.19: ADMINISTRATION EXPENSES		
AGM Expenses	39,250	93,940
Due Diligence Audit Fee	262,500	-
Statutory Audit Fee	185,000	185,000
Internal Audit Fee	180,000	180,000
Audit Expense	40,129	112,947
Bank Commission & Charges	313,045	117,228
Cleaning Supply	100,998	86,662
Internet Expenses	922,743	394,117
Microsoft 365 license cost	51,543	51,543
Communication Expenses	135,336	184,980
Consultancy Fee	92,500	65,929
Electric Expenses	11,850	44,605
Electricity Fee	1,312,874	1,508,816
Fuel & Lubricants	539,476	326,513
Insurance Premium	660,324	456,336
Meeting Allowance	670,000	1,100,000
Meeting Expenses	-	125,836
Miscellaneous Expenses	11,719	7,575
Bid Bond Purchase Expenses	10,000	-
Office Rent	(0.00)	4,578,071
Pooja Expenses	-	11,553
Postage & Courier	62,592	63,522
Printing & Stationery	236,185	295,284
Rate & Tax Expenses	54,710	50,341
Registration & Renewal Expenses	183,890	30,432
Repairs & Maintenance	205,488	199,923
Travelling and Conveyance Expenses	158,973	78,100
Security Guards	700,259	693,600
Water Expenses	65,195	62,585
Membership and Subscription Fees	46,535	2,009
Seasonal Daily Wages	20,385	61,300
Total	7,273,499	11,168,747

Amount in Rs.

Particulars	For the year ended Ashadh 31, 2080 (July 16, 2023)	For the year ended Ashadh 32, 2079 (July 16, 2022)
NOTE 4.20: DEPRECIATION AND AMOTIZATION EXPENSES		
Depreciation on Tangible Assets	9,610,282	9,974,974
Amortization on In-Tangible Assets	8,265,738	7,186,691
Depreciation on Right of Use (ROU) Assets	3,937,275	-
Total	21,813,296	17,161,665
NOTE 4.21: IMPAIRMENT EXPENSES		
On Leasehold Assets (Non-Current)	509,559	-
On Current Assets	650,000	-
Total	1,159,559	-
NOTE 4.22: FINANCE COST		
Finane Cost on Lease liability - Panipokhari Office	617,350	-
Finane Cost on Lease liability - Baluwatar Office	186,570	-
Total	803,919	-
NOTE 4.23: FINANCE INCOME		
Interest income	15,425,403	18,927,523
Total	15,425,403	18,927,523
NOTE 4.24: TAX EXPENSES		
A. AMOUNT RECOGNISED IN PROFIT OR LOSS		
Current tax		
Income tax for the year	-	-
Income tax related to previous years	89,808	-
Total current tax	89,808	-

NOTE 4.25: CALCULATION OF DEFERRED TAX (ASSETS)/LIABILITY

Particulars	Carrying Amount (Rs.)	Tax Base	Temporary Diff
Deferred Tax			
As on 2079.04.01			
Property, Plant & Equipment & Intangibles	150,240,391	76,099,962	74,140,429
Intangible Assets	81,073,178	57,458,362	23,614,816
Total	231,313,569	133,558,323	97,755,245
Deferred Tax Asset/Liability as on 2079.04.01 (Tax Rate 25%)			24,438,811
Deferred Tax			
As on 2080.03.31			
Property, Plant & Equipment & Intangibles	184,284,653	85,661,313	98,623,340
Intangible Assets	77,796,917	58,342,590	19,454,327
Right of Use Assets	24,121,886	-	24,121,886
Lease Liabilities	(24,714,789)	-	(24,714,789)
Total	261,488,667	144,003,903	117,484,764
Deferred Tax Asset/Liability as on 2080.03.31 (Tax Rate 25%)			29,371,191
Deferred Tax Expenses/(Income) FY 2079-80			4,932,380
Deferred Tax Expenses/(Income)-PL			4,932,380

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS AS OF ASHADH END 2080 (16TH JULY 2023)

1. General Information of the Company

SmartChoice Technologies Limited (hereinafter referred to as “SCT” or “Company”) is a public limited company domiciled in Nepal, incorporated under the provision of the Company Act, 2063. The company was incorporated on 2058.04.29 as Private Limited Company and later on 2074.03.01 the company was converted into Public Limited Company. The registered address of the company is at Baluwatar, Kathmandu, Nepal. Subsequently, SCT was registered in Inland Revenue Department on 2058.07.06 having its Permanent Account Number is 300343144.

SCT obtained payment System Operator (PSO) License from Nepal Rastra Bank (NRB) on 2074.09.17 to provide Network for electronic cards and Payment Switch in Nepal.

The Board of Directors of the company acknowledges the responsibility of preparation of financial statements of the company.

1.1. Board of directors

The composition of Board of Directors as on 31st Ashadh, 2080 is as follow:

Name	Position
Suman Pokharel	Chairperson
Rashmi Pant	Director
Khilendra Paudel	Director
Subhas Gyawali	Director
Mrigendra Pradhan	Director
Ritesh Lamichhane	Director
Shanta Raj Batas	Independent Director

1.2. Major shareholding pattern

Name of the Shareholders	As on the Ashadh End, 2080	
	%	No. of Shares
IME Limited	35.60	1,780,069
Prabhu Bank Ltd.	21.58	1,079,040
Global IME Bank Ltd.	15.43	771,608
City Express Money Transfer Pvt. Ltd.	6.67	333,312
Himalayan Bank Ltd.	6.16	307,840
Shangri-La Development Bank Ltd.	5.33	266,667
Kamana Sewa Bikas Bank Ltd.	3.08	153,920
Excel Development Bank Ltd.	3.00	150,000
Garima Bikas Bank Ltd.	2.00	100,000
Green Development Bank Ltd.	1.00	50,000
Unnati Bohara	0.06	3,029
Prajwal Bohara	0.03	1,515
Arjun Jung Thapa	0.04	2,000
Shristi Joshi Malla	0.02	1,000
Total	100	5,000,000

1.3. Statement of Compliance

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) as published by the Accounting Standards Board (ASB) – Nepal and Issued by Institute of Chartered Accountant of Nepal (ICAN).

1.4. Financial Statements and its Approval

Financial Statements of SCT for the year ended in 16th July, 2023 comprise of Statement of Financial Position, Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements and Significant Accounting Policies. The financial statements have been adopted by the Board of Directors on its meeting held on **8th November, 2023** and have been recommended for approval by shareholders in the Annual General Meeting.

1.5. Principal Activities and Operations

SCT operating as Payment System Operator (PSO), provides solution of issuance of cards, acquiring transactions through different delivery channels, connectivity to different payment networks in the country as well as outside of Nepal along with all the related settlement, operational and security aspects on the same. SCT also ensures that its facility is complied with the highest security standard as required by the Payment Card Industry Data Security Standard (PCIDSS) for card data processing company and maintains a complete redundant system to ensure the highest level of up time.

Principal activities of SCT are to provide electronic payment processing services to its member banks & financial institutions for delivering their Card and Digital Payment needs.

2. Basis of preparation

The company while complying with the reporting standards, makes critical accounting judgement 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 judgements made are described herein.

The company 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 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 company to exercise judgment in making accounting estimates. Description of such estimates has been given in the relevant sections wherever they have been applied.

2.1. Reporting pronouncements

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) as published by the Accounting Standards Board (ASB) – Nepal and Issued by Institute of Chartered Accountant of Nepal (ICAN). The company has, for the preparation of financial statements, adopted the NFRS which is currently effective (based on IFRS of 2018). The first-time adoption of NFRS was from FY 2076-77.

2.2. 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.

Board of Directors (BoD) are satisfied that the company has resources to continue in business for the foreseeable future.

Furthermore, Board of Directors are not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it. Therefore, the financial statements are prepared on going concern basis.

2.3. Basis of Measurement

Financial Statements of SCT have been prepared on historical cost convention, as modified by fair value measurement of financial assets and liabilities wherever the standard requires or provides options for such measurements.

Fair Value Measurement

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 dates regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of assets and liability, the company takes in to account the characteristics of assets or liability if market participants would take those characteristics in to account when pricing the assets or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis except for lease transactions that are within the scope of NFRS 16.

2.4. Materiality and Aggregation

In compliance with Nepal Accounting Standard - NAS 01 (Presentation of Financial Statements), each material class of item is presented separately in the Financial Statements. Items of dissimilar nature or functions are presented separately unless they are immaterial. Financial Assets and Financial Liabilities are offset and the net amount is reported in the Statement of Financial Position only when there is a legally enforceable right to offset such recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in Statement of Profit or Loss unless required or permitted by the Financial Reporting Standards.

2.5. Presentation of Financial Statements

Assets and liabilities of SCT presented in Statement of Financial Position are grouped in order of liquidity. Statement of profit or loss has been prepared using classification 'by nature' method. Statement of cash flows has been prepared using indirect method.

Figures for previous years are rearranged and reclassified wherever necessary for the purpose of facilitating comparison. Appropriate disclosures are made where necessary.

2.6. Functional and Presentation Currency

The financial statements are prepared in Nepalese Rupees, which is the company's functional currency.

Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date.

Nonmonetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings. During the Year SCT does not have any foreign currency borrowings.

2.7. Current and non-current distinction

Assets

Apart from the property, plant and equipment, intangible assets and deferred taxes assets all the assets are taken as current assets unless specific additional disclosure is made in the notes for current and non-current distinction.

Liabilities

Apart from the deferred taxes liabilities all the liabilities are taken as current liabilities unless specific additional disclosure is made in the notes for current and non-current distinction.

2.8. Accounting policies and accounting estimates

Preparation of financial statements in line with NFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses of the reporting period.

Management has applied estimations in preparation and presentation of the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are revised, if the revision affects only that period; they are recognized in the period of revision and the future periods if the revision affects both current and future periods.

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

2.9. Reporting periods

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

2.10. Discounting

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

2.11. Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the respective notes.

2.12. 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. Summary of significant accounting policies

3.1. Property, plant and equipment

Property, plant and equipment are tangible items that are held for serving revenue generation purposes and are expected to be used during more than one period.

3.1.1. Measurement at Recognition:

Property, plant and equipment (PPE) are tangible items that are held for us in the production of goods or services, for rental to others, or for administrative purpose and are expected to be used for more than a year. Property, plant and equipment includes computer hardware, office equipment, furniture and fittings and motor vehicles.

3.1.2. Basis of Measurement

Property, plant and equipment's are recognized if it is probable that future economic benefits associated with the asset will flow to the company and cost of the asset can be measured reliably.

Items of property, plant and equipment's are initially recognized at cost. Cost includes the purchase price and other directly attributable costs as well as the estimated present value of any future unavoidable costs of dismantling and removing items. Purchased software that is integral to the functionality of the related equipment is capitalized as part of hardware equipment.

3.1.3. Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Company and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are charged to the statement of profit or loss as incurred.

3.1.4. De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de recognition of an item of property, plant and equipment is included in statement of profit or loss when the item is derecognized. When replacement costs are recognized in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced

part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost is derecognized.

3.1.5. Depreciation

Depreciation on assets is calculated using Straight Line Method on the basis of effective useful life of the asset decided by the management. Accordingly, fixed assets are depreciated from the day the assets are ready to be used as intended by the Management applying the following rates:

Assets	Life	Depreciation Method
Computer and accessories	4 years	Straight – line Method
Vehicles	5 years	Straight – line Method
Office equipment	5 years	Straight – line Method
Furniture and Fixture	8 years	Straight – line Method
Other office equipment	10 years	Straight – line Method
Plant and Machinery	15 years	Straight – line Method
Leasehold Development	10 years	Straight – line Method

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Depreciation on assets is provided on daily basis.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The company has changed its method of depreciation from Written Down Value (WDV) to Straight Line Method (SLM) from FY 2076/77.

3.2. Leasing

The company as a lessee:

The Company's lease asset classes primarily consist of leases for Office Premises. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets and lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile. The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise

Fixed lease payments (including in-substance fixed payments) payable during the lease term.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Following assumptions are considered for the purpose of Nepal Financial Reporting Standards (NFRS) – 16: Lease.

Particulars	Rate	Assumption
Discount rate	10% P.A.	The company has no any borrowing. So, interest rate on fixed deposits is taken as discount rate.
Lease Tenure	11 Years	Agreement period of lease.

Right of Use Assets (ROU):

Particulars	Amount (Rs.)
<u>Panipokhari Office</u>	
Net Right of Use Assets as at Baisakh 1, 2080	24,682,860
Less: Depreciation for the year	(560,974)
Net Right of Use Assets as at Ashad 31, 2080	24,121,886

Other Financial Liabilities:

Particulars	At Baisakh 1, 2080	Interest Expenses (+)	Lease Payment (-)	At Ashad 31, 2080
Lease Liability	24,682,860	617,350	585,420	24,714,789
Total	24,682,860	617,350	585,420	24,714,789

Segregation of Financial Liabilities into:

Non- Current Lease Liability:

Particulars	Amount (Rs.)
As on Ashad 31, 2080	
Lease Liability – Non-Current part	23,594,118
Lease Liability – Current part	1,120,671
Total Lease Liability	24,714,789

3.3. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance held for use in the production or supply of goods or services, or for administrative purpose. Inhouse developed software's which meets the criteria of intangible assets are recognized as intangible assets.

3.3.1. Basis of recognition

Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably.

3.3.2. Amortization

Intangible assets amortized over their estimated useful economic life on Straight Line Method. They are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The estimated useful lives for the current and comparative periods are as follows:

Intangibles: 5-15 Years based on nature of assets.

Amortization methods, useful lives and residual values are reviewed at each reporting date.

3.3.3. De-recognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal.

3.4. Financial instruments

The company'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 shareholders. The company's 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 company's interest receivables are classified and measured at Amortized cost method. Equity securities / debentures are classified as fair value through profit and loss or Fair Value thorough OCI. The amount attributable to shareholders is classified as equity and is carried at the redemption amount being net asset value. Payables are measured at amortized cost.

3.4.1. Classification

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

Financial assets at Amortized Cost

Financial assets whose objective is to collect Contractual Cash flow and Contractual Cash flow received in specified day includes interest and principal is classified at amortized Cost. These includes Fixed Deposit investment, staff loans receivable and trade receivable. These are measured at Amortized cost.

Financial assets and liabilities held at fair value through profit or loss

Financial assets whose objective/ business model is not to collect Contractual Cash flow but to gain from movement is fair value is classified at fair value through profit or loss. These includes investment in equity shares. Gain on movement of fair value is charged to statement of profit or loss.

Financial assets and liabilities held at fair value through OCI

In rare circumstances, financial assets whose objective or business model is not to collect Contractual Cash flow is classified at fair value through OCI. Investment in equity which are not regularly traded are classified at fair value through OCI.-The gain/loss on movement in fair value is charged to OCI. Its tax impact is also charged into OCI. The gain or loss on disposal of investment classified as fair value through OCI is charged to equity.

3.4.2. Recognition / de- recognition

The company 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 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 contract is discharged or expired.

Realized gains and realized losses on de-recognition are determined 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 cost and disposal amount.

3.4.3. Measurement

a. Financial assets and liabilities held at fair value through profit or loss

At initial recognition, the company 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 are presented in the statement of profit or loss and other 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 company 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 Company 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.

As at Ashad 31st, 2080

Financial Assets	Assets at fair value		Assets at amortised costs	TOTAL
	FVPL	FVTOCI		
Cash and Cash Equivalents	-	-	110,236,480	110,236,480
Security Deposits	-	-	1,287,735	1,287,735
LC/TT Margin	-	-	1,531,468	1,531,468
Trade and Other Receivable	-	-	45,402,836	45,402,836
Total	-	-	158,458,518	158,458,518

Financial Liabilities	Liabilities at fair value		Liabilities at amortised costs	TOTAL
	FVPL	FVTOCI		
Employee Benefit Liabilities	-	-	1,381,656	1,381,656
Trade and Other Payables	-	-	43,127,061	43,127,061
Total	-	-	44,508,716	44,508,716

As at Ashad 32nd, 2079

Financial Assets	Assets at fair value		Assets at amortised costs	TOTAL
	FVPL	FVTOCI		
Cash and Cash Equivalents	-	-	188,494,743	188,494,743
Security Deposits	-	-	1,286,628	1,286,628
LC/TT Margin	-	-	1,531,468	1,531,468
Trade and Other Receivable	-	-	59,569,210	59,569,210
Total	-	-	250,882,049	250,882,049

Financial Liabilities	Liabilities at fair value		Liabilities at amortised costs	TOTAL
	FVPL	FVTOCI		
Employee Benefit Liabilities	-	-	1,267,733	1,267,733
Trade and Other Payables	-	-	38,489,365	38,489,365
Total	-	-	39,757,099	39,757,099

3.4.4. 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.

3.5. Cash and cash equivalents

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

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

3.6. Trade and other receivables

The trade receivables that fall under the classification of financial instruments are carried at amortized costs and those other assets that do not fall within the definition are carried at cost. These instruments are regularly monitored for impairment.

The trade and other receivable are non-interest bearing.

The carrying amount of trade and other receivable approximate their fair values at the respective reporting dates.

The receivables that are to be settled within a year is classified as current assets and other are classified as non-current assets.

3.7. Prepaid expenses & advances

The Prepaid Expenses & Advances that fall under the classification of financial instruments are carried at amortized costs and those other assets that do not fall within the definition are carried at cost. These instruments are regularly monitored for impairment

The fair value of prepayments approximates their carrying value in the statement of financial position.

The prepayment that are to be settled within a year is classified as current assets and other are classified as non-current assets.

3.8. Share capital

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

Share Capital represents the nominal (par) value of ordinary equity shares that have been issued.

Rights, preferences and restrictions attached to equity shares

The company has a single class of equity shares. According, all equity shares rank equally with regards to dividends and shares in the company's residual assets. The equity shares are entitled to receive dividend was declared from time to time.

3.9. Distributions

The distributions if any to shareholders are recognized in statement of change in equity. In FY 2079-80, the Board has not proposed any dividend.

3.10. Long term loan

The long-term loans are carried at amortized cost using effective interest rate. The installments payable within 12 months from the date of the reporting period is classified as short-term loan under current liability.

3.11. Other non-current liabilities

It includes various advances, deposits and receivables which are not materialized within 12 months of expiry of fiscal year.

3.12. Short term loan

All kinds of overdraft, demand loan, working capital loan, trust receipt loan, cash credit, packing credit, bills discounted, force loan, the installments of long-term loan and other types of loan payable within 12 months from reporting date are categorized as short-term loan.

3.13. Trade and other payables

Non-financial liabilities are recorded and reported at cost based on legal and constructive obligation to the Company.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

The trade and other payables are non-interest bearing.

The payables that are to be settled within a year is classified as current liabilities

3.13.1. Accrual Staff Expenses

Accrual Expenses liabilities of NPR 345,726 relating to employees yet to be paid.

3.14. Provisions and contingencies

3.14.1. Provisions

A provision is a liability of uncertain timing or amount.

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of as past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of time value of money and the risks specific to the liability (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.14.2. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company: or the present obligation that arises from past event but is not recognized because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation: or the amount of obligation cannot be measured with sufficient reliability.

Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent asset is a probable asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

The company has a practice of holding third party blank ATM cards (Debit) on behalf of customers/clients at the company premises. Though, these cards were sold in the past years, it is still under the control of company for the purpose of printing of the cards as per the instruction of the customers. These cards are considered as contingencies for the company. The details of the ATM cards are as follows:

Particulars	Quantity (Pcs)
SCT UPI Co-branded Dual Interface Debit Cards (Blank Cards)	199,927

3.15. Income tax

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognized directly in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI and equity.

3.15.1. Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment made to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset if certain criteria are met.

If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

3.15.2. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the company expects, at the end of the reporting period to cover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which they can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences that are expected to increase taxable profit in the future.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognized in profit or loss. Deferred tax is calculated applying tax rate at the rate of 25%.

3.16. Assets held for sale and discontinued operations

Non-current assets (such as property) and disposal groups (including both the assets and liabilities of the disposal groups) are classified as held for sale and measured at the lower of their carrying amount and fair value less cost to sell when: (i) their carrying amounts will be recovered principally through sale; (ii) they are available-for-sale in their present condition; and (iii) their sale is highly probable.

Immediately before the initial classification as held for sale, the carrying amounts of the assets (or assets and liabilities in a disposal group) are measured in accordance with the applicable accounting policies described above.

3.17. Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

3.18. Cost of sales

All the expenses that are directly related to generating revenue are classified as cost of sales.

3.19. Income from financial instruments at fair value

Gains and losses arising from changes in the fair value of financial instruments held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

Gains and losses arising from changes in the fair value through Other Comprehensive Income is charged to OCI. Once such selection is done the changes in fair value is also charged through Other Comprehensive Income unless the assets is derecognized. The gain or loss on disposal of financial instrument measure at fair value through OCI is recognized directly in equity.

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

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.

3.20. Other income

All the incomes that are not qualified to be classified as revenue is treated as other income.

3.21. Administrative expenses

All the general administrative expenses are recognized when the benefit is received by the company and are not qualified to be classified as cost of sales.

3.22. Net finance cost

All the interest expenses against the loans and advances and the unwinding of discount on financial liabilities are calculated using effective interest rate method.

Interest income comprising of finance income includes interest received from bank.

Interest income is recognized in profit or loss for all financial instruments measured at amortized cost using the effective interest method.

Net finance cost represents the net off between the interest incomes and interest expenses.

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 Company 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.

3.23. Impairment

The company 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.

The company also reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss, if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

3.24. Employee benefits

3.24.1. Defined contribution plan

A defined contribution plan is a post-employment plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss in the periods during which services are rendered by employees. Employees are eligible for Employees' Provident Fund Contributions and Gratuity in accordance with the respective statutes and regulations.

Contributions to defined contribution plans are recognized as an expense in the statement of profit or loss as incurred.

Employees' provident fund

The company has booked the liability of 10% of the basic salary of each employee as per the provisions of Labour Act, 2074 to be contributed to Employees' Provident Fund managed by government of Nepal.

Gratuity

The new Labour Act 2074 is applicable from Bhadra 19, 2074 which requires payment of minimum Gratuity of at least 8.33% of basic salary to all staff (equal to one-month salary per year). These benefits are treated as defined contribution plan and provided accordingly.

The company has booked the liability against gratuity of 8.33% of the basic salary of each employee as per the provisions of Labour Act, 2074. However, in respect of employees who have served for more than 12 years, 12.5% of the basic salary has been booked as gratuity liability.

3.24.2. Staff bonus

Staff bonus is provided as per the prevalent practices at ten percent of accounting profit before staff bonus. The company is in loss so staff bonus has not been set aside.

3.25. Risk management

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

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

3.25.1. Technological Risk

The company is exposed to the technological risk. This risk generates from chances of technology being obsolete. The company has tried to mitigate this risk by making regular investment in new technology and product.

3.25.2. Market risk

Cash flow and fair value interest rate risk

The company is exposed to interest rate risk on financial instruments with variable interest rates.

Financial instruments with fixed rates expose the Company to fair value interest rate risk. The company'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 company 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 company invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model.

3.25.3. Credit risk

The Company 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 company is exposed arises from the company's investments in debt securities. However, there is no investment in debt securities.

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

The company's management monitor the status of the receivables in a periodical basis as per necessity. The Company can maximize the returns derived for the level of risk to which the Company is exposed.

3.25.4. Liquidity risk

Liquidity risk is the risk that the company 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 company's principal source of liquidity are cash and cash equivalent and the cash flow that are generated from operations. The company has no outstanding borrowing. The company believe that its working capital is sufficient to meet its requirements.

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

The Management monitors the company's liquidity position on a regular basis.

3.26. Valuation hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. The Company recognizes transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 valuations are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 portfolios are those where at least one input, which could have a significant effect on the instrument's valuation, is not based on observable market data.

3.26.1. Fair value of financial instruments held at amortized costs

The following table shows the carrying amounts and incorporates the Company's estimate of fair value of those financial assets and liabilities not presented on the Company's statement of financial position at fair value but presented at amortized cost.

Fair value of financial assets held at amortized cost

31st Ashadh 2080	Level 1	Level 2	Level 3
Cash and Cash Equivalents	110,236,480	-	-
Security Deposits	1,287,735	-	-
LC/TT Margin	1,531,468	-	-
Trade and Other Receivable	-	-	45,402,836
Total	113,055,682	-	45,402,836

32nd Ashadh 2079	Level 1	Level 2	Level 3
Cash and Cash Equivalents	188,494,743	-	-
Security Deposits	1,286,628	-	-
LC/TT Margin	1,531,468	-	-
Trade and Other Receivable	-	-	59,569,210
Total	191,312,839	-	59,569,210

Fair value of financial liabilities held at amortized cost

31st Ashadh 2080	Level 1	Level 2	Level 3
Employee Benefit Liabilities	-	-	1,381,656
Trade and Other Payables	-	-	43,127,061
Total	-	-	44,508,716

32nd Ashadh 2079	Level 1	Level 2	Level 3
Employee Benefit Liabilities	-	-	1,267,733
Trade and Other Payables	-	-	38,489,365
Total	-	-	39,757,099

3.26.2. Fair value Level 3 disclosures

The following sets out the basis of establishing fair values of amortized cost financial instruments. These are not generally traded and there is a significant level of management judgment involved in calculating the fair values.

Prepaid expenses & advances

These assets are generally with the residual maturity of less than one year. The impact of discounted cash flows of those assets with maturity period of more than one year is insignificant. Therefore, the fair value of other assets generally approximates the carrying amount.

Trade receivables

These assets are generally with the residual maturity of less than one year. The impact of discounted cash flows of those assets with maturity period of more than one year is insignificant. Therefore, the fair value of other assets generally approximates the carrying amount.

3.27. Cash flow statement

The statement of cash flows has been prepared by using the "indirect method" of preparing cash flows in accordance with the Nepal Accounting Standard – NAS 7 on 'Statement of cash flows. Cash and cash equivalents comprise of cash in hand and cash at bank.

3.28. Previous Year Figures

Figures in the financial statements are regrouped/re-arranged as necessary for better presentation of financial statements.

Reclassification in Statement of Financial Position as on 31st Ashad, 2080 (for previous period) as follows:

Particulars	Previously Reported Amount (Rs.)	Regrouped Amount (Rs.)	Difference (Rs.)	Reasons for reclassification
<u>Non-Current Assets</u>				
Property, plant and equipment's	150,240,391	65,341,362	84,899,029	Reclassification due to disclosure of material items on the face of the Financial Position.
Capital Work in Progress	-	84,899,029	(84,899,029)	
Financial Assets	-	1,286,628	(1,286,628)	Deposits held for more than 1 year are transferred from trade and other receivables.

Particulars	Previously Reported Amount (Rs.)	Regrouped Amount (Rs.)	Difference (Rs.)	Reasons for reclassification
<u>Current Assets</u>				
Trade and other receivables	61,356,306	59,569,210	1,787,096	Deposits and running margin transferred to financial assets.
Cash and cash equivalents	189,525,743	188,494,743	1,031,000	Short term custom margin held by bank are transferred to trade and other receivables.
Financial Assets	-	1,531,468	(1,531,468)	Running guarantee margin are transferred from trade and other receivables.

3.29. Related party transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies / decisions of the other, irrespective of whether a price is charged.

The Company identifies following as the related parties under the requirements of NAS 24.

- i) Shareholders having shareholding of 1% or more during the year.
- ii) Companies represented by the Directors.
- iii) Directors of the Company and their close family members if any
- iv) Key Managerial Personnel and their close family members if any

The details of transactions with related party are given in table below;

➤ With Board Members and Shareholders

S.N.	Directors	Relationship	Amount	Nature
1	Mr. Suman Pokharel	Chairperson	90,000.00	Meeting Allowance
2	Mr. Mrigendra Pradhan	Director	80,000.00	Meeting Allowance
3	Mr. Khilendra Poudel	Director	90,000.00	Meeting Allowance
4	Mr. Ritesh Lamichhane	Director	30,000.00	Meeting Allowance
5	Mr. Subash Gyawali	Director	60,000.00	Meeting Allowance
6	Ms. Rashmi Pant	Director	20,000.00	Meeting Allowance
7	Mr. Shanta Raj Batas	Director	110,000.00	Meeting Allowance
8	Mr. Manoj Dumar Shrestha	Alternative Director	10,000.00	Meeting Allowance
9	Mr. Sushant Chalise	Alternative Director	10,000.00	Meeting Allowance
10	Mr. Gaurav Manandhar	Director till	20,000.00	Meeting Allowance
11	Mr. Dinesh Thakali	Director till	60,000.00	Meeting Allowance
12	Ms. Shanta Shiwakoti	Director till	70,000.00	Meeting Allowance
13	Mr. Raghu Nath Bhandari	Director till	20,000.00	Meeting Allowance
14	Prabhu Bank Limited	Shareholder and Member	1,065,341.40	Sale of Goods and Services.
15	Himalayan Bank Limited	Shareholder and Member	226,000.00	Sale of Goods and Services.
16	Green Development Bank Limited	Shareholder and Member	1,542,393.50	Sale of Goods and Services.
17	Global IME Bank Limited	Shareholder and Member	18,867,085.68	Sale of Goods and Services.

18	Prabhu Bank Limited	Shareholder and Member	49,470.48	Interest Income on deposits.
19	Kamana Sewa Bikas Bank Limited	Shareholder and Member	5,640,043.43	Interest Income on deposits.
20	Shangri-La Development Bank Limited	Shareholder and Member	4,304,134.15	Interest Income on deposits.
21	Global IME Bank Limited	Shareholder and Member	4,785,048.72	Interest Income on deposits.

➤ **With Key Management Personnel**

S.N.	Name	Designation	Amount	Remarks
1	Mr. Narayan Prakash Bhaju	Chief Executive Officer	7,835,882.00	Other Benefits: Vehicle facility with fuel.

There have been no payment or transactions with the close family member of the directors and key managerial personnel.

3.30. Events after reporting period

The company 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 31st Ashad 2080 till the signing of this financial statement other than changes in Board of Directors as follows:

At 31 st Ashad, 2080		Financial Statements approval dated 22 nd Kartik, 2080	
Suman Pokharel	Chairperson	Suman Pokharel	Chairperson
Rashmi Pant	Director	Rashmi Pant	Director
Khilendra Paudel	Director	Bikash Kumar Nahata	Director
Subhas Gyawali	Director	Subhas Gyawali	Director
Mrigendra Pradhan	Director	Mrigendra Pradhan	Director
Ritesh Lamichhane	Director	Ritesh Lamichhane	Director
Shanta Raj Batas	Independent Director	Shanta Raj Batas	Independent Director

3.31. Tax Assessment

The last tax assessment of the company made by the Inland Revenue Department was for the F.Y. 2075-76 has been completed.

3.32. Impairment

During the year, the company has provided impairment loss on account of receivable from Net Payment Solution Pvt. Ltd. Amounting to NPR 650,000. Also, there has been a reversal of impairment amounting to NRs. 92,660/- against impairment done on FY 2076/77 for receivables. Reconciliation of impairment provision is as follows:

Particulars	Amount (Rs.)
Opening Balance of Provision for Impairment Loss – Receivables	36,418,141
<u>Adjustments</u>	
a. Amount (reversal of impairment provision) recovered and adjustment from provisioned amount	(92,660)
b. Impairment Provision on receivable	650,000
Closing Balance of Provision for Impairment Loss - Receivables	36,975,481

Date: 8th November, 2023

Place: Kathmandu

smartQR network

