



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैकबाट "ग" वर्गको इजाजतप्राप्त राष्ट्रियस्तरको संस्था

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Branches

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CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Month ended Ashadh, 2080 (Mid July of 2023)

Figures in NPR

Assets	This Year Ending	Immediate previous year
Cash and cash equivalent	764,910,002	804,344,084
Due from Nepal Rastra Bank	626,358,263	420,692,025
Placement with Bank and Financial Institutions	0	0
Derivative Financial Instruments	0	0
Other Trading Assets	0	0
Loan and advances to B/Fls	405,000,000	626,745,000
Loan and Advances to Customers	9,064,481,774	8,689,041,295
Investment Securities	3,730,274,303	3,838,626,700
Current Tax Assets	83,844,888	36,896,654
Investment in Subsidiaries	0	0
Investment in Associates	0	0
Investment Property	88,137,482	106,214,525
Property and Equipment	517,032,864	527,160,665
Goodwill and Intangible assets	0	6,927,421
Deferred Tax Assets	0	0
Other Assets	362,348,170	98,250,831
Total Assets	15,642,387,746	15,154,899,200
Liabilities	This Year Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	107,116,960	36,924,520
Due to Nepal Rastra Bank	0	1,458,500,000
Derivative Financial Instruments	0	0
Deposits from Customers	11,472,254,603	10,947,980,448
Borrowings	950,000,000	0
Current Tax Liabilities	0	0
Provisions	0	0
Deferred Tax Liabilities	126,415,036	212,329,190
Other Liabilities	353,010,973	329,236,842
Debt securities issued	248,358,580	248,014,336
Subordinated Liabilities	0	0
Total Liabilities	13,257,156,153	13,232,985,336
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	946,115,200	946,115,200
Share Premium	2,475,548	2,475,548
Retained Earnings	(27,119,877)	(47,187,217)
Reserves	1,463,760,723	1,020,510,333
Total equity attributable to equity holders	2,385,231,593	1,921,913,864
Non-controlling interest	0	
Total Equity	2,385,231,593	1,921,913,864
Total Liabilities and Equity	15,642,387,746	15,154,899,200

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Month ended Ashadh 2080

Figures in NPR

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	363,959,754.86	1,691,220,342.37	389,964,115	1,297,289,534
Interest expense	(343,864,409.17)	(1,355,364,275.99)	(297,336,661)	979,446,293
Net interest income	20,095,345.69	335,856,066.38	92,627,453.31	317,843,241
Fees and Commission Income	11,712,215.61	46,085,926.09	14,692,829	92,841,972
Fees and Commission Expense	-	-	-	-
Net fee and commission income	11,712,215.61	46,085,926.09	14,692,828.56	92,841,972
Net interest,fee and commission income	31,807,561.30	381,941,992.47	413,041,707.91	410,685,213
Net trading income	-	-	-	-
Other operating income	5,076,945.43	24,557,806.32	15,164,115	29,804,536
Total operating income	36,884,506.73	406,499,798.79	122,484,396.52	440,489,749
Impairment charge/(reversal) for loans and other losses	(147,517,823.39)	31,683,676.76	(68,999,398)	(29,470,509)
Net operating income	184,402,330.12	374,816,122.03	191,483,794.24	469,960,258
Operating Expenses				
Personnel Expense	(40,620,566.43)	(124,226,966.97)	(36,066,228)	(146,727,322)
Other Operating Expense	(35,413,781.38)	(96,418,463.46)	(30,208,438)	(77,570,689)
Depreciation and Amortization	(2,698,808.73)	(20,698,808.73)	(1,238,276)	(29,977,664)
Operating profit	105,669,173.59	133,471,882.86	123,970,852.83	215,684,583
Non operating Income	216,000.00	869,000.00	(83,667)	-
Non operating expense	-	-	-	-
Profit before Income tax	105,885,173.59	134,340,882.86	123,887,186.17	215,684,583
Income tax Expenses				
Current Tax	(34,853,064.51)	(43,317,818.35)	(37,162,283)	(74,707,011)
Deferred Tax				5,654,715
Profit/(loss) for the period	71,032,109.08	91,023,064.51	86,724,903.62	146,632,287

Condensed Statement of Comprehensive Income

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Profit/(loss) for the period	71,032,109.08	91,023,064.51	86,724,904	146,632,287.1
Other Comprehensive Income	12,870,192.36	372,294,664.43	(40,509,522)	35,546,404.76
Gains/(losses) from investments in equity instruments measured at fair value	12,870,192.36	372,294,664.43	(40,509,522)	
Total Comprehensive Income	83,902,301.44	463,317,728.94	46,215,382	182,178,691.89
Basic earning per share	7.51	9.62	9.17	15.50
Annualized Basic earning per share	7.51	9.62	9.17	15.50
Diluted earning per share	7.51	9.62	9.17	15.50
Profit attributable to:				
Equity holders of the Bank	83,902,301.44	463,317,728.94	46,215,382	146,632,287.12
Non-controlling interests	-	-	-	0.00

Ratios as per NRB Directives

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Capital fund to RWA	15.47%			13.70%
Total Loan Loss provision to Total NPL	72.38%			132.40%
Total Non-Performing Loan (NPL) To Total Loan	4.08%			2.64%
Cost of Funds	10.68%			9.91%
Credit to Deposit Ratio	83.38%			85.63%
Base Rate	12.52%			11.56%
Interest Rate Spread	4.59%			3.99%

Notes to Financial Statement

- Above Financial Statements are prepared in accordance with the Nepal Financial Reporting Standards (NFRS) and certain carve-outs as issued by ICAN.
- These figures may vary with the audited figures at the instance of external auditor and regulator.
- Figures have been regrouped and rearranged wherever necessary.
- Loans and advances consist of accrued interest receivable net of interest suspense and have been presented in net of any impairment charges. Impairment charge on loans and advances have been taken as calculated as per NRB directives using carve out no. 5 issued by Institute of Chartered Accountants of Nepal (ICAN) being higher of impairment charge calculated as per NAS 39.
- Loans and advances to customers include loan to customers and Loan to Employees which have been measured at amortised cost.
- Personnel expenses include employee bonus provision and amortization of the Deferred employee benefits of subsidized loans provided as per Employees byelaws of the bank.
- NFRS adjustments which are subject to regulatory adjustments as per NRB directives have been shown as regulatory adjustments.
- Interest on staff loan provided at nominal rate has been calculated for the FY 2079.80 and divided equally among four quarters.
- Reclassification has been made wherever necessary
- The detailed interim report has been published in the bank's website <https://www.goodwillfinance.com.np>

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

For the Month Ended Ashadh, 2080

Figures in NPR

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2078.79	(45,947,018)
Net Profit for the month ended Ashadh 2080	91,023,065
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	(69,114,844)
a. General Reserve	(18,204,613)
b. Capital Redemption Reserve	(50,000,000)
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	(910,231)
e. Employees Training Fund	
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	(3,081,080)
a. Transfer to Regulatory Reserve	(14,469,618)
b. Transfer from Regulatory Reserve	
c. Short Provision for possible losses on NBA 9- 0/reverseal(+)	11,388,537
Net Profit for Month ended Ashadh 2080 available for distribution	18,827,141

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)
आ. ब. २०७८/८० को चौथो त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on fourth Quarter ending 2079/80

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	25.46%	23.49%
Value of per share on total assets	Rs. 1653.33	Rs. 1689.03
Number of equity shares	9461152	9461152
Earnings per share	Rs. 9.62	Rs. 2.82
Net worth per share	Rs. 252.11	Rs. 170.00
Price earnings ratio	50.20%	165.76%

2. Management's analysis of performance

- As per NFRS reporting, during this fourth quarter for the year 2079-80, company's profitability decreased by (37.92)% as compare to 4th quarter of previous year 2078-2079. Likewise, loans & advances increased by 1.65% and deposit also increased by 5.41% respectively as compare to 4th quarter of previous Yr.2078-079

3. Legal proceedings

- No law suit has been filed by or against the company in the last quarter.
- No such information has been received of law suit filed by or against the promoters or directors of the company involving violation of statutory regulation or criminal offences.
- No such information has been received of law suit filed against any promoters or directors of the company for economic offences.

4. Analysis of stock performance

- During the fourth quarter of FY 2079/80, total volume of 902390 no. of shares were transacted in 4907 transactions and share price was of NPR 525/- at the highest, Rs. 405 was the lowest and NPR 483/- was the closing price at the end of the 4th quarter.

5. Problems and challenges

A. Internal Problems:

- Challenges of retaining & maintaining skilled man power.
- Building adequate leadership capabilities.

B. External Problems

- Scarcity of skilled & competent man power.
- Post COVID effect on economy.
- Very limited investment opportunities.
- Demand for quality loan in decreasing trend

C. Strategy:

- Closely monitoring the internal and external environmental changes and adopting proactive approach.
- Undertaking various initiatives to engage employees for better performance and retention.
- Introducing new products for better serving the market.
- Achieving excellence in service for delighting the customers.
- Emphasizing on quality rather than quantity.

6. Corporate Governance

That we deal with other people's money and we have to be a role model in management of custodial capital is made clear to everyone at Goodwill, from the members of the Board to entry level staff. The decisions at the company are taken after adequate and open deliberation by committees at different level depending on the decisions.

- The Board of Directors meets regularly to formulate and review the strategies and policies, and monitor the performance
- The Audit Committee, headed by a non-executive director, meets minimum every quarter to review the performance of the company and continually suggest measures to enhance compliance and control mechanisms.
- The Management Committee, chaired by the CEO, meets regularly to review performance and make business decisions.

7. Declaration by CEO on the truthfulness of information

To the best of my knowledge and belief, I, the Chief Executive Officer, declare that the information disclosed in this report are true reflection of the company's position and performance and I have not purposefully concealed any relevant data or information that in my assessment would adversely affect the investment decision of any depositor/investor.