



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैकबाट "ग" वर्गको इजाजतप्राप्त राष्ट्रियस्तरको संस्था

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CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Quarter ended Ashoj, 2079 (Mid October of 2022)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	659,340,355	801,466,833
Due from Nepal Rastra Bank	448,287,494	420,692,025
Placement with Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and advances to B/FIs	602,500,000	635,000,000
Loan and Advances to Customers	8,808,068,365	8,602,993,524
Investment Securities	3,455,793,496	3,835,053,410
Current Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	106,214,525	106,214,525
Property and Equipment	453,879,154	456,738,220
Goodwill and Intangible assets	7,705,204	7,705,204
Deferred Tax Assets	-	-
Other Assets	344,862,245	400,029,248
Total Assets	14,886,650,839	15,265,892,988
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	64,609,010	37,583,330
Due to Nepal Rastra Bank	1,150,000,000	1,458,500,000
Derivative Financial Instruments	-	-
Deposits from Customers	11,279,866,222	10,947,321,638
Borrowings	-	-
Current Tax Liabilities	47,439,352	79,758,265
Provisions	-	-
Deferred Tax Liabilities	202,749,732	202,749,732
Other Liabilities	306,394,220	340,809,336
Debt securities issued	247,754,951	247,754,951
Subordinated Liabilities	-	-
Total Liabilities	13,298,813,486	13,314,477,252
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	118,912,856	85,031,326
Reserves	520,333,749	917,793,663
Total equity attributable to equity holders	1,587,837,353	1,951,415,736
Non-controlling interest	-	-
Total Equity	1,587,837,353	1,951,415,736
Total Liabilities and Equity	14,886,650,839	15,265,892,988

* Data has been restated where as necessary

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Ashoj 2079

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	477,438,659	477,438,659	348,444,492	348,444,492
Interest expense	(327,165,998)	(327,165,998)	(205,350,507)	(205,350,507)
Net interest income	150,272,660	150,272,660	143,093,984	143,093,984
Fees and Commission Income	8,303,063	8,303,063	13,464,103	13,464,103
Fees and Commission Expense	-	-	-	-
Net fee and commission income	8,303,063	8,303,063	13,464,103	13,464,103
Net interest,fee and commission income	158,575,723	158,575,723	156,558,088	156,558,088
Net trading income				
Other operating income	5,108,485	5,108,485	16,009,519	16,009,519
Total operating income	163,684,208	163,684,208	172,567,606	172,567,606
Impairment charge/(reversal) for loans and other losses	47,070,829	47,070,829	17,384,730	17,384,730
Net operating income	116,613,379	116,613,379	155,182,877	155,182,877
Operating Expenses				
Personnel Expense	(36,952,593)	(36,952,593)	(32,839,182)	(32,839,182)
Other Operating Expense	(18,998,912)	(18,998,911.80)	(18,096,204)	(18,096,204)
Depreciation and Amortization	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)
Operating profit	54,661,874	54,661,874	98,247,491	98,247,491
Non operating Income	126,000	126,000	2,768,763	2,768,763
Non operating expense				
Profit before Income tax	54,787,874	54,787,874	101,016,253	101,016,253
Income tax Expenses				
Current Tax	(16,364,403)	(16,364,403)	(29,827,729)	(29,827,729)
Deferred Tax				
Profit/(loss) for the period	38,423,471	38,423,471	71,188,525	71,188,525

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	38,423,471	38,423,471	71,188,525	71,188,525
Other Comprehensive Income	(397,459,913)	(397,459,913)	(28,464,121)	(28,464,121)
Gains/(losses) from investments in equity instruments measured at fair value	(397,459,913)	(397,459,913)	(28,464,121)	(28,464,121)
Total Comprehensive Income	(359,036,443)	(359,036,443)	42,724,404	42,724,404
Basic earning per share	4.06	4.06	8.21	8.21
Annualized Basic earning per share	16.24	16.24	32.84	32.84
Diluted earning per share	16.24	16.24	32.84	32.84
Profit attributable to:				
Equity holders of the Bank	(359,036,443)	(359,036,443)	42,724,404	42,724,404
Non-controlling interests	-	-	-	-
Total	(359,036,443)	(359,036,443)	42,724,404	42,724,404

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		14.34%		15.52%
Total Loan Loss provision to Total NPL		154.18%		123.31%
Total nonperforming loan(NPL) to total loan		2.15%		3.40%
Cost of Funds		10.83%		7.44%
Credit to Deposit Ratio		83.15%		80.15%
Base Rate		12.39%		9.31%
Interest Rate Spread		4.73%		4.84%

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 regulator 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 Quarter Ended Ashoj, 2079

Figures in NPR

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2078.79	80,509,330.59
Net Profit for the quarter ended Ashoj 2079	38,423,470.78
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	(8,068,928.86)
a. General Reserve	(7,684,694.16)
b. Capital Redemption Reserve	-
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	(384,234.71)
e. Employees Training Fund	
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	(95,057,591.93)
a. Transfer to Regulatory Reserve	(95,057,591.93)
b. Transfer from Regulatory Reserve	-
Net Profit for quarter ended Ashoj 2079 available for distribution	(64,703,050.01)
Closing retained Earnings as on Ashoj end 2079	15,806,280.58

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)
आ. ब. २०७९/८० को प्रथम त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on first Quarter ending 2079/80

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	25.59%	24.66%
Value of per share on total assets	Rs.1573.45	Rs.1613.53
Number of equity shares	9461152	9461152
Earnings per share (Annualized)	Rs.16.24	Rs.19.93
Net worth per share	Rs.167.83	Rs.206.26
Price earnings ratio	27.40	25.04

2. Management's analysis of performance

- As per NFRS reporting, during this first quarter for the year 2079-80, company's profitability decreased by (46.03)% as compare to 1st quarter of previous year 2078-2079. Likewise, loans & advances are increased by 1.87% and deposit also increased by 3.27% respectively as compare to 1st 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 third quarter of FY 2079/80, total volume of 35442 no. of shares were transacted in 186 transactions. And share price was of NPR 634/-at the highest, Rs. 419 was the lowest and NPR 445/- was the closing price at the end of the 1st 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.
- Global pandemic of corona virus.
- 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.