



**MANJUSHREE FINANCIAL INSTITUTION LIMITED**  
मञ्जुश्री फाइनेन्सियल इन्स्टिट्युसन लिमिटेड

*Behind your happiness*

Omkar Building, Nayabaneswor, Kathmandu Tel:4782517 Fax:4782534  
Website:www.manjushreefinance.com, Email:manjushree@manjushreefinance.com

नेपाल राष्ट्र बैंक बाट ग बर्गको इजाजतपत्र प्राप्त संस्था

## Unaudited Financial Results ( Quarterly)

As at end of 2nd Quarter Poush 30, 2070 (January 14, 2014) of the fiscal year 2070/71  
(in '000')

S.N.	Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
<b>1</b>	<b>Total Capital And Liabilities (1.1 to 1.7)</b>	<b>1,362,666</b>	<b>1,314,095</b>	<b>1,385,155</b>
1.1	Paid up Capital	225,000	225,000	225,000
1.2	Reserve and Surplus	41,059	46,925	22,662
1.3	Debentures and Bond	-	-	-
1.4	Borrowings	-	-	-
1.5	Deposits (a+b)	1,012,976	981,590	1,089,423
	a. Domestic Currency	1,012,976	981,590	1,089,423
	b. Foreign Currency	-	-	-
1.6	Income Tax Liabilities	-	-	1,540
1.7	Other Liabilities	83,631	60,580	46,530
<b>2</b>	<b>Total Assets (2.1 to 2.7)</b>	<b>1,362,666</b>	<b>1,314,095</b>	<b>1,385,155</b>
2.1	Cash and Bank Balance	352,983	221,581	403,036
2.2	Money at call and short Notice	-	-	-
2.3	Investment	10,957	14,268	30,000
2.4	Loans and Advances (a+b+c+d+e+f)	921,422	981,182	878,270
	a. Real Estate Loan			83,886
	" 1. Residential Real Estate Loan (Except personal Home Loan upto Rs. One crore) "	19,000	19,000	19,000
	" 2. Business Complex & Residential Apartment Construction Loan "			
	3. Income generating Commercial Coplex Loan	2,626	2,626	2,626
	" 4. Other Real Estate (Including Land Purchase and Plotting) "	40,209	51,559	62,260
	b. personal Home Loan of Rs. One Crore or less	34,835	35,174	36,557
	c. Margin Type Loan	98,618	118,940	130,094
	d. Term Loan	128,013	129,585	98,570
	e. Overdraft Loan/TR Loan/WC Loan	267,589	589,506	502,920
	f. Others	330,533	34,792	26,242
2.5	Fixed Assets	10,462	10,947	12,040
2.6	Non Banking Assets	-	-	-
2.7	Other Assets	66,842	86,117	61,809
<b>3</b>	<b>Profit And Loss Account</b>	<b>Up to This Quarter</b>	<b>Up to Previous Quarter</b>	<b>Up to Corresponding Previous Year Quarter</b>
3.1	Interest Income	63,602	16,314	65,518
3.2	Interest Expenses	50,000	26,325	49,744
	<b>A. Net Interest Income (3.1-3.2)</b>	<b>13,602</b>	<b>(10,011)</b>	<b>15,774</b>
3.3	Fees, Commission and Discount	-	-	-
3.4	Other Operating Income	9,930	9,010	3,836
3.5	Foreign Exchange Gain/Loss (Net)	-	-	-
	<b>B. Total Operating Income (A.+3.3+3.4++3.5)</b>	<b>23,532</b>	<b>(1,001)</b>	<b>19,610</b>
3.6	Staff Expenses	4,589	2,546	3,914
3.7	Other Operating Expenses	6,179	3,085	7,131
	<b>C. Operating Profit Before Provision (B.-3.6-3.7)</b>	<b>12,764</b>	<b>(6,632)</b>	<b>8,565</b>
3.8	Provision for Possible Losses	6,335	1,044	2,917
	<b>D. Operating Profit (C.-3.8)</b>	<b>6,429</b>	<b>(7,676)</b>	<b>5,648</b>
3.9	Non Operating Income / Expenses (Net)	-	-	-
3.10	Write Back of provision for possible Loss	-	-	-
	<b>E. Profit From Regular Activities (D +3.9+3.10)</b>	<b>6,429</b>	<b>(7,676)</b>	<b>5,648</b>
3.11	Extraordinary Income / Expenses (Net)	-	-	-
	<b>F. Profit before Bonus and Taxes (E.+3.11)</b>	<b>6,429</b>	<b>(7,676)</b>	<b>5,648</b>
3.12	Provision for Staff Bonus	585	-	513
3.13	Provision for Tax	1,753	-	1,540
	<b>G. Net Profit/Loss (F.-3.12-3.13)</b>	<b>4,091</b>	<b>(7,676)</b>	<b>3,595</b>
<b>4</b>	<b>Ratios</b>	<b>At the End of this Quarter</b>	<b>At the End of previous Quarter</b>	<b>Corresponding Previous Year Quarter</b>
4.1	Capital Fund to RWA	28.46	24.58	25.51
4.2	Non Performing Loan (NPL) to Total Loan	1.11	0.97	0.72
4.3	Total Loan Loss Provision to Total NPL	261.60	225.58	240.50
4.4	Cost of Fund	8.50	9.50	9.31
4.5	" Credit to Deposit Ratio (Calculated as per NRB Directives) "	72.04	78.27	65.69

Note: Above figures may vary with the audited figures if modified by the external auditors and regulators.

**Disclosure as prescribed by Securities Registration and Issue Regulation, 2065 (Related to Sub rule (2) of Rule22), for the Second quarter of F.Y. 2070/71**

**1. Financial Statements (as per un-audited figures of 2070.09.30)**

- Financial detail as at the end of second quarter (2070.09.30) of F.Y. 2070/71 has been published along with.
- Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 3.63
b) Market Value Per Share	NPR 128
c) Price Earnings Ratio	35.26
d) Net Worth Per Share	NPR 118.24
e) Total Assets / No. of Share	605.63
f) Liquidity Ratio	27.96%

**2. Management Analysis**

- Details relating to the change in the FI's reserve, income and liquidity in the quarter (if any) and its main reason. FI's operating profit in comparison to corresponding Quarter of previous year has increased.. Liquidity position of the FI remained strong throughout the quarter nearly 27.96% of the total deposit.
- Management's analytical details regarding future business plan. FI seeks to achieve sustainable growth in business and profitability as per its strategic management plan.
- Analytical details of the incidents that may have major impact on reserve, profit or cash flow (if any) based on previous experience. No specific incident occurred during the period that could have impact on reserve, profit or cash flow.

**3. Legal Proceedings**

- Case filed by or against the FI in this quarter. No case filed by or against FI in this quarter.
- Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the promoter or Director of the FI. No such information has been received.
- Case relating to commission of financial crime filed against any Promoter or Director of the FI. No such information has been received.

**4. Analysis of Stock Performance of the FI**

- Management view on the transaction of the shares of the FI in the Share Market. Transaction of Shares and share price are determined by open market at Nepal Stock Exchange Ltd.
- Maximum, minimum and last share price, total transaction days and total transacted number of shares in the quarter (as per nepalstock.com)

Maximum Price	Minimum Price	Last Price	Total Number of Trades	Total Volume of traded shares	No of days traded
128	108	128	56,222	Rs. 6,437,958	7

**5. Problems and Challenges**

*Internal*

- To maintain the level of interest spread.
- Managing overheads.
- Recruitment, retention and development of quality manpower.

*External*

- Unhealthy competition in banking industry.
- Unstable socio-political situation of the country.
- Lack of favorable environment for the investment. Strategy to overcome the problems and challenges
- Development and Introduction of customer oriented products / services.
- Strict portfolio management with emphasis on quality rather than quantity.
- Identification of new business avenues.
- Focus on development of staffs by training, counseling and monitoring them.

**6. Corporate Governance**

Clear separation of roles and responsibilities of Board of Directors and Management has ensured high standard of corporate Governance. Audit Committee has been functioning independently and actively. Manjushree is committed for transparency, high standard of professionalism and data integrity.

**7. Corporate Governance**

I, CEO of the FI, am accountable individually on the factual accuracy of the information submitted as of the date in this report. I also declare that to the best of my knowledge, no material information for investors has been concealed.

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