MANJUSHREE FINANCIAL INSTITUTION LIMITED
मञ्जुश्री फाईनान्सियल इन्स्टिट्युसन लिमिटेड

ऊकार बिल्डिङ्ग (दोस्रो तल्ला) जर्जी बाबेश्वर, कालमाण्डौ
जि.पि.ओ. बक्स: ०३१०८, कालमाण्डौ, नेपाल
फोन नं.: ०४८-१-४८८७५९८, फ्याक्स: ०४८-१-४८८७४३
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Unaudited Financial Results (Quarterly)

As at 2nd Quarter Poush 30, 2072 (January 14, 2016) of the year 2072/73

Rs in '000'

S. N.	Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
1	**Total Capital And Liabilities (1.1 to 1.7)**	**2,536,009**	**2,439,424**	**2,367,580**
1.1	Paid up Capital	250,650	225,000	225,000
1.2	Reserve and Surplus	51,360	63,491	43,566
1.3	Debentures and Bond	-	-	-
1.4	Borrowings	37,900	37,900	212,900
1.5	Deposits (a+b)	2,093,200	2,011,474	1,798,287
	a. Domestic Currency	2,093,200	2,011,474	1,798,287
	b. Foreign Currency			
1.6	Income Tax Liabilities	-	-	-
1.7	Other Liabilities	102,899	101,559	87,827
2	**Total Assets (2.1 to 2.7)**	**2,536,009**	**2,439,424**	**2,367,580**
2.1	Cash and Bank Balance	558,975	543,433	744,623
2.2	Money at call and short Notice	-	-	-
2.3	Investment	40,000	40,000	10,000
2.4	Loans and Advances (a+b+c+d+e+f)	1,760,395	1,792,429	1,143,885
	a. Real Estate Loan	139,347	147,159	55,644
	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)	117,721	125,533	24,518
	b. personal Home Loan of Rs. One Crore or less	376,350	389,954	272,444
	c. Margin Type Loan	233,157	237,109	263,764
	d. Term Loan	391,456	364,759	235,272
	e. Overdraft Loan/TR Loan/WC Loan	257,663	280,548	296,865
	f. Others	362,422	372,900	433,899
2.5	Fixed Assets	12,251	12,468	12,083
2.6	Non Banking Assets	-	-	-
2.7	Other Assets	164,389	51,094	52,487

3	Profit And Loss Account	Up to This Quarter	Up to Previous Quarter	Upto Corresponding Previous Year Quarter
3.1	Interest Income	122,066	59,869	86,570
3.2	Interest Expenses	79,898	41,227	62,038
A.	**Net Interest Income (3.1-3.2)**	**42,169**	**18,643**	**24,532**
3.3	Fees, Commission and Discount	1,081	456	
3.4	Other Operating Income	4,068	2,461	10,122
3.5	Foreign Exchange Gain/Loss (Net)	-	-	-
B.	**Total Operating Income (A.+3.3+3.4++3.5)**	**47,318**	**21,559**	**34,654**
3.6	Staff Expenses	8,350	4,530	6,404
3.7	Other Operating Expenses	8,214	3,816	8,117
C.	**Operating Profit Before Provision (B.-3.6-3.7)**	**30,755**	**13,213**	**20,133**
3.8	Provision for Possible Losses			13,344
D.	**Operating Profit (C.-3.8)**	**30,755**	**13,213**	**6,789**
3.9	Non Operating Income / Expenses (Net)	-	-	-
3.10	Write Back of provision for possible Loss	5,400	1,066	-
E.	**Profit From Regular Activities (D +3.9+3.10)**	**36,154**	**14,279**	**6,789**
3.11	Extraordinary Income / Expenses (Net)	(6,009)	-	-
F.	**Profit before Bonus and Taxes (E.+3.11)**	**30,145**	**14,279**	**6,789**
3.12	**Provision for Staff Bonus**	**2,740**	**1,298**	**617**
3.13	Provision for Tax	8,221	3,894	1,852
G.	**Net Profit/Loss (F.-3.12-3.13)**	**19,182**	**9,086**	**4,320**

4	Ratios	At the End of this Quarter	At the End of Previous Quarter	At the End of Corresponding Previous Year Quarter
4.1	Capital Fund to RWA	15.26	15.74	15.14
4.2	Non Performing Loan (NPL) to Total Loan	4.57	4.74	4.40
4.3	Total Loan Loss Provision to Total NPL	94.32	89.42	117.56
4.4	Cost of Fund	7.2	8.12	7.93
4.5	CD Ratio	71.91	76.29	74.92
4.6	Base Rate	9.85	10.51	10.78
4.7	Interest Spread	5.11	5.25	5.76

Notes: If the statutory and Supervisory authority notify any remarks to change, the unaudited Statement of Financial position could be changed accordingly.

Disclosure as prescribed by Securities Registration and Issue Regulation, 2065 (Related to Sub rule (2) of Rule 22, for the Second quarter of F.Y. 2072/73.

1. Financial Statements (as per un-audited figures of 2072.09.30)

i) Financial detail as at the end of First quarter (2072.09.30) of F.Y. 2072/73 has been published along with this disclosure.

ii) Major Financial Indicators

a) Earnings Per Share (Annualized)	NPR 15.30
b) Market Value Per Share	NPR 212
c) Price Earnings Ratio	13.85
d) Net Worth Per Share	NPR 120
e) Total Assets / No. of Share	1012
f) Liquidity Ratio	28%

2. Management Analysis

a) Details relating to the change in the FI's reserve, income and liquidity in the quarter (if any) and its main reason.
FI's reserve and liquidity position remained strong throughout the quarter.

b) Management's analytical details regarding future business plan.
FI seeks to achieve sustainable growth in business and profitability as per its strategic management plan.

c) 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

a) Case filed by or against the FI in this quarter.
No case filed by or against this institution having material impact on banking business.

b) 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.

c) 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

a) 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.

b) Maximum, minimum and last share price, total transaction days and total transacted number of shares in the quarter (as per nepalstock.com)

Maximum Share price	Minimum Share Price	Closing Share Price	Total No. of Transaction	No. of days of transaction	Total Traded no. of share
223	176	212	52	8	53404

5. Problems and Challenges

Internal
1) To maintain the level of interest spread.
2) Managing overheads.
3) Recruitment, retention and development of quality manpower.

External
1) Tough competition in banking industry.
2) Unstable socio-political situation of the country.
3) Lack of favorable environment for the investment.

Strategy to overcome the problems and challenges
1) Development and Introduction of customer oriented products / services.
2) Strict portfolio management with emphasis on quality rather than quantity.
3) Identification of new business avenues.
4) 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.