

Manjushree Finance Limited
Disclosure Under Basel II
As at Chaitra End, 2081

1 CAPITAL STRUCTURE & CAPITAL ADEQUACY

A.	Core Capital (Tier I)	2,087,546.93
a	Paid up Equity Share Capital	1,351,552.85
b	Irredeemable Non-cumulative preference shares	-
c	Share Premium	-
d	Proposed Bonus Equity Shares	-
e	Statutory General Reserves	359,480.59
f	Retained Earnings	89,101.40
g	Un-audited current year cumulative profit/(loss)	171,119.38
h	Capital Redemption Reserve	166,666.67
i	Capital Adjustment Reserve	-
j	Dividend Equalization Reserves	-
k	Other Free Reserve	-
l	Less: Goodwill	-
m	Less: Deferred Tax Assets	17,738.20
n	Less: Fictitious Assets	-
o	Less: Investment in equity in licensed Financial Institutions	-
p	Less: Investment in equity of institutions with financial interests	-
q	Less: Investment in equity of institutions in excess of limits	-
r	Less: Investments arising out of underwriting commitments	-
s	Less: Reciprocal crossholdings	-
t	Less: Purchase of land & building in excess of limit and unutilized	-
u	Less: Other Deductions	32,635.76
B.	Supplementary Capital (Tier 2)	311,871.76
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	
d	General loan loss provision	209,280.17
e	Exchange Equalization Reserve	-
f	Investment Adjustment Reserve	-
g	Asset Revaluation Reserve	-
h	Other Reserves	102,591.60
	Total Capital Fund (Tier I and Tier II)	2,399,418.69

Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	12.47%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	14.33%

2 Risk Exposure

	RISK WEIGHTED EXPOSURES	Current Priod
a	Risk Weighted Exposure for Credit Risk	15,176,441.51
b	Risk Weighted Exposure for Operational Risk	1,071,404.94
c	Risk Weighted Exposure for Market Risk	-
d	Adjustments under Pillar II	
	Add: RWE equivalent to reciprocal of capital charge of 2 % of gross income.	169,609.90
	Add: Overall risk management policies and procedures are not satisfactory. Add 2% of RWE	324,956.93
	Total Risk Weighted Exposures	16,742,413.27

3 Risk Weighted Exposure under each 11 Categories of Credit Risk

A.	Balance Sheet Exposure	Risk Weighted Exposure
1	Claims on Government and Central Bank	-
2	Claims on Other Official Entities	-
3	Claims on domestic banks that meet capital adequacy requirements	198,681.09
4	Claims on Domestic Corporates (Unrated)	1,105,214.89
5	Claims on regulatory retail portfolio	5,332,929.07
6	Claims secured by residential properties	3,561,387.85
7	Claims fulfilling all criterion of regularity retail except granularity	899,960.43
8	Personal Hirepurchase/Personal Auto Loans	96,828.96
9	Personal Hirepurchase/Personal Auto Loans (above Rs. 2.5 Million)	-
10	Lending against Shares(above Rs.5 Million)	717,763.15
11	High risk claims	2,014,867.47
12	Lending Against Shares(upto Rs. 5 Million)	180,822.05
13	Claims secured by Commercial real estate	192,325.84
14	Other Assets	
	Investments in equity and other capital instruments of institutions listed in stock exchange	
a.		
b.	Staff loan secured by residential property	140,908.37
c.	Other Assets	752,488.29
15	Off- Balance Sheet Exposures	3,320.00
16	Irrevocable Credit commitments (short term)	58,085.29
	Irrevocable Credit commitments (Long term)	40,980.52
	Total RWE for Credit Risk	15,296,563.26

4 Eligible Credit Risk Mitigation

Eligible Credit Risk Mitigations	Amount
Deposit with Banks	120,121.75
Govt. & NRB Securities	
Total Eligible CRM	120,121.75

5 Amount of Non Performing Assets (Gross Net)

	Particulars	Gross	Provision	Net
A	Restructured	-		
B	Sub-standard	169,212.86	42,303.22	126,909.65
C	Doubtful	305,463.55	152,731.77	152,731.77
D	Loss	278,605.75	278,605.75	0.00
	Total	753,282.15	473,640.74	279,641.42

6 Non Performing Assets (NPA Ratios)

NPA Ratio	
Gross NPA to Gross Advances	4.20%
Net NPA to Net Advances	1.63%

7 Movement in Non Performing Assets

Particulars	This Quarter	Previous Quarter	Change %
Non Performing Assets	753,282.15	534,532.02	40.92
Non Performing Assets %	4.20%	3.12%	1.08%

8 Write off of Loans and Interest in the Quarte (NRs. '000')

Particulars	Amount
Write off Loans During the Quarter	-141.80
Write off Interest Suspense during the Quarter	-

9 Movement of Loan Loss provision and Interest Suspense

Particulars	This Quarter	Previous Quarter	Change %
Loan Loss Provision	748,329.21	569,301.77	31.45%
Interest Suspense	180,102.45	324,646.56	-44.52%

10 Details of Additional Loan Loss Provision

Particulars	This Quarter	Previous Quarter	Movement
Additiona Loan Loss Provision	179,027.43	24,310.14	154,717.29

11 Segregation of Investment Portfolio

Particulars	This Quarter End
Held For Trading	-
Held to Maturity	4,713,966.84
Available for Sale	-