



MANJUSHREE FINANCE LIMITED

मञ्जुश्री फाइनेन्स लिमिटेड

(नेपाल राष्ट्र बैंकबाट "ग" वर्गको इजाजतपत्रप्राप्त संस्था)

प्रधान कार्यालय ओमकार भवन, नयाँ बानेश्वर-१०, काठमाण्डौ

फोन नं. ०१-४७८२५१७, फ्याक्स: ०१-४७८२३४

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Unaudited Interim Financial Results

As at 4th Quarter 31st Ashad 2076 (July 16, 2019) of the year 2075/76

S.N.	Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
1	Total Capital And Liabilities (1.1 to 1.7)	10,995,513	8,379,548	7,318,160
1.1	Paid up Capital	804,060	804,060	804,060
1.2	Reserve and Surplus	214,577	146,478	136,024
1.3	Debentures and Bond	-	-	-
1.4	Borrowings	1,470,000	550,000	30,357
1.5	Deposits (a+b)	7,307,070	6,547,648	6,074,039
a.	Domestic Currency	7,307,070	6,547,648	6,074,039
b.	Foreign Currency	-	-	-
1.6	Income Tax Liabilities	-	-	-
1.7	Other Liabilities	299,805	331,363	273,679
2	Total Assets (2.1 to 2.7)	10,995,513	8,379,548	7,318,160
2.1	Cash and Bank Balance	2,120,935	2,065,769	1,735,777
2.2	Money at call and short Notice	-	-	-
2.3	Investment	1,102,490	143,884	105,438
2.4	Loans and Advances (a+b+c+d+e+f)	6,550,681	5,845,537	5,188,951
a.	Real Estate Loan	340,570	370,776	274,153
1.	Residential Real Estate Loan (Except personal Home Loan upto Rs. 15 Million) "	36,546	36,642	18,943
2.	Business Complex & Residential Apartment Construction Loan	70,000	70,000	-
3.	Income generating Commercial Complex Loan	1,451	1,551	1,901
4.	Other Real Estate (Including Land Purchase and Plotting)	232,573	262,582	253,308
b.	Personal Home Loan of Rs. 15 Million or less	1,764,280	1,677,924	1,523,207
c.	Margin Type Loan	268,593	229,250	277,737
d.	Term Loan	2,715,780	2,581,503	1,981,624
e.	Overdraft Loan/T/R Loan/WC Loan	511,112	792,004	703,557
f.	Others	950,346	194,000	1,228,073
2.5	Fixed Assets	57,221	59,026	47,661
2.6	Non Banking Assets	36,346	41,346	41,346
2.7	Other Assets	227,841	223,987	198,987
3	Profit And Loss Account	Upto This Quarter	Upto Previous Quarter	Upto Corresponding Previous Year Quarter
3.1	Interest Income	984,049	681,993	748,227
3.2	Interest Expenses	672,485	492,544	542,174
A.	Net Interest Income (3.1-3.2)	311,565	189,449	206,053
3.3	Fees, Commission and Discount	4,606	3,121	5,580
3.4	Other Operating Income	36,489	24,876	33,448
3.5	Foreign Exchange Gain/(Loss) (Net)	-	-	-
B.	Total Operating Income (A+3.3+3.4+3.5)	352,660	217,446	245,081
3.6	Staff Expenses	64,556	45,797	48,031
3.7	Other Operating Expenses	67,619	43,604	58,968
C.	Operating Profit before Provision (B.-3.6-3.7)	220,485	128,044	138,082
3.8	Provision for Possible Losses	55,063	64,636	11,742
D.	Operating Profit (C.-3.8)	165,422	63,408	126,341
3.9	Non Operating Income / Expenses (Net)	5,000	-	26,101
3.10	Write Back of provision for possible Loss	-	-	-
E.	Profit From Regular Activities (D+3.9+3.10)	170,422	63,408	152,442
3.11	Extraordinary Income / Expenses (Net)	-	-	-
F.	Profit before Bonus and Taxes (E.+3.11)	170,422	63,408	152,442
3.12	Provision for Staff Bonus	15,493	5,764	13,858
3.13	Provision for Tax	46,479	17,293	41,575
G.	Net Profit/(Loss) (F.-3.12-3.13)	108,450	40,350	97,009
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	14.23	14.56	16.50
4.2	Non Performing Loan (NPL) to Total Loan	2.19	2.96	2.11
4.3	Total Loan Loss Provision to Total NPL	139.73	121.45	126.41
4.4	Cost of Fund	9.3	9.86	10.71
4.5	CD Ratio	78.68	77.96	73.55
4.6	Base Rate	11.34	12.05	13.74
4.7	Interest Spread	4.41	4.39	4.36

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

Condensed Consolidated Statement of Financial Position (Unaudited)

As on Quarter ended 31st Ashad 2076 (July 16, 2019)

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,768,360,411	1,602,273,646
Due from Nepal Rastra Bank	352,574,286	162,673,859
Placement with Bank & Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	97,824,056	-
Loans and advance BFs	792,850,000	-
Loans and advance to customers	5,572,721,905	5,043,205,288
Investment securities	1,103,331,376	105,438,315
Current tax assets	77,041,427	9,191,911
Investment in subsidiaries	-	-
Investment in associates	-	-
Investment Property	36,345,732	41,345,732
Property and equipment	56,160,863	46,739,279
Goodwill and Intangible assets	1,194,964	921,877
Deferred tax assets	312,330	596,652
Other Assets	199,824,404	185,579,760
Total Assets	10,058,541,754	7,197,966,318
Liabilities		
Due to Bank and Financial Institutions	3,776,624,861	1,078,848,667
Due to Nepal Rastra Bank	211,100,000	98,808,330
Derivative financial instruments	-	-
Deposit from customers	4,789,345,587	4,926,739,097
Borrowing	-	-
Current Tax Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities	-	-
Other Liabilities	100,889,184	96,556,715
Debt Securities issued	-	-
Subordinate Liabilities	-	-
Total Liabilities	8,877,959,632	6,200,952,809
Equity		
Share capital	804,060,210	804,060,210
Share Premium	660,563	660,563
Retained earnings	211,043,153	123,042,947
Reserves	164,818,186	69,249,789
Total equity attributable to equity holders	1,840,582,122	997,013,509
Non-controlling interest		
Total equity	1,840,582,122	997,013,509
Total Liabilities and equity	10,058,541,754	7,197,966,318

Condensed Consolidated Statement of Profit or Loss

As on Quarter ended 31st Ashad 2076 (July 16, 2019)

Particular	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	301,684,439	1,014,460,540	260,342,128	813,256,069
Interest Expenses	179,940,235	672,484,692	170,465,333	542,174,137
Net Interest Income	121,744,204	341,975,848	89,876,795	271,081,932
Fees and Commission Income	11,367,004	35,617,559	8,884,438	36,816,743
Fees and Commission expenses	-	-	-	-
Net fee and commission income	11,367,004	35,617,559	8,884,438	36,816,743
Net interest, fee and commission income	133,111,208	377,593,407	98,761,233	307,898,676
Net trading income	841,766	841,766	-	-
Other operating income	1,731,369	5,477,820	759,352	2,211,581
Total operating income	135,684,344	383,912,994	99,520,384	310,110,257
Impairment charge/(reversal) for loans and other losses	(9,572,631)	55,063,383	7,153,882	19,399,211
Net operating income	145,256,975	328,849,610	92,366,502	290,711,046
Operating expenses	18,758,396	82,889,969	15,741,026	48,030,816
Personnel expenses	20,015,308	57,188,157	14,622,294	49,007,961
Depreciation & Amortization	3,999,745	10,430,653	3,141,268	9,959,840
Operating Profit	102,483,526	178,340,832	58,661,915	183,712,429
Non operating income	5,000,000	5,000,000	26,101,336	26,101,336
Profit before income tax	107,483,526	183,340,832	84,763,251	209,813,765
Income tax expenses	29,511,782	50,151,782	23,166,182	57,301,194
Current Tax	29,511,782	50,151,782	23,166,182	57,301,194
Deferred Tax	198,093	284,322	(5,614)	(126,183)
Profit/(loss) for the period	77,971,743	133,189,050	61,797,069	152,512,571
Condensed Consolidated Statement of Comprehensive Income				
Profit/(loss) for the period	77,971,743	133,189,050	61,797,069	152,512,571
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	77,971,743	133,189,050	61,797,069	152,512,571
Profit attributable to:				
Equity holders of the bank	77,971,743	133,189,050	61,797,069	152,512,571
Non-controlling Interest	-	-	-	-
Total	77,971,743	133,189,050	61,797,069	152,512,571
Earning Per Share				
Basic Earning per share		16.56		18.97
Diluted Earning per share		16.56		18.97

Ratios as per NRB Directives

Particular	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		17.46
Non-performing loan (NPL) to total loan		2.19		2.11
Total loan loss provision to Total NPL		139.73		126.41
Cost of Funds		9.3		10.71
Credit to Deposit Ratio		75.63		71.34
Base Rate		11.34		13.74
Interest Rate Spread		4.41		4.36

Note:

- Above financials have been prepared in accordance with NRB Directive No. 4 and applicable Nepal Financial Reporting Standards (NFRs) by applying certain Carve-outs in NFRs as issued by Institute of Chartered Accountant of Nepal (ICAN).
- Interest Income on loan has been recognized on accrual basis to the extent allowed by Guideline on Recognition of Interest Income, 2019, issued by Nepal Rastra Bank dated 2076/04/10 (Circular No. 01/076/077). Interest accrual those fall outside the scope of recognition criteria has been suspended and shall be recognised on cash basis.
- The above figures are subject to change if directed by the Regulators and/or External Auditor.
- The above unaudited interim financial statements has been uploaded in the Finance website.

Disclosure as prescribed by Securities Registration and Issue Regulation, 2073

(Related to Sub rule (1) of Rule 26, for the Fourth Quarter of FY. 2075/76)

1. Financial Statements (as per un-audited figures of 2076.03.31)

i) Financial detail as at the end of Fourth Quarter (2076.03.31) of FY. 2075/76 has been published along with this disclosure.

ii. Major Financial Indicators

a) Earnings Per Share	NPR 16.56	b) Market Value Per Share	NPR 128
c) Price Earnings Ratio	7.73	d) Net Worth Per Share	NPR 138
e) Total Assets / No. of Share	1250.97	f) Liquidity Ratio	22.67%

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.

Except in the regular course of business, there are no law suit filed against the FI in this quarter.

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	136	Minimum Share Price	110
Closing Share Price	128	Total No. of Transaction	574
No. of days of transaction	60	Total Traded No. of share	391,164

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. Declaration

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.