



Durbar Marg, Kathmandu, Nepal
Phone: 01-4268719, Fax: 01-4269308



Condensed Statement of Profit or Loss

For the Quarter ended 30 Ashwin 2077

	Amount in NPR	
Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	5,872,594,149	6,484,204,170
Due from Nepal Rastra Bank	1,430,128,035	2,042,218,769
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	481,040,146	455,048,993
Loan and advances to B/FIs	889,583,028	829,370,578
Loans and advances to customers	28,802,262,126	29,492,133,954
Investment securities	3,120,322,550	3,013,307,402
Current tax assets	89,555,413	154,363,312
Investment in subsidiaries	-	-
Investment in associates	4,733,900	4,733,900
Investment property	317,859,715	317,859,715
Property and equipment	339,062,300	351,527,368
Goodwill and Intangible assets	2,411,446	2,770,768
Deferred tax assets	-	-
Other assets	109,429,137	95,584,710
Total Assets	41,458,981,946	43,243,123,638
Liabilities		
Due to Bank and Financial Institutions	464,259,538	688,966,336
Due to Nepal Rastra Bank	-	-
Derivative financial instruments	-	-
Deposits from customers	35,342,255,047	36,977,169,027
Borrowing	-	-
Current Tax Liabilities	-	-
Provisions	72,540,364	67,622,410
Deferred tax liabilities	53,589,116	53,589,116
Other liabilities	541,019,790	639,383,897
Debt securities issued	-	-
Subordinated Liabilities	-	-
Total liabilities	36,473,663,855	38,426,730,785
Equity		
Share capital	3,072,061,328	3,072,061,328
Share premium	-	-
Retained earnings	231,548,835	204,605,414
Reserves	1,681,707,927	1,539,726,111
Total equity attributable to equity holders	4,985,318,091	4,816,392,853
Non-controlling interest		
Total equity	4,985,318,091	4,816,392,853
Total liabilities and equity	41,458,981,946	43,243,123,638

Condensed Statement of Comprehensive Income

For the Quarter ended 30 Ashwin 2077

Particulars	Current Year		Previous Year	Corresponding
	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Profit / (Loss) for the Period	159,780,873	159,780,873	106,876,468	106,876,468
Other comprehensive income for the period, net of income tax	-	-	-	-
Total comprehensive income	159,780,873	159,780,873	106,876,468	106,876,468
Total comprehensive income attributable to:				
Equity holders of the Bank	159,780,873	159,780,873	106,876,468	106,876,468
Non-controlling interest				
Total comprehensive income	159,780,873	159,780,873	106,876,468	106,876,468
Basic earnings per share		20.80		13.92
Diluted earnings per share		20.80		13.92

For the Quarter ended 30 Ashwin 2077

(As per NRB Regulation)

(As per NRB Regulation)

		Amount in NPR
Net profit or (loss) for the period end Ashwin 2077		159,780,873
1. Appropriations		
1.1 Profit required to be appropriated to:		33,533,983
<i>a. General reserve</i>		31,956,175
<i>b. Capital redemption reserve</i>		-
<i>c. Exchange fluctuation fund</i>		-
<i>d. Corporate social responsibility fund</i>		1,597,809
<i>e. Employees' training fund</i>		-
<i>f. Other</i>		
1.2 Profit required to be transferred to Regulatory Reserve:		(225,422,750)
<i>a. Transferred to Regulatory Reserve</i>		(387,709,785)
<i>b. Transferred from Regulatory Reserve</i>		162,287,035
Net profit for the period end Ashwin 2077 available for distribution		(99,195,860)

- Above Financial Statements are prepared in accordance with Nepal Financial Reporting Standards (NFRS).
- Loan & Advances Includes Staff loans and accrued interest receivable on loans and are presented net of loan impairments.
- Bank has assessed and measured impairment loss on Loan & Advances at higher of amount derived as per norms prescribed by NRB and as per NAS 39.
- Personal Expenses includes employee bonus calculated as per Bonus Act, 2030.
- The unaudited financial figures are subject to change from external auditor and regulatory authority.
- Detailed interim report has been published in Bank's website www.mahalaxmibank.com.

(Related to Sub rule (1) of Rule 26), for the First quarter of Fiscal Year 2077/78

- v) Challenge to increase the branch network.

- v) Challenge to increase the branch network.
- vi) Challenge to manage operational risk and minimize risk relating to information technology.

External:

- i) COVID-19 Novel Coronavirus pandemic is expected to have severe negative impacts on the global economy along with national economy.
- ii) Slowdown in Remittance as other countries where Nepalese workers are employed are also affected from coronavirus
- iii) Increased level of operation risk in the industry
- iv) Challenge to recover the interest as hotels and tourism sector and other sectors are hardly hit by the lockdown and various sectors are expected to face long term effect from the pandemic.

6. Strategy to overcome Problems and Changes

- i) To revise strategy and planning.
- ii) Minimize the cost of deposit, HR expense and other operating expense
- iii) Identify the areas of investment related to agricultural sector and try to solve the problem of unemployment to certain level.
- iv) Identify borrowers that are affected by the pandemic and provide them with necessary facilities as per NRB.
- v) Provide banking service to population still not within the bank reach and mobilize deposit.
- vi) Provide uninterrupted service through the use of information technology
- vii) Introduction of customer-oriented & innovative products and services
- viii) Strengthening human resource capabilities to minimize various risk
- ix) Proper portfolio management targeting good quality loan customers.
- x) Identification of new investment avenues
- xi) To stringent bank internal control and monitoring system & policy to face various risk.

7. Corporate Governance

The bank is committed towards high standard of corporate governance, professionalism, ethical standard and compliance with superior standard in business practice. In order to maintain the superior standard of corporate governance, various committees are effectively functioning in the bank. Further, Internal Audit Department of the bank is also outsourced and it is functioning effectively. The Bank has been fully complying with the directives, guidelines issued by NRB.

- 8. Declaration of CEO**
To the best of my knowledge, the information published in this report is true and fair. No material information for investors has been concealed. I personally take the responsibility of the genuineness and purity of the report till the date.

सबल बैंक, सफल सहकार्य