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



106,876,468

(नेपाल राष्ट्र बैंकबाट "ख" वर्गको राष्ट्रियस्तरको इजाजत प्राप्त संस्था)

Condensed Statement of Financial Position

Assets

Cash and cash equivalent

Institutions

Due from Nepal Rastra Bank Placement with Bank and Financial

Derivative financial instruments Other trading assets

Loans and advances to customers

Due to Bank and Financial Instituions

Total equity attributable to equity holders

Loan and advances to B/FIs

Investment securities Current tax assets

Investment property

Deferred tax assets

Other assets

Total Assets

Liabilities

Borrowing Current Tax Liabilities

Provisions Deferred tax liabilities

Other liabilities

Total liabilities Equity

Share premium

Retained earnings

Non-controlling interest

Share capital

Reserves

Total equity

Debt securities issued Subordinated Liabilities

Property and equipment Goodwill and Intangible assets

Due to Nepal Rastra Bank Derivative financial instruments

Deposits from customers

Investment in susidiaries Investment in associates

5,872,594,149

1,430,128,035

481,040,146

889,583,028

28,802,262,126

3,120,322,550

89,555,413

4,733,900

317,859,715

339,062,300

109,429,137

464,259,538

35,342,255,047

53,589,116

541,019,790

36,473,663,855

3,072,061,328

231,548,835

1.681.707.927

4,985,318,091

4,985,318,091

41,458,981,946

41,458,981,946

2,411,446

Ending

Immediate Previous Year

Ending

6,484,204,170

2,042,218,769

455,048,993

829,370,578

29,492,133,954

3,013,307,402

154,363,312

4,733,900

317,859,715

351,527,368

2,770,768

95 584 710

688,966,336

36,977,169,027

53,589,116

639,383,897

38,426,730,785

3,072,061,328

204,605,414

1,539,726,111

4,816,392,853

4,816,392,853

Profit for the period

43,243,123,638

Amount in NPR

Condensed Statement of Profit or Loss

				Amount in NPR
	Current Year		Previous Year Corresponding	
Particulars	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
Interest income	1,057,433,415	1,057,433,415	1,108,917,496	1,108,917,496
Interest expense	631,658,729	631,658,729	705,866,933	705,866,933
Net interest income	425,774,686	425,774,686	403,050,563	403,050,563
Fee and commission income	38,300,045	38,300,045	47,669,908	47,669,908
Fee and commission expense	2,029,720	2,029,720	890,135	890,135
Net fee and commission income	36,270,326	36,270,326	46,779,773	46,779,773
Net interest, fee and commission income	462,045,012	462,045,012	449,830,336	449,830,336
Net trading income	-	-	-	-
Other operating income	15,887,746	15,887,746	10,109,002	10,109,002
Total operating income	477,932,758	477,932,758	459,939,338	459,939,338
Impairment charge/(reversal) for loans and other losses	25,949,027	25,949,027	79,803,498	79,803,498
Net operating income	451,983,731	451,983,731	380,135,840	380,135,840
Operating expense	223,725,340	223,725,340	229,763,723	229,763,723
Personnel expenses	160,452,270	160,452,270	155,728,742	155,728,742
Other operating expenses	49,548,212	49,548,212	59,906,612	59,906,612
Depreciation & Amortisation	13,724,858	13,724,858	14,128,369	14,128,369
Operating Profit	228,258,391	228,258,391	150,372,116	150,372,116
Non operating income	-	-	2,320,500	2,320,500
Non operating expense	-	-	11,948	11,948
Profit before income tax	228,258,391	228,258,391	152,680,668	152,680,668
Income tax expense	68,477,517	68,477,517	45,804,200	45,804,200
Current Tax	68,477,517	68,477,517	45,804,200	45,804,200
Deferred Tax Income / Expenses	-	-	-	-

Condensed Statement of Comprehensive IncomeFor the Quarter ended 30 Ashwin 2077

159,780,873

				Amount in NPR
	Current Year		Previous Year Corresponding	
Particulars	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)
rofit / (Loss) for the Period	159,780,873	159,780,873	106,876,468	106,876,468
Other comprehensive income for the eriod, net of income tax	-	-	-	-
otal comprehensive income	159,780,873	159,780,873	106,876,468	106,876,468
otal comprehensive income attributable to:				
Equity holders of the Bank	159,780,873	159,780,873	106,876,468	106,876,468
Non-controlling interest				
otal comprehensive income	159,780,873	159,780,873	106,876,468	106,876,468
asic earnings per share		20.80		13.92
Piluted earnings per share		20.80		13.92

Condensed Statement of distributable profit or loss

For the Quarter ended 30 Ashwin 2077 (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
a. General reserve	31,956,175
b. Capital redemption reserve	-
c. Exchange fluctuation fund	-
d. Corporate social responsibility fund	1,597,809
e. Employees' training fund	-
f. Other	
1.2 Profit required to be transferred to Regulatory Reserve:	(225,422,750)
a. Transferred to Regulatory Reserve	(387,709,785)
b. Transferred from Regulatory Reserve	162,287,035
Not mucht for the maried and Ashrain 2077 available for distribution	(00.105.960)

Ratios as per NRB Directive

Autros as per tries streetive					
	Current Year		Previous Year Corresponding		
Particulars	This Quarter	Upto This Quarter (YTD)	This Quarter	Upto This Quarter (YTD)	
Capital Fund to RWA (%)		13.51		14.81	
Non-Performing Loan (NPL) to Total Loan (%)		2.36		2.85	
Total Loan Loss Provision to Total NPL (%)		150.18		100.68	
Cost of Funds (%)		6.45		8.44	
Credit to Deposit Ratio (CCD Ratio as per NRB) (%)		74.74		75.15	
Base Rate (%)		8.94		11.47	
Interest Rate Spread (%)		4.99		5.43	

- 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.

Disclosure as prescribed by Securities Registration and Issuance Regulation, 2073 (Related to Sub rule (1) of Rule 26), for the First quarter of Fiscal Year 2077/78

- Quarterly statement of financial position and statement of profit or loss has been published along with this detail.
- Major Financial Indicators

ii. Earnings per Share (Annualized)
ii. Price Earning ratio
iii. Net Worth per Share
iv. Return on Total Asset (Annualized) : NPR 20.80 : 10.86 times NPR 162.28 v. Liquidity Ratio : 28.69%

Management Analysis:

- a) The liquidity position of the bank is satisfactory.
 b) Non-performing loan will be further managed in the coming quarter.

- Details relating to legal action

 a) Case filed by or against the bank in this year: No such information has been received.

 b) Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the Promoter or Director of the bank: No such information has been received.

 c) Case relating to financial crime filed against any Promoter or Director: No such information has been received.

Analysis of stock performance of the bank

Analysis of stock performance of the bank. The bank's share price and transaction are determined according to the demand and supply of shares in the market. Maximum, Minimum and last Share price of the bank including total share transaction number, volume and days of transaction during the quarter are:

Maximum Share Price : NPR 239 Minimum Share Price Last Share Price : NPR 226 : 1,403,885 shares : NPR 297,865,222 Transaction volume (No. of shares) Transaction volume (Amount) Transaction Days : 64

Problems and Challenges

Internal:

- Increased cost of operation.
- iii Challenge to maintain interest spread rate as per the directive issued by NRB.
 iii) Change in interest rates of loans and deposits due to the effect of COVID-19 thereby
- reducing the net interest income.
- to identify areas of investment as most of the sectors are affected by the

- Challenge to increase the branch network.

 Challenge to manage operational risk and minimize risk relating to information technology.

External:

- COVID-19 Novel Coronavirus pandemic is expected to have severe negative impacts on the global economy along with national economy.
- Slowdown in Remittance as other countries where Nepalese workers are employed are also
- affected from coronavirus
 Increased level of operation risk in the industry
- 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.

Strategy to overcome Problems and Changes

- ii) To revise strategy and planning.
 iii) 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.

 Identify borrowers that are affected by the pandemic and provide them with necessary
- Provide banking service to population still not within the bank reach and mobilize
- deposit.
- reposit.

 Provide uninterrupted service through the use of information technology
 Introduction of customer-oriented & innovative products and services
- Strengthening human resource capabilities to minimize various risl Proper portfolio management targeting good quality loan customers.
- Identification of new investment avenues
- xi) To stringent bank internal control and monitoring system & policy to face various risk.

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

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.