



Shree Investment and Finance Co. Ltd.

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Unaudited Interim Financial Statement

Condensed Statement of Financial Position

As on Quarter ended Paush 29, 2076 (14.01.2020)

Amount in NPR

Particulars	This quarter ending	Immediate previous year ending
Assets		
Cash and cash equivalent	1,118,425,354	1,092,634,104
Due from Nepal Rastra Bank	215,120,262	187,089,245
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and advances to B/FIs	213,345,000	183,645,000
Loans and advances to customers	4,328,888,956	4,092,558,339
Investment securities	316,376,535	319,030,072
Current tax assets	-	318,791
Investment in subsidiaries	-	-
Investment in associates	-	-
Investment property	-	-
Property and equipment	119,120,479	112,465,171
Goodwill and Intangible assets	1,629,458	1,629,458
Deferred tax assets	-	-
Other assets	6,886,230	6,908,224
Total Assets	6,319,792,274	5,996,278,405
Liabilities		
Due to Bank and Financial Institutions	396,405,920	420,473,867
Due to Nepal Rastra Bank	16,319,827	66,835,154
Derivative financial instruments	-	-
Deposits from customers	4,760,769,366	4,315,288,696
Borrowing	-	-
Current tax liabilities	1,249,425	-
Provisions	-	-
Deferred tax liabilities	3,934,087	6,072,469
Other liabilities	44,881,441	66,448,679
Debt securities issued	-	-
Subordinated liabilities	-	-
Total liabilities	5,223,560,067	4,875,118,865
Equity		
Share capital	829,035,000	810,000,000
Share premium	-	-
Retained earnings	50,587,013	106,340,291
Reserves	216,610,194	204,819,248
Total equity attributable to equity holders	1,096,232,207	1,121,159,540
Non-controlling interest	-	-
Total equity	1,096,232,207	1,121,159,540
Total liabilities and equity	6,319,792,274	5,996,278,405

Condensed statement of Profit or Loss and Comprehensive Income

As on Quarter ended Paush 29, 2076 (14.01.2020)

Particulars	Current Year		Previous Year	
	This Quarter	Up to this Quarter (YTD)	This Quarter	Up to this Quarter (YTD)
Interest income	185,341,510	370,510,631	169,100,051	318,304,179
Interest expense	113,577,148	229,868,763	97,399,556	193,265,741
Net interest income	71,764,363	140,641,868	71,700,496	125,038,438
Fee and commission income	9,741,158	20,420,425	7,115,566	16,296,168
Fee and commission expense	28,945	32,407	7,290	10,400
Net fee and commission income	9,712,213	20,388,017	7,108,276	16,285,768
Net interest, fee and commission income	81,476,576	161,029,885	78,808,772	141,324,206
Net trading income	-	-	-	-
Other operating income	1,948,741	3,041,958	930,665	1,214,350
Total operating income	83,425,317	164,071,843	79,739,437	142,538,556
Impairment charge/(reversal) for loans and other losses	370,618	9,194,474	2,394,873	7,753,206
Net operating income	83,054,699	154,877,370	77,344,564	134,785,349
Operating expense				
Personnel expenses	16,466,360	34,686,612	13,713,421	28,473,074
Other operating expenses	9,956,235	19,469,503	9,163,387	15,804,422
Depreciation & amortisation	1,809,270	3,582,167	2,133,349	4,143,666
Operating Profit	54,822,835	97,139,087	52,334,407	86,364,187
Non operating income	-	-	-	-
Non operating expense	-	-	-	-
Profit before income tax	54,822,835	97,139,087	52,334,407	86,364,187
Income tax expense				
Current Tax	16,446,851	29,141,726	15,097,227	25,909,256
Deferred Tax Income/ (Expenses)	-	-	-	-
Profit for the period	38,375,985	67,997,361	37,237,180	60,454,931
Other comprehensive income	3,195,519	1,476,526	-	-
Total comprehensive income	41,571,503	69,473,887	37,237,180	60,454,931
Basic Earnings per Share		16.40		14.93
Diluted Earnings per Share		16.40		14.93
Total comprehensive income attributable to:				
Equity holders of the Company	41,571,503	69,473,887	37,237,180	60,454,931
Non-controlling interest	-	-	-	-
Total	41,571,503	69,473,887	37,237,180	60,454,931

Statement of Distributable Profit or Loss

Particulars	Amount
Net profit for the Second Quarter ended FY 2076/77	67,997,361
Appropriations:	
a. General reserve	(13,599,472)
b. Foreign exchange fluctuation fund	-
c. Capital redemption reserve	-
d. Corporate social responsibility fund	(679,974)
e. Employees' training fund	-
f. Other	-
Regulatory adjustment :	
Transfer to regulatory reserve	(4,171,193)
Transfer from regulatory reserve	-
Distributable profit or (loss)	49,546,722

4. Ratios as per NRB Directives	Current Year Up to This Quarter (YTD)	Previous Year Up to This Quarter (YTD)
4.1 Capital Fund to RWA	19.63%	21.53%
4.2 Non Performing Loan (NPL) To Total Loan	0.44%	0.19%
4.3 Total Loan Loss Provision to Total NPL	288.63%	652.42%
4.4 Cost of Funds	9.31%	9.47%
4.5 Credit to Deposit Ratio(Calculated as per NRB Directives)	75.61%	74.97%
4.6 Interest Spread Rate	4.96	4.96
4.7 Base Rate	11.49%	12.29%

Notes to unaudited Interim Financial Results

- The above figures may undergo change as per statutory audit and or as per direction from Nepal Rastra Bank.
- Above financials have been prepared in accordance with NRB Directive No.4 and applicable Nepal Financial Reporting Standard (NFRS) by applying certain Carve-outs in NFRSs issued by Institute of Chartered Accountants of Nepal (ICAN)
- Loans and Advances are presented net of impairments. Loan and Advances also includes interest receivables on loans together with staff loans and advances.
- The Company has measured impairment loss on Loans and Advances as the higher of amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provision and amount determined as per paragraph 63 of NAS 39 by using Carve-out.
- Due to the impracticability to determine reliably the effective interest rate as required by para 9 and para AG 93 of NAS 39, the Company has opted for Carve-Outs with the assumption that the normal interest rate equals the effective interest rate.
- Interest income on loans and advances has been recognized on accrual basis to the extent allowed by the 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 recognized on a cash basis.
- Figures are regrouped where necessary.
- The above unaudited interim financial statements has been updated in the Company's website.

धितोपत्र दर्ता तथा निष्काशन नियमावलि, २०७३को नियम २६को उपनियम (१) अनुसार (१४ अनुसारको आ.व. २०७६/०७७ को दोस्रो त्रैमासिक प्रतिवेदन

१. वित्तीय विवरण

- (क) यस त्रयमास अवधिको वासलात तथा नाफा नोक्सान सम्बन्धी *Unaudited Financial* विवरण यसैसाथ प्रकाशित गरिएको छ ।
- (ख) यस त्रयमास अवधिको प्रमुख वित्तीय अनुपातहरूमा प्रतिशेयर आम्दानी: रु.१६.४०, पि.ई.अनुपात: ९.१४, प्रतिशेयर नेटवर्थ: रु.१३२.२३, प्रति शेयर कूल सम्पत्तीको मूल्य: रु. ७६२.३१ तथा तरलता अनुपात: २९.५७ रहेको छ ।

२. व्यवस्थापकीय विश्लेषण

- (क) अधिल्लो त्रयमासको तुलनामा यस त्रयमासमा संस्थाको निक्षेप ४.१० प्रतिशतले तथा कर्जा सापट ३.७४ प्रतिशतले बढेको छ । संस्थाको खुद आम्दानी अधिल्लो आर्थिक वर्षको यसै त्रयमासको तुलनामा १२.४८ प्रतिशतले बढेको छ । यस अवधिमा संस्थालाई तरलता सम्बन्धि समस्या रहेन ।
- (ख) संचालक समितिबाट निर्धारण गरिएको वार्षिक कार्यक्रम अनुसारको लक्ष्य प्राप्तितर्फ संस्था क्रियाशील रहि कार्य गर्दै आएको छ ।
- (ग) विगतको अनुभवबाट संस्थाको मौज्दात, नाफा वा नगद प्रवाहमा तात्त्विक असर पार्न सक्ने खालका कुनै खास घटना वा अवस्था आदि यस संस्थामा हाल विद्यमान रहेको देखिदैन ।

३. कानूनी कारवाही सम्बन्धी विवरण

- (क) यस त्रयमास अवधिमा संस्थाले वा संस्थाको विरुद्ध कुनै प्रकारको मुद्दा दायर भएको छैन ।
- (ख) संस्थाको संस्थापक वा संचालकले वा संस्थापक वा संचालकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै प्रकारको मुद्दा दायर गरेको वा भएको छैन ।
- (ग) कुनै संस्थापक वा संचालक विरुद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै प्रकारको मुद्दा दायर भएको छैन ।

४. संगठित संस्थाको शेयर कारोबार सम्बन्धी विश्लेषण

- (क) संस्थाको पूँजी तथा कारोबारमा समेत बृद्धि हुदै गरेको कारण धितोपत्र बजारमा यस संस्थाको शेयर कारोबार सम्बन्धि धारणा सकारात्मक रहेको बुझिएको र तुलनात्मक रुपमा संस्थाको शेयर कारोबार समेत न्यून मात्रामा हुने गरेको छ ।
- (ख) वर्तमान समयमा धितोपत्र बजारका सूचकहरूको अवस्था तल भर्दै गरेका हुदा संस्थाको शेयर मूल्य पनि विगतको भन्दा तुलनात्मक रुपमा केहि उतार चढाज देखिएको छ । यस त्रयमास अवधिमा संस्थाको शेयरको अधिकतम मूल्य रु.१६३ न्यूनतम मूल्य रु.१३९ तथा अन्तिम मूल्य रु.१५० रहेको र शेयर कारोबार ४२ दिन तथा कारोबार संख्या १८२ भएको छ । (स्रोत: *Nepse Index*)

५. समस्या तथा चुनौती

- यस संस्था भित्र आन्तरिक समस्या खासै नरहेको भएपनि बाह्य समस्या एवं चुनौतीको रुपमा मुख्यतया बैंक तथा वित्तीय संस्थाको संख्यात्मक विस्तारले निक्षेप तथा कर्जा लगानी क्षेत्र सांगुरिदै जादा तरलताको अभाव थुजना हुने, धितोपत्र बजारमा आई रहेको उतार चढावले लगानीको उपयुक्त बातावरण बन्न नसकेको लगायत कर्जाको साँवा व्याज असुलि तथा नयाँ कर्जा प्रवाहमा समेत केहि कठिनाई उत्पन्न हुने गरेको बाहेक अन्य खासै समस्या रहेको छैन ।

६. संस्थागत सुशासन

- संस्थागत सुशासन सम्बन्धमा विभिन्न विनियम, नीति तथा कार्यविधिहरू तर्जुमा गरि लागु गरिएको छ । यस बाहेक लेखापरीक्षण समितिबाट संस्थाको नियमित लेखापरीक्षणको क्रममा प्राप्त हुने आन्तरिक तथा बाह्य लेखापरीक्षकका प्रतिवेदन उपर व्यवस्थापनसंग आवश्यक छलफल एवं प्रतिक्रिया लिई सो सुधार गर्न संचालक समितिमा पेश गर्ने गरेको र संस्थागत सुशासन पालना गराउने तर्फ उक्त समिति सदैव क्रियाशील समेत रहेको छ ।

७. सत्य, तथ्यता सम्बन्धमा कार्यकारी प्रमुखको उद्घोषण

- आजका मिति सम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरूको शुद्धता सम्बन्धमा म व्यक्तिगत रुपमा उत्तरदायित्व लिन्छु । साथै म यो उद्घोष गर्दछु की मैले जाने बुझेसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरू सत्य, तथ्य र पूर्ण छन् र लगानीकर्ताहरूलाई सूचित निर्णय लिन आवश्यक कुनै विवरण, सूचना तथा जानकारीहरू लुकाइएको छैन ।