



ज्योति विकास बैंक लि. JYOTI BIKASH BANK LTD.

More than a Bank

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Unaudited Financial Results (Quarterly)

As at Poush End 2067 (2067/09/30) of the Fiscal Year 2067/068

(Rs. In '000)

S.N.	Particulars	This Quarter Ending (Poush End 2067)	This Quarter Ending (Ashwin End 2067)	Corresponding Previous Year Quarter Ending (Posuh End 2066)
1	Total Capital & Liabilities(1.1 to 1.8)	3,098,200	2,786,568	1,502,988
1.1	Paid Up Capital	740,000	740,000	259,000
1.2	Reserve and Surplus	54,304	35,593	4,849
1.3	Capital Adjustment Fund (Call in advance)	-	-	189,000
1.4	Debentures and Bonds	-	-	-
1.5	Borrowings	-	100,000	60,000
1.6	Deposits(a+b)	2,230,920	1,834,437	966,732
	a. Domestic Currency	2,223,001	1,826,766	959,929
	b. Foreign Currency	7,919	7,671	6,803
1.7	Income Tax Liability	645	5,636	-
1.8	Other Liabilities	72,331	70,902	23,407
2	Total Assets(2.1 to 2.7)	3,098,200	2,786,568	1,502,988
2.1	Cash and Bank Balance	258,853	254,086	86,935
2.2	Money at Call and Short Notice	272,103	208,471	208,124
2.3	Investments	108,121	99,323	29,531
2.4	Loans and Advances (a+b+c+d+e)	2,360,230	2,123,549	1,117,534
	a. Real Estate Loan	475,970	448,377	378,837
	1. Residential Real Estate	280,899	230,953	137,221
	2. Commercial Building and Residential Apartment Construction Loan	-	-	-
	3. Loan to Completed Commercial Complex Generating Income	-	-	-
	4. Other Real Estate Loan (Including loan for purchase and plotting of land)	195,071	217,424	241,616
	b. Margin Type Loan	115,117	114,303	48,379
	c. Term Loan	603,467	534,343	209,872
	d. Overdraft Loan / TR Loan / WC Loan	931,885	805,408	243,084
	e. Other	233,791	221,118	237,362
2.5	Fixed Assets	53,870	52,112	36,480
2.6	Non Banking Assets	-	-	-
2.7	Other Assets	45,023	49,026	24,384
3	Profit and Loss Account	Up to This Quarter (Poush End 2067)	Up to Previous Quarter (Ashwin End 2067)	Up to Corresponding Previous Year Quarter (Poush End 2066)
3.1	Interest Income	167,896	80,561	65,116
3.2	Interest Expenses	92,806	46,374	31,477
	A.Net Interest Income(3.1-3.2)	75,090	34,188	33,638
3.3	Fees, Commission and Discount	19,471	12,098	7,687
3.4	Other Operating Income	2,776	1,344	1,155
3.5	Foreign Exchange Gain/Loss(Net)	35	23	(18)
	B. Total Operating Income(A+3.3+3.4+3.5)	97,373	47,652	42,463
3.6	Staff Expenses	13,246	7,442	8,504
3.7	Other Operating Expenses	26,950	14,323	16,044
	C.Profit Before Provision(B-3.6-3.7)	57,176	25,888	17,916
3.8	Provision for Possible Losses	6,863	4,979	4,335
	D. Operating Profit(C-3.8)	50,313	20,909	13,581
3.9	Non Operating Income/Expenses(Net)	-	-	-
3.10	Write back of Provision for Possible Loss	-	-	-
	E. Profit from Regular Activities(D+3.9+3.10)	50,313	20,909	13,581
3.11	Extra Ordinary Income/Expenses(Net)	-	-	-
	F. Profit Before Bonus and Taxes(E+3.11)	50,313	20,909	13,581
3.12	Provision for Staff Bonus	4,574	1,901	1,235
3.13	Provision for Tax	13,722	5,703	3,704
	G. Net Profit/Loss(F-3.12-3.13)	32,017	13,306	8,643
4	Ratios	This Quarter Ending (Poush End 2067)	Previous Quarter Ending (Ashwin End 2067)	Corresponding Previous Year Quarter Ending (Poush End 2066)
4.10	Capital Fund to RWA	30.73%	34.42%	37.56%
4.20	Non Performing Loan (NPL) to Total Loan	0.002%	0.043%	0.000%
4.30	Total Loan Loss Provision to Total NPL	41587.98%	2196.37%	NA
4.40	Cost of Funds	10.35%	9.46%	7.36%
4.50	CD Ratio (Calculated as per NRB Circular)	78.28%	81.65%	79.10%

Note : Financial statement may be changed if amendment made by supervisory authority or statutory auditor.

Disclosure as per Securities Registration and Issuance Regulation, 2065

Annexure – 14 (Sub Rule 2 of Rule 22) Quarterly Details as on 14 January 2011

1. Major Financial Ratio

a. Earnings Per Share (annualized)	:	NRs. 8.65
b. Market Value Per Share	:	NRs. 283
c. Price Earning Ratio (annualized)	:	32.73
d. Liquidity (CRR)	:	5.76%
e. Return on Equity (annualized)	:	8.08%
f. Return on Assets (annualized)	:	2.07%
g. Net Worth Per Share	:	NRs. 107.04

2. Management Analysis

- There have been positive changes in the Bank's reserve and surplus in line with the growth in business volumes in this quarter. The net profit posted NRs. 32 million with growth of 140.63% and 270.46% as compared to last quarter and corresponding quarter of last year respectively. Deposit of the bank went up from 1.83 billion to 2.23 billion in this quarter recording growth of 21.61% in this quarter. Similarly, Loan and Advances have been increased from 2.12 billion to 2.36 billion with quarterly growth of 11.15%. The liquidity position of the bank remained comfortable during this quarter.
- The Bank plans to grow through mass banking for which the bank aims to increase number of branches in rural and urban areas along with improvement in quality of services.
- Stiff competition and increasing cost of fund may have adverse impact on the future profitability of the Bank.

3. Details relating to legal Action

- Case filed by or against the organized institution: There are no any cases filed by or against the bank.
- Case filed by or against the promoter or director of bank involving violation of statutory regulations or criminal offences: No such information has been received.
- Case relating to financial crime filed against any Promoter or Director: No such information has been received.

4. Analysis of Share Performance of the bank

Management's view on the performance of the stocks of the body corporate in the Stock Exchange: The share of the bank has been recently listed in Nepal Stock Exchange. Hence, it is too early to comment on the share performance of the bank in the stock exchange.

Maximum, Minimum and Closing price of the stocks of the body corporate during the quarter along with total volume of trading of shares and number of days traded:

Maximum Price: NRs. 315	Minimum Price: NRs. 283
Closing Price: NRs. 283	Total Volume Traded: 1,210
Number of Days Traded: 2 Days	

5. Problem and challenges

Internal:

- ❖ Competition both on maintaining lending yield and mobilizing deposits at lower cost.
- ❖ Recruitment, retention and development of quality manpower

External:

- ❖ Increasing competition on banking industry.
- ❖ Decrease in investment opportunities due to unstoppable socio-political situation of the country.

Strategy:

- ❖ Development of new products and services.
- ❖ Re-pricing of existing products and services to maintain the reasonable spread rate.
- ❖ Establishing strong internal control system
- ❖ Establishing strong risk management approaches/ Portfolio management.
- ❖ Focus on training, monitoring and counseling of staff.

6. Corporate Governance

The Board of Directors, Audit Committee and Management team are committed to uphold the good corporate governance practices in the bank. The bank's organization structure and work flow has been devised keeping best corporate governance practices in mind.

7. Declaration by Chief Executive officer on the Truthfulness and Accuracy of Information

I, as at the date, hereby, individually accept responsibility for the accuracy of the information and details contained in this report. Also hereby declare that to the best of my knowledge and belief, the information contained in this report is true, accurate and complete and there are no other matters concealed the omission of which shall adversely affect the informed investment decision by the investors.