

R. Poudel & Co.

Chartered Accountants

AUDITOR'S REPORT TO THE SHAREHOLDERS OF MACHHAPUCHCHHRE BANK LIMITED

1. We have audited the accompanying Balance Sheet of Machhapuchchhre Bank Limited as of Ashad 31, 2061 (July 15, 2004), and the related Statement of Income, and Cash Flows for the year then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with Nepal Standards on Auditing or other applicable standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. On the basis of our examination, we would like to report that:

i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose for our audit.

ii. The Balance Sheet, Cash Flow Statement, Income Statement and attached Schedules dealt with by this report are in agreement with the books of account maintained by the Bank.

iii. In our opinion, proper books of accounts as required by law have been kept by the Bank in so far as it appears from our examination of those books of account.

iv. The returns received from branches of the Bank were adequate for the purpose of our audit.

v. In our opinion and to the best of our information and according to the explanations given to us and from our examination of the books of account of the Bank, we have not come across the cases where the Board of Directors or any member thereof or any employee of the Bank has acted contrary to the provisions of law or caused loss or damage to the Bank.

4. In our opinion, the financial statements give a true and fair view of the financial position of the Bank as of Ashad 31, 2061 (July 15, 2004), and of the results of its operations and its cash flows for the year then ended in accordance with applicable Accounting Standards and comply with Company Act 2053, Bank and Financial Institutional Ordinance, 2061 and Nepal Rastra Bank's Directives.

5. In addition to above report, we further report that:

i. The Bank has made provision for possible losses in its investment as per Nepal Rastra Bank's directives,

ii. The operations of the Bank were within its jurisdiction,

iii. The Bank has acted as per Nepal Rastra Bank's directives, and

iv. The operations were carried out in the interest of the Bank and its depositors.

Sd. Rajesh Poudel, FCA
R. Poudel & Co
Chartered Accountants

BALANCE SHEET AS AT 31 ASADH 2061 (JULY 15, 2004)

<i>CAPITAL AND LIABILITIES</i>			
Previous Year Rs.	Particulars	Schedule	This Year Rs.
544,174,000.00	1. Share Capital	1	550,000,000.00
(42,468,102.16)	2. Reserves and Funds	2	4,221,843.14
90,000,000.00	3. Borrowings	3	102,167,330.15
1,778,786,289.27	4. Deposits	4	2,754,632,089.65
3,956,740.33	5. Bills Payable	5	5,135,728.39
25,408,166.67	6. Other Liabilities	6	32,477,259.67
2,399,857,094.10	Total Capital and Liabilities		3,448,634,251.00

<i>ASSETS</i>			
Previous Year Rs.	Particulars	Schedule	This Year Rs.
550,000,000.00	1. Cash Balance	7	65,256,535.68
156,082,366.68	2. Balance with Banks	8	345,488,631.64
220,000,000.00	3. Money at Call and Short Notice	9	150,000,000.00
398,356,200.01	4. Investments	10	274,406,945.26
1,464,165,455.59	5. Loans, Advances and Bills Purchased	11	2,493,107,931.72
59,244,644.867	6. Fixed Assets	12	62,412,573.50
56,386,244.58	6. Other Assets	13	57,961,633.20
2,399,857,094.10	Total Assets		3,448,634,251.00

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**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1st SRAWAN TO 31 ASADH 2061
(17 JULY 2003 TO 15 JULY 2004)**

Previous Year Rs.	Particulars	Schedule	This Year Rs.
76,155,897.89	1. Interest Expenses	15	113,579,092.57
17,435,463.50	2. Employees Expenses	16	19,872,459.80
34,078,608.63	3. Office Overhead Expenses	17	42,357,601.73
-	4. Exchange Loss	20	-
-	5. Non Operating Expenses	21	2,259.51
-	6. Bad Debts Written Off		-
6,465,802.10	7. Provision for Loan Loss	11	15,980,436.11
1,700,831.76	8. Provision for Staff Bonus		5,187,771.70
-	9. Provision for Income Tax	.	-
15,307,485.80	10. Net Profit Carried Down		46,689,945.30
151,144,089.68	Total	.	243,669,566.72
Previous Year Rs.	Particulars	Schedule	This Year Rs.
139,040,042.71	1. Interest Income	18	215,206,843.76
5,653,912.00	2. Commission and Discount	19	14,840,269.37
5,945,606.12	3. Exchange Gain	20	12,621,092.27
-	4. Non Operating Incomes	21	-
504,528.85	5. Other Incomes	22	1,001,361.32
-	6. Net Loss Carried Down		-
151,144,089.68	Total	.	243,669,566.72

**PROFIT AND LOSS APPROPRIATION ACCOUNT
FISCAL YEAR 2060/2061 (2003/04)**

Previous Year Rs.	Particulars	This Year Rs.
57,755,587.96	1. Accumulated Loss up to Last Year	45,529,599.32
-	2. Loss for the Year	-
3,061,497.16	3. Genera Reserve Fund	9,337,989.06
-	4. Contingent Reserve	-
-	5. Banking Development Fund	-
-	6. Dividend Equalization Fund	-
-	7. Employees Related Fund	-
-	8. Interim and Proposed Dividend	-
-	9. Issue of Bonus Shares	-
-	10. Special Reserve Fund	-
-	11. Exchange Equalization Fund	1,352,486.13
-	12. Paid Up Capital Reserve	-
-	13. Accumulated Profit	-
60,837,085.12	Total	56,220.074.51
Previous Year Rs.	Particulars	This Year Rs.
-	1. Accumulated Profit up to Last Year	-
15,307,485.80	2. Profit for the year	46,689,945.30
45,529,599.32	3. Accumulated Loss	9,530,129.21
60,837,085.12	Total	56,220.074.51

**STATEMENT OF LOANS AND ADVANCES EXTENDED TO DIRECTORS/CHIEF EXECUTIVE OFFICER/PROMOTERS/EMPLOYEES
AND SHAREHOLDERS HOLDING MORE THAN 1% SHARES**

Name of Promoter/Director/ CEO/Employee	Outstanding up to Last Year		Recovered in Current Year		Additional Lending in this year	Outstanding as of Asadh End 2061	
	Principal	Interest	Principal	Interest		Principal	Interest
A. Directors	-	-	-	-	-	-	-
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
B. Chief Executive Officer	-	-	-	-	-	-	-
C. Promoters	-	-	-	-	-	-	-
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
D. Employees	-	-	-	-	-	-	-
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
E. Shareholder holding more than 1% Shares	-	-	-	-	-	-	-
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

CAPITAL ADEQUACY TABLE
AS OF ASADH END 2061 (JULY 15, 2004)

Particulars	Previous Year	This Year Rs.
A. Core Capital	501,706	552,869
1. Paid Up Capital	544,174	550,000
2. Share Premium	-	-
3. Non-Redeemable Preference Shares	-	-
4. General Reserve Fund	3,061	12,399
5. Accumulated Profit/Loss (Up to previous year)	(57,776)	(45,530)
6. Current Year's Profit/Loss as per Balance Sheet	12,246	35,999
B. Supplementary Capital	16,161	26,511
1. Loan Loss Provision	16,161	25,158
2. Exchange Equalization Fund	-	1,352
3. Asset Revaluation Reserve	-	-
4. Hybrid Capital Instrument	-	-
5. Unsecured Subordinated Term Debit	-	-
6. Interest Spread Reserve Fund	-	-
7. Other Free Reserves	-	-
C. Total Capital Fund (A+B)	517,867	579,380
D. Minimum Capital Fund required to be maintained on the basis of Risk Weighted Assets		
Total Capital Fund (11%)	209,201	357,573
Core Capital (5.5%)	104,601	178,786
Total Capital Fund (Excess/Short) (Excess 6.82%)	308,665	397,105
Core Capital (Excess/Short) (Excess 11.51%)	221,807	374,083

DETAILS OF RISK WEIGHTED ASSETS

Particulars	Weight %	Asadh End 2060		Asadh End 2061	
		Amount	Risk Weighted Assets	Amount	Risk Weighted Assets
A Balance -Sheet Item					
1 Cash Balance	-	45,642	-	65,257	-
2 Gold (Tradable)	-	-	-	-	-
3 Balance with Nepal Rastra Bank	-	88,887	-	136,657	-
4 Investments in Government Securities	-	79,303	-	71,320	-
5 Investments in N.R.B. Bonds	-	-	-	-	-
6 Fully secured loan against own Fixed Deposit Receipt	-	1,830	-	600	-
7 Fully secured loan against Government Securities	-	-	-	-	-
8 Balances with Domestic Banks and Financial Institutions	20	27,735	5,547	54,774	10,955
9 Fully secured loan against FDR of other Commercial Banks	20	-	-	-	-
10 Balances with Foreign Banks	20	39,461	7,892	154,057	30,811
11 Money at Call	20	220,000	44,000	150,000	30,000
12 Loan against Guarantees of Internationally Rated Banks	20	-	-	-	-
13 Other Investments in Internationally Rated Banks	20	165,110	33,022	44,694	8,939
14 Investment in Shares, Debentures and Bonds	100	8,943	8,943	8,943	8,943
15 Other Investments	100	145,000	145,000	149,450	149,450
16 Loans, Advances and Bills Purchased/Discounted	100	1,494,035	1,494,035	2,540,188	2,540,188
17 Fixed Assets	100	59,225	59,225	62,413	62,413
18 All Other Assets	100	56,386	56,386	57,962	57,962
Total (A)		2,431,557	1,854,050	3,496,314	2,899,660
B Off -Balance -Sheet Item					
1 Bills Collection	0	1,130	-	1,108	-
2 Forward Foreign Exchange Contract	10	-	-	22,335	2,234
3 Letter of Credit with maturity of less than 6 months (Full Amount)	20	43,612	8,722	206,361	41,272
4 Guarantee issued against counter guarantee of Internationally Rated Foreign Banks	20	-	-	-	-
5 Letter of Credit with maturity of more than 6 months	50	38,021	19,010	64,845	32,423
6 Bid Bond	50	9,723	4,861	27,886	13,943
7 Performance Bond	50	69,912	34,956	131,072	65,536
8 Advance payment Guarantee	100	18,089	18,089	11,416	11,416
9 Financial Guarantee	100	21,147	21,147	140,900	140,900
10 Other Guarantee	100	32,184	32,184	33,834	33,834
11 Irrevocable Loan Commitment	100	92,631	92,631	-	-
12 Contingent Liabilities in respect of Income Tax	100	-	-	-	-
13 All Other Contingent Liabilities	100	6,363	6,363	9,446	9,446
Total (B)		332,811	237,964	649,202	351,003
Total Risk Weighted Assets (A+B)		2,764,367	2,092,014	4,145,517	3,250,663

KEY INDICATORS OF LAST 4 YEARS

Particulars	Indicators	F. Y.	F. Y.	F. Y.	F. Y.
		2057/2058	2058/2059	2059/2060	2060/2061
1. Net Profit/Total Income	%	(43.84)	(54.87)	10.13	19.16
2. Earnings Per Share	Rs.	(18.36)	-	2.81	8.49
3. Market Value per Share	Rs.	-	-	100.00	125.00
4. PE Ratio	Ratio	-	-	35.55	14.72
5. Dividend (Including Bonus Shares)	%	-	-	-	-
6. Cash Dividend	%	-	-	-	-
7. Interest Income/Loans & Advances	%	6.32	10.70	8.39	7.87
8. Employee Expenses/Total Operating Expenses	%	35.82	33.75	13.66	11.30
9. Interest Expenses/Total Deposit and Borrowings	%	3.45	6.48	4.08	3.98
10. Exchange Fluctuation Gain/Total Income	%	2.87	4.82	-0.25	2.22
11. Staff Bonus/ Total Employee Expenses	%	-	-	9.76	26.11
12. Net Profit/Loans & Advances	%	(3.13)	(6.47)	1.02	1.84
13. Net Profit/ Total Assets	%	(1.97)	(3.83)	0.64	1.35
14. Credit/Deposit	%	70.47	65.85	84.09	92.24
15. Total Operating Expenses/Total Assets	%	2.73	3.17	5.32	5.10
16. Capital Fund/Risk Weightage Assets					
a. Primary Capital	%	7.75	7.99	23.98	17.01
b. Supplementary Capital	%	0.60	2.69	0.77	0.82
c. Total Capital Fund	%	8.35	10.68	24.75	17.82
17. Liquidity (CRR)	%	3.11	3.41	4.98	4.91
18. Non Performing Loans/Total Loans	%	0.91	10.45	2.08	0.98
19. Weighted Average Interest Rate Spread	%	3.99	4.36	2.50	3.78
20. Book Net worth	Rs.	68,722,599	79,544,033	501,705,898	554,221,843
21. Total Shares	Number	840,000	1,362,001	5,441,740	5,500,000
22. Total Employees	Number	52	66	75	85
23. Book Value per Share		81.81	58.40	92.20	100.77

Note: The Bank has been in operation for the last 4 years only, hence the indicators are given for 4 years only.

CASH FLOW STATEMENT

Previous Year Rs.	Particulars	This Year Rs.
25,032,468.22	A. Cash Flow from Operating Activities	68,401,309.33
144,267,747.85	1. Cash Receipt	236,590,472.52
132,163,700.88	1.1 Interest Income	208,127,749.56
5,653,912.00	1.2 Commission and Discount Income	14,840,269.37
5,945,606.12	1.3 Exchange Income	12,621,092.27
-	1.4 Non-Operating Income	0.00
504,528.85	1.5 Other Incomes	1,001,361.32
119,235,279.63	2. Cash Payments	168,189,163.19
76,155,897.89	2.1 Interest Expenses	113,579,092.57
17,435,463.50	2.2 Employee Expenses	19,872,459.80
23,943,086.48	2.3 Operating Expenses	29,549,839.12
-	2.4 Exchange Loss	0.00
-	2.5 Non-Operating Loss	0.00
1,700,831.76	2.6 Other Expenses	5,187,771.70
(1,297,976,851.66)	B. Cash Flow from Investing Activities	(1,057,953,261.83)
38,508,371.56	1. (Increase)/Decrease in Bank Balance	(189,406,264.96)
(220,000,000.00)	2. (Increase)/Decrease in Money at Call and Short Notice	70,000,000.00
(280,871,870.03)	3. (Increase)/Decrease in Investment	123,949,254.75
(815,570,030.06)	4. (Increase)/Decrease in Loans, Advances and Bills Purchased	(1,044,922,912.24)
(8,531,700.47)	5. (Increase)/Decrease in Fixed Assets	(10,306,885.71)
(11,511,622.66)	6. (Increase)/Decrease in Other Assets	(7,266,453.67)
1,287,048,588.31	C. Cash Flow from Financing Activities	1,009,166,305.79
407,973,900.00	1. Increase in Share Capital	5,826,000.00
90,000,000.00	2. Increase/(Decrease) in Borrowings	12,167,330.15
783,969,556.93	3. Increase/(Decrease) in Deposits	975,845,800.38
1,490,275.26	4. Increase/(Decrease) in Bills Payable	1,178,988.06
(1,119,521.04)	5. Increase/(Decrease) in Reserve Funds	0.00
4,734,377.16	6. Increase/(Decrease) in Other Liabilities	14,148,187.20
14,104,204.87	D. Net Cash Flow for the year	19,614,353.30
31,537,977.51	E. Opening Cash Balance	45,642,182.38
45,642,182.38	F. Closing Cash Balance	65,256,535.68

SIGNIFICANT ACCOUNTING POLICIES

The followings are the significant accounting policies adopted by the bank:

1. Basis of Accounting

The Financial Statements have been prepared in historical cost basis, Nepal Accounting Standard and other Generally Accepted Accounting Standards, Companies Act 2053, Bank and Financial Institutions Ordinance, 2061 and Nepal Rastra Bank's Directives.

2. Depreciation on Fixed Assets

Fixed Assets have been accounted on historical cost concept.

Fixed Assets are depreciated on diminishing balance method at the rates specified in the Accounting Policy of the Bank which was approved by the Board.

Depreciation for the purpose of Income Tax is calculated at the rates and manner prescribed by the Income Tax Act, 2058 which comes to Rs.9,380,754.00 whereas the depreciation computed on the above rates for the period is Rs. 7,116,697.56. Due to this, the accounting profit has increased by Rs. 2,264,056.44.

3. Provision for Income Tax

Provision for Income Tax is provided on the basis of Income Tax Act, 2058 and the Directives of Nepal Rastra Bank. However, provision for income tax has not been provided since the bank does not have any taxable income.

4. Investments

Investments made for trading and other purpose has been accounted separately.

Investments are valued at Cost or Market Value whichever is lower and has complied with NRB Directives in this regard.

Tax Deducted at Source on Interest Income on Investment has been shown as advance tax and the gross amount has been accounted as Interest Income.

5. Foreign Currency Transactions

Income/Loss from foreign currency transactions have been separately shown as Trading Income/Loss and Foreign Exchange Revaluation Income/Loss. Twenty Five percent of such revaluation gain has been transferred to Exchange Fluctuation Reserve as per the directives of Nepal Rastra Bank through Profit and Loss Appropriation Account.

Foreign Currency Assets and Liabilities have been converted into Rupees at the prevailing mid-rate (i.e. the average buying and selling rate) as of 15 July 2004 (Asadh 31 2061)

6. 7. Non Banking Assets

The Bank has the practice of acquiring the properties obtained as security of the loans and advances granted if such assets could not be disposed off due to unsatisfactory bids received at the time of auction.

The Bank has adopted the policy of valuing such assets at the amount equal to the sum of loans and interest due as on the date. Such assets are disposed within 7 years from the date of acquisition or as specified in present Bank and Financial Institution Ordinance, 2061 and if the sale proceeds are different from the value of the asset as acquired, the same is charged to profit and loss account.

If in case the market value of the acquired property during the year is less than sum of loans and interest receivable, such acquired property is valued at the market value and the balance if any of the loans and interest receivable is charged to the profit and loss account during the year.

Till date the bank doesn't have any Non Banking Assets.

8. Consumable Items

The Bank has adopted the policy of charging assets costing up to Rs. 2,000.00 to the profit and loss account during the year of acquisition instead of capitalizing the same.

9. Cash Basis of Accounting

Interest Expenses on Deposits and Interest Income on Loans and Advances are computed on

the basis of 365 days a year. Similarly, Interest Income in respect of Investment is also computed on the basis of 365 days a year. However, in case of Hire Purchase Loans interest is computed on the basis of 360 days a year.

Interest income on loans and advances are recognized on cash basis. As per the Nepal Rastra Bank's Directive, interest collected during the first month of the following fiscal year, i.e. Shrawan, 2061 has been accounted in income of fiscal year 2060/2061 by debiting the Interest Suspense Account.

Interest expenses on interest bearing deposit and liabilities are accounted on accrual basis.

10. Provision for Possible Losses and Write Off Policy

Provision for possible losses has been made as per Nepal Rastra Bank's Directives to cover risk inherent in Bank's Loan Portfolio.

The bank has not written off any loans till date.

11. Contingent Liability in respect of Letter of Credit issued have been shown in full amount as of the year end.

12. Other Policies

a. Commission Income Recognition:

Commission Income is accounted on Cash Basis except in cases of Bank Guarantees issued whose commission income is more than Rs. 50,000.00. In such cases, the commission so earned has been accrued over the period of such Guarantee.

b. Preliminary Expenses, Pre Operating Expenses and Differed Expenses

Preliminary Expenses, Pre Operating Expenses, Computer Software Expenses and Share Issue Expenses are written off during a period of 5 years or where the period is ascertainable, the same is written off during the period so ascertained.

c. Stock and Stationary

Stocks of Stationery have been valued on FIFO (First In First Out) basis and the same has been shown under Other Assets.

d. Previous years figures have been regrouped and rearranged wherever necessary.

NOTES TO ACCOUNTS

The notes to the accounts are as follows:

1. Provision for Bonus to Employees

Bonus to Staff is provided at 10% of the net profit after loan loss provision before tax.

2. Employees' Housing Scheme

As per the practice followed by other Financial Institutions, Provision for Employees Housing Fund as required under the Labor Act, 2048 has not been provided for.

3. Reconciliation of Inter Branch and Agency Accounts

The Inter Branch Account is up-to-date and the all the agency accounts are reconciled at periodic intervals and accordingly, adjustments are being made. The status of amount reconciled but pending for adjustment as of the year end is provided below:

(Rs. in lakhs)

Particulars	Total Amount	<3 mnths	3 mnths<9 mnths	> 9 mnths
Inter Branch Accounts	-	-	-	-
Agency Accounts	23,473	21,185	3.15	19.73

4. Changes in Loans and Advances

On the basis of withdrawal and deposits in Overdraft Accounts, Rs. 50,296 lakhs have been disbursed during the period and Rs. 44,756 lakhs have been recovered during the year. Similarly, in case of other loans, Rs. 6,822 lakhs have been disbursed and Rs. 4,207 lakhs have been recovered during the period. There has been no principal written off during the period however interest of Rs. 54,949.63 has been written off during the period.

5. Changes in Deposit Liabilities

The changes in respect of Deposit Liabilities during the period is provided below:

(Rs. in lakhs)

Particulars	Previous Year	This Year	Change (Rs.)	Change(%)
Current Deposits	714.05	535.48	178.57	33.35%
Saving Deposits	4,930.99	2,520.86	2,410.12	95.61%
Fixed Deposits	12,272.80	9,216.32	3,056.47	33.16%
Margin Deposits	326.75	191.96	134.79	70.22%
Call Deposits	8,920.06	5,306.12	3,613.94	68.11%
Others	381.67	17.12	364.55	2129.38%
Total	27,546.32	17,787.86	9,758.46	54.86%

6. Weighted Average Interest Rate Spread

Weighted Average Interest Rate Spread in Loans and Deposit Liabilities is provided below:

Particulars	%
Weighted Average Interest Rate on Loans and Investments	7.87
Weighted Average Interest Rate on Deposits	4.09
Weighted Average Interest Rate Spread	3.78

7. Amortization of Expenses Written Off.

Preliminary Expenses, Pre Operating Expenses, Computer Software Expenses and Share Issue Expenses are written off during a period of 5 years or where the period is ascertainable, the same is written off during the period so ascertained. The details of the same are provided below:

Particulars	Amount (Rs. in lakhs)
Preliminary Expenses	2.97
Pre Operating Expenses	26.88
Software Expenses	4.61
Share Issue Expenses	6.83
Differed Expenses	9.56
Leasehold Development	6.05
Total	56.90

8. Summary of Concentration of Loan and Deposit

The summary of bank's concentration in respect of Loans and Deposits to a particular group is provided below:

(Rs. in lakhs)

Particulars	Loans, Advances and Bills Purchased	Deposit and Borrowings
Total as of Asadh End, 2061	25,409.55	27,546.32
Highest Exposure in a Group	3,167.90	6,098.07
% of highest exposure in a Group	12.47	22.14

9. Gap Analysis of Assets and Liabilities as of Asadh End, 2061

The bank has adhered to the requirement of the Nepal Rastra Bank regarding the classification and analysis of its assets & liabilities on the basis of its maturity to minimize the liquidity risk, the details of which are given below:

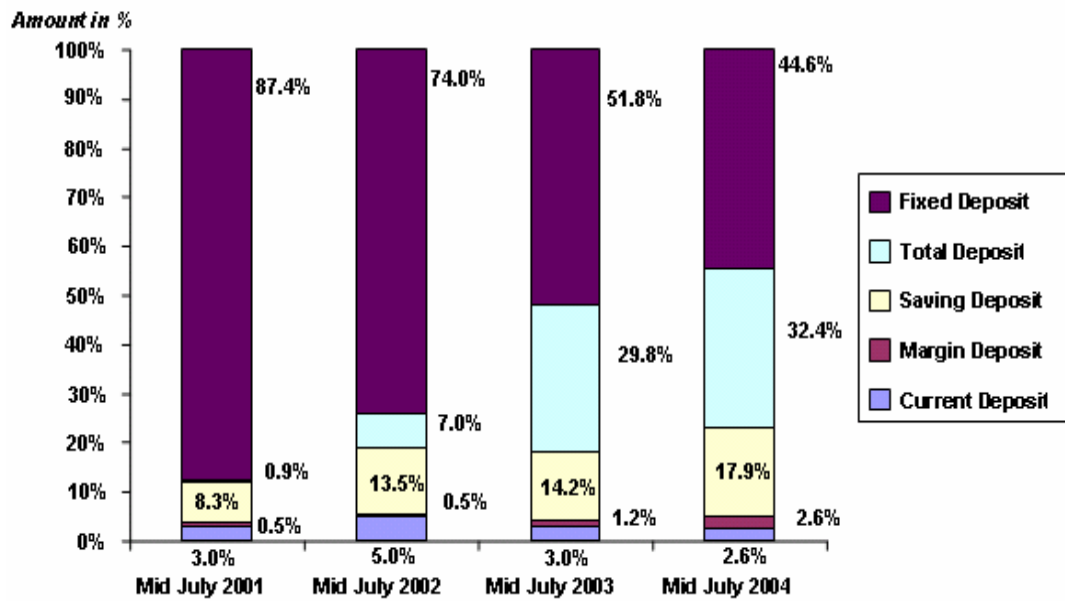
Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
A. Assets						
1. Cash Balance	652.57	-	-	-	-	652.57
2. Bank Balance	3,048.13	-	-	-	406.68	3,454.80
3. Investment in Foreign Banks	446.94	-	-	-	-	446.94
4. H.M.G.N. Bonds	-	713.20	-	-	-	713.20
5. N.R.B. Bonds	-	-	-	-	-	-
6. Other Investment	550.00	944.50	-	-	89.43	1,583.93
7. Inter Bank Lending	1,500.00	-	-	-	-	1,500.00
8. Loans and Advances	6,790.71	3,373.63	5,608.07	2,482.25	7,155.58	25,410.24
Total Assets	12,988.34	5,031.33	5,608.07	2,482.25	7,651.69	33,761.68
B. Liabilities						
1. Borrowings	21.67	1,000.00	-	-	-	1,021.67
2. Current Deposits	9,552.68	-	-	-	81.35	9,634.03
3. Saving Deposits	-	-	-	-	4,930.99	4,930.99
4. Fixed Deposits	288.28	145.05	1,405.09	2,651.63	7,782.75	12,272.80
5. Debentures and Bonds	-	-	-	-	-	-
Total Liabilities	9,862.63	1,145.05	1,405.09	2,651.63	12,795.09	27,859.49
Net Assets	3,125.71	3,886.28	4,202.98	(169.38)	(5,143.40)	5,902.19
Cumulative Net Assets	3,125.71	7,019.99	11,214.98	11,045.59	5,902.19	

Note: Minimum Balance in respect of Bank Balance, Investment in Shares under Other Investments and Minimum Balance in case of Current Deposits have been shown under "over one year" category whereas total amount of Saving Deposit has been shown under "over one year" category as per the directives of Nepal Rastra Bank.

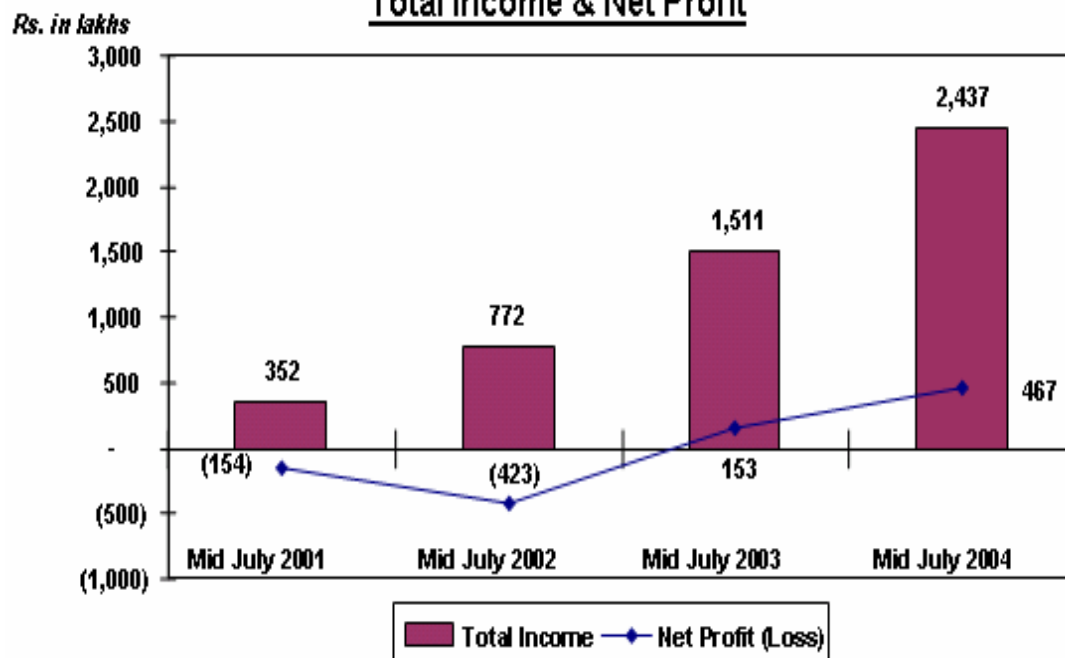
10. The Bank does not have any borrowings against the collateral of its assets

GRAPHS

Deposit Composition

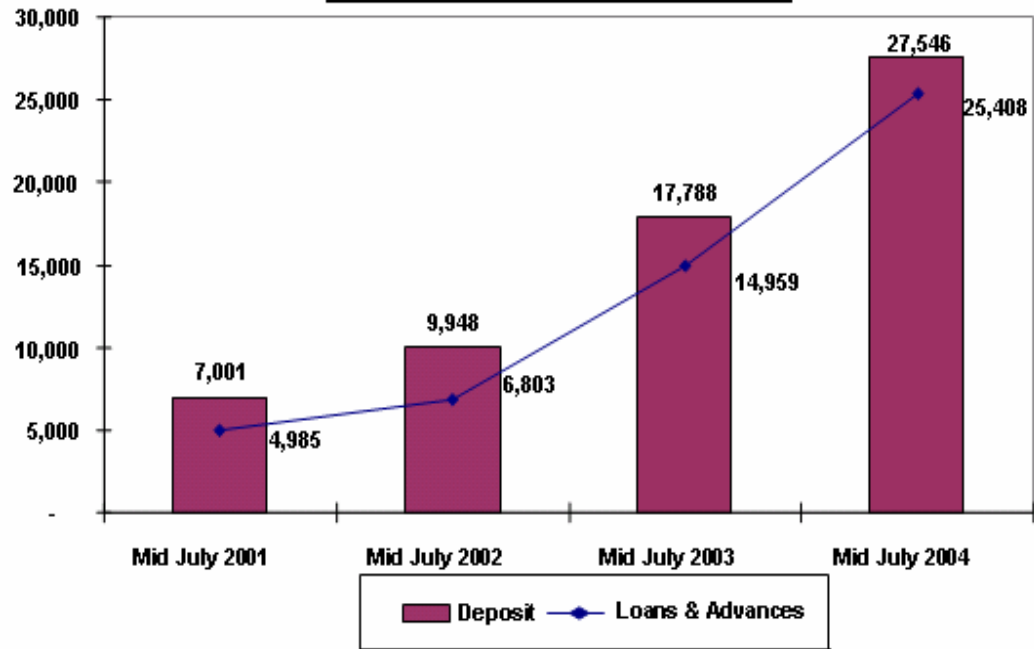


Total Income & Net Profit



Rs. in lakhs

Deposit and Loans & Advances



Rs. in lakhs

Assets & Paid up Capital

