

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NIRDHAN UTTHAN BANK LIMITED

We have audited the accompanying financial statements of Nirdhan Utthan Bank Limited, which comprise the balance sheet as at Ashadh 31, 2072 (July 16, 2015) and the profit and loss account, cash flow statement and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Report as per the requirements of other Legal and Regulatory Authority

Based on our Preliminary Report and the response of the board of directors to our Preliminary Report, we further report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 2. In our opinion, the bank has kept proper books of accounts as required by the law so far, as appears from our examination of such books.
 3. As per the directives of Nepal Rastra Bank, the bank has recognized its interest income on cash basis.
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4. The Balance Sheet, the Profit and Loss Account and the Cash Flow statement together with the schedules referred to in this report are prepared as per the format prescribed by Nepal Rastra Bank and are in agreement with the books of accounts.
5. During the course of our audit, we did not come across the cases where the board of directors or the representative or the official or any employee of the bank has acted contrary to the legal provisions relating to accounts or committed any misappropriation of funds/properties of bank or caused loss or damage to the bank.
6. In our opinion and as per our verification of accounting records, the bank has maintained adequate capital fund as prescribed by Nepal Rastra Bank and also made sufficient provision for probable loss of assets.
7. Nothing has come to our notice that the bank has not complied with the directives issued by Nepal Rastra Bank, other than those mentioned in our preliminary report.
8. In this fiscal year, bank has written off the loan in accordance with approved direction of Nepal Rastra Bank.
9. Nothing has come to our notice that the bank has worked against the interest of depositors and investors.
10. The activities carried out by the bank are within its scope of work.
11. The statements received from the branches not audited by us were sufficient for the purpose of our audit.
12. We did not come across any cases of fraudulent activities in the bank with respect to accounts.

In our opinion, the financial statements give a true and fair view of the financial position of Nirdhan Utthan Bank Limited as of Ashadh 31, 2072 (July 16, 2015) and of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standards so far as applicable in compliance with the prevailing laws. Also, the financial statements are prepared in accordance with the provisions of Companies Act 2063, Bank and Financial Institutions Act 2063 and the directives issued by Nepal Rastra Bank.

Place: Kathmandu, Nepal

Date: 2072/07/1 (October 18, 2015)

Nil Bahadur Saru Magar, FCA, ISA

Partner

NBSM & Associates

Chartered Accountants

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Balance Sheet

As at 31st Ashadh 2072 (16 July 2015)

Capital & Liabilities	Schedule	Current Year Rs	Previous Year Rs
1. Share Capital	4.1	500,000,000.00	336,000,000.00
2. Reserves and Funds	4.2	275,872,503.89	210,881,695.22
3. Debentures and Bonds	4.3	-	-
4. Loans and Borrowings	4.4	4,379,800,996.84	3,432,523,014.39
5. Deposit Liabilities	4.5	2,766,431,872.21	1,866,505,218.21
7. Proposed Cash Dividend		44,000,000.00	30,315,789.47
8. Income Tax Liabilities		-	
9. Other Liabilities	4.6	369,931,258.23	277,575,377.03
Total Capital & Liabilities		8,336,036,631.17	6,153,801,094.32

Assets	Schedule	Current Year Rs	Previous Year Rs
1. Cash Balance		11,104,190.39	4,353,460.37
2. Balance with Nepal Rastra Bank		53,983,808.23	37,316,575.29
3. Balance with Banks/Financial Institutions	4.7	49,164,546.62	47,775,636.63
4. Money at Call and Short Notice		669,160,581.97	693,759,791.64
5. Investments	4.8	53,813,840.00	46,858,200.00
6. Loans, Advances and Bills Purchased	4.9	6,831,411,847.54	4,821,670,215.30
7. Fixed Assets	4.10	217,125,503.33	147,384,308.62
8. Non-banking Assets	4.11	-	-
9. Other Assets	4.12	450,272,313.08	354,682,906.46
Total Assets		8,336,036,631.17	6,153,801,094.32

Contingent Liabilities	Schedule 4.13
Directors' Declaration	Schedule 4.23
Table of Capital Fund	Schedule 4.24
Table of Risk Weighted Assets	Schedule 4.24 (Ka)
Principal Indicators	Schedule 4.25
Significant Accounting Policies	Schedule 4.26
Notes to Accounts	Schedule 4.27
Statement of Loans and Advances taken by Promotor/Group of promoters from other Banks and Financial Institutions by pledging the Shares held under their ownership	Schedule 4.28
Comparison of Unaudited and Audited Financial Statement as of Fiscal Year 2070/071	Schedule 4.29

Schedules 4.1 to 4.13 as well as 4.26 and 4.27 form integral part of Balance Sheet

Mukesh Dahal
Senior Manager (Finance)

Bhoj Raj Bashyal
D. General Manager

Janardan Dev Pant
Chief Executive Officer

Ganesh Bahadur Thapa
Chairman

Nil Bahadur Saru Magar, FCA
NBSM & Associates
Chartered Accountants
Date : 2072-07-01

Achyut Raj Joshi
Director

Top Bahadur Rayamajhi
Director

Ram Bhakta Thapa
Director

Sushil Joshi
Director

Rajesh Gautam
Director

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Profit and Loss Account

For the period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Particulars	Schedule	Current Year Rs	Previous Year Rs
1. Interest Income	4.14	1,093,598,982.58	810,832,760.92
2. Interest Expenses	4.15	306,070,568.75	262,338,513.11
Net Interest Income		787,528,413.83	548,494,247.81
3. Commission & Other Operating Income	4.16	122,202,637.90	95,988,152.05
5. Exchange Fluctuation Income		1,073,598.18	27,775.60
Total Operating Income		910,804,649.91	644,510,175.46
6. Staff Expenses	4.17	379,619,837.19	273,643,812.61
7. Other Operating Expenses	4.18	94,727,321.96	62,420,084.69
8. Exchange Fluctuation Loss		-	-
Operating Profit Before Provision for Possible Losses		436,457,490.76	308,446,278.16
9. Provision for Possible Losses	4.19	6,902,480.85	8,982,528.87
Operating Profit		429,555,009.91	299,463,749.29
10. Non - Operating Income/Expense	4.20	15,728,168.59	16,983,104.32
11. Provision for Possible Losses Written Back	4.21		-
Profit from Regular Activities		445,283,178.50	316,446,853.61
12. Income/Expense from Extra-Ordinary Activities	4.22	8,547,211.37	(981,360.96)
Net Profit After Considering All Activities		436,735,967.13	317,428,214.57
13. Provision for Staff Bonus		39,703,269.74	28,857,110.42
14. Provision for Income Tax		118,167,509.44	81,220,583.65
Current Year's Tax Provision		114,374,460.66	86,086,562.94
Tax Provision up to Previous Year		154,372.51	2,283.00
Current Year's Deferred Tax Expense (Income)		3,638,676.27	(4,868,262.29)
Net Profit/(Loss)		278,865,187.95	207,350,520.50

Schedules 4.14 to 4.22 form integral part of the Profit and Loss Account

Mukesh Dahal
Senior Manager (Finance)

Bhoj Raj Bashyal
D. General Manager

Janardan Dev Pant
Chief Executive Officer

Ganesh Bahadur Thapa
Chairman

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Chartered Accountants
Date : 2072-07-01

Achyut Raj Joshi
Director

Top Bahadur Rayamajhi
Director

Ram Bhakta Thapa
Director

Sushil Joshi
Director

Rajesh Gautam
Director

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Profit and Loss Appropriation Account

For the period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Particulars	Schedule	Current Year Rs	Previous Year Rs
Income			
1. Accumulated Profit upto Previous Year		56,163,998.57	25,631,587.73
2. Current Year's Net Profit		278,865,187.95	207,350,520.50
3. Exchange Fluctuation Fund		-	-
4. Previous Year's Profit/Loss Adjustment		-	-
Total		335,029,186.52	232,982,108.23
Expenses			
1. Accumulated Loss upto Previous Year		-	-
2. Current Year's Loss		-	-
3. General Reserve Fund		55,773,038.00	41,470,104.00
4. Contingent Reserve		-	-
5. Institution Development Fund		-	-
6. Dividend Equalization Fund		-	-
7. Employee Related Reserves		2,788,652.00	2,073,505.00
8. Proposed Dividend		44,000,000.00	30,315,789.47
9. Proposed Bonus Share		164,000,000.00	96,000,000.00
10. Special Reserve Fund		-	-
11. Exchange Fluctuation Fund		268,399.55	6,943.90
12. Capital Redemption Reserve Fund		-	-
13. Capital Adjustment Fund		-	-
14. Investment Adjustment Fund		-	10,000.00
15. Client Service Fund		2,788,652.00	2,073,505.00
16. Deferred Tax Reserve		(3,638,676.27)	4,868,262.29
Total		265,980,065.28	176,818,109.66
17. Accumulated Profit/(Loss)		69,049,121.25	56,163,998.57

Mukesh Dahal
Senior Manager (Finance)Bhoj Raj Bashyal
D. General ManagerJanardan Dev Pant
Chief Executive OfficerGanesh Bahadur Thapa
ChairmanNil Bahadur Saru Magar, FCA
NBSM & Associates
Chartered Accountants
Date : 2072-07-01Achyut Raj Joshi
DirectorTop Bahadur Rayamajhi
DirectorRam Bhakta Thapa
DirectorSushil Joshi
DirectorRajesh Gautam
Director

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Cash Flow Statement

For the period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
(A) Cash Flow from Operating Activities		
1. Cash Receipts	1,235,387,845.61	923,409,567.66
1.1 Interest Income	1,093,598,982.58	810,743,275.00
1.2 Recovery of Loan Written off	4,078,056.54	981,360.96
1.3 Commission and Other Income	137,710,806.49	111,684,931.70
2. Cash Payments	(866,282,195.61)	(700,241,000.01)
2.1 Interest Expenses	(305,564,081.77)	(266,375,320.82)
2.2 Staff Expenses	(355,400,450.94)	(289,265,917.73)
2.3 Office Operating Expenses	(87,329,654.22)	(58,510,915.52)
2.4 Payment of Income Tax	(117,988,008.68)	(86,088,845.94)
2.5 Other Expenses	-	-
Cash Flow Before Change in Working Capital	369,105,650.00	223,168,567.65
Decrease/(Increase) in Current Assets	(2,100,439,078.71)	(1,587,789,040.04)
1. Decrease/(Increase) in Money at Call and Short Notice	24,599,209.67	(125,571,498.00)
2. Decrease/(Increase) in Other Short Term Investments	-	-
3. Decrease/(Increase) in Loans, Advances and Bills Purchased	(2,029,269,381.00)	(1,259,803,851.04)
4. Decrease/(Increase) in Other Assets	(95,768,907.38)	(202,413,691.00)
Increase/(Decrease) in Current Liabilities	891,960,298.76	579,882,507.00
1. Increase /(Decrease) in Deposit Liabilities	899,926,654.00	-
3. Increase /(Decrease) in Short Term Borrowings	-	-
4. Increase /(Decrease) in Other Liabilities	(7,966,355.24)	31,610,053.00
Net Cash Flow from Operating Activities	(839,373,129.95)	(784,737,965.39)
(B) Cash Flow from Investing Activities	(84,171,577.73)	92,994,918.00
1. Decrease/(Increase) in Long Term Investments	(6,955,640.00)	130,290,875.00
2. Decrease/(Increase) in Fixed Assets	(77,435,937.73)	(38,388,690.00)
3. Interest Income from Long Term Investments	-	-
4. Dividend Income	220,000.00	1,092,733.00
5. Others	-	-
(C) Cash Flow from Financing Activities	947,277,982.45	716,384,311.00
1. Increase /(Decrease) in Long Term Borrowings (Bond, Debentures)	947,978,816.45	740,243,040.00
2. Increase /(Decrease) in Share Capital	-	-
3. Increase /(Decrease) in Other Liabilities	-	-
4. Increase/(Decrease) in Facilities/ Refinance from Nepal Rastra Bank	(700,834.00)	(700,834.00)
5. Dividend Paid	-	(23,157,895.00)
(D) Income/Loss from exchange rate fluctuations of Cash and Bank Balances	1,073,598.18	27,775.60
(E) Cash Flow from all activities of the Current Year (A+B+C+D)	24,806,872.95	24,669,039.21
(F) Opening Cash and Bank Balances	89,445,672.29	64,776,333.00
(G) Closing Cash and Bank Balances	114,252,545.24	89,445,672.29

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Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Statement of Changes in Equity

For the period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Amount in Rs.

Particulars	Share Capital	Accumulated Profit/Loss	General Reserve Fund	Capital Reserve Fund	Share Premium	Exchange Fluctuation Fund	Deferred Tax reserve	Other Reserves & Fund	Total Amount
Opening Balance	336,000,000.00	56,163,998.57	101,842,751.00	31,204,087.22	510,111.20	225,071.27	20,273,429.34	662,246.62	546,881,695.22
Deferred Tax Reserve		3,638,676.27					(3,638,676.27)		-
Adjustment on Opening Balance	336,000,000.00	59,802,674.84	101,842,751.00	31,204,087.22	510,111.20	225,071.27	16,634,753.07	662,246.62	546,881,695.22
Adjustments:									-
This Year's Addition/(Deduction)		278,865,187.95		(297,075.28)					278,568,112.67
General Reserve Fund		(55,773,038.00)	55,773,038.00						-
Proposed Bonus Share	164,000,000.00	(164,000,000.00)							-
Proposed Dividend		(44,000,000.00)							(44,000,000.00)
Employee Related Reserves		(2,788,652.00)							(2,788,652.00)
Exchange Fluctuation Fund		(268,399.55)				268,399.55			
Client Service Fund		(2,788,652.00)							(2,788,652.00)
Investment Adjustment Fund		-						-	-
Closing Balance	500,000,000.00	69,049,121.25	157,615,789.00	30,907,011.94	510,111.20	493,470.82	16,634,753.07	662,246.62	775,872,503.89

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Share Capital and Ownership
As at 31st Ashadh 2072 (16 July 2015)

Schedule 4.1

Particulars	Current Year Rs	Previous Year Rs
1. Share Capital		
1.1 Authorised Capital	500,000,000.00	500,000,000.00
a) 5,000,000 Ordinary Shares of Rs 100 each	500,000,000.00	500,000,000.00
b).... Non-Redeemable Preference Shares of Rs.... each	-	-
c)..... Redeemable Preference Shares of Rs..... each	-	-
1.2 Issued Capital	336,000,000.00	240,000,000.00
a) 33,60,000 Ordinary Shares of Rs 100 each	336,000,000.00	240,000,000.00
b).....Non-Redeemable Preference Shares of Rs..... each	-	-
c).....Redeemable Preference Shares of Rs.... each	-	-
1.3 Paid Up Capital	336,000,000.00	240,000,000.00
a) 33,60,000 Ordinary Shares of Rs 100 each	336,000,000.00	240,000,000.00
b).....Non-Redeemable Preference Shares of Rs.... each	-	-
c).....Redeemable Preference Shares of Rs.... each	-	-
Total	336,000,000.00	240,000,000.00
1.4 Proposed Bonus Share	164,000,000.00	96,000,000.00
1.5 Calls in Advance	-	-
Total(1.3+1.4+1.5)	500,000,000.00	336,000,000.00

Share Ownership Details	Current Year Rs		Previous Year Rs	
	%	Share Capital	Share Capital	%
A. Local Ownership	88.89	298,655,503.05	213,325,440.00	88.89
1.1 Government of Nepal	-	-	-	-
1.2 "A" Class Licensed Institutions	36.29	121,939,605	87,099,600	36.29
1.3 Other Licensed Institutions	-	-	-	-
1.4 Other Institutions	20.40	68,551,543	48,965,280	20.40
1.5 General Public	32.19	108,164,355	77,260,560	32.19
1.6 Others	-	-	-	-
B. Foreign Ownership	11.11	37,344,497	26,674,560	11.11
Total	100.00	336,000,000.00	240,000,000.00	100.00

Shareholders Holding 0.5% or more out of Share Capital of Rs. 336,000,000, as at 16 July 2015 (31 Ashadh 2072)

S.N	Shareholders' Type and Name	Amount Rs	No of Shares	%
A	Promoter Shareholders			
1	Nabil Bank Limited	46,519,298	465,193	13.85
2	Himalayan Bank Ltd.	37,710,154	377,102	11.22
3	Everest Bank Ltd.	37,710,154	377,102	11.22
4	Nirdhan Sanstha	36,827,181	368,272	10.96
5	Dr. Harihar Dev Panta	26,522,126	265,221	7.90
6	Gramin Trust	11,997,993	119,980	3.57
7	Ganesh Bahadur Thapa	3,583,669	35,837	1.07
8	Janardan Dev Panta	3,149,089	31,491	0.94
B	Public Shareholders	-	-	-
1	Nirdhan Sanstha	31,724,362	317,244	9.44
2	International Finance Corporation	25,346,504	253,465	7.54
3	Top Bahadur Rayamajhi	2,441,827	24,418	0.73
4	Keshari Chand Kucheria	2,357,406	23,574	0.70
5	Indira K.C	2,126,741	21,267	0.63
6	Sanjiv Kumar Dahal	2,031,057	20,311	0.60
7	Sudharshan Prasad Adhikari	1,817,662	18,177	0.54

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal

Reserve and Funds

As at 31st Asadh 2072 (16 July 2015)

Schedule 4.2

Particulars	Current Year Rs	Previous Year Rs
1. General/Statutory Reserve Fund	157,615,789.00	101,842,751.00
2. Capital Reserve Fund	30,907,011.94	31,204,087.22
3. Capital Redemption Reserve	-	-
4. Capital Adjustment Fund	-	-
5. Other Reserves and Funds	17,807,110.89	21,445,787.16
5.1. Contingent Reserve	-	-
5.2. Institution Development Fund	152,246.62	152,246.62
5.3. Dividend Equalisation Fund	-	-
5.4. Special Reserve Fund	-	-
5.5. Assets Revaluation Reserve	-	-
5.6. Deferred Tax Reserve	16,634,753.07	20,273,429.34
5.7. Other Free Reserve		
5.8. Other Reserve Fund		
a) Investment Adjustment Reserve	510,000.00	510,000.00
b) Share Premium	510,111.20	510,111.20
6. Accumulated Profit/Loss	69,049,121.25	56,163,998.57
7. Exchange Fluctuation Fund	493,470.82	225,071.27
8. Total	275,872,503.89	210,881,695.22

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Debentures and Bonds
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.3

Particulars	Current Year Rs	Previous Year Rs
1. % Debentures of Rs.... each (Issued on.....with maturity on.....) (Outstanding balance of Redemption Reserve till date Rs.....)	-	-
2. % Bonds of Rs.... each (Issued on.....with maturity on.....) (Outstanding balance of Redemption Reserve till date Rs.....)	-	-
3.	-	-
4. Total (1+2+3)	-	-

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Loans and Borrowings
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.4

Particulars	Current Year Rs	Previous Year Rs
A. Domestic		
1. Government of Nepal	-	-
2. Nepal Rastra Bank	700,826.00	1,401,660.00
3. Repo Liabilities	-	-
4. Inter-bank and Financial Institutions	4,343,519,239.19	3,394,436,302.01
5. Other Organized Institutions	-	-
6. Others	-	-
Total	4,344,220,065.19	3,395,837,962.01
B. Foreign		
1. Banks	-	-
2. Others	35,580,931.65	36,685,052.38
Total	35,580,931.65	36,685,052.38
C. Total (A+B)	4,379,800,996.84	3,432,523,014.39

Nirdhan Utthan Bank Ltd.
Kathamndu, Nepal
Deposit Liabilities
As at 31st Ashadh 2072 (16 July 2015)

Schedule 4.5

Particulars	Current Year Rs	Previous Year Rs
1. Non-Interest Bearing Accounts	-	-
1.3 Other Licensed Financial Institutions	-	-
1.4 Other Organized Institutions	-	-
1.5 Individuals	-	-
Total of Non-Interest Bearing Accounts	-	-
2. Interest Bearing Accounts	2,766,431,872.21	1,866,505,218.21
A. Savings Deposits	2,719,993,331.83	1,845,104,606.92
1.1 Institutions	-	-
1.2 Individuals	2,719,993,331.83	1,845,104,606.92
1.3 Others	-	-
B. Fixed Deposits	46,438,540.38	21,400,611.29
1.1 Institutions	-	-
1.2 Individuals	46,438,540.38	21,400,611.29
1.3 Others	-	-
Total of Interest Bearing Accounts	2,766,431,872.21	1,866,505,218.21
Total Deposits (1+2)	2,766,431,872.21	1,866,505,218.21

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Other Liabilities

As at 31st Ashadh 2072 (16 July 2015)

Schedule 4.6

Particulars	Current Year Rs	Previous Year Rs
1. Pension/Gratuity Fund	200,131,000.79	157,342,842.67
2. Provision For Leave	55,259,518.55	44,263,638.00
3. Employees' Provident Fund	-	-
4. Employees' Welfare Fund	6,717,327.12	4,636,217.12
5. Provision for Staff Bonus	39,703,269.74	28,857,110.42
6. Interest Payable on Deposits	-	
7. Interest Payable on Borrowing	1,294,478.15	787,991.17
8. Sundry Creditors	48,536,816.26	29,443,022.74
9. Branch Adjustment Account	-	-
10. Deferred Tax Liability	-	-
11. Bills Payable	-	
12. Unpaid Dividend	4,362,402.52	2,013,488.74
13. Others		
Provision for Expenses	259,793.66	180,544.78
TDS Payable	2,734,647.44	152,824.59
Unclaimed Amount	186,139.79	62,733.59
Micro Security Fund	5,840,713.21	7,640,521.21
Micro Finance Insurance Fee	42,994.00	120,937.00
Client Service Fund	4,862,157.00	2,073,505.00
Total	369,931,258.23	277,575,377.03

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Balance with Banks/Financial Institution
As at 31 Ashadh 2072 (16 July 2015)

Schedule 4.7

Particulars	Local Currency	Foreign Currency in Rs			Current Year Rs	Previous Year Rs
		INR	Convertible Foreign Currency	Total		
1. Local Licensed Institutions	49,164,546.62	-			49,164,546.62	47,775,636.63
a. Current Account	49,164,546.62	-			49,164,546.62	47,775,636.63
b. Other Account	-	-	-	-	-	-
Total	49,164,546.62	-			49,164,546.62	47,775,636.63

Note: Total balance, as per the confirmations received from respective licensed institution is Rs. 49,164,546.62.

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Investments
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.8

Particulars	Purpose		Current Year Rs	Previous Year Rs
	Trading	Others		
1. Nepal Government's Treasury Bills	-	-	-	-
2. Nepal Government's Savings Bonds	-	-	-	-
3. Nepal Government's Other Bonds	-	38,725,000.00	38,725,000.00	38,725,000.00
4. Nepal Rastra Bank Bonds	-	-	-	-
5. Foreign Bonds	-	-	-	-
6. Local Licenced Institutions	-	-	-	-
7. Foreign Banks	-	-	-	-
8. Corporate Shares	-	15,088,840.00	15,088,840.00	8,133,200.00
9. Corporate Bonds and Debentures	-	-	-	-
10. Other Investments (Gratuity Fund)	-	-	-	-
Total Investment	-	53,813,840.00	53,813,840.00	46,858,200.00
Provision	-	-	-	-
Net Investment	-	53,813,840.00	53,813,840.00	46,858,200.00

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Investments in Shares, Debentures and Bonds

As at 31st Asadh 2072 (16 July 2015)

Schedule 4.8 (Ka)

Particulars	Cost Price Rs	Market Price Rs	Provision Rs	Current Year Rs	Previous Year Rs
1. Investment in Shares	15,088,840.00	21,193,840	-	15,088,840.00	8,133,200.00
1.1 Pashchimanchal Gramin Bikash Bank. 66,000 Ordinary Shares (Including 6000 Bonus Shares) of Rs. 108.72 each fully paid up	6,523,200.00	6,523,200	-	6,523,200.00	6,523,200.00
1.2 Rural Micro Finance Development Centre Ltd. 11,000 Ordinary Shares of Rs. 100 each fully paid up	1,100,000.00	7,205,000	-	1,100,000.00	1,100,000.00
1.3 Growmore Merchant Banker Ltd. 5,000 Ordinary Shares of Rs. 100 each fully paid up	500,000.00	500,000	-	500,000.00	500,000.00
1.4 Centre for Micro Finance Nepal 100 Promoter Shares of Rs. 100 each fully paid up	10,000.00	10,000	-	10,000.00	10,000.00
1.5 NIBL mutual fund 695564 Promoter Shares of Rs. 10 each fully paid up	6,955,640.00	6,955,640	-	6,955,640.00	-
2. Investment in Debentures and Bonds	38,725,000.00	-	-	38,725,000.00	38,725,000.00
2.1 Development Bond 2076	38,725,000.00	-	-	38,725,000.00	38,725,000.00
2.2	-	-	-	-	-
2.3	-	-	-	-	-
Total Investment	53,813,840.00	21,193,840	-	53,813,840.00	46,858,200.00
3. Provision for Loss	-	-	-	-	-
3.1 Upto Previous Year	-	-	-	-	-
3.2 Change This Year	-	-	-	-	-
Total Provision	-	-	-	-	-
Net Investment	53,813,840.00	21,193,840	-	53,813,840.00	46,858,200.00

Nirdhan Utthan Bank Ltd.
Kathamndu, Nepal
Classification of Loans, Advances and Bills Purchase & Provision
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.9

Particulars	Loans and Advances			Previous Year (Rs.)
	Domestic		Current Year (Rs.)	
	Insured	Uninsured		
1. Performing Loan	-	6,899,481,566.61	6,899,481,566.61	4,869,219,205.61
Pass loans	-	6,899,481,566.61	6,899,481,566.61	4,869,219,205.61
2. Non Performing Loan		14,993,839.51	14,993,839.51	28,612,087.42
2.2 Sub Standard	-	448,465.00	448,465.00	709,469.00
2.3 Doubtful	-	1,269,593.00	1,269,593.00	1,222,200.00
2.4 Loss	-	13,275,781.51	13,275,781.51	26,680,418.42
3. Total Loans	-	6,914,475,406.12	6,914,475,406.12	4,897,831,293.03
4. Loan Loss Provision	-	83,063,558.58	83,063,558.58	76,161,077.73
4.1 Pass Loans	-	68,994,815.67	68,994,815.67	48,692,192.06
4.2 Sub Standard	-	112,116.25	112,116.25	177,367.25
4.3 Doubtful	-	634,796.50	634,796.50	611,100.00
4.4 Loss	-	13,275,781.51	13,275,781.51	26,680,418.42
4.5 Additional	-	46,048.65		
4.6 Additional for Third Party Collateral Based Loan Dis	-		46,048.65	
B. Total Provisions	-	83,063,558.58	83,063,558.58	76,161,077.73
5. Provision upto Previous year	-	76,161,077.73	76,161,077.73	67,178,548.86
5.1 Pass Loans	-	48,692,192.06	48,692,192.06	36,042,147.02
5.2 Sub Standard	-	177,367.25	177,367.25	420,846.50
5.3 Doubtful	-	611,100.00	611,100.00	1,413,798.50
5.4 Loss	-	26,680,418.42	26,680,418.42	29,301,756.84
5.5 Additional	-	-		
5.6 Additional for Third Party Collateral Based Loan Dis	-	-		
6. Written Back Provision in This Year	-			
7. Additional Provision in This Year	-	6,902,480.85	6,902,480.85	8,982,528.87
8. Net Change in This Year	-	6,902,480.85	6,902,480.85	8,982,528.87
9. Total Loan Loss Provision	-	83,063,558.58	83,063,558.58	76,161,077.73
Net Loan (A-B)	-	6,831,411,847.54	6,831,411,847.54	4,821,670,215.30

Nirdhan Utthan Bak Ltd.
Kathmandu Nepal
Fixed Assets
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.10

From own Sources								
Particulars	Assets						Current Year Rs	Previous Year Rs
	Building	Vehicles	Machinery	Office Equipment	Leasehold Assets	Others		
1. Cost Price								
a. Previous year's balance	23,859,164.91	9,410,111.00	-	29,642,883.07		5,460.00	62,917,618.98	40,641,821.29
b. Additions this year	63,631,561.42	1,091,300.00	-	50,503,520.49		3,265,000.00	118,491,381.91	23,002,977.36
c. Revaluation/Written back this year	-	-	-	2,160.00		(2,160.00)	-	-
d. This year sold		(112,400.00)	-	(39,848.98)		-	(152,248.98)	(727,179.67)
e. This year written off	-		-	-		-	-	-
Total Cost (a+b+c+d+e)	87,490,726.33	10,389,011.00	-	80,108,714.58		3,268,300.00	181,256,751.91	62,917,618.98
2. Depreciation								
a. Upto previous year	9,062,269.10	999,413.83	-	5,172,961.00		3,423.82	15,238,067.75	11,974,405.43
b. For this year	739,844.79	1,335,299.25	-	5,045,923.85		276,599.85	7,397,667.74	3,909,169.17
c. Depreciation Revaluation	-	-	-	1,472.00		(1,472.00)	-	-
d. Disposal This Year		(75,768.00)		(51,865.98)		-	(127,633.98)	(645,506.85)
e. Written Off This Year		-		-		-	-	-
f. Depreciation Adjustment/Written Back		-		-		-	-	-
Total Depreciation	9,802,113.89	2,258,945.08	-	10,168,490.87		278,551.67	22,508,101.51	15,238,067.75
3. Written Down Value (1-2)	77,688,612.44	8,130,065.92	-	69,940,223.71		2,989,748.33	158,748,650.40	47,679,551.23
4. Land	27,469,841.00	-	-	-		-	27,469,841.00	19,064,841.00
5. Capital Work In Progress (To be capitalised)		-	-	-		-	-	49,435,829.18
Total (3+4+5)	105,158,453.44	8,130,065.92	-	69,940,223.71		2,989,748.33	186,218,491.40	116,180,221.41

From Grant:								
Particulars	Assets					Current Year Rs	Previous Year Rs	
	Building	Vehicles	Machinery	Office Equipment	Others			
1. Cost Price								
a. Previous year's balance	-	13,278,076.01	-	41,410,232.36		1,413,567.40	56,101,875.77	50,679,797.76
b. Additions this year	-	-	-	5,270,214.82		-	5,270,214.82	11,192,400.62
c. Revaluation/Written back this year	-	-	-	-		-	-	-
d. This year sold	-	(106,500.00)	-	(1,543,922.50)		-	(1,650,422.50)	(5,770,322.61)
e. This year written off	-	-	-	-		-	-	-
Total Cost (a+b+c+d+e)	-	13,171,576.01	-	45,136,524.68	-	1,413,567.40	59,721,668.09	56,101,875.77
2. Depreciation								
a. Upto previous year	-	6,066,002.85	-	17,785,813.68		1,045,915.77	24,897,732.30	25,274,886.41
b. For this year	-	1,108,558.62	-	3,909,619.15		55,158.26	5,073,336.03	4,412,168.70
c. Depreciation Revaluation	-	(91,651.03)	-	(1,064,761.15)		-	(1,156,412.18)	(4,789,266.56)
d. Disposal This Year	-	-	-	-		-	-	-
e. Written Off This Year	-	-	-	-		-	-	-
f. Depreciation adjustment/Written Back	-	-	-	-		-	-	-
Total Depreciation	-	7,082,910.44	-	20,630,671.68	-	1,101,074.03	28,814,656.15	24,897,788.55
3. Written Down Value (1-2)	-	6,088,665.57	-	24,505,853.00	-	312,493.37	30,907,011.94	31,204,087.22
4. Land	-	-	-	-	-	-	-	-
5. Capital Work In Progress (To be capitalised)	-	-	-	-	-	-	-	-
Total (3+4+5)	-	6,088,665.57	-	24,505,853.00	-	312,493.37	30,907,011.94	31,204,087.22

Total Assets								
Particulars	Assets					Current Year Rs	Previous Year Rs	
	Building	Vehicles	Machinery	Office Equipment	Others			
1. Cost Price								
a. Previous year's balance	23,859,164.91	22,688,187.01	-	71,053,115.43	-	1,419,027.40	119,019,494.75	91,321,619.05
b. Additions this year	63,631,561.42	1,091,300.00	-	55,773,735.31	-	3,265,000.00	123,761,596.73	34,195,377.98
c. Revaluation/Written back this year	-	-	-	2,160.00	-	(2,160.00)	-	-
d. This year sold	-	(218,900.00)	-	(1,583,771.48)	-	-	(1,802,671.48)	(6,497,502.28)
e. This year written off	-	-	-	-	-	-	-	-
Total Cost (a+b+c+d+e)	87,490,726.33	23,560,587.01	-	125,245,239.26	-	4,681,867.40	240,978,420.00	119,019,494.75
2. Depreciation								
a. Upto previous year	9,062,269.10	7,065,416.68	-	22,958,774.70	-	1,049,339.59	40,135,800.07	37,249,291.84
b. For this year	739,844.79	2,443,857.87	-	8,955,543.00	-	331,758.11	12,471,003.77	8,321,337.87
c. Depreciation Revaluation	-	(91,651.03)	-	(1,063,289.15)	-	(1,472.00)	(1,156,412.18)	(4,789,266.56)
d. Disposal This Year	-	(75,768.00)	-	(51,865.98)	-	-	(127,633.98)	(645,506.85)
e. Written Off This Year	-	-	-	-	-	-	-	-
f. Depreciation adjustment/Written Back	-	-	-	-	-	-	-	-
Total Depreciation	9,802,113.89	9,341,855.52	-	30,799,162.57	-	1,379,625.70	51,322,757.68	40,135,856.30
3. Written Down Value (1-2)	77,688,612.44	14,218,731.49	-	94,446,076.70	-	3,302,241.70	189,655,662.32	78,883,638.45
4. Land	27,469,841.00	-	-	-	-	-	27,469,841.00	19,064,841.00
5. Capital Work In Progress (To be capitalised)	-	-	-	-	-	-	-	49,435,829.18
Total (3+4+5)	105,158,453.44	14,218,731.49	-	94,446,076.70	-	3,302,241.70	217,125,503.33	147,384,308.62

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Non Banking Assets

As at 31st Asadh 2072 (16 July 2015)

Schedule 4.11

Name & Address of Borrower	Date of Assuming Non Banking Assets	Gross Non Banking Assets Rs	Loss Provisions		Net Non Banking Assets NPR	Previous Year Rs
			%	Rs		
				-	-	-
				-	-	-
Total		-		-	-	-

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Other Assets
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.12

Particulars	Current Year Rs	Previous Year Rs
1. Stock of Stationery	7,332,495.68	5,288,645.49
2. Income Receivable on Investments	89,651.09	172,240.64
3. Accrued Interest Receivable on Loans	81,747,146.21	71,085,563.00
Less: Interest Suspense Amount	(81,747,146.21)	(71,085,563.00)
4. Commision Receivable	-	-
5. Sundry Debtors	7,851,370.53	7,468,008.93
6. Staff Loans and Advances	201,987,992.58	151,750,984.82
7. Prepayments	5,277,556.72	4,914,413.46
8. Cash-in-Transit	0.00	-
9. Other Transit Items (including cheques)	-	-
10. Drafts Paid Without Notice	-	-
11. Expenses not Written off	-	-
12. Branch Adjustment Accounts	-	-
13. Deferred Tax Asset	16,634,753.07	20,273,429.34
14. Investment In Gratuity Fund	200,131,000.79	157,342,842.67
14. Others	-	-
a. Security Deposits (Dharauti)	3,541,511.42	3,505,535.42
b. Advance Income Tax	7,425,981.20	3,966,805.69
Total	450,272,313.08	354,682,906.46

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Other Assets (Additional Details)

As at 31st Asadh 2072 (16 July 2015)

Schedule 4.12 (Ka)

Particulars	This Year Rs				Previous Year Rs
	Upto 1 year	1 to 3 years	Above 3 years	Total	
1. Accrued Interest Receivable on Loans	58,710,011.21	3,184,890.00	19,852,245.00	81,747,146.21	71,085,563.00
3. Branch Reconciliation Account	-	-	-	-	-
4. Agency Account	-	-	-	-	-

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Contingent Liabilities
As at 31st Asadh 2072 (16 July 2015)

Schedule 4.13

Particulars	Current Year Rs	Previous Year Rs
1. Guarantees	-	
2. Irrevocable Loan Commitments	-	
3. Contingent Liabilities on Income Tax	6,689,931.32	6,689,931.32
4. Acceptance with all other Contingent Liabilities	-	
5. Unpaid Shares Investment	-	-
6. Payment on Claimed Guarantees	-	-
7. Claims Lodged on Bank but not Accepted by the Bank	-	
Total	6,689,931.32	6,689,931.32

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Interest Income**For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)****Schedule 4.14**

Particulars	Current Year Rs	Previous Year
A. On Loans, Advances and Overdrafts	1,068,041,902.05	782,468,210.02
B. On Investment	2,038,309.75	2,045,205.98
1. Nepal Government Securities	2,038,309.75	2,045,205.98
3. Nepal Rastra Bank Bonds	-	-
4. Debentures and Bonds	-	-
5. Interest on Interbank Investments	-	-
C. On Agency Balances	-	-
D. On Money at Call and Short Notice	23,518,770.78	26,319,344.92
E. On Others	-	-
1	-	-
2	-	-
Total	1,093,598,982.58	810,832,760.92

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Interest Expenses

For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.15

Particulars	Current Year Rs	Previous Year Rs
A. On Deposit Liabilities	160,664,406.40	110,978,461.23
1. Client Saving	126,895,262.43	91,896,371.55
2. Public Deposit	33,769,143.97	19,082,089.68
B. On Borrowings	145,406,162.35	151,360,051.88
1. Debentures & Bonds	-	-
2. Loan from Nepal Rastra Bank	49,058.06	77,091.42
3. Inter Bank/Financial Institutions Borrowings	145,357,104.29	151,282,960.46
4. Other Organized Institutions	-	-
5. Other Loans	-	-
C. On Others	-	-
1. I.....	-	-
2	-	-
Total	306,070,568.75	262,338,513.11

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Commission and Other Operating income

For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.16

Particulars	Current Year Rs	Previous Year Rs
1. Service Charges	106,092,206.00	76,330,270.00
2. Renewal Fees		-
3. Agency Commission	4,669,007.98	4,884,260.48
4. Exchange Fee		
5. Remittance Fee	1,896,190.23	1,180,511.16
6. Others		-
a. Account Closing Fee	964,721.11	1,068,782.72
b. Penal Interest	225,997.00	179,476.63
c. Others	8,354,515.58	12,344,851.06
Total	122,202,637.90	95,988,152.05

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Staff Expenses

For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.17

Particulars	Current Year Rs	Previous Year Rs
1. Salary	188,166,344.42	135,864,962.48
2. Allowances	65,704,396.60	49,214,083.87
3. Contribution to Provident Fund	16,687,385.47	12,758,914.94
4. Training Expenses	13,124,987.82	11,340,316.72
5. Uniform Expenses	3,085,000.00	2,590,000.00
6. Medical Expenses	192,153.06	47,618.00
7. Insurance Expenses	12,174,950.31	7,822,637.71
8. Leave Encashment	21,195,564.82	16,056,012.49
9. Pension and Gratuity Provision	40,113,053.69	26,608,379.40
10. Others		
a. Wages	10,734,751.00	7,319,407.00
b. Employee Refreshment Expenses	8,441,250.00	4,021,480.00
c. Employee Encouragement Expenses	-	
Total	379,619,837.19	273,643,812.61

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Other Operating Expenses

For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.18

Particulars	Current Year Rs	Previous Year Rs
1. House Rent	20,025,016.50	14,651,554.00
2. Electricity and Water	2,600,979.00	2,106,079.04
3. Repairs and Maintenance		
a. Building	97,156.00	-
b. Vehicles	857,016.95	1,604,457.00
c. Others	805,993.85	549,811.41
4. Insurance	4,263,194.38	2,899,431.36
5. Postage, Telex, Telephone, Fax	7,416,863.69	4,126,074.49
6. Office Equipment, Furniture & Repairs	174,542.00	92,037.00
7. Travelling Allowance and Expenses	10,409,709.72	7,685,697.04
8. Printing and Stationery	8,346,246.52	6,354,547.96
9. Books and Periodicals	748,740.00	540,144.10
10. Advertisements	559,471.19	368,276.12
11. Legal Fees	497,200.00	2,418,435.00
12. Donations	6,770,665.00	-
13. Expenses Relating to Board of Directors		
a. Meeting Allowances	579,000.00	442,015.52
b. Other Expenses	2,052,934.01	488,200.00
14. Annual General Meeting Expenses	345,250.00	298,417.25
15. Expenses Relating to Audit		
a. Audit Fees	169,500.00	169,500.00
b. Other Expenses	101,100.00	291,808.12
16. Fund Transfer Commission	825,511.06	119,718.88
17. Depreciation on Fixed Assets	7,397,667.74	3,909,169.17
18. Amortization of Pre-operating Expenses	-	-
19. Share Issue Expenses	-	-
20. Technical Service Reimbursement	-	-
21. Entertainment Expenses	-	-
22. Written off Expenses	-	-
23. Security Expenses	549,985.44	71,419.84
24. Credit Guarantee Premium	-	-
25. Commission and Discount	1,650.00	2,105.27
26. Others		
Fuel Expenses	1,071,954.21	975,707.15
Client Training	937,046.92	
Guest Expenses	3,175,820.92	2,212,751.07
Business Promotion Expenses	126,332.00	124,794.00
Prizes	55,011.00	40,008.00
Computer Supplies	-	278,705.00
Low Cost Items	1,337,348.40	798,493.99
Fees & Commission	678,783.31	544,168.40
Office Cleaning & Other Expenses	656,315.63	112,034.80
Closing Expenses	1,058,199.56	821,142.60
Software Repair Expenses	526,769.99	999,362.00
Miscellaneous Expenses	1,962,475.88	1,817,996.66
Looted Amount Written Off	50,000.00	
Transfer and Placement	2,697,434.00	1,368,815.25
Employee Recruitment Expenses	4,664,128.66	2,767,701.77
Calculator Maintenance Expenses	134,308.43	111,005.43
Umbrella and Shoes Expenses	-	258,500.00
Curtain & Carpet Expenses		
Total	94,727,321.96	62,420,084.69

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal
Provision for Possible Losses

For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.19

Particulars	Current Year Rs	Previous Year Rs
1. Increase in Loan Loss Provision	6,902,480.85	8,982,528.87
2. Increase in Provision for Loss on Investment	-	-
3. Provision for Non Banking Assets	-	-
4. Provision for Other Assets	-	-
Total	6,902,480.85	8,982,528.87

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal
Non Operating Income/Loss

For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.20

Particulars	Current Year Rs	Previous Year Rs
1. Profit (Loss) on Sale of Investments	-	-
2. Profit (Loss) on Sale of Assets	50,206.20	193,592.17
3. Dividend	220,000.00	1,092,732.50
4. Others	15,457,962.39	15,696,779.65
Net Non-operating Income/(Loss)	15,728,168.59	16,983,104.32

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Provision for Possible Losses Written Back
Fiscal Year 2071/072(2014/015)

Schedule 4.21

Particulars	Current Year Rs	Previous Year Rs
1. Loan Loss Provision Written Back	-	-
2. Provision for Non Banking Assets Written Back	-	-
3. Provision for Investment Written Back	-	-
4. Provision for Other Assets Written Back	-	-
Total	-	-

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Income/(Loss) from Extraordinary Activities
For the Period from 1st Shrawan 2071 to 31st Ashad 2072 (17 July 2014 to 16 July 2015)

Schedule 4.22

Particulars	Current Year Rs	Previous Year Rs
1. Recovery of Loan Written off	(4,078,056.54)	(981,360.96)
2. Voluntary Retirement Expenses		-
3. Unrecoverable Loan Written Off (4.28 Ka)	12,625,267.91	-
4. Other Expense/Income		-
Total	8,547,211.37	(981,360.96)

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Details of Loan Written off
Fiscal Year 2071/072 (2014/015)

Schedule 4.22 (Ka)

S. N	Types of Loan	Amount Written Off	Type of Security & Amount	Basis of Collateral Valuation	Loan Approving Authority/Level	Initiations made for Loan Recovery	Remark
1	House Maintenance Loan	18,798	-	-	Branch Manager	Door to Door Visit	-
2	Group Fund Loan	3,060	-	-	Branch Manager	Door to Door Visit	-
3	General Loan	12,327,893	-	-	Branch Manager	Door to Door Visit	-
4	Seasonal Agricultural Loan	89,730	-	-	Branch Manager	Door to Door Visit	-
5	Seasonal Business Loan	9,021			Branch Manager	Door to Door Visit	
6	Sanitary Loan	132,370			Branch Manager	Door to Door Visit	
7	Emergency Loan	4,073			Branch Manager	Door to Door Visit	
8	Alternative Energy Loan	12,015			Branch Manager	Door to Door Visit	
9	House Construction Loan	28,308	-	-	Regional Manager	Door to Door Visit	-
	Total	12,625,268	-	-	-	-	-

Working Capital Loan
Project Loan
Fixed Capital Loan
Personal Loan
Other Loan

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal

Statement of Loans and Advances Extended to Directors/Chief Executive/Promoters/Employees and Shareholders

As at 31st Ashadh 2072 (16 July 2015)

The Statement of amount, included under total amount of Bills purchased & Discounted ,Loans, Advances and Overdraft, provided to Directors, Chief Executive, Promoters, Employees, Shareholders and to the individual members of their undivided family or against the guarantee of such persons or to the Organisation or Companies in which such individuals are managing agent, are as follows

Schedule 4.23

Name of Promoter/Director/Chief Executive	Balance up to Pervious Year		Recovered in Current Year		Additional Lending in Current Year	Balance as at 31 Ashad 2070	
	Principal	Interest	Principal	Interest		Principal	Interest
(A) Directors	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
(B) Chief Executive	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
(C) Promoters	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
(D) Employees	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
(E) Shareholders	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Table of Capital Fund
As at 31st Ashadh 2072 (16 July 2015)

Schedule 4.24
(Rs in '000')

Particulars	Current Year Rs	Previous Year Rs
A. Core Capital	774,717	545,995
1 Paid up Capital (Equity Share)	336,000	240,000
2 Proposed Bonus Shares	164,000	96,000
3 Share Premium	510	510
4 Irredeemable Preference shares	-	-
5 General Reserve Fund	157,616	101,843
6 Accumulated Profit/Loss	56,164	25,632
7 Current Year Profit Shown in Balance Sheet	12,885	30,532
8 Capital Redemption Reserve	-	-
9 Capital Adjustment Reserve	-	-
10 Calls in Advance	-	-
11 Other Free Reserves	47,542	51,478
Less:		
Goodwill		
Investments in Shares & Securities in Excess of Prescribed Limit		
Investments in Securites of Company with Financial Interest		
Fictitious Assets		
Land & Building purchased for the purpose of own use without Complying NRB Directives		
Amount Invested for Construction of Resedential Building and Land Development in Excess of prescribed Limit		
Underwritten Shares not Disposed within precreibed time limit		
Loans and Facilities provided to persons/groups prohibited under existing Acts and Laws		
B. Supplementary Capital	69,998	49,427
1 Pass Loan Loss Provision	68,995	48,692
2 Additional Loan Loss Provision	-	-
3 Hybrid Capital Instruments	-	-
4 Unsecured Subordinated Term Debt	-	-
5 Exchange Equalization Reserve	493	225
6 Assets Revaluation Reserve	-	-
7 Investment Adjustment Reserve	510	510
C Total Capital Fund (A+B)	844,715	595,422
D Minimum Capital Fund required to be maintained on the basis of Risk Weighted Assets:		
Capital Fund (8 Percent)	619,191	444,725
Core Capital (4 Percent)	309,596	222,362
Capital Fund (Excess/Short) (2.71 Percent)	225,524	150,697
Core Capital (Excess/Short) (6.01 Percent)	465,121	323,632

Nirdhan Utthan Bank Ltd.
Kathmandu, Nepal
Table of Risk Weighted Assets
As at 31st Ashadh 2072 (16 July 2015)

Schedule 4.24(Ka)
(Rs in '000')

Description	Weight (%)	Current Year Rs		Previous Year Rs	
		Amount	RWA	Amount	RWA
(A) On-Balance-Sheet Assets					
Cash Balance	0	11,104	-	4,353	-
Balance with Nepal Rastra Bank	0	53,984	-	37,317	-
Investment in Securities of Government of Nepal	0	38,725	-	38,725	-
Investment in NRB Bond	0	-	-	-	-
Fully Secured Loan against Own Fixed Deposit Receipt	0	-	-	-	-
Fully Secured Loan against Government Securities	0	-	-	-	-
Accrued interests on Saving Bonds	0	-	-	-	-
Amount Deposited by "B" & "C" Class Licensed Institutions in Youth and Small Entrepreneurs Self-employment Fund Eligible for Consideration as Deprived Sector Lending	0	-	-	-	-
Balance with Domestic Banks/Financial Institutions/Claims Against Fixed Deposit Receipts	20	49,165	9,833	47,776	9,555
Balance with Foreign Banks	20	-	-	-	-
Money at call	20	669,161	133,832	693,760	138,752
Inter-Bank Lending	20	-	-	-	-
Investment in Shares, Debentures & Bonds	100	15,089	15,089	8,133	8,133
Other investments	100	-	-	-	-
Loans, Advances & Bills Purchased/Discounted (Total Amount)	100	6,914,475	6,914,475	4,897,831	4,897,831
Fixed assets	100	217,126	217,126	147,384	147,384
Other net interest receivables	100	90	90	172	172
All Other Assets (Except Net Advance Tax Deposits)	100	442,757	442,757	350,544	350,544
Real estate/Residential Home Loans exceeding the limits	150	-	-	-	-
Total (A)		8,411,674	7,733,201	6,225,995	5,552,372
(B) Off-Balance-Sheet Items					
Bills collection	0	-	-	-	-
Forward foreign exchange contract	10	-	-	-	-
L/C with maturity less than six months (Full Amount)	20	-	-	-	-
Guarantee provided against counter guarantee of Internationally Rated Licensed Institutions	20	-	-	-	-
L/C with maturity more than six months (Full Amount)	50	-	-	-	-
Bid bond, Performance bond and Underwriting commitments	50	-	-	-	-
Sale of Credit with condition of Repurchase	50	-	-	-	-
Advance payment guarantee	100	-	-	-	-
Financial and other guarantee	100	-	-	-	-
Irrevocable loan commitment	100	-	-	-	-
Contingent Liabilities in respect of income tax	100	6,690	6,690	6,690	6,690
All Other Contingent Liabilities including acceptance	100	-	-	-	-
Rediscounted Bills	100	-	-	-	-
Unpaid amount on Share Investment	100	-	-	-	-
Unpaid guarantee claims	200	-	-	-	-
Contingent Liabilities in respect of claim lodged against the institution but not accepted by the institution	200	-	-	-	-
Total (B)		6,690	6,690	6,690	6,690
Total Risk Weighted Assets (A) + (B)		8,418,364	7,739,892	6,232,685	5,559,062

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Principal Indicators

Since previous Five Years

Schedule 4.25

S.N	Particulars	Indicators	F/ Y - 2010/11 (2067/ 068)	F/ Y - 2011/ 12 (2068/069)	F/ Y - 2012/ 13 (2069/070)	F/ Y - 2013/ 14 (2070/071)	F/ Y - 2014/ 15 (2071/072)
1	Net Profit/ Gross Income	Percent	10.22	8.04	13.40	22.42	22.47
2	Earnings Per Share	Rs.	23.92	22.20	45.79	61.71	55.77
3	Market Price Per Share	Rs.	235.00	164.00	280.00	13.50	1,401.00
4	Price Earning Ratio	Ratio	9.82	7.39	6.12	21.88	25.12
5	Dividend (including bonus) on Share Capital	Percent	13.68	10.92	31.58	52.63	61.90
6	Cash Dividend Paid on Share Capital	Percent	5.68	7.00	11.58	12.63	13.10
7	Interest Income/ Loans and Advances	Percent	19.03	18.43	18.18	18.33	18.08
8	Staff Expenses/ Total Operating Expenses	Percent	85.13	84.39	85.04	82.89	81.57
9	Interest Expenses on Total Deposits and Borrowings	Percent	7.56	8.61	6.80	5.64	4.92
10	Exchange Fluctuation Income/ Total Income	Percent	-	0.003	0.12		0.09
11	Staff Bonus/ Total Staff Expenses	Percent	3.39	3.27	5.37	9.54	9.47
12	Net Profit/Loans and advances	Percent	2.44	1.83	2.91	4.94	4.79
13	Net Profit/ Total Assets	Ratio	1.64	1.39	2.23	3.84	3.85
14	Total Credit/ Deposits	Percent	317.28	277.97	275.98	262.41	249.94
15	Total Operating Expenses/ Total Assets	Percent	7.99	6.61	7.24	6.73	7.10
16	Adequacy of Capital Fund On Risk Weighted Assets						
	a. Core Capital	Percent	11.23	8.84	8.84	9.82	10.01
	b. Supplementary Capital	Percent	1.19	0.88	0.88	0.89	0.90
	c. Total Capital Fund	Percent	12.42	9.73	9.73	10.71	10.91
17	Liquidity (CRR)	Percent	0.55	0.64	2.42	2.34	2.33
18	Non-Performing Loan/ Total Loans	Percent	1.71	1.38	0.93	0.58	0.22
19	Weighted Average Interest Rate Spread	Percent	11.47	9.82	11.38	12.70	13.16
20	Book Net Worth	Rs.'000'	282,350.14	305,632.75	368,194.80	546,881.70	775,872.50
21	Total Shares	Nos.	1,782,000	1,924,560	2,000,000	3,360,000.00	5,000,000.00
22	Total Staff	Nos.	465	518	537	671	922
23	Others						

Note:

1. For indicators 7, 12 and 9; the average of opening and closing balance of Loan, Advances and Deposits is considered respectively.
2. For indicators 13 and 15; the average of opening and closing balances of total assets is considered
3. Total Income = Interest Income + Other Income
4. Total Operating Expenses = Employee Expenses + Employee Bouns + Other Operating Expenses
5. Employee Expenses = Employee Expenses + Employee Bonus

Nirdhan Utthan Bank Limited
Kathmandu
FY 2071/72(2014/15)
Significant Accounting Policies

Schedule 4.26

1. Brief Introduction of the Institution

Nirdhan Utthan Bank Limited was established on Kartik 12, 2055 under the then Development Bank Act, 2052 with the approval of Nepal Rastra Bank. Now, operating under Bank and Financial Institutions Act, 2063, this bank is “D” class financial institution approved by Nepal Rastra Bank. The promoters of this institution are Nirdhan Institution, Nabil Bank Limited, Himalayan Bank Limited, Everest Bank Limited, well known personalities and Rural Trust of Bangladesh. This institution had issued its shares to general public during fiscal year 2059/60.

The main function of this institution is micro finance transactions and accordingly has been providing loans to the members of the group against group guarantee without any collateral. On top of that, it has also been providing collateral loans to the customers for operating cottage industries. It also provides micro insurance and remittance services. Its main financial sources are deposits from general public, group saving deposits, borrowings from financial institutions and shareholders’ fund.

The central office of this institution is located at Naxal Bhagwati Bahal, ward no. 1, Kathmandu Metropolitan City, Kathmandu District, Bagmati Zone. As of Ashadh end 2072, it has been operating through 176 branches located at different places of 75 Districts.

2. Significant Accounting Policies

(a) Accounting Convention:

Financial Statements are prepared under the historical cost convention and on accrual basis of accounting unless specified otherwise and are in conformity with prevailing Nepal Accounting Standards, Companies Act 2063, Bank and Financial Institutions Act 2063 and are presented in the format prescribed under the directives issued by Nepal Rastra Bank.

(b) Fixed Assets and Depreciation:

Fixed Assets are accounted for on historical cost basis.

Fixed assets, other than land, are accounted for on historical cost convention and the expenses incurred to put the assets in use for the first time are capitalized. The depreciation has been charged on Diminishing Balance Method at the rates mentioned below:

<u>Assets</u>	<u>Depreciation Rate</u>
Building	5 %
Wooden Furniture	15 %
Steel Furniture	10 %
Office Equipment	15 %
Computer	20 %
Vehicle	15 %

The depreciation on assets purchased and put to use during the year is charged from the next months of such purchase and use at the specified rates.

(c) Fixed Assets Received in Grant:

The assets received in grant are booked under respective assets creating capital reserve. These assets are depreciated annually at the specified rates and the depreciation amount is charged to the capital reserve. Thus, the balance amount of capital reserve represents depreciated value (WDV) of the assets received in grant.

(d) Depreciation for Tax Purpose:

For the purpose of Income Tax, depreciation has been calculated separately as per the prevailing Income Tax Act, 2058 and Income Tax Regulations, 2059 and the difference between this amount and the amount of depreciation charged in financial statement is adjusted in the income/expenses for tax purpose.

(e) Investment:

Investments in Nepal Government’s bonds with the intent to hold till maturity, bank deposits and shares of unlisted companies are accounted for on cost price. Shares purchased on premium are recorded at discounted price. As per the

directives of Nepal Rastra Bank, policy for creating Investment Adjustment Reserve to the extent of investment in the shares of unlisted companies is adopted.

(f) Exchange Fluctuation Adjustment:

The bank has not made purchase and sale transaction of foreign currency. The balance in foreign currency account is disclosed after translating at the buying rate published by Nepal Rastra Bank. At the end of every year, the foreign currency balance is translated at buying rate and the gain/loss is accounted for as revaluation gain/loss. Separate record is being maintained for such gain/loss. The bank has adopted the policy to charge revaluation loss, if any, to Profit and Loss Account and recognize revaluation gain as income in the Profit and Loss Account and transfer 25% of such gain to Exchange Fluctuation Fund through Profit and Loss Appropriation Account.

(g) Loan Loss Provision:

Loans and Advances have been classified as per the prevailing directives of Nepal Rastra Bank and necessary provision for loan loss has been made. Loans and Advances are disclosed net of loan loss provisions in the Balance Sheet.

(h) Recovery of Principal and Interest:

The amount recovered from the borrowers is first adjusted against the accrued interest and the remaining amount is adjusted in the principal balance amount.

(i) Assets not being capitalized:

Assets of unit value upto Rs.1,000 and/or having useful life of less than one year and/or assets whose useful life can not be determined are expensed off in the year of purchase. Non performing loans and advances (assets) are being written off in accordance with the approved Loan Write-off Bye Law 2062. Non performing assets falling under the criteria for write-off are being written off, maintaining the right to recover, by the decision of board of directors.

(j) Recognition of Interest Income and Expense:

Interest payable on deposits and receivable on loans and advances as well as investment are calculated considering 365 days in a year. Interest accrued on loans and advances are accounted for on cash basis. Interest accrued on investment is accounted for on accrual basis. Interest payable on deposits and borrowings are accounted for on accrual basis. Accrued interest of loans and advances to the extent not recovered are shown as Interest Receivable giving respective credit to Interest Suspense Account.

(k) Operating Grant Income:

The expenses incurred pertaining to grant received from different institutions for meeting operating expenses are nullified by recognizing income of the same amount.

(l) Stationery and Stock:

Out of the stationery and printing materials purchased by the bank, the remaining stock balance at the year end is valued on the basis of FIFO Method and shown under other assets.

(m) Deferred Expenses Written-off:

The Bank has adopted the policy to charge the expenses incurred for issuance of shares in the same year. There is no deferred expenses to be written off during the current year.

(n) Retirement Payment:

Provident Fund contribution of every month is charged to the profit and loss account and deposited with the approved Retirement Fund. Provision for gratuity has been made on accrual basis and deposited in the approved gratuity fund account. Gratuity amount of the staff retiring from bank's service is being paid from this fund.

(o) Leave Encashment:

Provision for liability against accumulated leave of the employees at the year end has been made as per the staff rule and deposited in the staff accumulated leave encashment fund account. Payment against accumulated leave of the staff retiring from bank's service is being made from this account.

(p) Provision for Tax:

Provision for income tax has been made on the basis of tax audit and in accordance with the Income Tax Act.

(q) General Reserve Fund:

The bank has been transferring 20% of the net profit every year to the general reserve fund as per the requirement of Bank and Financial Institutions Act 2063.

Nirdhan Utthan Bank Limited
Kathmandu, Nepal
FY 2071/72(2014/15)

Notes to Accounts

Schedule 4.27

1. Loans and Advances:

The loans and advances at the end of Ashadh 2072 are as follows:

Opening Balance	Payment	Recovery	Written off	Closing Balance
4,897,831,293.00	9,957,460,400.00	7,928,191,019.00	12,625,268.00	6,914,475,406.00

2. Deposit Liability:

Deposit liabilities at the end of Ashadh 2072 are as follows:

S.N.	Description of Deposit	Balance as on 2071 Ashadh end	Balance as on 2072 Ashadh end	Increase/(Decrease) in FY 2071/72
1	Mandatory Deposit	859,170,672.94	1,021,532,965.87	162,362,292.93
2	Individual Deposit	453,386,291.49	802,034,260.47	348,647,968.98
3	Central Fund Deposit	263,481,166.48	377,948,255.79	114,467,089.31
4	Public Deposit	290,467,087.30	564,916,390.08	274,449,302.78
	Total	1,866,505,218.21	2,766,431,872.21	899,926,654.00

3. Weighted Average Interest Rate Spread of Deposits and Loans:

Average interest rate earned on Loans and Advances	18.08
Average interest rate paid on borrowings and deposits	4.92
Weighted Average Interest Rate Spread of Deposits and Loans	13.16

4. Expenses to be written off:

None

5. Amortization of Leasehold Property:

None.

6. Statement of concentration of transactions relating to assets, liabilities and off balance sheet items with individual, firm, company or organized institution and concentration in any sector beyond the specified limit:

None.

7. Statement of classification of assets and liabilities on the basis of maturity period as per the directives of Nepal Rastra Bank for minimizing liquidity risk:

Not prepared.

8. Statement of amount taken against the collateral of own assets:

The bank has not taken any loan against the collateral of its own assets. However, for providing group guarantee loans, the bank has borrowed Rs. 4,379,800,996.84 from bank and financial institutions.

9. Statement of Non-banking Assets (Up to last year, acquired in the current year, disposed off and net amount):

None.

10. Share Capital:

There is no advance received for share capital, no calls in arrears and no share has been forfeited. The paid up capital of the bank in the previous year was Rs. 336,000,000 and the bank has proposed bonus shares which amounts to Rs. 164,000,000 Hence, the paid up capital of the bank has increased to Rs. 500,000,000 including the bonus shares.

11. Dividend and Bonus Share:

This year the bank has proposed cash dividend of 13.10% (including tax payable on cash dividend and bonus shares), which amounts to Rs. 44,000,000 and proposed net 48.81% (rounded off at 2 digit) bonus shares, which amounts to Rs. 164,000,000 for the approval of annual general meeting.

12. Loan Loss Provision and Loan Write off:

Total Loan Loss Provision up to last year	76,161,077.73
Additional Provision of this year	6,902,480.85
Total Loan Loss Provision	83,063,558.58
Recovery of written off loan	4,078,056.54

13. Deferred Tax Assets:

Temporary difference between assets/liabilities as per financial statement and tax base is considered for deferred tax calculation. Accordingly, Rs. 3,638,676.27 is recognized as deferred tax expenses in the profit and loss account and the net balance amount of deferred tax assets amounting to Rs. 16,634,753.07 is shown under other assets in schedule 4.12. The same amount is shown as deferred tax reserve under schedule 4.2.

Deferred Tax:

Particulars	Amount as per Financial Statement	Tax Base	Difference
Loan Loss Provision	83,063,558.58	83,063,558.58	-
Provision for Leave Encashment	55,259,518.55	-	55,259,518.55
Fixed Assets	186,218,491.40	185,929,334.48	(289,156.92)
Bond Premium	1,915,261.07	2,394,076.33	478,815.26
Total:			55,449,176.90
Deferred Tax Rate (Percentage)			30%
Deferred Tax Assets up to			

This Year			16,634,753.07
Deferred Tax Assets up to Last Year			20,273,429.34
Deferred Tax Expenses This Year			3,638,676.27

14. Grant Income:

Grant received from various domestic and foreign institutions are as follows:

(Rs. '000)

S. No.	Name of Institution	Grant received for purchase of goods	Grant received for office operation, training and various expenses	Total Amount
1	Mercy Crops	1,221	10,044	11,265
2	Sambridha Pahad	1,162	5,393	6,555
3	Whole Planet Foundation	2,887	....	2,887
4	Clean Start	...	21	21
	Total	5,270	15,458	20,728

As per above mentioned details, grant of Rs. 5,270 thousand received for purchase of goods is recorded as grant assets and the same amount is accounted for under capital reserve.

Expenses incurred for various operating activities amounting to Rs. 15,458 thousand only has been recognized as grant income.

15. Capital Reserve:

The bank has adopted the policy to create capital reserve fund against the assets received in grant from different domestic and foreign institutions and charge the depreciation amount of these assets in this capital reserve fund itself. Accordingly, the balance in capital reserve fund has come down to Rs. 30,907 thousand at the end of this fiscal year as follows:

(Rs. '000)

Particulars	Amount
Balance at the end of Ashadh 2071	31,204
Used from Mercy Crops Fund for purchase of Fixed Assets.	1,221
Used from Sambridha Pahad for purchase of Fixed Assets.	1,162
Used from Whole Planet Foundation for purchase of Fixed Assets	2,887
Total	36,474
Depreciation on Grant Assets This Year	5,073
Value of Assets written off This Year (WDV)	494
Total Balance	30,907

16. Refinancing Loan from Nepal Rastra Bank:

The balance of refinancing loan received from Nepal Rastra Bank for **Western Terai Poverty Alleviation** project amounting to Rs. 700,826.00 has been shown under loans and borrowings in the balance sheet.

17. General Reserve Fund:

In accordance with bank and financial institutions act 2063, the bank has transferred 20% of the net profit of this year i.e. Rs. 55,773,038 to the General Reserve Fund and the balance in General Reserve Fund at the year end amounts to Rs. 157,615,789.

18. Micro Security Fund:

The balance in Micro Security Fund, created for the welfare of the members as per the direction of Nepal Rastra Bank was Rs. 7,640,521.21 at the end Ashadh 2071. During this F/Y 2071/072, Rs. 1,799,808 has been spent for welfare and training & skill development of the members, leaving the balance of Rs. 5,840,713.21 at the end of Ashadh 2072.

19. Gratuity Fund:

The balance in the gratuity fund at the end of last year was Rs. 157,342,843. An addition of Rs. 40,113,054 have been made during this year and the interest earned on this fund amounts to Rs. 6,699,115. During this year, Rs. 4,024,011 have been paid from this fund to employees, who have taken retirement from the bank. Thus, the net balance in the gratuity fund amounts to Rs. 200,131,001, which is shown under other liabilities.

20. Staff Bonus:

Provision for staff bonus has been made at the rate of 10% of net profit after bonus, which amounts to Rs. 39,703,269.74.

21. Staff Housing Fund:

In line with policy followed by other financial institutions and as the bank has been providing housing loan facilities to the staff, a separate housing fund has not been created in accordance with Labour Act, 2048.

22. Client Service Fund:

In Fiscal Year 2071/72 the Client Service fund has been created in which 1% of net profit, amounting Rs. 2,788,652.00 has been transferred. Such amount will be used for the welfare and development of micro enterprising activities of client.

23. Reclassification:

Previous year's figures have been regrouped and reclassified, if required.

Nirdhan Utthan Bank Ltd.

Kathmandu, Nepal

Statement of Loans and Advances taken by Promotor/Group of promoters from other Banks and Financial Institutions by pledging the Share held under their ownership

As at 31st Ashadh 2072 (16 July 2015)

Schedule - 4.28

S.No.	Name of Promoters/Shareholders Under Promoters' Group	Shares Under the Ownership of Promoter		Loan Details			Remarks
		Total No. of Shares	% of Total Paid-up Capital	Name of Other Bank/Financial institution form which Loan has been taken	Loan amount (Rs)	No. of Shares Pledged	
1	Nirdhan Sanstha	368,271	10.96	.....	...	...
2	Gramin Trust, Bangladesh	119,979	3.57	.....	...	...
3	Nabil Bank Ltd.	465,193	13.85	.....	...	...
4	Himalayan Bank Ltd.	377,102	11.22	.....	...	...
5	Everest Bank Ltd.	377,102	11.22	.....	...	...
6	Dr. Harihar Dev Panta	265,221	7.89	.....	...	...
7	Ganesh Bahadur Thapa	35,837	1.07	.....	...	...
8	Arpana Laxmi Pradhan	1,428	0.04	.....	...	...
9	Dr. Mohan Man Sainju	14,285	0.43	.....	...	...
10	Hari Krishna Panta	2,681	0.08	.....	...	...
11	Janardan Dev Panta	31,491	0.94	.....	...	...
12	Yadav Raj Pandey	916	0.03	.....	...	...
13	Bimala Pandey	361	0.01	.....	...	...
14	Mina Panta	196	0.01	.....	...	...
15	Jagannath Chalise	916	0.03	.....	...	...
16	Devendra Bahadur Raut	1,439	0.04	.....	...	...
17	Raj Narayan Dash	361	0.01	.....	...	...
18	Keshav Kumar Paudel	196	0.01	.....	...	...
19	Krishna Raj Chaudhari	148	0.00	.....	...	...
20	Dilip Gautam	47	0.00	.....	...	...
21	Binda Singh	196	0.01	.....	...	...
22	Gangapal Chaudhary	201	0.01	.....	...	...
23	Bhoj Raj Ghimire	724	0.02	.....	...	...
24	Merry Pandey	15,483	0.46				
25	Alina Panth	15,483	0.46				
	Total	2,095,277	62.36	.....	...	...

Nirdhan Utthan Bank Limited

Kathmandu, Nepal

Comparison of Unaudited and Audited Financial Statement as of Fiscal Year 2071/2072

Schedule - 4.29

Rs in '000

S. N.	Particulars	As per Unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
				In Amount	In %	
1	Total Capital and Liabilities (1.1 to 1.7)	8,453,859	8,336,037	(117,822)		
1.1	Paid up Capital	336,000	500,000	164,000	48.81%	Due to proposed Bonus share
1.2	Reserve and surplus	488,731	275,873	(212,858)	-43.55%	Due to Calculation of deferred tax reserve & appropriation of Net Profit.
1.3	Debenture & Bond	-	-	-		
1.4	Borrowings	4,379,801	4,379,801	==	0.00%	
1.5	Deposits (a+b)	2,766,435	2,766,432			
	a. Domestic Currency	2,766,435	2,766,432	(3)	0.00%	
	b. Foreign Currency	-	-	-		
1.6	Income Tax Liability	119,285	-	(119,285)	0.00%	Due to Income Tax Calculation
1.7	Other Liabilities	363,607	413,931	50,324	13.84%	Due to adjustment of Advance Tax Amount
2	Total Assets (2.1 to 2.7)	8,453,859	8,336,037	(117,823)		
2.1	Cash and Bank Balance	114,252	114,253	0	0.00%	
2.2	Money at Call and Short Notice	669,158	669,161	2		
2.3	Investments	53,814	53,814	-	0.00%	
2.4	Net Loan and Advances	6,831,412	6,831,412	(0)	0.00%	
2.5	Fixed Assets	216,913	217,126	213	0.10%	Recalculation of Depreciation
2.6	Non Banking Assets	-	-	-		
2.7	Other Assets	568,310	450,272	(118,038)	-20.77%	Due to tax adjustment
3	Profit and Loss Account					
3.1	Interest Income	1,093,821	1,093,599	(222)	-0.02%	Due to adjustment penal interest & dividend income
3.2	Interest Expenses	306,069	306,071	1	0.00%	
	A. Net Interest Income (3.1 - 3.2)	787,751	787,528	(223)		
3.3	Fees, Commission and Discount	-	-	-		
3.4	Other Operating Income	122,027	122,203	176	0.14%	Due to adjustment
3.5	Foreign Exchange Gain/Loss (Net)	1,074	1,074	(0)	0.00%	
	B. Total Operating Income (A+3.3+3.4+3.5)	910,853	910,805	(47)		
3.6	Staff Expenses	378,717	379,620	903	0.24%	Due to adjustment in Account Head
3.7	Other Operating Expenses	95,029	94,727	(301)	-0.32%	Recalculation of Depreciation and adjustment of other expenses
	C. Operating Profit Before Provision (B -3.6 -3.7)	437,107	436,457	(648)		
3.8	Provision for Possible Losses	19,519	6,902	12,616	64.64%	Inter Book Adjustment
	D. Operating Profit (C -3.8)	417,589	429,555	11,968		
3.9	Non Operating Income/ Expenses (Net)	15,723	15,728	5	0.03%	Due to adjustment
3.10	Write Back of Provision for Possible Loss	-	-	-		
	E. Profit From Regular Activities (D+3.9+3.10)	433,313	445,284	11,973		
3.11	Extraordinary Income/ Expenses (Net)	4,069	(8,547)	(12,616)	-310.06%	Inter Book Adjustment
	F. Profit before Bonus and Taxes (E +3.11)	437,381	436,737	(643)		
3.12	Provision for Staff Bonus	39,762	39,703	(59)	-0.15%	
3.13	Provision for Tax	119,285	118,168	(1,118)	-0.94%	Due to Deferred Tax calculation and Computation of Actual tax Liability
	G. Net Profit/ Loss (F - 3.12 - 3.13)	278,334	278,867	533		