



Yellow.

The promise of
a bright **future**,
cheerfulness,
the color of **trust**,
intellect, energy,
joy and freshness
will from now on be
an integral part of
our corporate logo.



This is just the beginning;
do expect more as
we believe in going
beyond the ordinary...

Radhesh Pant
Chief Executive Officer

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Introduction:

Kumari Bank Limited is a well-established commercial bank. Its promoters represent a group of highly reputed Nepalese. Managed by experienced and dynamic professionals, Kumari Bank's competitive banking services have become a hall-mark amongst its ever increasing customer base.

As we present this year's Annual Report, beyond normal facts and figures, you will notice that we have incorporated a new positive color "**yellow**" in our corporate logo. This is an endeavor, our promise for service excellence in days to come.



Freshness

At Kumari, we believe in fresh and innovative approaches towards financial flexibility

Vision:

Our vision is to be the preferred financial partner to our customers, a center of career growth to our employees, and to maximize our shareholders' value, while contributing to our nation's financial sector and to its economic welfare.



Mission:

Our mission is to deliver innovative products and services to our customers, use these innovative products to achieve financial inclusion, and do so by exemplifying good corporate governance, proactive risk management practices, and superior corporate social responsibility.



Energy

At Kumari, we believe you, our customers, are our energy, our joie de vivre

Chairman's Message:

It is my pleasure to inform you that your Bank has recorded yet another prosperous year in terms of performance amidst challenging conditions, making it possible to distribute 12% cash dividend this Fiscal Year.

Your Bank's success is a rich testimony of the vision, dedication and uncompromising commitment to provide superior and competitive products and services across the country through expansion of service distribution channels, while cultivating an environment that promotes good corporate governance, proactive risk management practices and corporate social responsibilities.

The situation we face today is not business as usual, but at the same time we recognize that the long term growth strategy we have been carrying out is still very much the right one.



Even in days to come, your Bank will adopt best acclaimed international practices, leading to superior results for its shareholders, thereby contributing to the nation's economy.

As we see the days ahead to be more challenging, with sincere gratitude, we seek the same support and co-operation from all our stakeholders— customers, employees, shareholders, society and regulators.

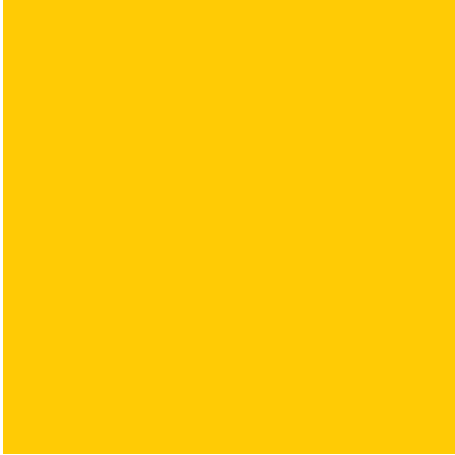
**Thank You,
Shivratna Sharda**



Intellect

At Kumari, we believe in customer insight,
good judgement and wisdom in service delivery

Board of Directors:



1. Mr. Shivratna Sharda
Chairman
2. Mr. Noor Pratap J.B. Rana
Director
3. Mr. Rajan Bahadur Poudel
Director

4. Dr. Shobhakant Dhakal
Director
5. Mr. Min Bahadur Gurung
Director
6. Mr. Amir Pratap J.B. Rana
Director

7. Mr. Rishi Agrawal
Director
8. Mr. Rashindra Bahadur Malla
Director

Joy

We believe in the joy of banking, making
your everyday transaction rituals enjoyable



Dear Shareholders,

I am delighted to share with you that we finished the given Fiscal Year with a strong operating profit gain of 21%, going from Rs. 41 crores in the previous Fiscal Year to Rs. 50 crores, and an inspiring 23% net profit gain, going from Rs. 26 crores in the previous Fiscal Year to Rs. 32 crores.

Our Earnings Per Share (EPS) grew from Rs. 19.92 to Rs. 24.25, an increase of Rs. 4.33 per share outstanding. Similarly, our Return On Assets (ROA) grew from 1.47% to 1.59%, while our Return On Equity (ROE) grew from 16.9% to 17.4%. These are steps in the right direction for our Bank, for which, I would like to thank you, our valued shareholders, for your continuous support.

Despite the liquidity crisis that continued to prevail throughout the year, we grew our total deposits during the Fiscal Year by Rs. 1.72 billion, contributing to the growth in the size of our Balance Sheet to Rs. 20.5 billion, compared to Rs. 18.5 billion in the previous year.



CEO's Message:

As far as our risk management efforts were concerned, we were able to reduce our exposure to the real estate sector during the Fiscal Year by Rs. 96 crores, bringing our exposure to this sector from 31% to 24% of our total credit portfolio.

From a network expansion standpoint, we started eleven new branches in the past Fiscal Year, which is a remarkable achievement if you consider that Kumari Bank only had a total of seventeen points of representation over its nine year history. As we focus on expanding our reach from east to west, the six branches that we opened in the western region will rightfully help us establish our presence in a region that has otherwise not been penetrated well by the banking industry.

As a publicly traded firm, one of our prime responsibilities is delivering returns to our shareholders. We disbursed Rs. 11.9 crores of Bonus Shares in the given Fiscal Year, bringing our total paid-up capital to Rs. 1.3 billion. If we continue to produce quantifiable value through our growth initiatives, we will make the upcoming year even better for Kumari Bank. I am confident that we will continue to grow revenues, expand margins and increase our profit, cash, EPS and return to shareholders. Thank you again for your contributions in F/Y 2009/10 and for your foresight into a successful F/Y 2010/11.

**Sincerely,
Radhesh Pant**



Trust

At Kumari, we appreciate our customers' trust & their belief in us



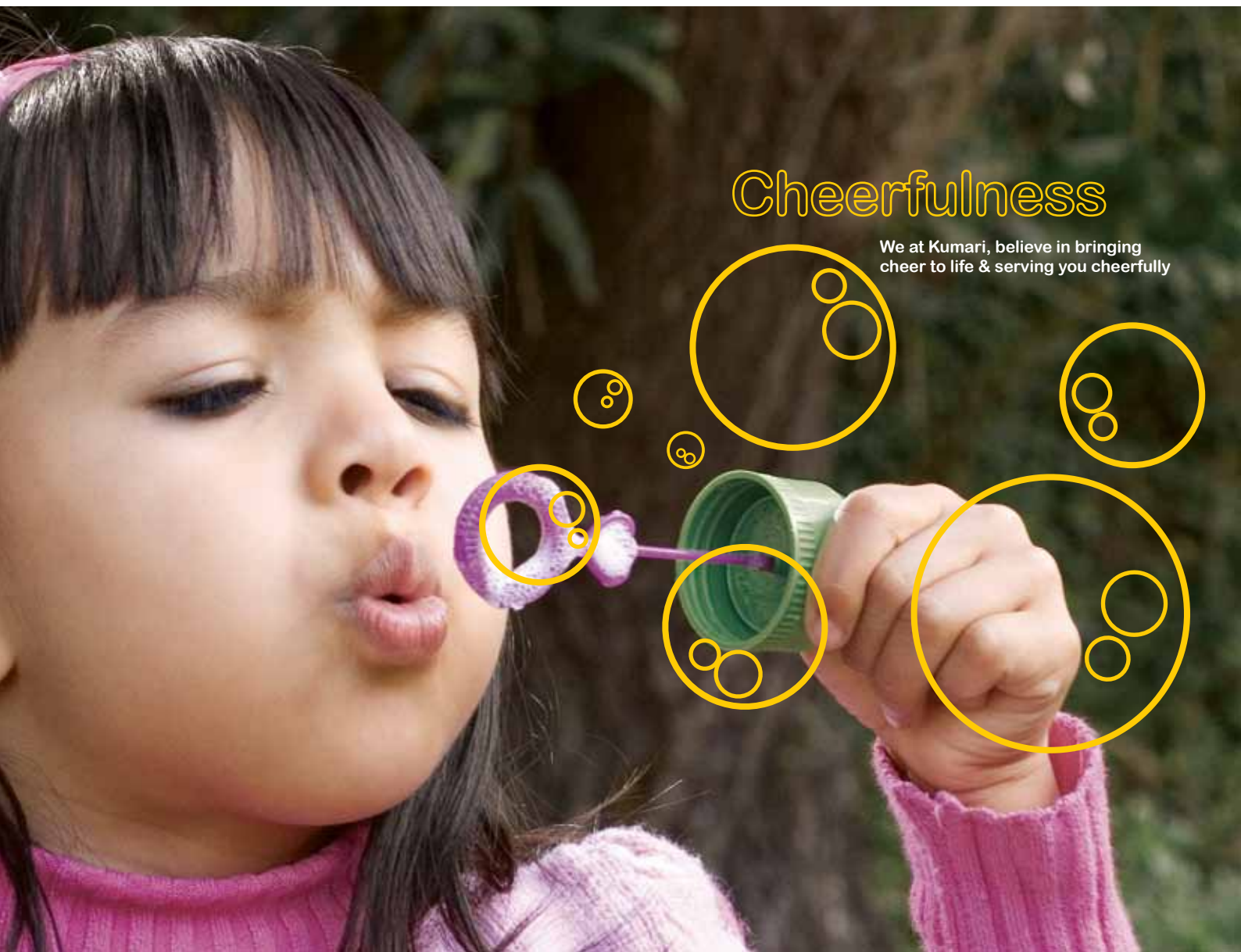
KBL Team

Senior Management

NAME	DESIGNATION	DEPARTMENT
Radhesh Pant	Chief Executive Officer	
Udaya Krishna Upadhyay	Chief Business Officer	
Geha Nath Dhungana	Chief Operations Officer	
Suresh Kumar Karna	Chief Information Officer	
Tika Ram Chapagain	Chief Coordination Officer	
Binod Narasinha Shrestha	Head	Institutional Banking, Central Remittance and Business Development
Sanjay Poudyal	Head	Corporate Strategy & Development
Ajit Bhattarai	Head	Central Logistics & Training
Bikash Khanal	Head	Corporate Risk Management
Narayan Prakash Bhuju	Head	Information Technology
Narendra Prasad Chhatkuli	Head	Legal & Shares and Company Secretary
Rajesh Shrestha	Head	Cards and Mobile Cash
Ashish Bhattarai	Head	Human Resources
Mridul Mainali	Head	Risk Approval
Parmeshwor Pant	Head	Treasury & Corresponding Banking
Shreeyukta Thapaliya Pandey	Head	Corporate Communications
Sipa Regmi	Head	Marketing & Services
Milan Kumar Maskey	Head	Foreign Trade
Niraj Rai	Head	Internal Audit & Concurrent Audit
Nirmal Khatiwoda	Head	Finance & Planning
Prajwal Pant	Head	Transaction & Retail Services
Vishal Rauniyar	Head	Credit Administration & Control Department

Cheerfulness

We at Kumari, believe in bringing cheer to life & serving you cheerfully



KBL Team

Branch Managers:

Sanjeeb Sainju	Branch Manager	Putalisadak
Ambar Bhattacharya	Branch Manager	Biratnagar
Biswas R. Aryal	Branch Manager	Birgunj
Bhupendra Khadka	Branch Manager	Pokhara
Bishwa Mani Regmi	Branch Manager	Newroad
Devraj Nepal	Branch Manager	Itahari
Bipallaw Kumar Karna	Branch Manager	Dryport
Anuradha Chaudhary	Branch Manager	Kumaripati
Tripti Silwal	Branch Manager	Gongabu
Purushottam Poudel	Branch Manager	Narayangadh/Sauraha
Abhishek Adhikari	Branch Manager	Birtamod
Prajwal Joshi	Branch Manager	Durbarmarg
Kedar Pokharel	Branch Manager	Damauli
Deepak Mahat	Branch Manager	Baglung
Badri Kedar Shrestha	Branch Manager	Bhairahawa
Bishwo Poudel	Branch Manager	Butwal
Kanchan Sharma	Branch Manager	Baneshwor
Namita Shakya	Branch Manager	Chabahil
Akash Dahal	Branch In-Charge	Urlabari
Renu Koirala	Branch Manager	Koteshwor
Samjhana Rana	Branch Manager	Budhanilkantha
Nirmal Shahi	Branch Manager	Kawasoti
Milan Kuinkel	Branch Manager	Nepalgunj
Deepak Adhikari	Branch Manager	Salyan
Sharad Upadhaya	Branch Manager	Surkhet
Birendra Kunwar	Branch Manager	Tulsipur
Jeet Bahadur Rokaya	Branch Manager	Dhangadhi

Bright future

We dedicate ourselves towards a brighter future for our nation and its citizens





Director's Report:

Dear Shareholders,

On behalf of the Bank and the Board of Directors, we take pleasure in welcoming you to the 10th Annual General Meeting of the Bank and would like to present to this august gathering, the Bank's Annual Report for the F/Y 2009/10.

1. Review of Bank's Financial Performance in F/Y 2009/10

Despite sustained political and economic instability in the country and a highly competitive banking environment, the Bank has been able to substantially grow in all dimensions— deposit, lending, profit and services in F/Y 2009/10. Bank's major financial performances are as follows:

Financial Highlights

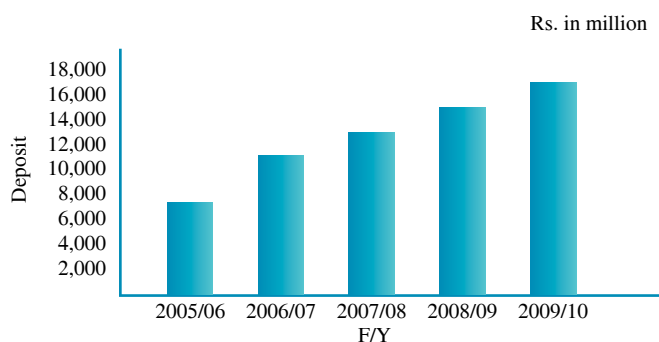
Particulars	F/Y 2009/10	F/Y 2008/9	Increase/Decrease	Rs. in million
				Growth (%)
Total Assets	20,522.47	18,538.56	1,983.91	10.70
Deposit Liabilities	17,432.25	15,710.40	1,721.85	10.96
Loans and Advances (Net)	14,966.10	14,795.26	170.82	1.15
Investment	2,296.87	1,510.83	768.04	52.03
Interest Income	1,871.07	1,374.72	496.35	36.11
Interest Expenses	1,188.92	816.20	372.72	45.67
Net Interest Income	682.15	558.52	123.63	22.14
Other Operating Income	179.88	140.15	39.73	28.35
Other Operating Expenses	360.88	284.78	76.10	26.72
Operating Profit	488.06	356.48	131.62	36.93
Net Profit	316.54	258.38	58.16	22.51

Growth in Business

The analysis of the financial statements in the review period shows continuous growth in the Bank's business. The Bank takes pride in achieving these growth figures and is confident of maintaining growth momentum in the coming years as well. The Bank's Balance Sheet has increased by 10.70% to Rs. 20.52 billion in the F/Y 2009/10. The Bank's paid-up capital has reached to Rs. 1.48 billion in F/Y 2009/10.

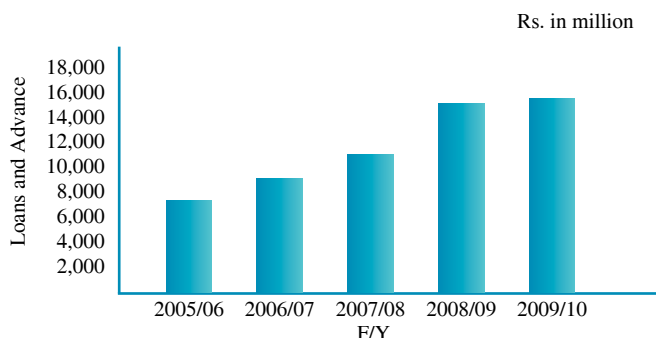
Deposit

The deposit of the Bank has increased by 10.96% to Rs. 17.43 billion in the review period. The deposit growth of the Bank in the last five years is listed below:



Lending

The total loans and advances stood at Rs. 14.96 billion marking a nominal growth of 1.15% in the F/Y 2009/10. Although a substantial growth has been observed, the Bank continues to adopt a stringent and selective approach that can be gauged by the Bank's success in maintaining Non-Performing Assets (NPA) at one of the lowest levels in the banking industry in Nepal. The Non-Performing Loan (NPL) of the Bank was 0.50% in the F/Y 2009/10. The comparative figure of loan and advances in the last five years is listed below.



Investment

The Bank continues to follow a policy of investing in risk-free government securities thereby maintaining adequate balance between profitability and liquidity. Further, to benefit from opportunities available in the local and international money markets, the Bank has been selectively investing in shares, bonds and other financial instruments both inside and outside Nepal. The total value of such investments is Rs. 2.29 billion as at the end of F/Y 2009/10, an increment of 52.03% compared to last Fiscal Year.

Profit

On account of the capital structure being augmented by ploughing back of profit by means of Bonus Shares, the Bank has been able to post operating profit of Rs. 488.1 million and net profit of Rs. 316.54 million in F/Y 2009/10. Furthermore, the Bank saw its gross operating income increasing by 23.38% in F/Y 2009/10 to reach at Rs. 862 million. The total operating expenditure of the Bank stood at Rs. 368 million, an increase of 26.72% during the review period.

Capital Management

In the review period, capital management of the Bank has been quite satisfactory. The core and supplementary capital of the Bank at the end of F/Y 2009/10 were Rs. 1.77 billion and Rs. 35.24 million, taking the total capital to Rs. 2.12 billion. The Bank has been able to maintain Capital Adequacy Ratio at 12.34% at the year end against the statutory requirement of 10% by the Central Bank (Nepal Rastra Bank).

Contribution in Government Revenue

In view of the growth in profit, the Bank paid Rs. 143.72 million to the Government of Nepal as corporate tax in F/Y 2009/10. The Bank had paid Rs. 113.70 million as corporate tax in F/Y 2008/09.

Products & Services

The Bank continues to provide innovative and modern banking products and services leveraged by the latest available technological know-how to enable our valued customers to have the competitive edge.

Our products and services cover the whole range of banking requirements of our customers, from retail banking, SME banking to corporate banking. The Bank since its inception has been providing IT based solutions like internet banking, SMS banking and globally accepted electronic VISA debit cards.

To cater to the ever increasing Nepalese diaspora across the world, the Bank has launched its own e-remittance platform Kumari Remit, and has received immense reception from remitters. Apart from Kumari Remit, the Bank in F/Y 2009/10 introduced Kumari Mobile Cash, a revolutionary service that uses mobile phones to provide access to financial services. The first of its kind in Nepal, this service pioneers the "mobile wallet" concept, which allows users to store cash balances in their mobile phones. Users are then able to deposit and withdraw cash from their mobile phones, and use the stored cash value to remit to anyone, anytime, anywhere, with the push of a few buttons. Even in days to come, the Bank will continue to embrace the latest technological innovations to provide value addition to its customers.

Branch Expansion

Acting as a conduit to the economic activities of the country and to cater to the needs of customers, the Bank has given continuity to expanding branches across the country. In F/Y 2009/10, the Bank added 10 more branches, making the total number of branches 28. The Bank has also added more Automated Teller Machine (ATMs) in the review period. By the end of F/Y 2009/10, the Bank has a total of 26 ATMs.

Corporate Governance

Being in a business that requires a lot of confidence on the part of customers, the Bank is committed to high standards of corporate governance, business integrity and professionalism in all its activities that ensure all stakeholders that the Bank is being managed ethically in compliance with best practices and applicable legislation and within predetermined risk parameters, and is also adding value to and protecting their investments. The Bank works in an environment that is equitable and transparent. In all its dealings, with both the internal and external stakeholders, the Bank practices non-discriminatory policies taking into account various salient environments.

To be able to properly manage various risks inherent to its business and to stimulate a culture of accountability, the Board has constituted numerous sub-committees in the Bank, which look after various facets of banking.

Risk Management

Management of Risk forms an integral part of the Bank's philosophy. Risk is managed proactively at all levels starting from the Board of Directors, sub-committees and across departmental functions. Additionally, a separate Risk Management Department has been formed in the Bank to safeguard the Bank from the potential risks.

2. Review of Economic Scenario

Despite world economy slowly moving out of recession, most of the economies are still currently working for a safe exit strategy amidst the prevailing risks and the challenges. The coordinated efforts of Central Bank, government and global financial institution have brought the confidence back amongst the consumers and investors and also increased the internal and external demands. The world's biggest economy, the US whose economic growth shrunk by 2.4% in 2009, is expected to increase by 3.3% and 2.9% in 2010 and 2011 respectively. Likewise, the emerging nations and developing nations' economic growth is projected to increase by 6.8% and 6.4% in 2010 and 2011 respectively. Our two neighbours India and China have been maintaining good economic growth. Indian economy is expected to expand by 9.4% and 8.4% in 2010 and 2011 respectively. Likewise, the GDP of China is expected to grow at 10.5% in 2010 and 9.6% in 2011. When world economy is moving out of recession, Nepali economy that remained insulated from global economic recession is heading towards crisis. During the review period, the government had projected economic growth of 5.5% however initial estimation shows it grew by 3.5% at the basic price and 4.6% at producers' price. Nepal Rastra Bank's statistics shows inflation has moderated to 10.5% from last year's 13.2%. In the banking sector, the number of banks and financial institutions has reached to 203 from 190 last year. Similarly, the branch network of the commercial banks by the end of F/Y 2009/10 had expanded to 966 branches from 752 recorded of F/Y 2008/09. The deposits of the commercial banks had surged by 12.2% in F/Y 2009/10 to reach at Rs. 617 billion. Similarly, the Bank's lending increased by 17.6% in the last Fiscal Year.

3. Sub-Committees

The Bank has formed various committees and sub-committees to materialize the policies of the Bank.

Audit Committee

As per Company Act, the Bank has formed an Audit Committee comprising three Non-Executive Directors Dr. Rajan Bahadur Poudel (convenor), Dr. Shobhakant Dhakal and Rashindra Bahadur Malla. The Bank's Internal Audit Department is directly reportable to the Audit Committee for all its activities.

In addition to carrying out responsibilities statutorily required, the Audit Committee is involved in the evaluation and recommendation of external statutory auditors, defining the scope and responsibilities of the Internal Audit Department, reviewing the findings in the reports generated by internal, statutory and NRB audit teams and ensuring the Management complies with all the issues highlighted in the reports.

Human Resources Sub-Committee

Human Resource Sub-Committee has been formed to provide strategic guidance to the Management on the issue of competent and dynamic staff recruitment, staff development and benefits. The committee has Non-Executive Directors Dr. Shobhakant Dhakal as its convenor and Rishi Agrawal and Rashindra Bahadur Malla as its members.

Executive Sub-Committee

In order to expedite decision making with regards to credit and other banking issues, an Executive Sub-Committee is in existence in the Bank. The sub-committee consists of three Non-Executive Directors, Rishi Agrawal (convenor), Shobhakant Dhakal and Rashindra Bahadur Malla.

Business Development and Promotion Sub-Committee

A Business Development and Promotion Sub-Committee has been formed under the convenorship of Non-Executive Director Min Bahadur Gurung which would guide the Bank's Business Promotion that includes image enhancement, branch expansion, construction of corporate building etc. Non-Executive Director Rishi Agrawal and the Bank's CEO are the other two members of this committee.

The sub-committee's scope, function, role, responsibilities and authority have been clearly spelt out and followed accordingly. Outside of the approved meeting allowances, convenors and members of the committee and sub-committee have not been provided with any additional monetary or non-monetary benefits.

4. Other Committees

In order to carry the Bank's functioning in an effective manner, Management Committee, Assets and Liability Management Committee, Bid Committee, Bad Loan Recovery Committee, Discipline and Performance Review Committee are active under the convenorship of CEO.

5. Human Resources

The Human Resources policy and practices of the Bank is designed to attract and retain people of the highest caliber and to motivate them to excel in their careers, as well as uphold the Bank's brand image. It has focused on capacity development and imparting innovative ideas to its workforce, which the Bank believes will ensure the balance between risk and returns. The Bank has amended the existing employee service regulation to make it more effective. Similarly, new organogram have been implemented by reviewing the existing one.

6. Bank's Performance in the Current Fiscal Year

As per the latest Nepal Rasta Bank's statistics, 29 commercial banks, 82 development banks, 79 finance companies and 20 micro-finance companies are currently in operation in the country. It also suggests banking and finance business is getting extremely competitive and challenging in the country. Despite these competitions and challenges, the Bank has been able to post significant progress in the first two months of the current Fiscal Year. The achievements of the first two months are listed below:

Financial Highlights of First Two Months of 2009/10

Particular	Rs. in million		
	F/Y 2010/11	F/Y 2009/10	Growth
Deposits	17,377	14,753	17.78%
Loan & Advances	14,887	14,985	(0.66%)
Interest Income	349	270	29.00%
Other Income	40	27	51.51%
Interest Expenses	259	157	65.32%
Other Expenses	64	61	3.97%
Operating Profit	66	79	(16.03%)

7. Programmes in the Current Fiscal Year

- The Bank will give continuity to its branch expansion drive in the current Fiscal Year.
- The Bank, through its newly launched Kumari Mobile Cash, intends to leverage the ubiquity of mobile phones to bring financial access to all, and stress that one does not have to have a bank account at all to use this service.
- As per Nepal Rastra Bank's directives and decision of the 8th Annual General Meeting, the process of issuing Right Shares has already been initiated to increase the capital base.
- The Bank, after discussions with its shareholders will also study the possibility of merger with other banks and financial institutions.
- The Bank will also start construction of its own corporate building in Naxal, Kathmandu.

8. Company's Business Relation

The Bank has been maintaining cordial and professional relationships with all industrial and commercial clients and also pledges to continue it in the future.

9. Changes in Board of Directors

In the reviewed period, Rishi Agrawal, Dr Rajan Bahadur Poudel and Min Bahadur Gurung were appointed as Directors of the Bank replacing Jagadish Prasad Chaudhary, Samson JB Rana and Santoo Shrestha. We would like to record our sincere words of appreciation for the effort put in by our erstwhile Directors and take this opportunity to welcome the new Directors and wish them an eventful and successful tenure as Directors of the Bank.

10. Main Factors Affecting the Business

Following are the main factors that will affect the Bank's business:

- Possibility of unhealthy competition
- Deteriorating economic environment
- Unstable government
- Risk due to low investment opportunities

11. Board of Directors Responses to the Auditor's Report

No major observations were received from the Bank's auditor for the period under review. The Management has been instructed to act on the suggestions made by the auditors on a few common comments relating to the normal banking activities of the Bank. Further, comments and instructions given by Nepal Rastra Bank to the Bank during the approval of the Financial Statements for the F/Y 2009/10 have been published in the enclosed Annual Report for your reference.

12. Dividend Declaration

Board of Directors' meeting dated 10/06/2067 (September 26, 2010) decided to recommend to the shareholders, the distribution of cash dividend at the rate of 12% from the accumulated profit till F/Y 2009/10. This proposal has further been approved by Nepal Rastra Bank on 12/07/2067 (October 28, 2010). In view of this, Rs. 156,816,002 has been earmarked for the same in the enclosed Annual Report. A separate special proposal on this matter has been tabled in the AGM for your approval.

13. Forfeited Shares

No shares were forfeited during the review period.

14. Performance of the Bank and its Subsidiary Companies

Details of the Bank's performance in the period under review have been detailed in the enclosed Financial Statements. The Bank does not have any subsidiary companies till date operating under its umbrella.

15. Important Information Provided by Valued Shareholder

No such information was received.

16. Personal Interest of Directors and his/her Relatives on Dealings with Bank

No such dealings were recorded.

17. Details of Share Re-Purchase

No such activities were recorded.

18. Details of Bank's Administrative Expenses

Following are the major heads under the Bank's Administrative Expenses during F/Y 2009/10:

- Staff Expenses : Rs. 143,277,770
- Other Operating Expenses : Rs. 217,606,423
- Detailed breakdown of the above can be found in Schedules 4.23 and 4.24 respectively in the enclosed Financial Statements.

19. Amount to be Paid to the Bank by Directors, Managing Director, Chief Executive Officer, Promoters of the Bank and their Relatives or Firm, Company or Organized Institutions

None.

20. Remuneration, Allowance and Facilities Provided to Directors, Managing Director and Chief Executive Officer

As per the Bank's guidelines, Chairman and Directors are paid Rs. 10,000 and Rs. 8,000 per meeting respectively. Apart from this, no other facilities have been provided to the Board of Directors.

21. Details of Allowance Received by the Directors as per Approved Guidelines are as Follows:

	Chairman	Directors
Meeting Allowance	10,000	8,000
Monthly Business Development Allowance	2,000	2,000
Total	1,831,600	

Rs.

22. Annual Salary, Allowance and Other Facilities Provided to Chief Executive Officer and Managers / Other Executives.

Particulars	CEO	Managers/Other Executives
Salary	6,993,750	9,082,756.03
Allowances	5,128,750	2,425,525.88
Provident Fund	699,375	908,275.61
Vehicle maintenance	-	137,150
Medicines	-	297,130
Dashain Allowance	600,000	488,215
Annual Leave	600,000	1,041,443.59
Insurance	-	321,939.08
Others	3,500,000	-
Total	17,521,875	14,702,435.19

Rs.

23. Apart from Salary and Allowances, CEO and Managers of the Bank have been Provided Facilities that are Listed Below:

- Bonus as per Bonus Act.
- Vehicle with driver, fuel and maintenance facility to CEO.
- Vehicle loan with driver, fuel and maintenance facility to DGM and AGM as per Bank's policy.
- Vehicle loan, fuel and maintenance facility to other Executives as per Bank's policy.
- Personal loan to CEO as per the contract between CEO and the Bank.
- Home loans to other Executives as per Bank's policy.
- Newspaper and mobile phone bill payment facility according to Bank's policy.

24. Uncollected Cash Dividend by Shareholders

No such cases recorded.

25. Others

None.

Acknowledgments

We would like to express our sincere gratitude and appreciation to all our shareholders, customers and well wishers for the continued support and cooperation bestowed upon us and would like to reiterate that we are indebted for their constant invaluable benefaction.

We are also thankful to external auditor G.P Raj Bahak and Company for it's valuable advice and Nepal Rastra Bank for its relentless support and guidance. Similarly, we appreciate the efforts of the staff members for their relentless hard work in delivering such good results.

Thanking You.

For and on behalf of the Board of Directors,

Shivratan Sharda
Chairman

Dr. Shobhakant Dhakal
Director



G.P. Rajbahak & Co.
Chartered Accountants

an independent member firm of
B K R
INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KUMARI BANK LIMITED

We have audited the accompanying Balance Sheet of **Kumari Bank Limited** (hereinafter referred to as 'the Bank'), as at July 16, 2010 (Ashadh 32, 2067) and the related Profit & Loss Account and Cash Flow Statement 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.

We conducted our audit in accordance with Nepal Standards of Auditing and relevant practices. Those standards and practices 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 examination 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Based on our examination of the financial statements as aforesaid, we report that:

1. We have obtained all information and explanations required for the purpose of our audit.
2. The Balance Sheet, Profit & Loss Account and Cash Flow Statement thereto are presented in conformity with the formats prescribed by Nepal Rastra Bank and are in agreement with the accounts maintained by the Bank.
3. The account and records of the Bank have been maintained as required by law and practice.
4. Returns received from the branch offices of the Bank are adequate for the purpose of our audit.
5. The capital fund and risk bearing fund of the bank are adequate considering the Directives issued by the Nepal Rastra Bank.

6. To the best of our information and according to the explanation given to us and from our examination of the books of accounts of the Bank, we have not come across any case where the Board or Directors or any office bearer of the Bank have acted contrary to the provisions of law, or committed any misappropriation or caused any loss or damage to the Bank and violated Directives issued by Nepal Rastra Bank or acted in a manner, as would jeopardize the interest and security of the Bank and its depositors.

7. The business of the Bank has been conducted satisfactorily and found within its authority.

8. In our opinion and to the best of our information and according to the explanation given to us, the said financial statements read together with the Significant Accounting Policies (Schedule 32) and Notes thereon (Schedule 33), give a true and fair view -

~ in case of Balance Sheet, of the state of affairs of the Bank as at July 16, 2010 (Ashadh 32, 2067),

~ in case of Profit & Loss Account, of the operating results of the Bank for the year ended on that date, and

~ in case of Cash Flow Statement, the cash flows of the Bank for the year ended on that date,

in accordance with Nepal Accounting Standards or relevant practices, the directives from Nepal Rastra Bank, Bank and Financial Institution Act, 2063 and Company Act, 2063.



(Signature)

Gopal P. Rajbahak, FCA
For, G. P. Rajbahak & Co.
Chartered Accountants

Date: September 26, 2010
Place: Kathmandu

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Nepal

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KUMARI BANK LIMITED
Balance Sheet
As at Ashad end 2067 (16 July 2010)

Capital and Liabilities	Schedule	Current Year (Rs.)	Previous Year (Rs.)
1. Share Capital	4.1	1,306,015,920	1,304,935,920
2. Reserves and Funds	4.2	479,743,128	320,016,788
3. Debentures & Bonds	4.3	400,000,000	400,000,000
4. Borrowing Outstanding	4.4	429,739,536	293,420,000
5. Deposit Liabilities	4.5	17,432,253,032	15,710,395,844
6. Bills Payable	4.6	42,312,957	70,087,025
7. Proposed Dividend Payable	-	156,816,002	6,583,752
8. Income Tax Liabilities	-	-	234,986
9. Other Liabilities	4.7	275,594,113	432,890,794
Total Capital and Liabilities		20,522,474,688	18,538,565,109

Assets	Schedule	Current Year (Rs.)	Previous Year (Rs.)
1. Cash Balance	4.8	574,065,903	549,108,504
2. Balance with Nepal Rastra Bank	4.9	1,663,997,917	1,120,760,644
3. Balance with Banks/Financial Institution	4.10	485,765,479	106,429,652
4. Money at Call and Short Notice	4.11	120,000,000	30,000,000
5. Investment	4.12	2,296,872,913	1,510,828,482
6. Loans, Advances and Bills Purchase	4.13	14,765,912,480	14,593,346,830
7. Fixed Assets	4.14	285,637,989	247,832,774
8. Non Banking Assets	4.15	-	-
9. Other Assets	4.16	330,222,007	380,258,223
Total Assets		20,522,474,688	18,538,565,109

Contingent Liabilities	Schedule 4.17
Directors' Declaration	Schedule 4.29
Table of Capital Fund	Schedule 4.30(A)
Statement of Credit Risk	Schedule 4.30(B)
Principal Indicators	Schedule 4.31
Significant Accounting Policies	Schedule 4.32
Notes to Accounts	Schedule 4.33

Schedules 4.1 to 4.17 and 4.32-4.35 form an integral part of the Balance Sheet.

Radhesh Pant
Chief Executive Officer

Shivratan Sharda
Chairman

Noor Pratap J. B. Rana
Director

Dr. Rajan B. Paudel
Director

Dr. Shobhakant Dhakal
Director

Geha Nath Dhungana
Chief Operation Officer

Min Bahadur Gurung
Director

Amir Pratap J. B. Rana
Director

Rishi Agrawal
Director

Rashindra B. Malla
Director

Date – 26th September 2010

Place - Kathmandu

Gopal P. Rajbahak, FCA
G. P. Rajbahak & Co.
Chartered Accountants

KUMARI BANK LIMITED
Profit and Loss Account
From 1st Shrawan 2066 to 32nd Asadh 2067
(From 16 July 2009 to 16 July 2010)

Particulars	Schedule	Current Year (Rs.)	Previous Year (Rs.)
1. Interest Income	4.18	1,871,066,357	1,374,722,467
2. Interest Expenses	4.19	1,188,918,173	816,202,890
Net Interest Income		682,148,185	558,519,577
3. Commission and Discount	4.20	100,336,992	79,104,277
4. Other Operating Income	4.21	41,613,889	19,746,723
5. Exchange Fluctuation Income	4.22	37,924,853	41,294,783
Total Operating Income		862,023,919	698,665,360
6. Staff Expenses	4.23	143,277,770	115,984,919
7. Other Operating Expenses	4.24	217,606,423	168,795,162
8. Exchange Fluctuation Loss	4.22	-	-
Operating Profit before Provision for Possible Losses		501,139,726	413,885,280
9. Provision for Possible Losses	4.25	13,078,046	57,403,005
Operating Profit		488,061,680	356,482,275
10. Non Operating Income /(expense)	4.26	699,180	1,111,653
11. Loan Loss Provision Written Back	4.27	14,824,913	47,021,147
Profit from Regular Activities		503,585,774	404,615,074
12. Profit/Loss from Extra-Ordinary Activities	4.28	(352,000)	(876,031)
Net Profit after Considering All Activities		503,233,774	403,739,043
13. Provision for Staff Bonus		45,748,525	36,703,549
14. Provision for Income Tax		140,942,907	108,656,303
* Current Year's		140,371,638	113,669,682
* Up to Previous year		1,521,507	3,063,398
* Deferred Tax		(950,239)	(8,076,777)
Net Profit/Loss		316,542,342	258,379,191

Schedule 4.18 to 4.28 and 4.32- 4.35 form an integral part of Profit and Loss Account

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Chief Operation Officer

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Director

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Director

Rishi Agrawal
Director

Rashindra B. Malla
Director

Date – 26th September 2010

Place - Kathmandu

Gopal P. Rajbahak, FCA
G. P. Rajbahak & Co.
Chartered Accountants

KUMARI BANK LIMITED
Profit and Loss Appropriation Account
From 1st Shrawan 2066 to 32nd Asadh 2067
(From 16 July 2009 to 16 July 2010)

Particulars	Schedule	Current Year (Rs.)	Previous Year (Rs.)
Income			
1. Accumulated Profit up to Last Year		20,727,278	41,357,165
2. This Year's Profit		316,542,342	258,379,191
3. Exchange Fluctuation Fund		-	-
Total		337,269,620	299,736,356
Expenses			
1. Accumulated Loss up to Last Year		-	-
2. Current Year's Loss		-	-
3. General Reserve Fund		63,308,468	52,288,518
4. Contingent Reserve		-	-
5. Institution Development Fund		-	-
6. Dividend Equalization Fund		-	-
7. Staff Related Reserves		-	-
8. Proposed Dividend		156,816,002	6,583,752
9. Issue of Proposed Bonus Shares		-	118,836,720
10. Special Reserve Fund		-	-
11. Exchange Fluctuation Fund		520,261	7,754
12. Bond Redemption Reserve Fund		95,000,000	95,000,000
13. Capital Adjustment Fund		-	-
14. Previous Year's Tax Adjustment		-	-
15. Deferred Tax Fund		950,239	6,292,334
16. Investment Adjustment Reserve		-	-
Total		316,594,970	279,009,078
17. Accumulated Profit/(Loss)		20,674,649	20,727,278

Radhesh Pant
Chief Executive Officer

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Director

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Director

Geha Nath Dhungana
Chief Operation Officer

Min Bahadur Gurung
Director

Amir Pratap J. B. Rana
Director

Rishi Agrawal
Director

Rashindra B. Malla
Director

Date - 26th September 2010

Place - Kathmandu

Gopal P. Rajbahak, FCA
G. P. Rajbahak & Co.
Chartered Accountants

KUMARI BANK LIMITED
Statement of Changes in Equity
From 1st Shrawan 2066 to 32nd Asadh 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Share Capital	Accumulated Profit/Loss	General Reserve Fund	Capital Reserve Fund	Share Premium	Exchange Fluctuation Fund	Deferred Tax Fund	Other Reserve & Fund	Total Amount (Rs.)
Opening Balance	1,304,935,920	20,727,278	172,136,019	-	-	5,861,157	6,292,334	115,000,000	1,624,952,708
Adjustments	1,080,000	(52,628)	63,308,468	-	-	520,261	950,239	95,000,000	160,806,340
Net Profit for the Period	-	316,542,342	-	-	-	-	-	-	316,542,342
Transfer to General Reserve	-	(63,308,468)	63,308,468	-	-	-	-	-	-
Capital Adjustment Fund	-	-	-	-	-	-	-	-	-
Declaration of Dividend	-	(156,816,002)	-	-	-	-	-	-	(156,816,002)
Exchange Fluctuation Fund	-	(520,261)	-	-	-	520,261	-	-	-
Right Share Issued	1,080,000	-	-	-	-	-	-	-	1,080,000
Issue of Bonus Share	-	-	-	-	-	-	-	-	-
Proposed Bonus Share	-	-	-	-	-	-	-	-	-
Debenture Redemption Reserve	-	(95,000,000)	-	-	-	-	-	95,000,000	-
Previous Year Tax Adjustment	-	-	-	-	-	-	-	-	-
Deferred Tax Fund	-	(950,239)	-	-	-	-	950,239	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-
Closing Balance	1,306,015,920	20,674,650	235,444,487	-	-	6,381,418	7,242,573	210,000,000	1,785,759,048

Radhesh Pant
Chief Executive Officer

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Director

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Chief Operation Officer

Min Bahadur Gurung
Director

Amir Pratap J. B. Rana
Director

Rishi Agrawal
Director

Rashindra B. Malla
Director

Date – 26th September 2010

Place - Kathmandu

Gopal P. Rajbahak, FCA
G. P. Rajbahak & Co.
Chartered Accountants

Kumari Bank Limited
Cash Flow Statement
From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
(A). Cash Flow from Operating Activities	567,118,376	914,637,801
1. Cash Received	2,049,698,755	1,533,633,183
1.1 Interest Income	1,869,123,840	1,370,968,716
1.2 Commission and Discount Income	100,336,992	79,243,277
1.3 Income from Foreign Exchange Transaction	37,924,853	59,001,781
1.4 Recovery of Loan Written Off	-	-
1.5 Other Income	42,313,069	24,419,409
2. Cash Payment	(1,864,969,767)	(1,201,224,767)
2.1 Interest Expenses	(1,178,550,104)	(803,428,742)
2.2 Staff Expenses	(143,277,770)	(152,688,468)
2.3 Office Overhead Expenses	(402,198,987)	(136,686,240)
2.4 Income Tax Paid	(140,942,907)	(108,421,317)
2.5 Other Expenses	-	-
Cash Flow before Changes in Working Capital	382,389,388	582,229,385
Increase /(Decrease) of Current Assets	(853,429,780)	(2,640,286,971)
1. (Increase)/Decrease in Money at Call and Short Notice	(90,000,000)	25,360,000
2. (Increase)/Decrease in Short Term Investment	(782,469,431)	634,769,108
3. (Increase)/Decrease in Loans, Advances and Bills Purchase	(172,565,650)	(3,273,756,619)
4. (Increase)/Decrease in Other Assets	191,605,302	(26,659,460)
Increase /(Decrease) of Current Liabilities	1,235,819,168	3,222,516,356
1. Increase/(Decrease) in Deposits	1,721,857,189	2,930,242,400
2. Increase/(Decrease) in Certificates of Deposits	-	-
3. Increase/(Decrease) in Short Term Borrowings	(283,780,464)	193,420,000
4. Increase/(Decrease) in Other Liabilities	(202,257,556)	98,853,957
(B) Cash Flow from Investment Activities	(40,063,877)	(80,452,678)
1. (Increase)/Decrease in Long-term Investment	(3,575,000)	(6,800,000)
2. (Increase)/Decrease in Fixed Assets	(37,805,215)	(74,969,016)
3. Interest Income from Long Term Investment	1,316,338	1,316,338
4. Dividend Income	-	-
5. Others	-	-
(C) Cash Flow from Financing Activities	421,180,000	8,272,000
1. Increase/(Decrease) in Long Term Borrowings (bonds, debentures etc.)	-	-
2. Increase/(Decrease) in Share Capital	1,080,000	8,272,000
3. Increase/(Decrease) in Other Liabilities	-	-
4. Increase/(Decrease) in Refinance/Facilities Received from NRB	420,100,000	-
(D) Income/Loss from Change in Exchange Rate in Cash & Bank Balances	-	-
(E) This Year's Cash Flow from All Activities	948,234,498	842,457,123
(F) Opening Balance of Cash and Bank Balances	1,776,298,800	933,841,677
(G) Closing Balance of Cash and Bank Balances	2,724,533,298	1,776,298,800

KUMARI BANK LIMITED
Share Capital and Ownership
End of Ashad 2067 (16 July 2010)

Schedule 4.1

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Share Capital		
1.1 Authorized Capital	1,600,000,000	1,600,000,000
a) 16,000,000 Ordinary Shares of Rs. 100 each	1,600,000,000	1,600,000,000
b)Non-Redeemable Preference Shares of Rs..... each	-	-
c)Redeemable Preference Shares of Rs..... each	-	-
1.2 Issued Capital	1,306,015,920	1,186,099,200
a) 13,060,159 Ordinary Shares of Rs. 100 each	1,306,015,920	1,186,099,200
b)Non-Redeemable Preference Shares of Rs..... each	-	-
c)Redeemable Preference Shares of Rs..... each	-	-
1.3 Paid Up Capital	1,306,015,920	1,186,099,200
a) 13,060,159 Ordinary Shares of Rs.100 each	1,306,015,920	1,186,099,200
b)Non-Redeemable Preference Shares of Rs..... each	-	-
c)Redeemable Preference Shares of Rs..... each	-	-
1.4 Proposed Bonus Share	-	118,836,720
1.5 Calls in Advance	-	-

KUMARI BANK LIMITED
Share Ownership
End of Ashad 2067 (16 July 2010)

Particulars	Current Year		Previous Year	
	%	Amount (Rs.)	%	Amount (Rs.)
A. Local Promoters				
1.1 Government of Nepal	-	-	-	-
1.2 "A" Class Licensed Institution	-	-	-	-
1.3 Other Licensed Institutions	-	-	-	-
1.4 Other Institutions	0.12	1,569,731	0.12	1,425,600
1.5 General Public	99.88	1,304,446,189	99.88	1,184,673,600
1.6 Others	-	-	-	-
B. Foreign Promoters	-	-	-	-
Total	100	1,306,015,920	100	1,186,099,200

Share Capital And Ownership
LIST OF SHAREHOLDERS HOLDING SHARE CAPITAL OF 0.5% OR MORE

ANNEXURE 1(A)

SN	Name of the Shareholder	Current Year		Last Year	
		%	Share Capital (Rs.)	%	Share Capital (Rs.)
1	NOOR PRATAP J. B. RANA	6.51	84,942,000	6.51	77,220,000
2	LAXMAN SHRESTHA	6.01	78,408,000	6.01	71,280,000
3	AMIR PRATAP J. B. RANA	5.07	66,124,000	5.07	60,112,800
4	SABITRI GURUNG	4.01	52,272,000	4.01	47,520,000
5	GAURAV AGRAWAL	3.11	40,559,200	3.11	36,872,000
6	RISHI AGRAWAL	2.40	31,363,200	2.40	28,512,000
7	SANJAY LAMA	2.00	26,136,000	2.00	23,760,000
8	RAJENDRA PRASAD SHRESTHA	1.96	25,636,000	2.00	23,760,000
9	BIDHYA KRISHNA SHRESTHA	1.84	23,958,000	1.84	21,780,000
10	GOVINDA DAS SHRESTHA	1.50	19,602,000	1.50	17,820,000
11	YAGYA PRATAP RANA	1.32	17,249,700	1.45	17,208,400
12	MAHABIR PRASAD GOEL	1.32	17,179,200	1.32	15,681,600
13	MANJU TAPADIA	1.01	13,188,800	1.01	11,989,800
14	BHIM KRISHNA UDAS	1.00	13,068,000	1.00	11,880,000
15	PHURBA BANGDEL LAMA	1.00	13,068,000	1.00	11,880,000
16	ANIL DAS SHRESTHA	1.00	13,068,000	1.00	11,880,000
17	SANTOO SHRESTHA	1.00	13,068,000	1.00	11,880,000
18	JANUKI KUMARI J. B. RANA	1.00	13,068,000	1.00	11,880,000
19	ANUPAM RATHI	0.90	11,761,200	0.90	10,692,000
20	NIRMAL PRADHAN	0.88	11,499,800	0.90	10,689,700
21	SHREE NIWAS SHARDA	0.88	11,447,500	0.88	10,454,400
22	SHIVA SHANKER AGRAWAL	0.85	11,144,100	0.88	10,406,800
23	KUMUD KUMAR DUGAD	0.85	11,099,800	0.85	10,131,000
24	ANTOO SHRESTHA	0.78	10,193,000	0.78	9,266,400
25	CIT CITIZEN UNIT SCHEME	0.75	9,801,000	0.75	8,910,000
26	ATMARAM MURARKA	0.70	9,147,600	0.70	8,316,000
27	PRADEEP KUMAR MURARKA	0.70	9,147,600	0.70	8,316,000
28	PASHUPATI MURARKA	0.70	9,147,600	0.70	8,316,000
29	NARESH DUGAD	0.70	9,147,600	0.70	8,316,000
30	BIKASH DUGAD	0.70	9,147,600	0.70	8,316,000
31	PRAVA LAXMI RANA	0.67	8,712,000	0.67	7,920,000
32	GAURI SHRESTHA	0.60	7,845,200	0.60	7,160,700
33	JAGADISH PRASAD CHAUDHARY	0.60	7,840,800	0.60	7,128,000
34	SHARMILA ARYAL	0.60	7,840,800	0.60	7,128,000
35	DEV KISHAN MUDANDA	0.60	7,840,800	0.60	7,128,000
36	RITA K.C.	0.60	7,792,400	0.60	7,084,000
37	VIDUSHI RANA	0.58	7,579,400	0.58	6,890,400
38	JAMUNA MAHESWORI RATHI	0.55	7,198,700	0.55	6,544,300
39	NCM MUTUAL FUND 2059	0.51	6,630,800	0.51	6,028,000
40	SANDEEP LAMA	0.50	6,534,000	0.50	5,940,000
41	UTTAM PRASAD BHATTARAI	0.50	6,534,000	0.50	5,940,000
42	RAKSHYA PAHADI	0.50	6,534,000	0.50	5,940,000
43	SURENDRA BHANDARI	0.50	6,534,000	0.50	5,940,000
44	GANGA AMATYA	0.50	6,534,000	0.42	4,950,000

KUMARI BANK LIMITED
Reserves and Funds
End of Ashad 2067 (16 July 2010)

Schedule 4.2

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. General/Statutory Reserve Fund	235,444,487	172,136,019
2. Capital Reserve Fund	-	-
3. Capital Redemption Fund	-	-
4. Capital Adjustment Fund	-	-
5. Other Reserve & Funds	217,242,573	121,292,334
a. Contingent Reserve	-	-
b. Institution Development Fund	-	-
c. Dividend Equalization Fund	-	-
d. Special Reserve Fund	-	-
e. Assets Revaluation Fund	-	-
f. Deferred Tax Reserve	7,242,573	6,292,334
g. Other Free Fund	-	-
h. Other Reserve Fund	-	-
i. Investment Adjustment Reserve	-	-
j. Bond Redemption Reserve	210,000,000	115,000,000
6. Accumulated Profit/Loss	20,674,649	20,727,278
7. Exchange Fluctuation Fund	6,381,418	5,861,157
Total	479,743,128	320,016,788

KUMARI BANK LIMITED
Debenture and Bond
End of Ashad 2067 (16 July 2010)

Schedule 4.3

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. 8 % "KBL Bond 2070" of Rs. 1,000 each	400,000,000	400,000,000
Issued on June 06, 08 and to be Matured on June 08, 2013		
(Outstanding Balance of Redemption Reserve Rs. 210,000,000)		
2.% Bond/Debentures of Rs.....each	-	-
Issued on and to be Matured on		
(Outstanding Balance of Redemption Reserve Rs.....)		
3.	-	-
Total (1+2+3)	400,000,000	400,000,000

Note - Bank has not pledged any asset to secure above borrowings.

KUMARI BANK LIMITED
Outstanding Loan (Borrowings)
End of Ashad 2067 (16 July 2010)

Schedule 4.4

Particulars	Current Year (Rs.)	Previous Year (Rs.)
A. Domestic		
1. Government of Nepal	-	-
2. Nepal Rastra Bank	420,100,000	-
3. Repo Obligations	-	-
4. Inter Bank and Financial Institutions	9,639,536	293,420,000
5. Other Organized Institutions	-	-
6. Others	-	-
Total (A)	429,739,536	293,420,000
B. Foreign		
1. Banks	-	-
2. Others	-	-
Total (B)	-	-
Total (A+B)	429,739,536	293,420,000

KUMARI BANK LIMITED
Deposit Liabilities
End of Ashad 2067 (16 July 2010)

Schedule 4.5

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Non-Interest Bearing Accounts		
A. Current Deposit	680,053,195	780,096,899
1. Local Currency	646,964,520	758,944,958
1.1 Government of Nepal	-	-
1.2 "A" Class Liscensed Institutions	2,069,593	4,151,914
1.3 Other Liscensed Financial Institutions	12,782,659	14,882,902
1.4 Other Organized Institutions	431,950,901	605,221,110
1.5 Individuals	200,161,367	134,689,032
1.6 Others	-	-
2. Foreign Currency	33,088,675	21,151,941
2.1 Government of Nepal	-	-
2.2 "A" Class Liscensed Institutions	-	-
2.3 Other Liscensed Financial Institutions	674,559	-
2.4 Other Organized Institutions	-	712,769
2.5 Individuals	32,414,116	20,439,172
2.6 Others	-	-
B. Margin Deposits	137,997,542	95,207,567
1. Employees Guarantee (locker margin)	-	-
2. Guarantee Margin	41,898,931	43,841,129
3. Margin on Letter of Credit	96,098,610	51,366,438
C. Others	3,315,950	2,682,900
1. Local Currency	3,315,950	2,682,900
1.1 Financial Institutions	-	-
1.2 Other Organized Institutions	-	-
1.3 Individuals	3,315,950	2,682,900
2. Foreign Currency	-	-
2.1 Financial Institutions	-	-
2.2 Other Organized Institutions	-	-
2.3 Individuals	-	-
Total of Non-Interest Bearing Accounts (1)	821,366,687	877,987,366
2. Interest Bearing Accounts		
A. Saving Deposits	5,132,140,501	4,169,788,652
1. Local Currency	5,030,459,515	4,062,602,412
1.1 Organized Institutions	22,984	184,724,219
1.2 Individuals	5,030,436,531	3,877,878,193
1.3 Others	-	-
2. Foreign Currency	101,680,986	107,186,240
2.1 Organized Institutions	84,719	86,986
2.2 Individuals	101,596,267	107,099,254
2.3 Others	-	-
B. Fixed Deposits	7,206,201,702	4,527,051,149
1. Local Currency	6,877,458,042	4,506,532,536
1.1 Organized Institutions	5,495,298,081	4,192,177,035
1.2 Individuals	1,382,159,961	314,355,501
1.3 Others	-	-
2. Foreign Currency	328,743,660	20,518,613
2.1 Organized Institutions	-	-
2.2 Individuals	328,743,660	20,518,613
2.3 Others	-	-
C. Call Deposits	4,272,544,142	6,135,568,677
1. Local Currency	4,211,188,687	6,088,036,682
1.1 "A" Class Liscensed Institutions	338,939,774	1,007,452,663
1.2 Other Liscensed Financial Institutions	902,332,178	1,202,008,262
1.3 Other Organized Institutions	2,626,058,848	3,201,964,707
1.4 Individuals	343,857,888	676,611,050
1.5 Others	-	-
2. Foreign Currency	61,355,455	47,531,995
2.1 "A" Class Liscensed Institutions	-	-
2.2 Other Liscensed Financial Institutions	37,388,311	19,558
2.3 Other Organized Institutions	-	-
2.4 Individuals	23,967,144	47,512,437
2.5 Others	-	-
D. Certificate of Deposit	-	-
1. Organized Institutions	-	-
2. Individuals	-	-
3. Others	-	-
Total of Interest Bearing Accounts (2)	16,610,886,346	14,832,408,478
Total Deposits (1+2)	17,432,253,032	15,710,395,844

KUMARI BANK LIMITED
Bills Payable
End of Ashad 2067 (16 July 2010)

Schedule 4.6

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Local Currency	22,250,103	64,884,614
2. Foreign Currency	20,062,854	5,202,411
Total	42,312,957	70,087,025

KUMARI BANK LIMITED
Other Liabilities
End of Ashad 2067 (16 July 2010)

Schedule 4.7

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Pension/Gratuity Fund	-	-
2. Employees Provident Fund	-	-
3. Employees Welfare Fund	29,903	529,419
4. Provision for Staff Bonus	45,748,525	36,703,549
5. Interest Payable on Deposits	45,054,925	36,361,180
6. Interest Payable on Borrowings	1,728,324	54,000
7. Unearned Discount and Commission	155,400	156,500
8. Sundry Creditors	39,891,174	10,467,942
9. Branch Reconciliation Account	436	-
10. Deferred Tax Liability	-	-
11. Dividend Payable	-	-
12. Others (a+b)	142,985,426	348,618,204
a. Audit Fees	377,533	231,000
b. Others	142,607,893	348,387,204
Total	275,594,113	432,890,794

KUMARI BANK LIMITED
Cash Balance
End of Ashad 2067 (16 July 2010)

Schedule 4.8

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Local Currency (including coins)	567,612,035	530,557,201
2. Foreign Currency	6,453,868	18,551,303
Total	574,065,903	549,108,504

KUMARI BANK LIMITED
Balance with Nepal Rastra Bank
End of Ashad 2067 (16 July 2010)

Schedule 4.9

Particulars	Local Currency	Foreign Currency in equivalent (Rs.)			Current Year Total (Rs.)	Previous Year (Rs.)
		INR	Convertible FCY	Total		
1. Nepal Rastra Bank					1,663,997,917	1,120,760,644
a. Current Account	1,658,039,192	-	5,958,725	5,958,725	1,663,997,917	1,120,760,644
b. Other Account	-	-	-	-	-	-

KUMARI BANK LIMITED
Balance with Banks/Financial Institution
End of Ashad 2067 (16 July 2010)

Schedule 4.10

Particulars	Local Currency	Foreign Currency in equivalent (Rs.)			Current Year (Rs.)	Previous Year (Rs.)
		INR.	Convertible FCY	Total		
1. Local Licensed Institutions	155,914,849	-	5,548,721	5,548,721	161,463,570	16,152,834
a. Current Account	155,914,849	-	5,548,721	5,548,721	161,463,570	16,152,834
b. Other Account	-	-	-	-	-	-
2. Foreign Banks	-	83,985,345	240,316,563	324,301,908	324,301,908	90,276,818
a. Current Account	-	83,985,345	240,316,563	324,301,908	324,301,908	90,276,818
b. Other Account	-	-	-	-	-	-
Total	155,914,849	83,985,345	245,865,284	329,850,629	485,765,479	106,429,652

Note: Total balance for which the confirmations are received from respective Banks is NPR. 547,707,297.74

KUMARI BANK LIMITED
Money at Call and Short Notice
End of Ashad 2067 (16 July 2010)

Schedule 4.11

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Local Currency	120,000,000	30,000,000
2. Foreign Currency	-	-
Total	120,000,000	30,000,000

KUMARI BANK LIMITED
Investment
End of Ashad 2067 (16 July 2010)

Schedule 4.12

Particulars	Purpose		Current Year (Rs.)	Previous Year (Rs.)
	Trading	Other		
1. Treasury Bills of Nepal Government	-	1,522,341,633	1,522,341,633	882,519,990
2. Saving Certificate of Nepal Government	-	-	-	-
3. Other Bonds of Nepal Government	-	207,575,000	207,575,000	197,575,000
4. Nepal Rastra Bank Bonds	-	-	-	-
5. Foreign Bonds	-	-	-	-
6. Local Licensed Institutions	-	245,000,000	245,000,000	200,000,000
7. Foreign Banks	-	300,035,781	300,035,781	212,387,992
8. Shares of Organized Institutions	-	4,935,500	4,935,500	1,360,500
9. Bonds and Debentures in Organized Institutions	-	16,985,000	16,985,000	16,985,000
10. Other Investment	-	-	-	-
Total Investment	-	2,296,872,913	2,296,872,913	1,510,828,482
Provision	-	-	-	-
Net Investment	-	2,296,872,913	2,296,872,913	1,510,828,482

KUMARI BANK LIMITED
Investment in Shares, Debentures and Bonds
End of Ashad 2067 (16 July 2010)

Schedule 4.12(A)

Particulars	Par Value (Rs.)	Market Value (Rs.)	Provision (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
1. Investment in Shares	4,935,500	-	-	4,935,500	1,360,500
1.1 Credit Information Centre Limited	1,235,500	-	-	1,235,500	1,235,500
14,120 Ordinary Shares of Rs. 100 each, Fully Paid					
Primary Shares 3530 Kitta of Rs. 100 each					
Right Shares 8825 Kitta of Rs. 100 each					
Bonus Shares 1765 Kitta of Rs. 100 each					
1.2 Nepal Clearing House Limited	2,500,000	-	-	2,500,000	125,000
100% of Committed Equity of Rs.	2,500,000				
1.3 National Banking Training Institute	1,200,000	-	-	1,200,000	
100% of Committed Equity					
2. Investment in Debentures and Bonds	16,985,000	-	-	16,985,000	16,985,000
2.1 Nepal Electricity Authority, Electricity Bond	16,985,000	-	-	16,985,000	16,985,000
7.75 Percent 16,985 Bonds of Rs. 1,000 each					
Maturity on 14 Chaitra 2069					
Total Investment	21,920,500	-	-	21,920,500	18,345,500
3. Provision for Loss					
3.1 Up to Previous Year	-	-	-	-	-
3.2 Change in Current Year	-	-	-	-	-
Total Provision	-	-	-	-	-
Net Investment	21,920,500	-	-	21,920,500	18,345,500

Note: Credit Information Center Ltd & Nepal Clearing House Ltd. have not provided any dividend for the past 3 years.

KUMARI BANK LIMITED
Investment Held for Trading
End of Asadh 2067 (16 July 2010)

Schedule 4.12.1

Particulars	Par Value	Last Market Price (A)	Current Market Price (B)	This Year Gain / Loss (B-C)	Previous Year Gain / Loss (Rs.)	Remarks
1. Treasury Bill of Nepal Government	-	-	-	-	-	
2. Saving Bond of Nepal Government	-	-	-	-	-	
3. Other Bond of Nepal Government	-	-	-	-	-	
4. NRB Bond	-	-	-	-	-	
5. Foreign Bond	-	-	-	-	-	
6. Shares of Domestic Licensed Institutions	-	-	-	-	-	
7. Debenture & Bonds of Domestic Licensed Institutions	-	-	-	-	-	
8. Shares, Debentures & Bonds of Domestic Institutions	-	-	-	-	-	
9. Placement in Foreign Banks	-	-	-	-	-	
10. Interbank Lending	-	-	-	-	-	
11. Other Investments	-	-	-	-	-	
Total Investment	-	-	-	-	-	

KUMARI BANK LIMITED
Investment Held to Maturity
End of Asadh 2067 (16 July 2010)

Schedule 4.12.2

Particulars	Par Value (A)	Cumulative Loss (B)	Current Year Loss (C)	This Year Gain / Loss (A-B-C)	Previous Year Gain / Loss (Rs.)	Remarks
1. Treasury Bill of Nepal Government	1,522,341,633	-	-	-	-	
2. Saving Bond of Nepal Government	-	-	-	-	-	
3. Other Bond of Nepal Government	207,575,000	-	-	-	-	
4. NRB Bond	-	-	-	-	-	
5. Foreign Bond	-	-	-	-	-	
6. Shares of Local Licensed Institutions	-	-	-	-	-	
7. Debenture & Bonds of Local Licensed Institutions	-	-	-	-	-	
8. Shares, Debentures & Bonds of Local Organised Bodies	16,985,000	-	-	-	-	Bonds
9. Placement in Foreign Banks	300,035,781	-	-	-	-	
10. Other Investments	245,000,000	-	-	-	-	Local Placements
Total Investment	2,291,937,413	-	-	-	-	

KUMARI BANK LIMITED
Investment Available for Sale
End of Asadh 2067 (16 July 2010)

Schedule 4.12.3

Particulars	Par Value (A)	Loss up to Current Year (B)	Current Year Loss (C)	This Year Gain / Loss (A-B-C)	Previous Year Gain / Loss (Rs.)	Remarks
1. Treasury Bill of Nepal Government	-	-	-	-	-	
2. Saving Bond of Nepal Government	-	-	-	-	-	
3. Other Bond of Nepal Government	-	-	-	-	-	
4. NRB Bond	-	-	-	-	-	
5. Foreign Bond	-	-	-	-	-	
6. Shares of Domestic Licensed Institutions	-	-	-	-	-	
7. Debenture & Bonds of Domestic Licensed Institutions	-	-	-	-	-	
8. Shares, Debentures & Bonds of Domestic Corporate Bodies	4,935,500	-	-	-	-	Shares Not Listed
9. Placement in Foreign Banks	-	-	-	-	-	
10. Other Investments	-	-	-	-	-	
Total Investment	4,935,500	-	-	-	-	

KUMARI BANK LIMITED
Classification of Loans, Advances and Bills Purchase & Provision
End of Ashad 2067 (16 July 2010)

Particulars	Loans & Advances				Bills Purchased/Discounted			Current Year (Rs.)	Previous Year (Rs.)	
	Domestic		Other	Foreign	Total	Bills Purchased/Discounted				
	Priority Sector	Uninsured				Domestic	Foreign			Total
1. Performing Loan	-	469,640,989	14,324,919,258	-	14,794,560,247	63,800,734	32,208,867	96,009,601	14,890,569,849	14,730,718,558
1.1 Pass	-	469,640,989	14,320,986,680	-	14,790,627,669	63,800,734	32,208,867	96,009,601	14,886,637,270	14,724,715,639
1.2 Restructured	-	-	3,932,578	-	3,932,578	-	-	-	3,932,578	6,002,919
2. Non-Performing Loan	-	-	75,510,176	-	75,510,176	-	-	-	75,510,176	64,542,683
2.1 Sub-Standard	-	-	10,148,514	-	10,148,514	-	-	-	10,148,514	13,082,971
2.2 Doubtful	-	-	34,178,383	-	34,178,383	-	-	-	34,178,383	31,735,261
2.3 Loss	-	-	31,183,279	-	31,183,279	-	-	-	31,183,279	19,724,451
A. Total Loan	-	469,640,989	14,400,429,434	-	14,870,070,423	63,800,734	32,208,867	96,009,601	14,966,080,024	14,795,261,241
3. Loan Loss Provision										
3.1 Pass	-	4,696,410	143,209,867	-	147,906,277	638,007	322,089	960,096	148,866,373	147,247,155
3.2 Restructured	-	-	491,572	-	491,572	-	-	-	491,572	750,365
3.3 Sub-Standard	-	-	2,537,128	-	2,537,128	-	-	-	2,537,128	3,270,743
3.4 Doubtful	-	-	17,089,191	-	17,089,191	-	-	-	17,089,191	30,921,697
3.5 Loss	-	-	31,183,279	-	31,183,279	-	-	-	31,183,279	19,724,451
B. Total Provisioning	-	4,696,410	194,511,038	-	199,207,448	638,007	322,089	960,096	200,167,544	201,914,411
4. Provisioning up to Previous Year										
4.1 Pass	-	4,184,921	141,892,275	-	146,077,196	755,242	414,717	1,169,959	147,247,155	113,321,489
4.2 Restructured	-	-	750,365	-	750,365	-	-	-	750,365	4,719,522
4.3 Sub-Standard	-	-	3,270,743	-	3,270,743	-	-	-	3,270,743	14,580,219
4.4 Doubtful	-	-	30,921,697	-	30,921,697	-	-	-	30,921,697	39,483,240
4.5 Loss	-	-	19,724,451	-	19,724,451	-	-	-	19,724,451	15,188,244
C. Total Provision till Last Year	-	4,184,921	196,559,531	-	200,744,452	755,242	414,717	1,169,959	201,914,411	187,292,714
D. Written Back from Last Year Provision	-	-	-	-	-	-	-	-	(14,824,913)	(42,781,308)
E. Additional Provision in This Year	-	-	-	-	-	-	-	-	13,078,046	57,403,005
Change in This Year	-	-	-	-	-	-	-	-	(1,746,867)	14,621,697
Net Loan (A-B)		464,944,579	14,205,918,396	-	14,670,862,975	63,162,727	31,886,779	95,049,505	14,765,912,480	14,593,346,830

KUMARI BANK LTD
Security for Loan Advances and Bills Purchased
End of Ashad 2067 (16 July 2010)

Schedule 4.13 (A)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
A. Secured	14,966,080,024	14,850,619,999
1. Against Security of Movable/Immovable Assets	14,152,769,084	13,444,857,320
2. Against Guarantee of Local Licensed Institutions	-	-
3. Against Government Guarantee	-	-
4. Against Guarantee of Internationally Rated Bank	-	-
5. Against Security of Export Documents	2,323,625	1,817,000
6. Against Security of Fixed Deposit Receipts (a+b)	53,258,658	55,358,758
a. Own FDR	53,258,658	2,787,554
b. FDR of Other Licensed Institutions	-	52,571,204
7. Against Security of Government Bonds	6,805,423	-
8. Against Counter Guarantee	-	-
9. Against Personal Guarantee	-	-
10. Against Other Securities	750,923,233.25	1,293,228,163
B. Unsecured	-	-
Total (A+B)	14,966,080,024	14,795,261,241

KUMARI BANK LTD
Fixed Assets
End of Ashad 2067 (16 July 2010)

Schedule 4.14

Particulars	ASSETS					Current Year (Rs.)	Previous Year (Rs.)
	Building	Vehicles	Machinery	Office Equipment	Others		
1. Cost Price							
a. Previous Year's Balance	4,814,041	53,180,194	-	190,799,427	18,375,276	267,168,938	213,831,295
b. Addition This Year	-	35,570,127	-	39,790,226	12,492,881	87,853,234	62,378,177
c. Revaluation/Write Back This Year	-	-	-	-	-	-	-
d. This Year Sold	-	(10,900,000)	-	(1,301,680)	-	(12,201,680)	(8,285,210)
e. This Year Write Off	-	-	-	-	-	-	(755,324)
Total Cost (a+b+c+d+e)	4,814,041	77,850,321	-	229,287,973	30,868,157	342,820,492	267,168,938
2. Depreciation							
a. Up to Previous Year	614,191	20,304,989	-	97,207,317	11,339,990	129,466,487	92,752,529
b. For This Year	209,992	11,740,828	-	30,103,754	5,554,100	47,608,675	40,764,897
c. Depreciation on Revaluation/Write off	-	(4,266,187)	-	(975,624)	-	(5,241,811)	(4,050,939)
d. Depreciation Adjustment/Add back	-	-	-	-	-	-	-
Total Depreciation	824,183	27,779,631	-	126,335,447	16,894,090	171,833,351	129,466,487
3. Book Value (WDV*) (1-2)	3,989,858	50,070,690	-	102,952,526	13,974,066	170,987,140	137,702,451
4. Land	-	-	-	-	-	85,593,635	85,593,635
5. Capital Work In Progress (pending capitalization)	-	-	-	-	261,369	261,369	-
6. Leasehold Assets	-	-	-	-	28,795,844	28,795,844	24,536,688
Total (3+4+5+6)						285,637,989	247,832,774

*WDV- Written Down Value

Leasehold Details	
Opening Value - Gross	50,559,518
Accum. Depn. up to Last Year	26,022,830
Net Opening Value	24,536,688
Addition during the Year	13,917,960
Depn. during the Year	9,658,804
Balance at the End of the Year	28,795,844

KUMARI BANK LIMITED
Non Banking Assets
End of Ashad 2067 (16 July 2010)

Schedule 4.15

Name & Address of Borrower or Party	Acquired Date of Non Banking Asset	Total Amount of Non Banking Asset	Provision for Loss		Net (Rs.) Non Banking Asset	Previous Year (Rs.)
			Percent	Amount (Rs.)		
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Grand Total		-	-	-	-	-

KUMARI BANK LIMITED
Other Assets
End of Ashad 2067 (16 July 2010)

Schedule 4.16

Particulars		Current Year (Rs.)	Previous Year (Rs.)
1. Stock of Stationery		3,040,302	3,733,594
2. Income Receivable on Investment		17,640,573	18,266,753
3. Accrued Interest Receivable on Loan		-	-
Accrued Interest Receivable on Loan	95,116,753		75,082,974
Less: Interest Suspense Account	(95,116,753)		(75,082,974)
4. Commission Receivable		-	-
5. Sundry Debtors		40,124,605	84,943,749
6. Staff Loan & Advances		103,708,421	102,297,824
7. Pre Payments		11,859,813	9,950,331
8. Cash in Transit		-	-
9. Other Transit Items (including cheques)		-	-
10. Drafts Payment Without Notice		-	-
11. Expenses Not Written Off		-	-
12. Branch Reconciliation Account		-	21,930,506
13. Deferred Tax Assets		7,242,573	6,292,334
14. Others		146,605,721	132,843,132
a. Advance Tax	13,012,956		-
b. Others	133,592,764		132,843,132
Total		330,222,007	380,258,223

KUMARI BANK LIMITED
Other Assets (Additional Statement)
End of Ashad 2067 (16 July 2010)

Schedule 4.16(A)

Particulars	Current Year (Rs.)				Previous Year (Rs.)
	Up to 1 Year	1 to 3 Years	Above 3 Years	Total	
1. Accrued Interest Receivable on Loan	79,319,469	1,022,950	14,774,334	95,116,753	75,082,974
2. Drafts Payment Without Notice	-	-	-	-	-
3. Branch Reconciliation Account	-	-	-	-	-
4. Domestic/Foreign Agency Account	-	-	-	-	-

KUMARI BANK LIMITED
Contingent Liabilities
End of Ashad 2067 (16 July 2010)

Schedule 4.17

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Claims Lodged but not Accepted by the Institution	-	-
2. Letter of Credit (full amount)	971,324,025	813,973,672
a. Maturity Period up to 6 months	698,244,030	608,688,994
b. Maturity Period more than 6 months	273,079,996	205,284,678
3. Rediscounted Bills	-	-
4. Unmatured Guarantees/Bonds	769,610,382	547,659,355
a. Bid Bonds	24,940,500	85,527,713
b. Performance Bonds	744,669,882	462,131,642
c. Other Guarantee/Bonds	-	-
5. Unpaid Shares Investment	-	-
6. Outstanding of Forward Exchange Contract Liabilities	115,645,063	16,522,213
7. Bills under Collection	-	-
8. Acceptance & Endorsement	238,720,697	139,840,967
9. Underwriting Commitment	-	-
10. Irrevocable Loan Commitment	1,022,547,947	1,072,783,726
11. Guarantees against Counter Guarantee of Internationally Rated Banks	-	-
12. Advance Payment Guarantee	101,328,980	116,164,047
13. Financial Guarantee for Loan Disbursement	-	-
14. Contingent Liabilities on Income Tax	-	-
15. Others	-	-

KUMARI BANK LIMITED
Interest Income

Schedule 4.18

From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
A. On Loans, Advances and Overdraft	1,732,953,729	1,233,549,009
1. Loans & Advances	753,804,161	553,755,728
2. Overdraft	979,149,568	679,793,281
B. On Investment	81,378,981	89,856,012
1. Government Securities	80,062,644	88,539,674
a. Treasury Bills	66,166,471	74,990,179
b. Development Bonds	13,896,172	13,549,495
c. National Saving Certificates	-	-
2. Foreign Debt Papers	-	-
a.	-	-
b.	-	-
3. Nepal Rastra Bank Bonds	-	-
4. Debenture & Bonds	1,316,338	1,316,338
5. Interest on Interbank Investment	-	-
a. Bank/ Financial Institutions	-	-
b. Other Institutions	-	-
C. On Agency Balances	636,813	967,556
1. Domestic Banks/ Financial Institutions	-	-
2. Foreign Banks	636,813	967,556
D. On Money at Call and Short Notice	56,096,834	50,349,890
1. Domestic Banks/Financial Institutions	52,341,943	42,610,458
2. Foreign Banks	3,754,892	7,739,432
E. On Others	-	-
1. Certificate of Deposits	-	-
2. Inter-Bank/ Financial Institution Loan	-	-
3. Others	-	-
Total	1,871,066,357	1,374,722,467

KUMARI BANK LIMITED

Schedule 4.19

Interest Expenses

From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
A. On Deposit Liabilities	1,088,328,380	760,503,809
1. Fixed Deposits	514,190,449	310,276,518
1.1 Local Currency	509,830,550	303,943,983
1.2 Foreign Currency	4,359,899	6,332,535
2. Saving Deposits	204,354,922	153,388,406
2.1 Local Currency	202,270,725	150,717,770
2.2 Foreign Currency	2,084,197	2,670,636
3. Call Deposits	369,783,009	296,838,885
3.1 Local Currency	369,305,904	295,635,922
3.2 Foreign Currency	477,105	1,202,963
4. Certificate of Deposits	-	-
B. On Borrowings	100,589,792	55,699,081
1. Debentures & Bonds	32,087,671	32,000,000
2. Loan from Nepal Rastra Bank	-	-
3. Inter Bank /Financial Institutions Borrowing	68,502,121	23,699,081
4. Other Organized Institution	-	-
5. Other Loans	-	-
C. On Others	-	-
1.	-	-
2.	-	-
Total	1,188,918,173	816,202,890

KUMARI BANK LIMITED

Schedule 4.20

Commission and Discount Income

From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
A. Bills Purchase & Discount	1,349,278	1,211,386
1. Local	1,349,278	1,211,386
2. Foreign	-	-
B. Commission	30,198,999	24,691,051
1. Letters of Credit	14,529,360	8,380,872
2. Guarantees	9,355,219	7,456,950
3. Collection Fees	487,368	339,895
4. Remittance Fees	5,827,052	8,477,490
5. Credit Card	-	-
6. Share Underwriting/Issue	-	-
7. Government Transactions	-	-
8. Agency Commission	-	35,844
9. Exchange Fee	-	-
C. Others	68,788,716	53,201,840
Total	100,336,992	79,104,277

KUMARI BANK LIMITED
Other Operating Income

Schedule 4.21

From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Safe Deposit Lockers Rental	834,888	769,075
2. Issue & Renewals of Credit Cards	-	-
3. Issue & Renewals of ATM Cards	33,654,935	12,010,454
4. Telex / T. T./ SWIFT	2,393,287	2,537,666
5. Service Charges	2,924,396	3,300,568
6. Renewal Fees	-	-
7. Others	1,806,383	1,128,960
Total	41,613,889	19,746,723

KUMARI BANK LIMITED
Exchange Fluctuation Gain/Loss

Schedule 4.22

From 1st Shrawan 2066 to 32nd Ashad 2067 (16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
a. From Revaluation	2,081,044	31,015
b. From Trading (except exchange fees)	35,843,808	41,263,768
Total Gain (Loss)	37,924,853	41,294,783

KUMARI BANK LIMITED
Staff Expenses

Schedule 4.23

From 1st Shrawan 2066 to 32nd Ashad 2067 (16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Salary	68,236,606	54,583,324
2. Allowances	44,516,508	32,252,547
a. Normal Allowance	23,926,391	16,465,603
b. Inchargeship Allowance	81,000	52,500
c. Relocation Allowance	176,600	63,533
d. Outstation Allowance	920,173	791,539
e. Dashain Allowance	5,722,234	5,650,210
f. Vehicle Maintenance Allowance	387,243	283,350
g. Leave Fare Allowance	13,302,868	8,945,812
3. Contribution to Provident Fund	6,428,686	5,128,583
4. Training Expenses	1,088,736	3,068,402
5. Uniform	-	-
6. Medical	3,711,230	3,491,305
7. Insurance	3,499,080	3,234,006
8. Pension and Gratuity Provision	5,033,960	7,428,478
9. Others	10,762,963	6,798,274
a. Wages	2,185,455	1,624,774
b. Teller Risk Fund	421,736	346,459
c. Other Staff Benefits	5,916,725	3,343,582
d. Overtime	2,239,047	1,483,459
Total	143,277,770	115,984,919

KUMARI BANK LIMITED
Other Operating Expenses

Schedule 4.24

From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars		Current Year (Rs.)	Previous Year (Rs.)
1. House Rent		34,015,104	28,416,708
2. Electricity & Water		10,101,323	7,894,002
3. Repair & Maintenance		1,991,629	1,465,733
a. Building	928,598		671,083
b. Vehicles	1,063,031		794,650
c. Others	-		-
4. Insurance		3,234,085	2,915,674
5. Postage, Telex, Telephone & Fax		15,114,063	13,807,390
6. Office Equipment, Furniture and Repair		1,828,993	2,752,513
7. Travelling Allowances & Expenses		3,331,590	4,080,693
8. Stationery & Printing		5,825,702	4,890,221
9. Periodicals & Books		290,897	239,033
10. Advertisements		9,239,520	2,715,437
11. Legal Expenses		794,692	835,277
12. Donations		31,501	588,911
13. Expenses Relating to Board of Directors		1,916,840	1,911,422
a. Meeting Fees	1,660,000		1,880,345
b. Other Expenses	256,840		31,077
14. Annual General Meeting Expenses		1,614,370	1,195,626
15. Expenses Relating to Audit		702,286	460,584
a. Audit Fees	377,533		231,000
b. Other Expenses	324,753		229,584
16. Commission on Fund Transfer		-	-
17. Depreciation on Fixed Assets		57,267,482	49,815,920
18. Amortization of Pre-operating Expenses		-	-
19. Share Issue Expenses		6,441	941,905
20. Technical Services Reimbursement		-	-
21. Entertainment Expenses		397,490	462,320
22. Written Off Expenses		-	-
23. Security Expenses		13,683,268	10,532,754
24. Credit Guarantee Premium		-	-
25. Commission & Discount		-	-
26. Others		56,219,147	32,873,039
a. Transport	6,118,462		6,051,837
b. Professional Fees	719,803		1,864,947
c. Public Relation Expenses	2,172,705		1,046,235
d. Banking and Corporate Expenses 9,161,720		2,646,587	
e. Correspondent Banking Charges	711,713		810,390
f. Fees and Taxes	18,968,408		10,882,378
g. Visa Fees and Charges	12,843,105		7,806,946
i. Miscellaneous	749,594		443,559
j. Prior Period Expenses	37,927		-
k. Error, Fine and Losses	43,705		-
l. Janitorial	2,007,518		1,320,160
m. Business Development Expenses	2,684,488		-
Total		217,606,423	168,795,162

KUMARI BANK LIMITED
Provision for Possible Losses

Schedule 4.25

From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Increase in Provision for Loan Loss	13,078,046	57,403,005
2. Increase in Provision for Loss on Investment	-	-
3. Provision for Loss on Non-Banking Assets	-	-
4. Provision for Other Assets	-	-
Total	13,078,046	57,403,005

Schedule 4.26

KUMARI BANK LIMITED
Non-Operating Income / Loss
From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Profit/(Loss) on Sale of Investments	-	-
2. Profit/(Loss) on Sale of Assets	147,645	678,806
3. Dividend	-	-
4. Subsidies Received from Nepal Rastra Bank	-	-
a. Compensation for Losses of Specified Branches	-	-
b. Interest Compensation	-	-
c. Exchange Counter	-	-
5. Others	551,536	432,847
Net Non-Operating Income (Loss)	699,180	1,111,653

Schedule 4.27

KUMARI BANK LIMITED
Loan Loss Provision Written Back
(Fiscal Year 2009/10)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Provision for Loan Loss Written Back	14,824,913	42,781,308
2. Provision against Non Banking Assets Written Back	-	4,239,839
3. Provision for Investment Written Back	-	-
4. Provision for Other Assets Written Back	-	-
Total	14,824,913	47,021,147

Schedule 4.28

KUMARI BANK LIMITED
Income/(Expenses) from Extra Ordinary Transactions
From 1st Shrawan 2066 to 32nd Ashad 2067 (From 16 July 2009 to 16 July 2010)

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1. Recovery of Written Off Loan	-	-
2. Voluntary Retirement Expenses	-	-
3. Irrecoverable Loan Write Off (4.28 (A))	352,000	876,031
4. Other Expenses/Income	-	-
5.	-	-
Total	352,000	876,031

Schedule 4.28(A)

KUMARI BANK LIMITED
Statement of Loan Written-Off
(Fiscal Year 2009/10)

S. N.	Types of Loan	Written off Amount	Type of Security	Basis of Valuation of Collateral	Loan Approving Authority/ Level	Initiations Made for Recovery	Remarks
1	Hire Purchase Loan	352,000	KIA Micro Mini Bus	"Price Quotation Submitted by Authorized Vehicle Distributor"	Division Head-Business Development, AGM	Several verbal and written reminders were served to the borrower. Vehicles sold through the Auction process are barred from operating within Kathmandu valley and very few bidders would have expressed interest to operate it outside the valley and at the same time offer decent price for it. Hence after series of discussions with micro-bus and other transport operators, the vehicle was disposed through mutual consensus.	Customer Name - Shyam Prasad Bartaula
	Total	352,000					

KUMARI BANK LIMITED
**Statement of Loans and Advances Extended to Directors/Chief Executive/
Promoters/Employees and Shareholders**
32 Ashad 2067 (16 July 2010)

Schedule 4.29

The Statement of amount, included under total amount of Bills Purchased and Discounted, Loans, Advances and Overdraft, provided to the Directors, Chief Executive, Promoters, Employees, Shareholders and the Individual members of 'their undivided family' or against the guarantee of such person or to the organisation or, companies in which such individual are 'managing agent' are as follows:

Name of Promoter/Director/ Chief Executive	Outstanding up to Last Year		Recovered in Current Year		Additional Lending in This Year	Outstanding as of Ashad End 2067	
	Principal	Interest	Principal	Interest		Principal	Interest
A. Directors							
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
B. Chief Executive							
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
C. Promoters' Group							
	-	-	-	-	-	-	-
D. Employee (Family Members' Company)							
	-	-	-	-	-	-	-
E. Shareholder's Company							
	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Kumari Bank Limited
Table of Capital Fund
End of Ashad 2067 (16 July 2010)

Schedule 4.30(A)

Rs. in thousands

Particulars	Current Year (Rs.)	Previous Year (Rs.)
1.1. Risk Weighted Exposures		
a. Risk Weighted Exposure for Credit Risk	16,257,299	16,983,993
b. Risk Weighted Exposure for Operational Risk	909,510	709,435
c. Risk Weighted Exposure for Market Risk	53,876	49,811
Total RWE (d)=(a+b+c)	17,220,685	17,743,239
e. % of Total Deposit due to Insufficient Liquid Assets	-	-
Total RWE = (d+e)	17,220,685	17,743,239

1.2. Capital	Current Year (Rs.)	Previous Year (Rs.)
Core Capital (Tier I)	1,772,135	1,612,799
a. Paid Up Equity Share Capital	1,306,016	1,186,099
b. Irredeemable Non-Cumulative Preference Share	-	-
c. Share Premium	-	-
d. Proposed Bonus Equity Share	-	118,837
e. Statutory General Reserves	235,444	172,136
f. Retained Earnings	20,675	20,727
g. Un-Audited Current Period Profit (after all provision including tax)	-	-
h. Bond Redemption Reserve	210,000	115,000
i. Capital Adjustment Reserve	-	-
j. Dividend Equalization Reserves	-	-
k. Other Free Reserve	-	-
l. Less: Goodwill	-	-
m. Less: Fictitious Assets	-	-
n. Less: Investment in Equity in Licensed Financial Institutions	-	-
o. Less: Investment in Equity of Institutions with Financial Interests	-	-
p. Less: Investment in Equity of Institutions in Excess of Limits	-	-
q. Less: Investments arising out of Underwriting Commitments	-	-
r. Less: Reciprocal Crossholdings	-	-
s. Less: Other Deduction	-	-
Adjustments under Pillar II	-	-
Less: Shortfall in Provision	-	-
Less: Loans & Facilities Extended to Related Parties & Restricted Lending	-	-
Supplementary Capital (Tier II)	352,490	438,108
a. Cumulative and/or Redeemable Preference Share	-	-
b. Sub-ordinated Term Debt	400,000	400,000
Less: Amortization of Subordinate Term Debt	(210,000)	(115,000)
c. Hybrid Capital Instruments	-	-
d. General Loan Loss Provision	148,866	147,247
e. Exchange Equalisation Reserve	6,381	5,861
f. Investment Adjustment Reserve	-	-
g. Assets Revaluation Reserve	-	-
h. Other Reserve	7,243	-
Total Capital Fund (Tier I and Tier II)	2,124,625	2,050,908

1.3 Capital Adequacy Ratios	Current Year (%)	Previous Year (%)
Tier I Capital to Total RWE	10.29%	9.09%
Tier I and Tier II Capital to Total RWE	12.34%	11.56%

KUMARI BANK LIMITED
Statement of Credit Risk
End of Ashad 2067 (16 July 2010)

Schedule 4.30 (B)

Rs. in thousands

Particulars	Gross Book Value (a)	Specific Provision (b)	Eligible CRM (c)	Net Value d=a-b-c	Current Year		Previous Year	
					Risk Weight (e)	Risk Weighted Exposures (f)=(d)*(e)	Net Value (d)=(a)-(b)-(c)	Risk Weighted Exposures (f)=(d)*(e)
On Balance Sheet Exposures (A)								
Cash Balance	574,066	-	-	574,066	-	-	549,109	-
Balance with Nepal Rastra Bank	1,663,998	-	-	1,663,998	0%	-	1,120,761	-
Investment in Nepalese Government Securities	1,744,532	-	-	1,744,532	0%	-	1,080,095	-
All Other Claims on Government of Nepal	145,933	-	-	145,933	0%	-	77,142	-
Investment in Nepal Rastra Bank Securities	-	-	-	-	0%	-	-	-
All Other Claims on Nepal Rastra Bank	-	-	-	-	0%	-	-	-
Claims in Foreign Government Securities (ECA rating 0-1)	-	-	-	-	0%	-	-	-
Claims in Foreign Government Securities (ECA rating 2)	-	-	-	-	20%	-	-	-
Claims in Foreign Government Securities (ECA rating 3)	-	-	-	-	50%	-	-	-
Claims in Foreign Government Securities (ECA rating 4-6)	-	-	-	-	100%	-	-	-
Claims in Foreign Government Securities (ECA rating 7)	-	-	-	-	150%	-	-	-
Claims On BIS, IMF, ECB, EC and Claims On Multilateral Development Banks (MDB's) Recognised By Standard Framework	-	-	-	-	0%	-	-	-
Claims on Other MDB's	-	-	-	-	100%	-	-	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-	-	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-	-	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-	-	-
Claims on Public Sector Entity (ECA 7)	59,958	-	-	59,958	150%	89,936	100,875	151,313
Claims on Domestic Banks that Meet Capital Adequacy Requirements	522,081	-	-	522,081	20%	104,416	245,073	49,015
Claims on Domestic Banks that do not Meet Capital Adequacy Requirements	4,383	-	-	4,383	100%	4,383	1,079	1,079
Claims on Foreign Bank (ECA Rating 0-1)	592,801	-	-	592,801	20%	118,560	290,616	58,123
Claims on Foreign Bank (ECA Rating 2)	-	-	-	-	50%	-	11,271	5,635
Claims on Foreign Bank (ECA Rating 3-6)	30,932	-	-	30,932	100%	30,932	-	-
Claims on Foreign Bank (ECA Rating 7)	-	-	-	-	150%	-	-	-
Claims on Foreign Bank Incorporated in SAARC Region Operating with a Buffer of 1% above their Respective Regulatory Capital Requirement	604	-	-	604	20%	121	778	156
Claims on Domestic Corporates	7,064,877	10,985	17,331	7,036,562	100%	7,036,562	6,281,248	6,281,248
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-	-	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	50%	-	-	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-	-	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	150%	-	-	-
Regulatory Retail Portfolio (not overdue)	1,743,963	-	30,481	1,713,482	75%	1,285,111	1,763,584	1,322,688
Claims Fulfilling All Criterion of Regulatory Retail Except Granularity	96,693	-	-	96,693	100%	96,693	35,838	35,838
Claims Secured by Residential Properties	1,149,129	-	-	1,149,129	60%	689,477	1,061,245	636,747
Claims not Fully Secured by Residential Properties	-	-	-	-	150%	-	-	-
Claims Secured by Residential Properties (overdue)	1,023	123	-	900	100%	900	9,602	9,602
Claims Secured by Commercial Real Estate	3,636,375	-	-	3,636,375	100%	3,636,375	2,152,675	2,152,675
Past Due Claims (except for claims secured by residential properties)	99,791	39,978	-	59,812	150%	89,718	145,818	218,728
High Risk Claims	985,322	-	-	985,322	150%	1,477,983	3,090,357	4,635,536
Investment in Equity and Other Capital Instruments of Institutions Listed in the Stock Exchange	-	-	-	-	100%	-	-	-
Investment in Equity and Other Capital Instruments of Institutions not Listed in the Stock Exchange	4,936	-	-	4,936	150%	7,403	1,361	2,041
Other Assets (as per attachment)	1,153,058	582,212	-	570,846	100%	570,846	720,398	631,746
Total (A)	21,274,456	633,298	47,812	20,593,346		15,239,419	18,738,926	16,192,170

Schedule 4.30 (B) Continued...

Rs. in thousands

Particulars	Gross Book Value (a)	Specific Provision (b)	Eligible CRM (c)	Net Value d=a-b-c	Current Year		Previous Year	
					Risk Weight (e)	Risk Weighted Exposures (f)=(d)*(e)	Net Value (d)=(a)-(b)-(c)	Risk Weighted Exposures (f)=(d)*(e)
Off Balance Sheet Exposures (B)								
Revocable Commitments	-	-	-	-	0%	-	-	-
Bills Collection	-	-	-	-	0%	-	-	-
Forward Exchange Contract Liabilities	115,645	-	-	115,645	10%	11,565	16,522	1,652
LC Commitments with Original Maturity up to 6 months								
Domestic Counterparty	698,244	-	78,565	619,679	20%	123,936	575,199	115,040
ECA Rating 0-1	-	-	-	-	20%	-	-	-
ECA Rating 2	-	-	-	-	50%	-	-	-
ECA Rating 3-6	-	-	-	-	100%	-	-	-
ECA Rating 7	-	-	-	-	150%	-	-	-
LC Commitments with Original Maturity over 6 months								
Domestic Counterparty	273,080	-	14,260	258,820	50%	129,410	194,059	97,029
ECA Rating 0-1	-	-	-	-	20%	-	-	-
ECA Rating 2	-	-	-	-	50%	-	-	-
ECA Rating 3-6	-	-	-	-	100%	-	-	-
ECA Rating 7	-	-	-	-	150%	-	-	-
Bid Bond, Performance Bond and Counter Guarantee								
Domestic Counterparty	769,610	-	336,635	432,975	50%	216,488	512,875	256,437
ECA Rating 0-1	-	-	-	-	20%	-	-	-
ECA Rating 2	-	-	-	-	50%	-	-	-
ECA Rating 3-6	-	-	-	-	100%	-	-	-
ECA Rating 7	-	-	-	-	150%	-	-	-
Underwriting Commitments	-	-	-	-	50%	-	-	-
Lending of Bank's Securities or Posting of Securities as Collateral	-	-	-	-	100%	-	-	-
Repurchase Agreements, Assets Sale with Recourse	-	-	-	-	100%	-	-	-
Advance Payment Guarantee	101,329	-	4,804	96,525	100%	96,525	107,108	107,108
Financial Guarantee	-	-	-	-	100%	-	-	-
Acceptance and Endorsements	238,721	-	3,273	235,447	100%	235,447	133,191	-
Unpaid Portion of Partly Paid Shares and Securities	-	-	-	-	100%	-	-	-
Irrevocable Credit Commitments (short term)	1,022,548	-	-	1,022,548	20%	204,510	1,072,784	214,557
Irrevocable Credit Commitments (long term)	-	-	-	-	50%	-	-	-
Other Contingent Liabilities	-	-	-	-	100%	-	-	-
Unpaid Guarantee Claims	-	-	-	-	-	-	-	-
Total (B)	3,219,177	-	437,537	2,781,640		1,017,880	2,611,737	791,823
Total RWE for Credit Risk before Adjustment (A + B)	24,493,633	633,298	485,350	23,374,985	-	16,257,299	21,350,664	16,983,993
Adjustment under Pillar II	-	-	-	-	-	-	-	-
Add:10% of the Loan & Facilities in Excess of Single Obligor Limits	-	-	-	-	-	-	-	-
Add:1% of the Contract (Sale) Value in case of the Sale of Credit with Recourse	-	-	-	-	-	-	-	-
Total RWE for Credit Risk	24,493,633	633,298	485,350	23,374,985		16,257,299	21,350,664	16,983,993

KUMARI BANK LIMITED
Eligible Amount for Credit Risk Mitigation (CRM)
End of Ashad 2067 (16 July 2010)

Schedule 4.30C

Rs. in thousands

Particulars	Deposit with Bank (a)	Deposits with Other Banks/FI (b)	Gold (c)	Govt.&NRB Securities (d)	G'tee of Govt. of Nepal (e)	Sec/G'tee of Other Sovereigns (f)	G'tee of Domestic Banks (g)	G'tees of MDBs (h)	Sec/G'tee of Foreign Banks (i)	Total
Credit Exposures										
On Balance Sheet Credit exposures										
Investment in Foreign Government Securities (ECA 2)	-	-	-	-	-	-	-	-	-	-
Investment in Foreign Government Securities (ECA 3)	-	-	-	-	-	-	-	-	-	-
Investment in Foreign Government Securities (ECA 4-6)	-	-	-	-	-	-	-	-	-	-
Investment in Foreign Government Securities (ECA 7)	-	-	-	-	-	-	-	-	-	-
Claim on Other Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Banks that Meet Capital Adequacy Requirement	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Banks that do not Meet Capital Adequacy Requirement	-	-	-	-	-	-	-	-	-	-
Claims to a Foreign Bank (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
Claims to a Foreign Bank (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
Claims to a Foreign Bank (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
Claims to a Foreign Bank (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Bank Incorporated in SAARC Region Operating with a Buffer of 1% above their Respective Regulatory Capital Requirement	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates	17,331	-	-	-	-	-	-	-	-	17,331
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	-	-	-	-	-	-
Regulatory Retail Portfolio (not overdue)	30,481	-	-	-	-	-	-	-	-	30,481
Claims Fulfilling All Criterion of Regulatory Retail Except Granularity	-	-	-	-	-	-	-	-	-	-
Claims Secured by Residential Properties	-	-	-	-	-	-	-	-	-	-
Claims not Fully Secured by Residential Properties	-	-	-	-	-	-	-	-	-	-
Claims Secured by Residential Properties (overdue)	-	-	-	-	-	-	-	-	-	-
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-	-
Past due Claims (except for claim secured by residential properties)	-	-	-	-	-	-	-	-	-	-
High Risk Claims	-	-	-	-	-	-	-	-	-	-
Investment in Equity and Other Capital Instruments of Institutions Listed in the Stock Exchange	-	-	-	-	-	-	-	-	-	-
Investment in Equity and Other Capital Instruments of Institutions not Listed in the Stock Exchange	-	-	-	-	-	-	-	-	-	-
Other Assets (as per attachment)	-	-	-	-	-	-	-	-	-	-
Off Balance Sheet Exposures	-	-	-	-	-	-	-	-	-	-
Forward Exchange Contract Liabilities	-	-	-	-	-	-	-	-	-	-
LC Commitments with Original Maturity up to 6 months Domestic Counterparty	78,565	-	-	-	-	-	-	-	-	78,565
ECA Rating 0-1	-	-	-	-	-	-	-	-	-	-
ECA Rating 2	-	-	-	-	-	-	-	-	-	-
ECA Rating 3-6	-	-	-	-	-	-	-	-	-	-
ECA Rating 7	-	-	-	-	-	-	-	-	-	-
LC Commitments with Original Maturity over 6 months Domestic Counterparty	14,260	-	-	-	-	-	-	-	-	14,260
ECA Rating 0-1	-	-	-	-	-	-	-	-	-	-
ECA Rating 2	-	-	-	-	-	-	-	-	-	-
ECA Rating 3-6	-	-	-	-	-	-	-	-	-	-
ECA Rating 7	-	-	-	-	-	-	-	-	-	-
Bid Bond and Performance Bond (Domestic)	336,635	-	-	-	-	-	-	-	-	336,635
ECA Rating 0-1	-	-	-	-	-	-	-	-	-	-
ECA Rating 2	-	-	-	-	-	-	-	-	-	-
ECA Rating 3-6	-	-	-	-	-	-	-	-	-	-
ECA Rating 7	-	-	-	-	-	-	-	-	-	-
Underwriting Commitments	-	-	-	-	-	-	-	-	-	-
Lending of Bank's Securities or Posting of Securities as Collateral	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements, Assets Sale with Recourse	-	-	-	-	-	-	-	-	-	-
Advance Payment Guarantee	4,804	-	-	-	-	-	-	-	-	4,804
Financial Guarantee	-	-	-	-	-	-	-	-	-	-
Acceptances and Endorsements	3,273	-	-	-	-	-	-	-	-	3,273
Unpaid Portion of Partly Paid Shares and Securities	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit Commitments	-	-	-	-	-	-	-	-	-	-
Other Contingent Liabilities	-	-	-	-	-	-	-	-	-	-

KUMARI BANK LIMITED
Risk Weight Exposure for Operational Risk
End of Ashad 2067 (16 July 2010)

Schedule 4.30 (D)

Rs. in thousands

Particular	Year 1 (2006/07)	Year 2 (2007/08)	Year 3 (2008/09)	Previous year
Net Interest Income	394,231	458,512	558,520	
Commission and Discount Income	40,764	48,495	79,104	
Other Operating Income	15,281	17,805	19,747	
Exchange Fluctuation Income	20,294	41,808	59,002	
Additonal Interest Suspense during the Period	32,496	17,185	15,777	
Total Gross Income (a)	503,067	583,804	732,149	
Alfa (b)	15%	15%	15%	15%
Fixed Percentage of Gross Income {c= (a*b)}	75,460	87,571	109,822	
Capital Requirement for Operational Risk (d) (average of c)	90,951			70,944
Risk Weight (Reciprocal of Capital Requirement of 10%) in times (e)	10			10
Equivalent Risk Weight Exposure {f=(d*e)}	909,510			709,435

KUMARI BANK LIMITED
Risk Weight Exposure for Market Risk
End of Ashad 2067 (16 July 2010)

Schedule 4.30 (E)

Rs. in thousands

S.N.	Currency	Open Position (FCY)	Open Position (NPR)	Relevant Open Position	Previous Year
1	INR	46,899	75,073	75,073	67,019
2	USD	62	4,620	4,620	5,089
3	EUR	41	3,982	3,982	3,922
4	GBP	147	16,980	16,980	9,594
5	CHF	-	-	-	71
6	AUD	1	71	71	4,423
7	CAD	0	9	9	0
8	SGD	3	139	139	58
9	JPY	3,130	2,684	2,684	890
10	SEK	1	11	11	-
11	DKK	124	1,610	1,610	975
12	HKD	0	3	3	-
13	SAR	69	1,375	1,375	3,611
14	QAR	34	704	704	3,131
15	CNY	0	5	5	-
16	MYR	11	266	266	373
17	THB	3	6	6	0
18	KRW	-	-	-	-
19	AED	11	215	215	464
Total Open Position (a)				107,753	99,621
Fixed Pcentage (b)				5%	5%
Capital Charge for Market Risk {c=(a*b)}				5,388	4,981
Risk Weight (Reciprocal of Capital Requirement of 10%) in times (d)				10	10
Equivalent Risk Weight Exposure {e=(c*d)}				53,876	49,811

KUMARI BANK LIMITED
PRINCIPAL INDICATORS
(For Previous 6 years)

Schedule 4.31

Particulars	Indicators	F/Y 2003/04	F/Y 2004/05	F/Y 2005/06	F/Y 2006/07	F/Y 2007/08	F/Y 2008/09	F/Y 2009/10
1. Net Profit/Gross Income	%	14.20%	16.26%	15.52%	19.61%	16.18%	16.54%	15.32%
2. Earnings Per Share	Rs.	9.74	17.58	16.59	22.70	16.35	22.04	24.24
3. Market Value Per Share	Rs.	-	369.00	443	830	1,005	700	468
4. Price Earning Ratio	Ratio	-	20.99	26.71	36.56	61.47	31.76	19.31
5. Dividend (including Bonus) on Share Capital	%	-	-	21.05%	21.05%	10.53%	10.58%	12.00%
6. Cash Dividend on Share Capital	%	-	-	1.05%	1.05%	0.53%	0.55%	12.00%
7. Interest Income/Loans & Advances	%	8.39%	8.33%	5.89%	7.63%	7.61%	8.34%	11.58%
8. Employee Expenses/Total Operating Expenses	%	11.48%	11.96%	12.32%	17.22%	15.66%	10.37%	9.24%
9. Interest Expenses on Total Deposit and Borrowings	%	3.41%	4.48%	4.20%	3.69%	3.87%	5.10%	6.51%
10. Exchange Fluctuation Gain/Gross Income	%	4.20%	2.77%	3.95%	2.34%	3.87%	3.73%	1.84%
11. Staff Bonus/Total Employee Expenses	%	26.88%	34.24%	24.59%	25.08%	22.32%	24.04%	31.93%
12. Net Profit/Loans & Advances	%	1.32%	1.55%	1.48%	1.88%	1.52%	1.77%	2.12%
13. Net Profit/Total Assets	%	0.89%	1.13%	1.15%	1.43%	1.16%	1.41%	1.59%
14. Total Credit/Deposit	%	76.91%	90.62%	90.20%	85.84%	90.20%	94.17%	79.45%
15. Total Operating Expenses/Total Assets	%	4.53%	4.76%	5.39%	4.83%	4.90%	6.03%	7.55%
16. Adequacy of Capital Fund on Risk Weightage Assets								
a. Core Capital	%	12.50%	10.20%	11.28%	10.26%	10.40%	9.08%	10.29%
b. Supplementary Capital	%	0.91%	1.01%	1.08%	0.96%	4.01%	2.47%	2.05%
c. Total Capital Fund	%	13.41%	11.21%	12.36%	11.22%	14.41%	11.56%	12.34%
17. Liquidity (CRR)	Ratio	11.02%	3.44%	2.71%	3.65%	1.91%	7.13%	8.02%
18. Non Performing Loans/Total Loans	%	0.76%	0.95%	0.92%	0.73%	1.32%	0.44%	0.50%
19. Weighted Average Interest Rate Spread	%	3.82%	3.85%	4.58%	4.67%	4.30%	4.17%	3.28%
20. Book Net Worth Per Share	Rs.	114	141	149	137	128	137	136.73
21. Total Shares	Number	5,000,000	5,000,000	6,250,000	7,500,000	10,700,000	11,860,992	13,060,159
22. Total Employees	Number	115	143	177	212	256	260	364
23. Others		-	-	-	-	-	-	-

Kumari Bank Limited
Significant Accounting Policies
Financial Year 16 July 2009 to 16 July 2010 (1st Shrawan 2066 to 32nd Ashad 2067)

1. General Information

Kumari Bank Limited (the “Bank”) is a limited liability company domiciled in Nepal. The address of its registered office is Durbar Marg, Kathmandu, Nepal. The Bank is listed with Nepal Stock Exchange Limited.

The Bank carries out commercial banking activities in Nepal under license from Nepal Rastra Bank (the Central Bank of Nepal) as Class “A” licensed institution.

2. Summary of Significant Accounting Policies

The Significant accounting policies applied in the preparation of the financial statements of the Bank are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Nepal Accounting Standards (NAS) issued by the Nepal Accounting Standards Board (NASB) except for exceptions as mentioned below, generally accepted accounting principles, and the provisions of Bank and Financial Institution Act, 2063, directives issued by Nepal Rastra Bank (Central Bank) and the Company Act, 2063.

2.2 Basis of Preparation

The financial statements have been prepared under the historical cost convention. The preparation of the financial statements in conformity with NAS and generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires the management to exercise judgement in the process of applying the Bank’s accounting policies.

2.3 Interest Income

Interest income on loans and advances is recognised on cash basis as per the directive issued by Nepal Rastra Bank, which is not in accordance with Nepal Accounting Standards.

Interest income on Investments is recognised on accrual basis.

2.4 Commission Income

Commission income exceeding Rs. 100,000 earned on guarantees covering more than a year is accounted for on accrual basis over the period of the guarantee.

2.5 Dividend Income

Dividend is recognised as income when the right to receive the payment is established.

2.6 Foreign Exchange Transactions

- i. Foreign currency assets and liabilities as at the Balance Sheet date have been translated at the mid rate (average of buying and selling rate) of exchange prevalent as on the Balance Sheet date.
- ii. Gain/Loss realised in the foreign currency transactions is accounted for on the date of transaction and shown as “Trading Gain/Loss” under the head “Exchange Fluctuation Gain/Loss”
- iii. Revaluation gain arising due to fluctuation in exchange rate of foreign currencies is accounted for and shown as “Revaluation Gain/Loss”. Amount equivalent to 25% of revaluation gain of the current year is transferred to Exchange Fluctuation Reserve by way of appropriation as per directive issued by Nepal Rastra Bank.

2.7 Interest Expense

Interest on deposit liabilities and borrowing from other banks are accounted for on accrual basis.

2.8 Loans and Advances, Overdraft and Bills Purchased

Loans and advances, overdrafts and bills purchased include direct finance provided to the customers as per the Bank’s policy such as bank overdrafts, personal loans, term loans, hire purchase finance and loans to deprived sectors. All loans are subject to regular review and are graded according to the level of credit risk and classified as per Nepal Rastra Bank’s Directives. Loans and advances, overdraft and bills purchased are stated net of loan loss provisions in the Balance Sheet.

2.9 Staff Loans

Staff loan has been provided as per the bank’s policy and shown under the head ‘Other Assets’.

2.10 Loan Loss Provision

Provision is made for possible losses on loans and advances, overdraft and bills purchased at 1% to 100% on the basis of classification of loans and advances, overdraft and bills purchased in accordance with the directives of Nepal Rastra Bank.

2.11 Loans & Advances Write Off

Unrecoverable loans and advances are written off in accordance with the bye-laws of the Bank approved by Nepal Rasta Bank.

Amounts recovered against loans written off in earlier years are recognized as income in the profit and loss account in the year of recovery.

2.12 Investments

Investments in Government Securities are valued at cost. Placements with maturity period more than 7 days are classified as Investment and valued at cost. Investment in shares, debenture and bonds are valued at cost or market value, whichever is lower.

All investments are subject to regular review according to the directives of Nepal Rasta Bank.

2.13 Fixed Assets and Depreciation

- Fixed assets are stated at historical cost. Historical cost includes expenditures that are directly attributable to the acquisition of the assets.
- Fixed assets are depreciated in accordance with Income Tax Act 2058 except for lease hold development expenses and machinery, and further, gain / loss on disposal of assets are recognised as gain / loss rather than adjusting at related asset block.
- Assets are depreciated only after their full capitalisation.
- Computer software cost is amortised over the period of five years in equal instalments.
- Asset under construction for which final settlement has not been made is booked as Asset in Process.
- Lease hold development costs are amortised over a period of 5 years.
- Machinery is depreciated applying the rate of 25% on written down value.

2.14 Lease Rental

The lease agreements entered into by the Bank for office buildings are operating lease agreements. The total payments made under operating leases are charged to Rent Expenses in the profit and loss account on a monthly basis.

2.15 Retirement Benefits

The Bank has schemes of retirement benefits namely Gratuity and Provident Fund. Provision for expenses on account of Gratuity and Provident Fund is made on accrual basis with the amount of liabilities computed by the Bank in accordance with its applicable schemes. Contributions to approved retirement fund are made on a regular basis as per the Retirement Fund rules and regulations.

2.16 Income Tax

a. Current Income Tax

Provision for current income tax is made in accordance with the provisions of the prevailing Income Tax Act, 2058 and Rules as amended.

b. Deferred Income Tax

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred taxes related to temporary differences of the year are recognised in the income statement together with the deferred gain or loss.

2.17 Stationery

Stationery purchased for consumption is expended at the time of consumption.

2.18 Non Banking Assets

Non Banking Assets is booked at lower of market price or principle outstanding on the day before booking and provision for the asset has been made as per NRB directive.

2.19 Provisions, Contingent Liabilities and Contingent Assets

The Bank creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.20 Staff Bonus

Provision for staff bonus is made as per the NRB directive.

Kumari Bank Limited
Notes to Accounts
Financial Year 16 July 2009 to 16 July 2010 (1st Shrawan 2066 to 32nd Ashad 2067)

1. Provision for Staff Bonus

Provision for staff bonus has been provided at 10% of net profit after deducting loan loss provision and bonus. This provision has been made as per NRB directive.

2. Staff Housing Fund

Staff home loan is provided as per the Bank's policy. A separate housing fund has not been created in accordance with Labour Act, 2048.

3. General Reserve

As per the requirement of Nepal Rastra Bank, 20% of the current year's profit has been transferred to General Reserve.

4. Tax Settlement Outstanding / Contingent Liability

Self assessment returns filed by the Bank for the F/Y 2062/63, 2063/64 & 2064/65 are pending for assessment at the Inland Revenue Office. Bank has filed a case for Administrative Review against tax assessment order of Large Tax Payers' Office for the F/Y 2062/63.

5. Provision for Gratuity

During the year, the Bank has provided Rs. 5,033,960 (Previous Year Rs. 7,428,478) on account of gratuity. Gratuity is treated as Approved Retirement Fund for the purpose of tax assessment of individual staff.

6. Dividend and Bonus

The Board has proposed 12% cash dividend for the current year. Further, in addition to existing shares, provision for cash dividend has been provided for 7841 numbers of shares too which relate with unsubscribed Right Shares of F/Y 2063/64 and its Bonus Shares on subsequent years, all of which are auctioned on 07 Shrawan 2067.

7. Unpaid Dividend

None.

8. Paid up Share Capital

Paid up share capital of the Bank has moved over the years as follows:

			Rs. in million
Fiscal Year	Cumulative Paid up Capital	Remarks	
2057/58	350,000,000		
2058/59	350,000,000		
2059/60	350,000,000		
2060/61	500,000,000	Initial Public Offering of Rs. 150 million	
2061/62	625,000,000	(4:1) Right Share issue of Rs. 250 million	
2062/63	750,000,000	Issue of Bonus Share of Rs. 125 million	
2063/64	900,000,000	Issue of Bonus Share of Rs. 150 million	
2064/65	1,007,000,000	In F/Y 2063/64, the Bank had issued Right Share of Rs. 180 million. Out of total issue, Rs. 170 million had been capitalized as on Balance Sheet date. Further Rs. 8.272 million had been capitalized as on signing date of Financial Statements.	
2065/66	1,186,099,200	In the F/Y 2064/65, the Bank had issued 10% Bonus Share and 15% Right Share. 10% Bonus Share had been capitalized on Share Capital while Right Share is not yet issued.	
2066/67	1,306,015,920	In the F/Y 2065/66, the Bank had issued 10% Bonus Share including to those who were released from black list during the year. Further, Right Share of Rs. 1,080,000 issued on F/Y 2063/64 and relating to blacklisted shareholders are included in current year's capital subsequent to their release from black list.	

9. Sale of Land and Building

Bank has not sold its land or building during the year.

10. KBL Bond 2070

Bank has issued KBL Bond 2070 worth Rs. 400 million in F/Y 2064/65. For the redemption of the bond, Capital Redemption Fund has been created on which Rs. 95 million is transferred in this year as per NRB instruction.

11. Deferred Tax

Deferred income taxes are calculated on temporary differences using an effective tax rate of 30%.

The items attributable to deferred income tax assets and liabilities and their movement are as follows:

Rs.

Particulars	Balance 15 Jul 2009	Movement during the year	Balance 16 Jul 2010
Deferred Income Tax Assets			
Fixed Assets	6,292,334	950,238	7,242,572
Total Deferred Tax Assets	6,292,334	950,238	7,242,572
Deferred Income Tax Liabilities			
Fixed Assets	-	-	-
Total Deferred Tax Liabilities	-	-	-
Net - Deferred Income Tax Asset/(Liabilities)	6,292,334	950,238	7,242,572

12. Reconciliation Status

Rs. in million

Particulars	Total Amount	Up to 1 Year	1 Year to 3 Years	More than 3 Years
Agency Accounts	61.291	61.291	-	-

13. Loan Disbursed, Recovered, Written Off and Outstanding during the year.

The loan disbursed, recovered and outstanding during the year is given below:

Rs. in million

Opening Balance	Total Disbursed	Total Settled	Outstanding
14,795	2,934	2,763	14,966

14. Summary of Changes in Deposit during the Year

The financial growth of the deposits during the year is given below:

Rs. in million

Previous Year (Rs.)	Particulars	Current Year (Rs.)	Changes
780	1) Current Deposit	680	(100)
759	a) Local Currency	647	(112)
21	b) Foreign Currency	33	12
4,169	2) Saving Deposit	5,132	963
4,062	a) Local Currency	5,030	968
107	b) Foreign Currency	102	(5)
4,527	3) Fixed Deposit	7,206	2,679
4,507	a) Local Currency	6,877	2,371
21	b) Foreign Currency	329	308
6,136	4) Call Deposit	4,273	(1,863)
6,088	a) Local Currency	4,211	(1,877)
48	b) Foreign Currency	61	14
98	5) Margin Deposit	141	43
98	a) Local Currency	141	43
-	b) Foreign Currency	-	-
15,710	Total Deposit	17,432	1,722

15. Weighted Average Interest Rate Spread

Particulars	Percentage
The weighted average yield on Interest bearing assets for the year (%)	10.80
The weighted average cost on Interest bearing liability for the year (%)	7.52
The weighted average Interest Rate Spread (%)	3.28

16. Summary of Amortizable Expenses yet to be Written Off

No such item.

17. Classification of Assets and Liabilities based on Maturity

Rs. in hundred thousands

S.No.	Particular	1 - 90 Days	91 - 180 Days	181 - 270 Days	271 - 365 Days	More than 1 Year	Total
	Assets						
1	Cash	5,740.66	-	-	-	-	5,740.66
2	Bank Balance	21,497.63	-	-	-	-	21,497.63
3	Investment in Foreign Banks	-	1,053.98	-	1,121.25	825.13	3,000.36
4	Call Money	1,200.00	-	-	-	-	1,200.00
5	HMG Debt Paper	4,982.83	127.31	2,490.30	7,622.97	2,075.75	17,299.17
6	NRB Debt Paper	-	-	-	-	-	-
7	Interbank Loan	2,450.00	-	-	-	-	2,450.00
8	Loan	7,483.04	1,496.61	1,496.61	3,741.52	135,443.02	149,660.80
9	Interest Receivables	1,127.58	-	-	-	-	1,127.58
10	Reverse Repo	-	-	-	-	-	-
11	Commitment/Other Receivables	401.25	-	-	332.98	704.60	1,438.83
12	Payment Related to S.No. 20,21 &22	3,085.61	9,014.83	-	-	-	12,100.45
13	Others	952.40	952.40	952.40	952.40	952.40	4,762.00
	Total Assets	48,921.00	12,645.13	4,939.31	13,771.12	140,000.90	220,277.46
	Liabilities						
14	Current Account	2,546.96	2,546.96	2,546.96	5,093.91	38,204.33	50,939.11
15	Savings Account	1,539.64	1,539.64	1,539.64	2,566.07	44,136.41	51,321.41
16	Time Deposit	21,043.61	15,985.03	17,239.49	9,834.03	7,959.87	72,062.02
17	Debt Papers	-	-	-	-	4,000.00	4,000.00
18	Borrowings	96.40	-	4,201.00	-	-	4,297.40
18.1	On Demand/Temporary Notice	-	-	-	-	-	-
18.2	Inter Bank/Financial Institution	96.40	-	-	-	-	96.40
18.3	Refinancing	-	-	4,201.00	-	-	4,201.00
19	Other Liabilities:	2,801.38	94.47	1,662.63	94.47	94.47	4,747.42
19.1	Sundry Creditors	398.91	-	1,568.16	-	-	1,967.07
19.2	Bills Payable	423.13	-	-	-	-	423.13
19.3	Interest Payable	467.83	-	-	-	-	467.83
19.4	Provision	-	-	-	-	-	-
19.5	Others	1,511.51	94.47	94.47	94.47	94.47	1,889.38
20	Commitment Other Payable	-	-	-	-	-	-
21	Other Facility not Received after Authority	-	-	-	-	-	-
22	LC/Guarante (Net)	10,285.38	1,815.07	-	-	-	12,100.45
23	Repo	-	-	-	-	-	-
24	Payment Related to S.No. 11	-	-	-	-	-	-
25	Others	-	-	-	-	-	-
	Total Liabilities	38,313.36	21,981.16	27,189.72	17,588.48	94,395.08	199,467.80
	Net Financial Assets	10,607.64	(9,336.03)	(22,250.41)	(3,817.36)	45,605.83	20,809.66
	Cumulative Net Financial Assets	10,607.64	1,271.61	(20,978.80)	(24,796.16)	20,809.66	20,809.66

18. Borrowing by the Bank against the Collateral of Own Assets

The Bank has no such borrowing.

19. Summary of Concentration of Exposure

No balance sheet and off balance sheet transaction have been concentrated to a single person, firm, organization or to a particular sector. Detail of highest exposure to a single person or organization is as follows:

Particulars	Total Exposure	Maximum Concentration to a Single Customer	Rs. in hundred thousands
			Percentage
Loans & Advances	149,661	3,107	2.08
Deposits	174,323	11,133	6.39
Off Balance Sheet Items	20,810	2,823	13.57

20. Details of Software Application

Opening Balance	Additions during the year	Amortization during the year	Rs. in hundred thousands
			Closing Balance
7,035,286	12,492,881	5,554,100	13,974,067

21. Rounding Off and Comparative Figures

Figures are rounded to nearest Rupees. Previous year's figure has been regrouped or rearranged where necessary.

KUMARI BANK LIMITED

Schedule 4.34

**Statement of Loan Availed by Bank's Promoter/Promoters' Group from Other Bank and
Financial Institutions by Pledging their Shares.
as on 16 July 2010 (32nd Ashad 2067)**

S. N.	Name of Promoter/ Shareholders under Promoters' Group	Shares under the Ownership of Promoter		Description of Loan			Remarks
		Total no. of Shares	Percentage of Paid Up Capital	Name of Other Bank/Financial Institution from which Loan has been Taken	Loan Amount (Rs.)	No. of Shares Pledged	
1	Misu Shrestha	43,908	0.34	Guheshwori Merchant Finance Co. Ltd.		30,240	
				Lalitpur Finance Limited		6,048	
				International Leasing & Finance Company Ltd.		3,628	
2	Rajendra Das Shrestha	26,136	0.2	Global Bank Limited		13,600	
				Machhapuchhre Bank Limited		5,000	
				Central Finance Limited		3,000	
3	Bhim Krishna Udas	130,680	1	Sanima Bikash Bank Limited		95,500	
				Prime Commercial Bank Limited		23,300	
4	Janak Raj Wagle	5,227	0.04	Bigunj Finance Limited, Ktm		2,000	
5	Phurba Bangdel Lama	130,680	1	Nabil Bank Limited, Kantipath, Ktm		20,000	
				Siddhartha bank Limited		98,800	
6	Govinda Das Shrestha	196,020	1.5	Lumbini Bank Limited		152,820	
7	Bidhya Krishna Shrestha	239,580	1.84	Prime Bank Limited		101,780	
				Lumbini Bank Limited		68,000	
8	Anil Das Shrestha	130,680	1	Lumbini Bank Limited		49,380	
				Global Bank Limited		42,500	
				Nepal Investment Bank Limited		10,000	
9	Laxman Shrestha	784,080	6.01	Prudential Finance Limited		75,000	
				International Leasing & Finance Company Ltd.		169,800	
				Siddhartha Bank Limited		175,000	
				Gurkha Development Bank Limited		90,000	
				Suryadarshan Finance Limited		95,000	
10	Antoo Shrestha	101,930	0.78	Prudential Finance Limited		39,000	
				Gurkha Development Bank Limited		19,500	
				Lalitpur Finance Limited		25,740	
				International Leasing & Finance Company Ltd.		8,424	
11	Sunil Nand Singh Pradhan	13,068	0.1	Lalitpur Finance Limited		9,000	
12	Madhav Kumar Basnet	13,068	0.1	Lalitpur Finance Limited		9,000	
13	Shiva Shankar Agrawal	114,475	0.88	NMB Bank Limited		25,518	
14	Sophie Upadhaya	62,726	0.48	Lumbini Bank Limited		24,000	
				Nepal Investment Bank Limited		4,000	
				Central Finance Limited		14,200	
15	Tara Rana	13,068	0.1	Siddhartha Bank Limited		11,880	
16	Kamal Bikram Singh	5,227	0.04	Standard Finance Limited		4,752	
17	Pegi Pandey	26,136	0.2	Manakamana Development Bank Limited		13,600	
18	Sushil Kumar Pant	13,068	0.1	Nepal Investment Bank Limited		10,800	
19	Surendra Bhandari	65,340	0.5	Clean Energy Development Bank Limited		54,000	
20	Sita Gurung	39,204	0.3	Himalayan Bank Limited		19,890	
				Sanima Bikash Bank Limited		15,750	
21	Kanchan Sharma	2,613	0.02	Prudential Finance Limited		1,800	
22	Rajendra Prasad Shrestha	256,360	1.96	Sanima Bikash Bank Limited		197,600	
23	Kamal Thapa	20,908	0.16	Harati Maa Saving and Co-Operative Limited		3,000	
24	Atmaram Murarka	91,476	0.7	Machhapuchhre Bank Limited		63,000	
25	Pradeep Kumar Murarka	91,476	0.7	Machhapuchhre Bank Limited		63,000	
26	Pashupati Murarka	91,476	0.7	Machhapuchhre Bank Limited		63,000	
27	Naresh Dugad	91,476	0.7	International Development Bank limited		75,600	
28	Kumud Kumar Dugad	110,998	0.85	International Development Bank limited		75,600	
29	Bikash Dugad	91,476	0.7	International Development Bank limited		75,600	
30	Bachha Raj Tated	52,272	0.4	NIC Bank Limited		47,520	
31	Ananda Kumar Ringata	39,204	0.3	Nepal SBI Bank Limited		22,500	
32	Jeevan Kumar Agrawal	26,136	0.2	Sanima Bikash Bank Limited		21,600	
33	Ashok Kumar Baidhya	26,136	0.2	Sanima Bikash Bank Limited		16,600	
34	Jeevan Nepal	26,136	0.2	Bank of Asia Nepal Limited		21,600	
35	Navin Agrawal	39,204	0.3	NMB Bank Limited		27,900	
36	Devaki Nandan Agrawal	41,817	0.32	NMB Bank Limited		34,560	
37	Balram Neupane	26,136	0.2	Prime Commercial Bank Limited		16,600	
				Siddhartha Bank Limited		5,000	
38	Mahabir Prasad Goel	171,792	1.32	Machhapuchhre Bank Limited		127,560	
39	Ganga Amatya	65,340	0.5	Prime Commercial Bank Limited		31,250	
40	Bijaya Bahadur Manandhar	14,256	0.11	Union Finance Limited		5,760	
41	Bhubaneshwori Pant	52,272	0.4	ICFC Bitty Sanstha Limited		47,520	
42	Babi Bikram Singh	10,454	0.08	International Leasing & Finance Company Ltd.		9,504	
43	Yagya Pratap Rana	171,792	1.31	Nepal Investment Bank Limited		108740	

Kumari Bank Limited
Comparison of Unaudited and Audited Financial Statement
as of F/Y 2009/10

Schedule 4.35

Rs. in thousands

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)	20,523,428	20,522,475	954	0.005%	
1.1	Paid Up Capital	1,306,016	1,306,016	-	-	
1.2	Reserve and Surplus	637,045	479,743	157,302	24.69%	Declaration of Dividend and Change in Profit
1.3	Debenture and Bond	400,000	400,000	-	-	
1.4	Borrowings	429,740	429,740	-	-	
1.5	Deposits (a+b)	17,432,253	17,432,253	-	-	
	a. Domestic Currency	16,907,384	16,907,384	-	-	
	b. Foreign Currency	524,869	524,869	-	-	
1.6	Income Tax Liability	-	-	-	-	
1.7	Other Liabilities	318,375	474,723	(156,348)	-49.11%	Declaration of Dividend and Change in Profit
2	Total Assets (2.1 to 2.7)	20,523,428	20,522,475	954	0.005%	
2.1	Cash & Bank Balance	2,723,829	2,723,829	-	-	
2.2	Money at Call and Short Notice	120,000	120,000	-	-	
2.3	Investment	2,296,873	2,296,873	-	-	
2.4	Loans and Advances	14,766,119	14,765,912	207	0.0014%	Additional Loan Loss Provision
	a. Real Estate	3,600,012	3,600,012	-	-	
	b. Home/Housing Loan	1,138,564	1,138,357	207	0.0182%	Additional Loan Loss Provision
	c. Margin Type Loan	369,177	369,177	-	-	
	d. Term Loan	2,271,846	2,271,846	-	-	
	e. Overdraft Loan/TR Loan/WC Loan	6,859,375	6,859,375	-	-	
	f. Others	527,145	527,145	-	-	
2.5	Fixed Assets	285,638	285,638	-	-	
2.6	Non Banking Assets	-	-	-	-	
2.7	Other Assets	330,969	330,222	747	0.2258%	
3	Profit and Loss Account	As per Unaudited Financial Statement	As per Audited Financial Statement	In Amount	In %	
3.1	Interest Income	1,871,250	1,871,066	184	0.010%	Reversal of Interest Income of Government Bond
3.2	Interest Expenses	1,188,918	1,188,918	-	-	
	A. Net Interest Income	682,332	682,148	184	0.027%	
3.3	Fees, Commission and Discount	100,337	100,337	-	-	
3.4	Other Operating Income	41,614	41,614	-	-	
3.5	Foreign Exchange Gain/Loss (Net)	37,925	37,925	-	-	
	B. Total Operating Income (A.+3.3+3.4+3.5)	862,208	862,024	184	0.021%	
3.6	Staff Expenses	143,512	143,278	234	0.163%	Reversal of Provision for Expense after Tax Audit
3.7	Other Operating Expenses	217,848	217,606	242	0.111%	Reversal of Provision for Expense after Tax Audit
	C. Operating Profit before Provision (B.- 3.6-3.7)	500,847	501,140	(292)	-0.058%	
3.8	Provision for Possible Losses	13,087	13,078	9	0.066%	Reclassification of Loan
	D. Operating Profit (C-3.8)	487,761	488,062	(301)	-0.062%	
3.9	Non Operating Income/Expenses (Net)	699	699	-	-	
3.10	Write Back of Provision for Possible Loss	15,040	14,825	215	1.431%	Reclassification of Loan
	E. Profit from Regular Activities (D+3.9+3.10)	503,500	503,586	(86)	-0.017%	
3.11	Extraordinary Income/Expenses (Net)	(352)	(352)	-	-	
	F. Profit before Bonus and Taxes (E. + 3.11)	503,148	503,234	(86)	-0.017%	
3.12	Provision for Staff Bonus	45,741	45,749	(8)	-0.017%	Change in Profit before Bonus and Taxes due to above Mentioned Reasons
3.13	Provision for Tax	140,379	140,943	(564)	-0.401%	Provision for Tax made as per Tax Audit
	G. Net Profit/Loss (F.-3.12-3.13)	317,028	316,542	485	0.153%	All of above Reasons

Kumari Bank Limited
Unaudited Financial Results (Quarterly) As at Fourth Quarter
(16 July 2010) of the F/Y 2009/2010

Schedule 4 A

Rs. in thousands

S. N.	Particulars	32.03.2007/16.07.2010 Current Quarter Ending	31.12.2006/13.04.2010 Previous Quarter Ending	31.03.2006/15.07.2009 Corresponding Previous Year Quarter Ending (audited)
1	Total Capital and Liabilities (1.1 to 1.7)	20,523,428	19,676,082	18,538,565
1.1	Paid Up Capital	1,306,016	1,304,936	1,304,936
1.2	Reserve and Surplus	637,045	545,846	320,017
1.3	Debenture and Bond	400,000	400,000	400,000
1.4	Borrowings	429,740	861,200	293,420
1.5	Deposits (a+b)	17,432,253	16,085,699	15,710,396
	a. Domestic Currency	16,907,384	15,708,051	15,514,007
	b. Foreign Currency	524,869	377,648	196,389
1.6	Income Tax Liability	-	-	235
1.7	Other Liabilities	318,375	478,401	509,562
2	Total Assets (2.1 to 2.7)	20,523,428	19,676,082	18,538,565
2.1	Cash & Bank Balance	2,723,829	1,679,172	1,776,299
2.2	Money at Call and Short Notice	120,000	392,720	30,000
2.3	Investments	2,296,873	1,860,450	1,510,828
2.4	Loans and Advances	14,766,119	15,028,978	14,593,347
	a. Real Estate	3,600,012	3,805,892	4,557,976
	b. Home/Housing Loan	1,138,564	1,144,811	999,105
	c. Margin Type Loan	369,177	405,945	245,527
	d. Term Loan	2,271,846	2,204,810	2,341,606
	e. Overdraft Loan/TR Loan/WC Loan	6,859,375	6,877,149	5,585,699
	f. Others	527,145	590,370	863,434
2.5	Fixed Assets	285,638	293,322	247,833
2.6	Non Banking Assets	-	-	-
2.7	Other Assets	330,969	421,440	380,258
3	Profit and Loss Account	Up to Current Quarter	Up to Previous Quarter	At the end of Corresponding Previous Year Quarter
3.1	Interest Income	1,871,250	1,313,000	1,374,722
3.2	Interest Expenses	1,188,918	833,471	816,203
	A. Net Interest Income	682,332	479,529	558,520
3.3	Fees, Commission and Discount	100,337	80,267	79,104
3.4	Other Operating Income	41,614	21,012	19,747
3.5	Foreign Exchange Gain/ Loss (Net)	37,925	28,935	59,002
	B. Total Operating Income (A.+3.3+3.4+3.5)	862,208	609,744	716,372
3.6	Staff Expenses	143,512	101,922	115,985
3.7	Other Operating Expenses	217,848	140,298	186,502
	C. Operating Profit Before Provision (B.- 3.6-3.7)	500,847	367,524	413,885
3.8	Provision for Possible Losses	13,087	12,529	57,403
	D. Operating Profit (C-3.8)	487,761	354,995	356,482
3.9	Non Operating Income/Expenses (Net)	699	232	1,112
3.10	Write Back of Provision for Possible Loss	15,040	0	47,021
	E. Profit from Regular Activities (D+3.9+3.10)	503,500	355,227	404,615
3.11	Extraordinary Income/Expenses (Net)	(352)	(352)	(876)
	F. Profit before Bonus and Taxes (E. + 3.11)	503,148	354,875	403,739
3.12	Provision for Staff Bonus	45,741	32,261	36,704
3.13	Provision for Tax	140,379	96,784	108,656
	G. Net Profit/Loss (F.-3.12-3.13)	317,028	225,830	258,379
4	Ratios	At the End of Current Quarter	At the End of Previous Quarter	At the End of Corresponding Previous Quarter
4.1	Capital Fund To RWA	13.80%	12.64%	11.56%
4.2	Non Performing Loan (NPL) to Total Loan	0.50%	0.64%	0.44%
4.3	Total Loan Loss Provision to Total NPL	267.87%	218.44%	312.84%
4.4	Cost of Fund (annualized)	7.51%	7.04%	5.81%
4.5	Credit to Deposit Ratio (as per NRB directives)	79.45%	86.87%	86.39%

Kumari Bank Limited
Disclosure Under Basel II as at 16 August 2010
(Fourth Quarter for F/Y 2009/10)

Capital Structure and Capital Adequacy

Tier I Capital and a Breakdown of its Components

Particular	Current Year	Rs.
Paid Up Equity Share Capital	1,306,015,920	
Irredeemable Non-Cumulative Preference Share	-	
Share Premium	-	
Proposed Bonus Equity Share	-	
Statutory General Reserves	235,444,487	
Retained Earnings	20,674,649	
Un-Audited Current Period Profit (after all provision including tax)	-	
Bond Redemption Reserve	210,000,000	
Capital Adjustment Reserve	-	
Dividend Equalization Reserves	-	
Other Free Reserve	-	
Total Tier I Capital	1,772,135,057	

Tier 2 Capital and a Breakdown of its Components

Particular	Current Year	Rs.
Cumulative and/or Redeemable Preference Share	-	
Subordinated Term Debt	400,000,000	
Less: Amortization of Subordinate Term Debt	(210,000,000)	
Hybrid Capital Instruments	-	
General Loan Loss Provision	148,866,373	
Exchange Equalisation Reserve	6,381,418	
Investment Adjustment Reserve	-	
Assets Revaluation Reserve	-	
Other Reserve (deferred tax reserve)	7,242,573	
Total of Tier 2 Capital	352,490,363	

Details of Subordinate Term Debt

The Bank has issued Rs. 400 million KBL Bond 2070 in F/Y 2007/08.

The Main Features of the Bond are as Follows:

Issue Date : June 06, 2008

Maturity Date : June 06, 2013

Issue Amount : Rs. 400 million

Interest Payment: Semi Annual

Claim in case of Liquidation: After Depositors

Debenture Redemption Fund: Bank has created Rs. 210 million Redemption Fund by the F/Y 2009/10

Deductions from Capital:

The Bank does not hold any amount as stipulated in the Framework that qualifies for deduction from its Core Capital.

Total Qualifying Capital

Particular	Current Year	Rs.
Tier I Capital	1,772,135,057	
Tier II Capital	352,490,363	
Total Capital Fund	2,124,625,420	

Capital Adequacy Ratios

Particular	Current Year (%)
Tier 1 Capital to total RWA	10.29%
Total Capital Fund (Tier 1 + Tier 2) to Total RWA	12.34%

Risk weighted exposures for Credit Risk, Market Risk and Operational Risk

Particular	Current Year	Rs.
Risk Weighted Exposure for Credit Risk	16,257,299,041	
Risk Weighted Exposure for Operational Risk	909,509,917	
Risk Weighted Exposure for Market Risk	53,876,371	

Risk Weighted Exposures under Each of 11 Categories of Credit Risk

Rs.

Particular	Current Year
Claims on Government and Central Bank	-
Claims on Other Official Entities	89,936,256
Claims on Banks	258,412,279
Claims on Corporate and Securities Firms	7,036,561,818
Claims on Regulatory Retail Portfolio	1,381,804,697
Claims Secured by Residential Properties	690,377,427
Claims Secured by Commercial Real Estate	3,636,375,455
Past due Claims	89,718,443
High Risk Claims	1,485,386,515
Other Assets	570,846,112
Off Balance Sheet Items	1,017,880,040
Total	16,257,299,041

Total Risk Weighted Exposure Calculation Table

Rs.

Particular	Current Year
Risk Weighted Exposure for Credit Risk	16,257,299,041
Risk Weighted Exposure for Operational Risk	909,509,917
Risk Weighted Exposure for Market Risk	53,876,371
Total Risk Weighted Exposure	17,220,685,330

Amount of NPAs (Non Performing Assets) both Gross and Net

Current Year's Rs.

Non Performing Assets	Gross Amount	Net Amount
Restructured / Rescheduled	3,932,578	3,441,006
Substandard	10,148,514	7,611,385
Doubtful	34,178,383	17,089,191
Loss	31,183,279	-
Total	79,442,754	28,141,583

NPA Ratios

Particulars	Current Year (%)
Gross NPA to Gross Advances	0.53%
Net NPA to Net Advances	0.19%

Movement of Non Performing Asset

Rs.

Non Performing Assets	Previous Year	Change	Current Year
Restructured / Rescheduled	6,002,919	(2,070,341)	3,932,578
Substandard	13,082,971	(2,934,457)	10,148,514
Doubtful	31,735,261	2,443,122	34,178,383
Loss	19,724,451	11,458,828	31,183,279
Total	70,545,602	8,897,152	79,442,754

Write Off of Loan and Interest Suspense

Rs.

Loan Write Off	352,000.00
Interest Suspense Write Off	-

Movement of Loan Loss Provision and Interest Suspense

Rs.

Particular	Previous Year	Change	Current Year
Loan Loss Provision	201,914,411	(1,746,867)	200,167,544
Interest Suspense	75,082,974	20,033,779	95,116,753

Details of additional Loan Loss Provision

Current Year's Rs.

Loan Classification	Additional provision
Good	1,619,217
Restructured / Rescheduled	(258,793)
Substandard	(733,615)
Doubtful	(13,832,506)
Loss	11,458,828
Total	(1,746,867)

Segregation of Investment Portfolio

Rs.

Investment category	Current Year
Held for Trading	-
Held to Maturity	2,291,937,413
Available for Sale	4,935,500
Total	2,296,872,913

Corporate Office**Durbarmarg, Kathmandu**

Phone 01-4221311, 01-4221314
Fax 01-4226644

Inside Valley Branches:**Putali Sadak Branch**

Govinda Bhawan, Putali Sadak, Kathmandu
Phone 01-4232112, 01-4232113
Fax 01-4231960

Kumaripati Branch

Kumaripati, Lalitpur
Phone 01-5556025, 01-5556026
Fax 01-5556027

Baneshwor Branch

Baburam Acharya Sadak
Old Baneshwor, Kathmandu
Phone 01-4499322
Fax 01-4497120

Koteshwor Branch

Koteshwor, Kathmandu
Phone 01-4492921, 01-4499316
Fax 01-4497325

New Road Branch

Pratap Bhawan, New Road, Kathmandu
Phone 01-4238388, 01-4238385
Fax 01-4238365

Gongabu Branch

Kantipur Mall, Gongabu, Kathmandu
Phone 01-4385807, 01-4385809
Fax 01-4385644

Chabahil Branch

Chuchepati, Chabahil, Kathmandu
Phone 01-4484434
Fax 01-4490978

Budhanilkantha Branch

Narayanthan Milan Chowk
Budhanilkantha, Kathmandu
Phone 01-4377718
Fax 01-4372278

Outside Valley Branches:**Damauli Branch**

Damauli - 2, Tanahun
Phone 065-561787
Fax 065-561788

Pokhara Branch

Newroad, Pokhara
Phone 061-540266, 061-540267
Fax 061-541717

Biratnagar Branch

Biratnagar, Goshwara Road
Morang Byapaar Sangh Building
Phone 021-537101, 021-537102
Fax 021-537105

Birgunj Branch

Adarsha Nagar, Birgunj
Phone 051-524812, 051-524813
Fax 051-521641

Dryport Branch

Birgunj
Phone 051-621025
Fax 051-621818

National Medical College

Birgunj (Extension Counter)
Phone 051-621890

Itahari Branch

Pathivaraa Market, Dharan Road, Itahari
Phone 025-586661, 025-586659
Fax 025-586658

Narayangadh Branch

Pulchowk, Narayangadh, Chitwan
Phone 056-571092, 056-572091
Fax 056-571090

Birtamod Branch

Anarmani-3, Birtamod, Jhapa
Phone 023-541028
Fax 023-543822

Baglung Branch

Baglung Municipality -2, Baglung
Phone 068-522472, 068-522473
Fax 068-522474

Bhairahawa Branch

Siddharthanagar - 8, Bhairahawa, Rupandehi
Phone 071-521008, 071-521009
Fax 071-521000

Butwal Branch

Butwal - 6, Shreeram Tower, Rammandir Line
Phone 071-551546, 071-551547
Fax 071-551545

Urlabari Branch

Urlabari, Itahari Road
Phone 021-541901
Fax 021-541902

Kawasoti Branch

Kawasoti Bazaar, Nawalparasi
Phone 078-540524, 078-540525
Fax 078-540526

Nepalgunj Branch

Surkhet Road, Dhambhoji, Nepalgunj
Phone 081-528062, 081-528063
Fax 081-528061

Salyan Branch

Khalanga, Salyan
Phone 088-520317, 088-520318
Fax 088-520319

Surkhet Branch

Tallo Bazaar, Birendra Nagar, Surkhet
Phone 083-521256, 083-522256
Fax 083-521109

Tulsipur Branch

Tulsipur, Dang
Phone 082-521775, 082-521776
Fax 082-521778

Dhangadi Branch

Ratopul-2, Dhangadi
Phone 091-526036, 091-526037
Fax 091-526038

Sauraha Branch

Bacchauli, Ward No. 2, Sauraha, Chitwan
Phone 056-580491
Fax 056-580490

ATM Location Inside Kathmandu Valley

- **NEW ROAD ATM**
Kumari Bank Limited,
New Road, Kathmandu
- **PUTALISADAK ATM I**
Kumari Bank Limited, Right to Main
Entrance Gate, Putalisadak, Kathmandu
- **PUTALISADAK ATM II**
Kumari Bank Limited, Right to Main
Entrance Gate, Putalisadak, Kathmandu
- **NEW BANESHWOR ATM**
New Baneshwore, Nava Durga Department
Store, Kathmandu
- **RATNA PARK ATM**
Nepal Electricity Authority Building,
RatnaPark, Kathmandu
- **THAMEL ATM**
Trilok Plaza, Four Seasons Restaurant
Building, Thamel, Kathmandu
- **KANTIPUR MALL ATM**
Kumari Bank Limited, Kantipur Mall,
Gongabu
- **KOTESHWOR ATM**
Kumari Bank Limited, Koteswor,
Kathmandu
- **DURBARMARG ATM**
Kumari Bank Limited, Durbarmarg,
Kathmandu
- **CHUCHEPATI ATM**
Kumari Bank Limited, Chuchepati,
Chabahil
- **BUDDHANILKANTHA ATM**
Kumari Bank Limited, Buddhanilkantha,
Kathmandu
- **OLD BANESHWOR ATM**
Kumari Bank Limited, Old Baneshwor,
Kathmandu
- **KUMARIPATI ATM**
Kumari Bank Limited, Kumaripati,
Lalitpur
- **NAXAL ATM**
Opposite Police Head Quarter, Naxal,
Kathmandu

ATM Location Outside Kathmandu Valley

- **BHAIRAHAWA ATM**
Kumari Bank Limited, Bhairahawa
Branch, Narayan Path Bhairahawa
- **POKHARA ATM**
Chiple Dhunga, Pokhara, Kaski
- **JHAPA ATM**
Kumari Bank Limited, Birtamod Jhapa
- **BAGLUNG ATM**
Kumari Bank Limited Mahendra Path
Baglung
- **NARAYANGHAT ATM**
Kumari Bank Limited Narayanghat
Branch, Pulchowk, Narayanghat
- **BIRATNAGAR ATM**
Kumari Bank Limited, Goshwara Road,
Morang Byapaar Sangh Building,
Biratnagar, Morang
- **BIRGUNJ ATM I**
Kumari Bank Limited, Adarsha Nagar,
Birgunj, Parsa
- **BIRGUNJ ATM II**
National Medical College
- **ITAHARI ATM**
Kumari Bank Limited, Pathivara Market,
Dharan Road, Itahari, Sunsari
- **URLABARI ATM**
Kumari Bank Limited, Urlabari, Morang
- **BUTWAL ATM**
Infront of Kumari Bank Limited, Ram
Mandir Line, Butwal
- **NEPALGUNJ ATM**
Surkhet Road, Dhambhoji, Nepalgunj
- **DHANGADI ATM**
Ratopul, Dhangadi, Kailali
- **SURKHET ATM**
Birendra Nagar, Surkhet
- **DAMAULI ATM**
Kumari Bank Limited, Damauli-2

Notes:

[illegible]