

**NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT  
BALANCE SHEET AS ON 31 MARCH 2006**

(Rupees)

Sr. No.	FUNDS AND LIABILITIES	SCHEDULE	AS ON 31.03.2006	AS ON 31.03.2005
1.	Capital (Under Section 4 of the NABARD Act, 1981)		2000,00,00,000	2000,00,00,000
2.	Reserve Fund and other Reserves	1	6974,47,24,916	6198,94,00,834
3.	National Rural Credit (Long Term Operations) Fund	2	13183,00,00,000	13152,00,00,000
4.	National Rural Credit (Stabilisation) Fund	2	1522,00,00,000	1511,00,00,000
5.	Funds out of grants received from International Agencies	3	187,12,23,936	191,00,38,418
6.	Gifts, Grants, Donations and Benefactions	4	145,70,11,072	104,58,38,888
7.	Other Funds	5	860,22,46,840	648,61,23,731
8.	Deposits	6	14051,71,86,003	9224,92,01,649
9.	Bonds and Debentures	7	20812,95,91,000	17203,92,01,000
10.	Borrowings	8	6192,19,88,010	8928,39,32,918
11.	Current Liabilities and Provisions	9	1675,83,02,643	1615,69,84,351
	<b>Total</b>		<b>67605,22,74,420</b>	<b>60779,07,21,789</b>
	Forward Foreign Exchange Contracts (Hedging) as per contra		315,91,70,276	334,64,42,621
	Commitment and Contingent Liabilities	17		
	Significant Accounting Policies and Notes forming part of the Accounts	18		
Sr.No.	PROPERTY AND ASSETS	SCHEDULE	AS ON 31.03.2006	AS ON 31.03.2005
1.	Cash and Bank Balances	10	4295,81,39,683	5477,61,55,980
2.	Investments	11	3276,15,93,655	5137,86,30,601
3.	Advances	12	58087,93,96,722	48354,74,90,510
4.	Fixed Assets	13	225,20,30,665	234,95,74,844
5.	Other Assets	14	1720,11,13,695	1573,88,69,854
	<b>Total</b>		<b>67605,22,74,420</b>	<b>60779,07,21,789</b>
	Forward Foreign Exchange Contracts (Hedging) as per contra		315,91,70,276	334,64,42,621
	Commitment and Contingent Liabilities	17		
	Significant Accounting Policies and Notes forming part of the Accounts	18		
			As per our report attached Sharp & Tannan Chartered Accountants by the hand of	
P. Satish Chief General Manager Finance and Accounts Department Mumbai, 15 June 2006			Milind P. Phadke Partner Membership No. 33013 Mumbai, 15 June 2006	
Dr. Y. S. P. Thorat Chairman	Dr. K. G. Karmakar Managing Director	Usha Thorat Director	Amitabh Verma Director	

**NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2006**

(Rupees)

Sr.No.	INCOME	SCHEDULE	During 2005-06	During 2004-05
1.	Interest received on Loans and Advances		3413,59,20,826	3484,23,02,729
2.	Income from Investment Operations		470,24,51,942	432,08,77,974
3.	Discount and Commission		1,30,83,014	1,28,42,466
4.	Other Receipts		51,32,80,007	21,14,17,445
	<b>Total 'A'</b>		<b>3936,47,35,789</b>	<b>3938,74,40,614</b>

Sr.No.	EXPENDITURE	SCHEDULE	During 2005-06	During 2004-05
1.	Interest and Financial Charges	15	2196,35,68,985	2113,59,30,085
2.	Establishment and Other Expenses	16	394,35,82,259	362,85,04,649
3.	Depreciation (Refer Notes B - 11 & B - 14 of Schedule 18)		22,30,95,662	26,14,95,776
4.	Provision for			
	(a) Amortisation of G.Sec		18,18,15,952	0
	(b) Standard Assets		70,70,00,000	0
	(c) Non-Performing Assets		(52,72,628)	26,11,886
	(d) Provision for NB Gen. Advices		42,98,129	2,60,000
	(e) Depreciation in Investments G.Sec		31,27,81,991	102,89,14,721
	(f) Depreciation in Value of Investment Account Equity		81,66,000	35,36,000
	(g) Sacrifice in Interest element of restructured Account		31,08,00,000	0
	<b>Total 'B'</b>		<b>2764,98,36,350</b>	<b>2606,12,53,117</b>
5.	<b>Profit before Income Tax (A - B)</b>		<b>1171,48,99,439</b>	<b>1332,61,87,497</b>
6.	(a) Provision for Income Tax		325,00,00,000	357,00,00,000
	(b) Deferred Tax -Asset (Adjustment)		(13,97,00,000)	(57,80,00,000)
	(c) Provision for Fringe Benefit Tax		3,20,00,000	0
7.	<b>Profit after Income Tax</b>		<b>857,25,99,439</b>	<b>1033,41,87,497</b>

**PROFIT AND LOSS APPROPRIATION ACCOUNT**

(Rupees)

Sr.No.	APPROPRIATIONS/WITHDRAWALS	AS ON 31.03.2006	AS ON 31.3.2005
1.	Profit for the year brought down	857,25,99,439	1033,41,87,497
	Add: Withdrawals from funds against expenditure debited to Profit & Loss A/c		
	i. Co-operative Development Fund (Refer Schedule 1)	6,06,79,935	5,49,92,870
	ii. Research and Development Fund (Refer Schedule 1)	6,01,45,321	5,78,43,807
	iii. Watershed Development Fund (Refer Schedule 5)	3,77,98,262	2,77,14,858
	iv. Micro Finance Development and Equity Fund (Refer Schedule 5)	4,49,26,381	2,85,12,992
	v. Investment Fluctuation Reserve (Refer Schedule 1)	141,34,55,000	65,24,09,102
2.	<b>Profit available for Appropriation</b>	<b>1018,96,04,338</b>	<b>1115,56,61,126</b>
	Less: Transferred to:		
	i. Special Reserves u/s 36(i) (viii) of I T Act, 1961	450,00,00,000	575,00,00,000
	ii. NRC (LTO) Fund	30,00,00,000	81,00,00,000
	iii. NRC (Stabilisation) Fund	10,00,00,000	10,00,00,000
	iv. Co-operative Development Fund	6,06,79,935	5,49,92,870
	v. Research and Development Fund	6,01,45,321	5,78,43,807
	vi. Micro Finance Development and Equity Fund	0	40,00,00,000
	vii. Foreign Currency Risk Fund	13,62,29,603	13,62,29,603
	viii. Investment Fluctuation Reserve	0	189,46,39,102
	ix. Farm Innovation and Promotion Fund	0	5,00,00,000
	x. Reserve Fund	503,25,49,479	190,19,55,744
	<b>Total</b>	<b>1018,96,04,338</b>	<b>1115,56,61,126</b>

Refer Schedule 18 for Significant Accounting Policies and Notes forming part of the Accounts.

As per our report attached  
Sharp & Tannan Chartered Accountants  
by the hand of

P. Satish  
Chief General Manager  
Finance and Accounts Department  
Mumbai, 15 June 2006

Milind P. Phadke  
Partner  
Membership No. 33013  
Mumbai, 15 June 2006

Dr. Y. S. P. Thorat  
Chairman

Dr. K. G. Karmakar  
Managing Director

Usha Thorat  
Director

Amitabh Verma  
Director