

Disclosure Under BASEL II (IInd Quarter F/Y 2073/74) Pouah 2073

Capital Structure:

The following is the **Tier 1 capital** and breakdown of its components:

S.No	Particulars	Amount ('000)
1.1	Paid up Equity Share Capital	4,679,058
1.2	Proposed Bonus Equity Shares	-
1.3	Statutory General Reserves	1,098,836
1.4	Retained Earnings	(52,855)
1.5	Other Free Reserve	120,581
1.6	Share Premium	2,585
1.7	Un-audited current year cumulative profit	77,618
1.8	Capital Adjustment Reserve	1,006,953
1.9	Deduction from Capital	(129,255)
	Core Capital (Tier I)	6,803,521

The following is the **Tier 2 capital** and breakdown of its components:

S.No	Particulars	Amount ('000)
2.1	Subordinated Term Debt	-
2.2	General loan loss provision	518,854
2.3	Exchange Equalization Reserve	5,218
2.4	Investment Adjustment reserve	45,003
	Supplementary Capital (Tier II)	569,075

Subordinated Term Debt:

The Bank has not issued any Subordinated Term Debt instrument.

Deductions from Capital:

Investments in other financial institutions licensed by Nepal Rastra Bank, loan to promoters' financially interested companies and deferred tax assets

S.No	Particular	Amount ('000)
2.1	Loan to Harishidhi Bricks & Tile Factory	540
2.2	Loan to National Hydro Power Company	7,634
2.3	Loan to Kumari Builders	500
2.4	Loan to D.N.S. Investment	-
2.5	Deferred Tax Assets	120,581
	Total	129,255

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	6,803,521
2	Supplementary Capital (Tier II)	569,075
	Total Capital Fund (Tier I and Tier II)	7,372,596

Risk weighted exposure under each of 11 categories of Credit Risk

S.No	Particular	Amount ('000)
1	Claims on government & central bank	
2	Claims on other official entities	-
3	Claims on banks	1,363,419
4	Claims on corporate & securities firms	26,536,120
5	Claims on regulatory retail portfolio	4,759,545
6	Claims secured by residential properties	2,255,738
7	Claims secured by commercial real state	971,297
8	Past due claims	857,705
9	High risk claims	9,635,438
10	Other assets	2,003,017
11	Off balance sheet items	5,461,932
	Total	53,844,211

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	53,844,211
2	Risk Weighted Exposure for Operational Risk	3,172,935
3	Risk Weighted Exposure for Market Risk	62,437
4	5% of Gross Total Income	1,262,100
5	5 % of Total RWA	2,853,979
	Total Risk Weighted Exposures	61,195,662

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	61,195,662
2	Total Core Capital (Tier I)	6,803,521
3	Total Capital Fund (Tier I + Tier II)	7,372,596
4	Total Core Capital to Total Risk Weighted Exposures	11.12%
5	Total Capital Fund to Total Risk Weighted Exposures	12.05%

Amount of Non -Performing Assets (Gross and Net):

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	-	-	-
2	Substandard	463,686	115,922	347,765
3	Doubtful	355,159	177,579	177,579
4	Loss	1,526,283	1,525,884	399
	TOTAL	2,345,128	1,819,385	525,743

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	4.84%
2	Net NPA to Net Advances	1.14%

Movement of NPA:

				Amount '000
SN	Particulars	Previous Quarter (Ashwin End 2073)	This Quarter (Poush End 2073)	Increase/ (Decrease)
1	Restructure/Reschedule	-	-	-
2	Substandard	73,562	463,686	390,124
3	Doubtful	10,178	355,159	344,981
4	Loss	159,739	1,526,283	1,366,544
	TOTAL	243,478	2,345,128	2,101,649

Write Off of Loans and Interest Suspense:

SN	Particular	Amount ('000)
1	Loans Written Off	-
2	Interest written Off	-
	TOTAL	-

Movement in Loan Loss Provision and Interest Suspense:

				Amount '000
SN	Particular	Previous Quarter (Ashwin End 2073)	This Quarter (Poush End 2073)	Increase/ (Decrease)
1	Loan Loss Provision	459,592	2,338,239	1,878,647
2	Interest Suspense	190,506	190,506	-

Segregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	2,847,409
3	Available for Sale	12,015
	TOTAL	2,859,424

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	346,871
2	Deposit with other Banks/Financial Institutions	-
3	Gold	340,845
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	TOTAL	687,716