

## Disclosure Under BASEL II ( Ist Quarter ) Ashwin 2070

### 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	1,470,000
1.2	Proposed Bonus Equity Shares	-
1.3	Statutory General Reserves	377,780
1.4	Retained Earnings	393,555
1.5	Other Free Reserve	15,178
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	32,563
1.8	Deduction from Capital	(87,848)
	<b>Core Capital (Tier I)</b>	<b>2,201,314</b>

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	163,565
2.3	Exchange Equalization Reserve	4,634
2.4	Investment Adjustment reserve	7,367
	<b>Supplementary Capital (Tier II)</b>	<b>175,566</b>

### 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, and promoters' financially interested companies

S.No	Particular	Amount ( '000)
2.1	Ordinary Shares of Shangila Housing (250,000 units)	25,000
2.2	Ordinary Shares of NB Insurance Co. (146,000 units )	14,600
2.3	Loan to Harishidhi Bricks & Tile Factory	151
2.4	Loan to National Hydro Power Company	48,097
	<b>Total</b>	<b>87,848</b>

### Total Qualifying Assets

S.No	Particular	Amount ( '000)
1	Core Capital (Tier I)	2,201,314
2	Supplementary Capital (Tier II)	175,566
	<b>Total Capital Fund (Tier I and Tier II)</b>	<b>2,376,880</b>

**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	433,591
4	Claims on corporate & securities firms	11,488,213
5	Claims on regulatory retail portfolio	959,149
6	Claims secured by residential properties	439,209
7	Claims secured by commercial real state	482,274
8	Past due claims	252,803
9	High risk claims	925,369
10	Other assets	897,753
11	Off balance sheet items	2,454,772
	<b>Total</b>	<b>18,333,133</b>

**Risk weighted Exposures:**

S.No	Particular	Amount ( '000)
1	Risk Weighted Exposure for Credit Risk	18,333,133
2	Risk Weighted Exposure for Operational Risk	1,081,774
3	Risk Weighted Exposure for Market Risk	105,523
4	5% of Gross Total Income	487,800
5	5 % of Total RWA	976,021
	<b>Total Risk Weighted Exposures</b>	<b>20,984,251</b>

**Risk Weighted Exposure Calculation Table:**

S.No	Particular	Amount ( '000)
1	Total Risk Weighted Exposures	20,984,251
2	Total Core Capital (Tier I )	2,201,314
3	Total Capital Fund (Tier I + Tier II )	2,376,880
4	Total Core Capital to Total Risk Weighted Exposures	10.49%
5	Total Capital Fund to Total Risk Weighted Exposures	11.33%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	265	33	232
2	Substandard	68,485	17,121	51,364
3	Doubtful	8,104	4,052	4,052
4	Loss	398,622	397,843	780
	<b>TOTAL</b>	<b>475,476</b>	<b>419,049</b>	<b>56,427</b>

**NPA Ratio:**

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	2.82%
2	Net NPA to Net Advances	0.35%

**Movement of NPA:**

				Amount '000
SN	Particulars	Opening Balance	Closing Balance	Increase/ (Decrease)
1	Restructure/Reshedule	303	265	(38)
2	Substandard	13,225	68,485	55,260
3	Doubtful	13,678	8,104	(5,574)
4	Loss	393,557	398,622	5,065
	<b>TOTAL</b>	<b>420,763</b>	<b>475,476</b>	<b>54,714</b>

**Write Off of Loans and Interest Suspense:**

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

**Movement in Loan Loss Provision and Interest Suspense:**

				Amount '000
SN	Particular	Opening Balance	Closing Balance	Increase/ (Decrease)
1	Loan Loss Provision	559,646	583,985	24,339
2	Interest Suspense	207,562	253,093	45,531

**Segregation of Investment Portfolio**

SN	Particular	Amount ( '000)
1	Held for trading	-
2	Held to maturity	4,072,795
3	Available for Sale	57,515
	<b>TOTAL</b>	<b>4,130,310</b>

**Types of Eligible Credit Risk Mitigants used:**

SN	Particular	Amount ( '000)
1	Deposit with Own Bank	246,866
2	Deposit with other Banks/Financial Institutions	-
3	Gold	761,893
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	<b>TOTAL</b>	<b>1,008,758</b>