

## Disclosure Under BASEL II ( 1st Quarter ) Ashwin 2069

### 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	1,400,000
1.2	Proposed Bonus Equity Shares	-
1.3	Statutory General Reserves	377,534
1.4	Retained Earnings	98,988
1.5	Other Free Reserve	15,178
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	46,961
1.8	Deduction from Capital	(114,074)
	<b>Core Capital (Tier I)</b>	<b>1,824,670</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	141,063
2.3	Exchange Equalization Reserve	886
2.4	Investment Adjustment reserve	7,367
	<b>Supplementary Capital (Tier II)</b>	<b>149,316</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	122
2.4	Loan to National Hydro Power Company	74,353
	<b>Total</b>	<b>114,074</b>

### Total Qualifying Assets

S.No	Particular	Amount ( '000)
1	Core Capital (Tier I )	1,824,670
2	Supplementary Capital (Tier II)	149,316
	<b>Total Capital Fund (Tier I and Tier II)</b>	<b>1,973,986</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	152,906
3	Claims on banks	310,954
4	Claims on corporate & securities firms	9,865,480
5	Claims on regulatory retail portfolio	693,113
6	Claims secured by residential properties	431,379
7	Claims secured by commercial real state	367,055
8	Past due claims	277,277
9	High risk claims	1,363,175
10	Other assets	728,774
11	Off balance sheet items	1,760,890
	<b>Total</b>	<b>15,951,004</b>

**Risk weighted Exposures:**

S.No	Particular	Amount ( '000)
1	Risk Weighted Exposure for Credit Risk	15,951,004
2	Risk Weighted Exposure for Operational Risk	901,084
3	Risk Weighted Exposure for Market Risk	30,089
4	2% of Gross Total Income	121,855
5	5 % of Total RWA	844,109
	<b>Total Risk Weighted Exposures</b>	<b>17,848,140</b>

**Risk Weighted Exposure Calculation Table:**

S.No	Particular	Amount ( '000)
1	Total Risk Weighted Exposures	17,848,140
2	Total Core Capital (Tier I )	1,824,670
3	Total Capital Fund (Tier I + Tier II )	1,973,986
4	Total Core Capital to Total Risk Weighted Exposures	10.22%
5	Total Capital Fund to Total Risk Weighted Exposures	11.06%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	34,004	33,639	365
2	Substandard	60,269	15,067	45,202
3	Doubtful	43,811	21,906	21,906
4	Loss	321,185	320,406	780
	<b>TOTAL</b>	<b>459,270</b>	<b>391,018</b>	<b>68,252</b>

**NPA Ratio:**

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	3.13%
2	Net NPA to Net Advances	0.48%

**Movement of NPA:**

Amount '000

SN	Particulars	Opening Balance	Closing Balance	Increase/ (Decrease )
1	Restructure/Reshedule	34,054	34,004	(50)
2	Substandard	4,959	60,269	55,310
3	Doubtful	38,777	43,811	5,034
4	Loss	274,008	321,185	47,177
	<b>TOTAL</b>	<b>351,798</b>	<b>459,270</b>	<b>107,472</b>

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

SN	Particular	Amount ( '000)
1	Loans Written Off	2,260
2	Interest written Off	2,098
	<b>TOTAL</b>	<b>4,358</b>

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

Amount '000

SN	Particular	Opening Balance	Closing Balance	Increase/ (Decrease )
1	Loan Loss Provision	457,493	549,934	92,441
2	Interest Suspense	143,524	181,259	37,735

**Segregation of Investment Portfolio**

SN	Particular	Amount ( '000)
1	Held for trading	-
2	Held to maturity	2,918,923
3	Available for Sale	51,611
	<b>TOTAL</b>	<b>2,970,534</b>

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

SN	Particular	Amount ( '000)
1	Deposit with Own Bank	195,092
2	Deposit with other Banks/Financial Institutions	-
3	Gold	674,436
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	<b>TOTAL</b>	<b>869,528</b>