

Disclosure Under BASEL II (4th Quarter) Ashad 2071

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	448,746
1.4	Retained Earnings	289,414
1.5	Other Free Reserve	20,080
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	369,205
1.8	Deduction from Capital	(216,822)
	Core Capital (Tier I)	2,380,706

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	177,457
2.3	Exchange Equalization Reserve	4,634
2.4	Investment Adjustment reserve	7,466
	Supplementary Capital (Tier II)	189,557

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)	21,610
2.2	Ordinary Shares of NB Insurance Co. (146,000 units)	14,600
2.3	Loan to Harishidhi Bricks & Tile Factory	473
2.4	Loan to National Hydro Power Company	34,666
2.5	Loan to Kumari Builders	76,337
2.6	Loan to National Hydro Power Company	69,136
	Total	216,822

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	2,380,706
2	Supplementary Capital (Tier II)	189,557
	Total Capital Fund (Tier I and Tier II)	2,570,263

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	567,006
4	Claims on corporate & securities firms	11,937,410
5	Claims on regulatory retail portfolio	1,355,397
6	Claims secured by residential properties	547,612
7	Claims secured by commercial real state	438,294
8	Past due claims	220,838
9	High risk claims	1,108,217
10	Other assets	896,468
11	Off balance sheet items	2,406,481
	Total	19,477,722

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	19,477,722
2	Risk Weighted Exposure for Operational Risk	1,082,719
3	Risk Weighted Exposure for Market Risk	105,602
4	5% of Gross Total Income	488,800
5	5 % of Total RWA	1,033,302
	Total Risk Weighted Exposures	22,188,145

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	22,188,145
2	Total Core Capital (Tier I)	2,380,706
3	Total Capital Fund (Tier I + Tier II)	2,570,263
4	Total Core Capital to Total Risk Weighted Exposures	10.73%
5	Total Capital Fund to Total Risk Weighted Exposures	11.58%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	126	16	110
2	Substandard	73,857	18,464	55,393
3	Doubtful	36,491	18,246	18,246
4	Loss	371,403	370,697	706
	TOTAL	481,877	407,422	74,455

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	2.70%
2	Net NPA to Net Advances	0.43%

Movement of NPA:

				Amount '000
SN	Particulars	Opening Balance	Closing Balance	Increase/ (Decrease)
1	Restructure/Reshedule	303	126	(177)
2	Substandard	13,225	73,857	60,632
3	Doubtful	13,678	36,491	22,813
4	Loss	418,066	371,403	(46,663)
	TOTAL	445,272	481,877	36,605

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	Opening Balance	Closing Balance	Increase/ (Decrease)
1	Loan Loss Provision	587,348	584,879	(2,469)
2	Interest Suspense	207,562	225,988	18,426

Segregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	3,566,967
3	Available for Sale	54,125
	TOTAL	3,621,093

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	247,703
2	Deposit with other Banks/Financial Institutions	-
3	Gold	492,541
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	TOTAL	740,244