

Disclosure Under BASEL II (IVth Quarter) Ashad 2072

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	2,028,600
1.2	Proposed Bonus Equity Shares	-
1.3	Statutory General Reserves	596,819
1.4	Retained Earnings	343,649
1.5	Other Free Reserve	4,123
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	-
1.8	Deduction from Capital	(160,741)
	Core Capital (Tier I)	2,812,535

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	219,385
2.3	Exchange Equalization Reserve	4,634
2.4	Investment Adjustment reserve	240
	Supplementary Capital (Tier II)	224,259

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	Loan to Harishidhi Bricks & Tile Factory	477
2.2	Loan to National Hydro Power Company	16,659
2.3	Loan to Kumari Builders	76,347
2.4	Loan to D.N.S. Investment	67,258
	Total	160,741

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	2,812,535
2	Supplementary Capital (Tier II)	224,259
	Total Capital Fund (Tier I and Tier II)	3,036,794

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	622,874
4	Claims on corporate & securities firms	13,822,610
5	Claims on regulatory retail portfolio	2,098,511
6	Claims secured by residential properties	793,553
7	Claims secured by commercial real state	774,302
8	Past due claims	250,665
9	High risk claims	1,283,691
10	Other assets	975,369
11	Off balance sheet items	2,982,600
	Total	23,604,176

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	23,604,176
2	Risk Weighted Exposure for Operational Risk	1,273,808
3	Risk Weighted Exposure for Market Risk	145,406
4	5% of Gross Total Income	480,400
5	5 % of Total RWA	1,251,169
	Total Risk Weighted Exposures	26,754,959

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	26,754,959
2	Total Core Capital (Tier I)	2,812,535
3	Total Capital Fund (Tier I + Tier II)	3,036,794
4	Total Core Capital to Total Risk Weighted Exposures	10.51%
5	Total Capital Fund to Total Risk Weighted Exposures	11.35%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	-	-	-
2	Substandard	26,790	6,698	20,093
3	Doubtful	3,404	1,702	1,702
4	Loss	383,034	382,470	564
	TOTAL	413,228	390,870	22,358

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	1.93%
2	Net NPA to Net Advances	0.11%

Movement of NPA:

				Amount '000
SN	Particulars	Previous Quarter (Chaitra End 2071)	This Quarter (Ashad End 2072)	Increase/ (Decrease)
1	Restructure/Reshedule	-	-	-
2	Substandard	92,308	26,790	(65,518)
3	Doubtful	3,395	3,404	9
4	Loss	386,163	383,034	(3,129)
	TOTAL	481,866	413,228	(68,638)

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 (Chaitra End 2071)	This Quarter (Ashad End 2072)	Increase/ (Decrease)
1	Loan Loss Provision	614,034	610,255	(3,780)
2	Interest Suspense	261,125	272,292	11,167

Segregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	2,829,231
3	Available for Sale	15,028
	TOTAL	2,844,259

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	212,176
2	Deposit with other Banks/Financial Institutions	-
3	Gold	264,462
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	TOTAL	476,638