

Disclosure Under BASEL II (IInd Quarter) Poush 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	324,576
1.3	Statutory General Reserves	596,819
1.4	Retained Earnings	1,990
1.5	Other Free Reserve	4,123
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	246,880
1.8	Deduction from Capital	(89,145)
	Core Capital (Tier I)	3,113,928

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	225,447
2.3	Exchange Equalization Reserve	4,634
2.4	Investment Adjustment reserve	240
	Supplementary Capital (Tier II)	230,321

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	485
2.2	Loan to National Hydro Power Company	7,634
2.3	Loan to Kumari Builders	76,402
2.4	Loan to D.N.S. Investment	500
2.5	Deferred Tax Assets	4,123
	Total	89,145

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	3,113,928
2	Supplementary Capital (Tier II)	230,321
	Total Capital Fund (Tier I and Tier II)	3,344,249

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	660,170
4	Claims on corporate & securities firms	13,660,005
5	Claims on regulatory retail portfolio	2,384,248
6	Claims secured by residential properties	820,806
7	Claims secured by commercial real state	789,574
8	Past due claims	196,323
9	High risk claims	1,517,987
10	Other assets	1,467,643
11	Off balance sheet items	3,583,964
	Total	25,080,719

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	25,080,719
2	Risk Weighted Exposure for Operational Risk	1,476,750
3	Risk Weighted Exposure for Market Risk	57,683
4	5% of Gross Total Income	507,600
5	5 % of Total RWA	1,330,758
	Total Risk Weighted Exposures	28,453,510

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	28,453,510
2	Total Core Capital (Tier I)	3,113,928
3	Total Capital Fund (Tier I + Tier II)	3,344,249
4	Total Core Capital to Total Risk Weighted Exposures	10.94%
5	Total Capital Fund to Total Risk Weighted Exposures	11.75%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	-	-	-
2	Substandard	-	-	-
3	Doubtful	8,994	4,497	4,497
4	Loss	273,850	273,425	425
	TOTAL	282,845	277,922	4,922

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	1.30%
2	Net NPA to Net Advances	0.02%

Movement of NPA:

				Amount '000
SN	Particulars	Previous Quarter (Ashwin End 2072)	This Quarter (Poush End 2072)	Increase/ (Decrease)
1	Restructure/Reshedule	-	-	-
2	Substandard	48,204	-	(48,204)
3	Doubtful	3,035	8,994	5,960
4	Loss	339,321	273,850	(65,470)
	TOTAL	390,559	282,845	(107,714)

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 2072)	This Quarter (Poush End 2072)	Increase/ (Decrease)
1	Loan Loss Provision	576,220	503,369	(72,851)
2	Interest Suspense	316,046	243,521	(72,524)

Segregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	3,713,189
3	Available for Sale	12,015
	TOTAL	3,725,205

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	194,530
2	Deposit with other Banks/Financial Institutions	-
3	Gold	204,762
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	TOTAL	399,292