

Disclosure Under BASEL II (IIIrd Quarter) Chaitra 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	558,600
1.3	Statutory General Reserves	527,168
1.4	Retained Earnings	33,484
1.5	Other Free Reserve	34,040
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	331,993
1.8	Deduction from Capital	(163,157)
	Core Capital (Tier I)	2,792,213

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	203,803
2.3	Exchange Equalization Reserve	4,634
2.4	Investment Adjustment reserve	532
	Supplementary Capital (Tier II)	208,969

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	19,075
2.3	Loan to Kumari Builders	76,347
2.4	Loan to D.N.S. Investment	67,258
	Total	163,157

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	2,792,213
2	Supplementary Capital (Tier II)	208,969
	Total Capital Fund (Tier I and Tier II)	3,001,182

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	490,861
4	Claims on corporate & securities firms	11,890,099
5	Claims on regulatory retail portfolio	1,852,500
6	Claims secured by residential properties	690,767
7	Claims secured by commercial real state	657,975
8	Past due claims	2,137,864
9	High risk claims	1,124,990
10	Other assets	1,176,220
11	Off balance sheet items	2,473,922
	Total	22,495,197

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	22,495,197
2	Risk Weighted Exposure for Operational Risk	1,273,808
3	Risk Weighted Exposure for Market Risk	47,911
4	5% of Gross Total Income	480,400
5	5 % of Total RWA	1,190,846
	Total Risk Weighted Exposures	25,488,162

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	25,488,162
2	Total Core Capital (Tier I)	2,792,213
3	Total Capital Fund (Tier I + Tier II)	3,001,182
4	Total Core Capital to Total Risk Weighted Exposures	10.95%
5	Total Capital Fund to Total Risk Weighted Exposures	11.77%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	-	-	-
2	Substandard	92,308	23,077	69,231
3	Doubtful	3,395	1,697	1,697
4	Loss	386,163	385,457	706
	TOTAL	481,866	410,231	71,634

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	2.40%
2	Net NPA to Net Advances	0.37%

Movement of NPA:

				Amount '000
SN	Particulars	Previous Quarter (Poush End 2071)	This Quarter (Chaitra End 2071)	Increase/ (Decrease)
1	Restructure/Reshedule	-	-	-
2	Substandard	27,011	92,308	65,297
3	Doubtful	17,666	3,395	(14,271)
4	Loss	379,539	386,163	6,624
	TOTAL	424,216	481,866	57,650

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 (Poush End 2071)	This Quarter (Chaitra End 2071)	Increase/ (Decrease)
1	Loan Loss Provision	583,322	614,034	30,712
2	Interest Suspense	252,454	261,125	8,671

Segregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	2,649,351
3	Available for Sale	17,915
	TOTAL	2,667,266

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	224,138
2	Deposit with other Banks/Financial Institutions	-
3	Gold	292,110
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	TOTAL	516,248