

Disclosure Under BASEL II (3rd Quarter) Chaitra 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	377,780
1.4	Retained Earnings	96,486
1.5	Other Free Reserve	15,178
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	238,879
1.8	Deduction from Capital	(102,052)
	Core Capital (Tier I)	2,026,355

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	153,185
2.3	Exchange Equalization Reserve	4,634
2.4	Investment Adjustment reserve	7,367
	Supplementary Capital (Tier II)	165,185

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	145
2.4	Loan to National Hydro Power Company	62,306
	Total	102,052

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	2,026,355
2	Supplementary Capital (Tier II)	165,185
	Total Capital Fund (Tier I and Tier II)	2,191,541

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	431,982
4	Claims on corporate & securities firms	10,658,294
5	Claims on regulatory retail portfolio	818,763
6	Claims secured by residential properties	413,111
7	Claims secured by commercial real state	360,476
8	Past due claims	303,217
9	High risk claims	1,221,952
10	Other assets	757,614
11	Off balance sheet items	2,073,551
	Total	17,038,960

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	17,038,960
2	Risk Weighted Exposure for Operational Risk	901,083
3	Risk Weighted Exposure for Market Risk	108,119
4	5% of Gross Total Income	304,637
5	5 % of Total RWA	902,408
	Total Risk Weighted Exposures	19,255,206

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	19,255,206
2	Total Core Capital (Tier I)	2,026,355
3	Total Capital Fund (Tier I + Tier II)	2,191,541
4	Total Core Capital to Total Risk Weighted Exposures	10.52%
5	Total Capital Fund to Total Risk Weighted Exposures	11.38%

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

SN	Category	Gross	Provision	Amount '000
				Net
1	Restructure/Reshedule	328	41	287
2	Substandard	167,561	44,370	123,191
3	Doubtful	16,285	8,142	8,143
4	Loss	402,789	402,009	780
	TOTAL	586,963	454,562	132,401

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	3.69%
2	Net NPA to Net Advances	0.87%

Movement of NPA:

SN	Particulars	Opening Balance	Closing Balance	Amount '000
				Increase/ (Decrease)
1	Restructure/Reshedule	379	328	(51)

2	Substandard	49,285	167,561	118,276
3	Doubtful	13,672	16,285	2,613
4	Loss	401,953	402,789	836
	TOTAL	465,289	586,963	121,674

Write Off of Loans and Interest Suspense:

SN	Particular	Amount ('000)
1	Loans Written Off	4,122
2	Interest written Off	2,228
	TOTAL	6,350

Movement in Loan Loss Provision and Interest Suspense:

SN	Particular	Opening Balance	Closing Balance	Amount '000
				Increase/ (Decrease)
1	Loan Loss Provision	578,628	609,371	30,743
2	Interest Suspense	191,496	220,281	28,785

Seggregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	3,475,076
3	Available for Sale	51,611
	TOTAL	3,526,687

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	198,961
2	Deposit with other Banks/Financial Institutions	-
3	Gold	881,105
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
	TOTAL	1,080,067