

Disclosure Under BASEL II (4th Quarter) Ashad 2068

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	298,079
1.4	Retained Earnings	(208,847)
1.5	Other Free Reserve	7,919
1.6	Share Premium	84
1.7	Un-audited current year cumulative profit	220,898
1.8	Deduction from Capital	(139,361)
	Core Capital (Tier I)	1,578,772

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	87,168
2.3	Exchange Equalization Reserve	886
2.4	Investment Adjustment reserve	433
	Supplementary Capital (Tier II)	88,487

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	122
2.4	Loan to National Hydro Power Company	99,639
	Total	139,361

Total Qualifying Assets

S.No	Particular	Amount ('000)
1	Core Capital (Tier I)	1,578,772
2	Supplementary Capital (Tier II)	88,487
	Total Capital Fund (Tier I and Tier II)	1,667,259

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	155,813
3	Claims on banks	286,606
4	Claims on corporate & securities firms	5,318,472
5	Claims on regulatory retail portfolio	658,806
6	Claims secured by residential properties	354,424
7	Claims secured by commercial real state	418,564
8	Past due claims	252,646

9	High risk claims	1,149,746
10	Other assets	558,920
11	Off balance sheet items	1,475,574
	Total	10,629,571

Risk weighted Exposures:

S.No	Particular	Amount ('000)
1	Risk Weighted Exposure for Credit Risk	10,629,571
2	Risk Weighted Exposure for Operational Risk	876,035
3	Risk Weighted Exposure for Market Risk	50,944
4	2% of Gross Total Income	118,392
5	5 % of Total RWA	577,827
	Total Risk Weighted Exposures	12,252,769

Risk Weighted Exposure Calculation Table:

S.No	Particular	Amount ('000)
1	Total Risk Weighted Exposures	12,252,769
2	Total Core Capital (Tier I)	1,578,772
3	Total Capital Fund (Tier I + Tier II)	1,667,259
4	Total Core Capital to Total Risk Weighted Exposures	12.89%
5	Total Capital Fund to Total Risk Weighted Exposures	13.61%

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

SN	Category	Amount '000		
		Gross	Provision	Net
1	Restructure/Reshedule	103,758	103,228	530
2	Substandard	44,489	12,033	32,456

3	Doubtful	51,645	27,800	23,845
4	Loss	152,722	152,722	-
	TOTAL	352,614	295,783	56,831

NPA Ratio:

SN	NPA Ratios	Percentage
1	Gross NPA to Gross Advances	3.82%
2	Net NPA to Net Advances	0.64%

Movement of NPA:

SN	Particulars	Opening Balance	Closing Balance	Amount '000
				Increase/ (Decrease)
1	Restructure/Reshedule	108,524	103,758	(4,766)
2	Substandard	7,926	44,489	36,563
3	Doubtful	28,929	51,645	22,716
4	Loss	161,185	152,722	(8,463)
	TOTAL	306,564	352,614	46,050

Write Off of Loans and Interest Suspense:

SN	Particular	Amount ('000)
1	Loans Written Off	13,594
2	Interest written Off	14,212
	TOTAL	27,806

Movement in Loan Loss Provision and Interest Suspense:

				Amount '000
SN	Particular	Opening Balance	Closing Balance	Increase/ (Decrease)
1	Loan Loss Provision	393,180	394,614	1,434
2	Interest Suspense	154,783	138,896	(15,887)

Segregation of Investment Portfolio

SN	Particular	Amount ('000)
1	Held for trading	-
2	Held to maturity	2,034,738
3	Available for Sale	99,148
TOTAL		2,133,886

Types of Eligible Credit Risk Mitigants used:

SN	Particular	Amount ('000)
1	Deposit with Own Bank	348,315
2	Deposit with other Banks/Financial Institutions	-
3	Gold	314,194
4	Securities of Government and NRB	-
5	Securities/Guarantee of Foreign Bank	-
TOTAL		662,509