

**Basel II Disclosure as required by
Capital Adequacy Framework**

The extract of the Basel II reporting of the Fourth quarter (2071/72) has been exhibited below:

1. Capital Structure and Capital Adequacy

▪ **Tier 1 Capital and a breakdown of its components: (Rs. In '000)**

Core Capital (Tier 1)		4,837,882
a.	Paid up Equity Share Capital	2,430,289
b.	Proposed Bonus Equity Shares	1,079
c.	Statutory General Reserves	1,422,936
d.	Retained Earnings	123,241
e.	Un-audited current year cumulative profit	792,778
f.	Capital Adjustment Reserve	-
g.	Deferred Tax Reserve	67,558

▪ **Tier 2 Capital and a breakdown of its components: (Rs. In '000)**

Supplementary Capital (Tier 2)		331,871
a.	General Loan Loss Provision	266,737
b.	Investment Adjustment Reserve	2,673
c.	Exchange Equalization Reserve	62,462
d.	Other Reserves	-

▪ **Detailed Information About Subordinated Term Debts**

Bank does not have subordinated term debts.

▪ **Deductions from Capital (Rs. In '000)**

Deductions From Capital		(275,989)
a.	Miscellaneous expenditure not written off	-
b.	Investment in equity in licensed Financial Institutions	-
c.	Investment in equity of institutions with financial interests	(10,606)
d.	Loans extended to Shareholders holding more than 1% percent shares	(265,384)
e.	Land & Building not used since more than 3 Years (8.7 chha)	-

(In Rs. '000)

Total Qualifying Capital		4,893,764
a.	Tier 1 Capital Less Deductions	4,561,893
b.	Tier 2 Capital	331,871

▪ **Capital Adequacy Ratio**

a.	Tier 1 Capital to Total Risk Weighted Exposures	10.59%
b.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.36%

2. Risk Exposures

▪ Risk Weighted Exposures for Credit, Market and Operational Risk

(Rs. In '000)

Total Risk Weighted Exposures		43,096,249
a.	Risk Weighted Exposure for Credit Risk	38,920,595
b.	Risk Weighted Exposure for Operational Risk	1,259,370
c.	Risk Weighted Exposure for Market Risk	640,791
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	1,632,830
	5% of gross income	634,100
	1 % of Net Interest Income	8,563

▪ Risk Weighted Exposures under each of 11 Categories of Credit Risk

(Rs. In '000)

Total Risk Weighted Exposures for Credit Risk		38,920,595
a.	Claims on government and central Bank	-
b.	Claims on other official entities	567
c.	Claims on Banks	1,427,809
d.	Claims on corporate and securities firms	14,186,516
e.	Claims on regulatory retail portfolio	3,564,433
f.	Claims secured by residential properties	1,835,890
g.	Claims secured by commercial real estate	756,495
h.	Past due claims (except for claim secured by residential properties)	174,241
i.	High risk claims	1,927,064
j.	Staff Loan secured by residential properties	245,929
k.	Other Assets	906,159
l.	Off Balance sheet items	13,895,493

▪ Total Risk Weighted Exposure Calculation Table

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	43,096,249
b.	Total Core Capital Fund	4,561,893
c.	Total Capital Fund (Tier I and Tier II Capital)	4,893,764
d.	Tier 1 Capital to Total Risk Weighted Exposures	10.59%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.36%

▪ Amount of NPA's (Both Gross and Net)

(Amount in Rs.)

S.N	Particulars	Gross Amount	Loan loss Provision	Net Amount
a.	Restructured/ Reschedule Loan	-	-	-
b.	Substandard Loan	150,745,094	37,686,274	113,058,821
c.	Doubtful Loan	18,238,202	9,119,101	9,119,101
d.	Loss Loan	171,208,416	171,208,416	-
e.	Additional		2,464,000	(2,464,000)

Total	340,191,713	220,477,791	119,713,922
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▪ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.32
b.	Net NPA to Net Advances	0.48

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	340,191,713	489,917,520	-30.56%

▪ **Write off of Loans and Interest Suspense during the Quarter**

There is no any wire off of loan and interest suspense during the quarter.

▪ **Movements in Loan Loss Provisions and Interest Suspense**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Loan Loss Provision	487,214,960	534,349,477	-8.82%
Interest Suspense	227,189,952	281,458,770	-19.28%

▪ **Details of additional loan loss provisions**

There is not additional loan loss provision during the quarter

▪ **Investment Portfolio**

(Amount in Rs.)

Particulars	Held To Maturity	Available for Sale
Investment on Treasury Bill	908,777,661	
Investment on Bond	264,975,683	
Placement (USD)	1,615,586,011	
Investment on NRB Deposit	2,450,000,000	
Investment on Reverse Repo	481,925,000	
Investment on Shares		
Rural Development Bank		6,500,000
Rural Micro-Finance Development Center		4,531,000
Insurance Companies		14,250,000
Others		15,866,964
Investment on Mutual fund		23,483,450
TOTAL	5,721,264,355	64,631,414