

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

**The extract of the Basel III reporting of the Frist quarter (2073/74) has been exhibited below:**

**(Rs. In '000)**

<b>Particulars</b>		<b>Amount</b>
<b>a</b>	<b>Tier 1 Capital [Core Capital (CET 1 + AT 1)]</b>	5,856,262
	(i) Common Equity Tier 1 (CET 1)	5,856,262
	(ii) Additional Tier 1 (AT 1)	-
<b>b</b>	<b>Tier 2 Capital</b>	434,890
<b>c</b>	<b>Total Capital</b>	6,291,152
<b>d</b>	<b>Risk Weighted Exposures</b>	59,289,954
<b>Regulatory Ratios</b>		
<b>a</b>	Leverage Ratio (Regulatory Requirement >= 4%)	7.57
<b>b</b>	Common Equity Tier 1 to Risk Weighted Exposure Ratios	9.88%
<b>c</b>	Tier 1 to Risk Weighted Exposure Ratios	9.88%
<b>d</b>	Total Capital to Risk Weighted Exposure Ratio	10.61%

**1. Capital Structure and Capital Adequacy**

**(Rs. In '000)**

<b>▪ (A) Tier 1 Capital and breakdown of its compents: [Core Capital (CET 1 + AT 1)]:</b>		<b>6,197,818</b>
<b>Common Equity Tier 1 (CET 1)</b>		<b>6,197,818</b>
a.	Paid up Equity Share Capital	3,037,129
b.	Proposed Bonus Equity Shares	974,630
c.	Statutory General Reserves	1,825,391
d.	Retained Earnings	68,090
e.	Un-audited current year cumulative profit	225,020
f.	Capital Adjustment Reserve	-
g.	Other free Reserve	67,558

<b>Additional Tier 1 (AT 1):</b>	<b>0</b>	<b>0</b>
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**(Rs. In '000)**

<b>▪ (B) Tier 2 Capital and a breakdown of its components:</b>		
<b>Supplementary Capital (Tier 2)</b>		<b>434,890</b>
a.	General Loan Loss Provision	368,354
b.	Investment Adjustment Reserve	2,673
c.	Exchange Equalization Reserve	63,864
d.	Other Reserves	-

**▪ Detailed Information About Subordinated Term Debts**

Bank does not have subordinated term debts.

**▪ Deductions from Capital**

**(Rs. In '000)**

<b>Deductions From Capital</b>		<b>(341,556)</b>
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	(265,417)
e.	Land & Building not used since more than 3 Years ( 8.7 chha)	-
f.	Deferred Tax Assets	(65,533)

(In Rs. '000)

<b>Total Qualifying Capital</b>		<b>6,291,152</b>
a.	Tier 1 Capital Less Deductions	5,856,262
b.	Tier 2 Capital	434,890

▪ **Capital Adequacy Ratio**

a.	Common Equity Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	9.88%
b.	Tier 1 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	9.88%
c.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	10.61%

2. **Risk Exposures**

▪ **Risk Weighted Exposures for Credit, Market and Operational Risk**

(Rs. In '000)

<b>Total Risk Weighted Exposures</b>		<b>59,289,954</b>
a.	Risk Weighted Exposure for Credit Risk	52,245,768
b.	Risk Weighted Exposure for Operational Risk	2,662,054
c.	Risk Weighted Exposure for Market Risk	988,746
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	2,235,863
	5% of gross income	1,142,900
	1 % of Net Interest Income	14,624

▪ **Risk Weighted Exposures under Categories of Credit Risk**

(Rs. In '000)

<b>Total Risk Weighted Exposures for Credit Risk</b>		<b>52,245,768</b>
a.	Claims on government and central Bank	-
b.	Claims on other official entities	26,862
c.	Claims on Banks	1,895,509
d.	Claims on corporate and securities firms	18,889,351
e.	Claims on regulatory retail portfolio	5,317,755
f.	Claims secured by residential properties	2,068,470
g.	Claims secured by commercial real estate	753,929
h.	Past due claims (except for claim secured by residential properties)	164,228
i.	High risk claims	2,872,326
j.	Staff Loan secured by residential properties	266,518
k.	Other Assets	815,524
l.	Off Balance sheet items	19,175,295

▪ **Total Risk Weighted Exposure Calculation Table**

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	59,289,954
b.	Total Core Capital Fund	5,856,262
c.	Total Capital Fund (Tier I and Tier II Capital)	6,291,152
d.	Tier 1 Capital to Total Risk Weighted Exposures	9.88%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.61%

▪ 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	159,617,258	39,904,314	119,712,943
c.	Doubtful Loan	33,746,627	16,873,314	16,873,314
d.	Loss Loan	205,271,912	205,271,912	-
e.	Additional		2,464,223	(2,464,223)
	<b>Total</b>	<b>398,635,797</b>	<b>264,513,764</b>	<b>134,122,034</b>

▪ NPA Ratios

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.16
b.	Net NPA to Net Advances	0.41

▪ Movement of Non - Performing Assets

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	398,635,797	231,444,566	72.24%

▪ Write off of Loans and Interest Suspense during the Quarter

There is no write 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	632,867,969	553,128,179	14.42%
Interest Suspense	313,506,372	240,697,312	30.25%

▪ 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	1,324,932,640	
Investment on Govt. Bond	974,033,798	
Investment on NRB Bond	870,000,000	
Placement (USD)	2,130,210,517	
Investment on interbank lending	750,295,941	
Investment on NRB Deposit	200,000,000	
<b>Investment on Shares</b>		
Micro-Finance instutations		11,031,000
Insurance Companies		53,861,938
Swift Investment	404,001	
Investment on Mutual fund		34,373,000
Hydropower Com.Ltd.		11,344,100
Others		30,871,364
<b>TOTAL</b>	<b>6,249,876,896</b>	<b>141,481,402.42</b>