

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

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

(Rs. In '000)

Particulars		Amount
a	Tier 1 Capital [Core Capital (CET 1 + AT 1)]	8,145,195
	(i) Common Equity Tier 1 (CET 1)	8,145,195
	(ii) Additional Tier 1 (AT 1)	-
b	Tier 2 Capital	467,008
c	Total Capital	8,612,203
d	Risk Weighted Exposures	65,544,923
Regulatory Ratios		
a	Leverage Ratio (Regulatory Requirement >= 4%)	9.78
b	Common Equity Tier 1 to Risk Weighted Exposure Ratios	12.43%
c	Tier 1 to Risk Weighted Exposure Ratios	12.43%
d	Total Capital to Risk Weighted Exposure Ratio	13.14%

1. Capital Structure and Capital Adequacy

(Rs. In '000)

■ (A) Tier 1 Capital and breakdown of its compents: [Core Capital (CET 1 + AT 1)]:		8,302,787
Common Equity Tier 1 (CET 1)		8,302,787
a.	Paid up Equity Share Capital	5,514,079
b.	Proposed Bonus Equity Shares	-
c.	Statutory General Reserves	1,825,391
d.	Retained Earnings	68,090
e.	Un-audited current year cumulative profit	827,668
f.	Capital Adjustment Reserve	-
g.	Other free Reserve	67,558

Additional Tier 1 (AT 1):	0
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(Rs. In '000)

■ (B) Tier 2 Capital and a breakdown of its components:		
Supplementary Capital (Tier 2)		467,008
a.	General Loan Loss Provision	400,472
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)

Deductions From Capital		(157,592)
a.	Miscellaneous expenditure not written off	-
b.	Investment in equity in licensed Financial Institutions	-
c.	Investment in equity of institutions with financial interests	-
d.	Loans extended to Shareholders holding more than 1% percent shares	(92,059)
e.	Land & Building not used since more than 3 Years (8.7 chha)	-
f.	Deferred Tax Assets	(65,533)

(Rs. In '000)

Total Qualifying Capital		8,612,203
a.	Tier 1 Capital Less Deductions	8,145,195
b.	Tier 2 Capital	467,008

■ **Capital Adequacy Ratio**

a.	Common Equity Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	12.43%
b.	Tier 1 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	12.43%
c.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	13.14%

2. **Risk Exposures**

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

(Rs. In '000)

Total Risk Weighted Exposures		65,544,923
a.	Risk Weighted Exposure for Credit Risk	58,754,496
b.	Risk Weighted Exposure for Operational Risk	2,662,054
c.	Risk Weighted Exposure for Market Risk	1,109,685
Add:		
	3 % of Total Risk Weighted Exposure as per Supervisory Review	1,875,787
	5% of gross income	1,142,900

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

(Rs. In '000)

Total Risk Weighted Exposures for Credit Risk		58,754,496
a.	Claims on government and central Bank	-
b.	Claims on other official entities	3,942
c.	Claims on Banks	2,465,702
d.	Claims on corporate and securities firms	21,189,295
e.	Claims on regulatory retail portfolio	5,640,745
f.	Claims secured by residential properties	2,062,462
g.	Claims secured by commercial real estate	747,608
h.	Past due claims (except for claim secured by residential properties)	186,778
i.	High risk claims	3,137,271
j.	Staff Loan secured by residential properties	283,632
k.	Other Assets	1,238,574
l.	Off Balance sheet items	21,798,487

■ **Total Risk Weighted Exposure Calculation Table**

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	65,544,923
b.	Total Core Capital Fund	8,145,195
c.	Total Capital Fund (Tier I and Tier II Capital)	8,612,203
d.	Tier 1 Capital to Total Risk Weighted Exposures	12.43%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	13.14%

■ **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	139,195,241	34,798,810	104,396,430
c.	Doubtful Loan	81,067,826	40,533,913	40,533,913
d.	Loss Loan	156,174,461	156,174,461	-
e.	Additional		2,464,223	(2,464,223)
Total		376,437,527	233,971,407	142,466,120

■ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.01
b.	Net NPA to Net Advances	0.40

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	376,437,527	357,138,823	5.40%

▪ **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	634,443,172	640,947,233	-1.01%
Interest Suspense	316,959,197	297,318,300	6.61%

▪ **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	Held for Trading	Available for Sale
Investment on Treasury Bill	1,041,160,189		
Investment on Govt. Bond	974,018,255		
Investment on NRB Bond	550,000		
Placement (USD)	2,363,569,050		
Investment on interbank lending	-		
Investment on Shares			
Micro-Finance institutions			11,035,100
Insurance Companies		67,917,369	55,897,680
Swift Investment	404,001		-
Investment on Mutual fund			68,524,720
Hydropower Com.Ltd.		7,633,584	6,341,300
Others	20,062,000		199,364
TOTAL	4,399,763,494	75,550,954	141,998,164