

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

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

(Rs. In '000)

Particulars	Amount
a Tier 1 Capital [Core Capital (CET 1 + AT 1)]	6,182,476
(i) Common Equity Tier 1 (CET 1)	6,182,476
(ii) Additional Tier 1 (AT 1)	-
b Tier 2 Capital	454,444
c Total Capital	6,636,921
d Risk Weighted Exposures	63,403,883
<b>Regulatory Ratios</b>	
a Leverage Ratio (Regulatory Requirement >= 4%)	7.57
b Common Equity Tier 1 to Risk Weighted Exposure Ratios	9.75%
c Tier 1 to Risk Weighted Exposure Ratios	9.75%
d Total Capital to Risk Weighted Exposure Ratio	10.47%

**I. 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>6,513,427</b>
<b>Common Equity Tier 1 (CET 1)</b>	<b>6,513,427</b>
a. Paid up Equity Share Capital	4,011,759
b. Proposed Bonus Equity Shares	-
c. Statutory General Reserves	1,825,391
d. Retained Earnings	68,090
e. Un-audited current year cumulative profit	540,629
f. Capital Adjustment Reserve	-
g. Other free Reserve	67,558

<b>Additional Tier 1 (AT 1):</b>	0
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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>454,444</b>
a. General Loan Loss Provision	387,908
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>(330,950)</b>
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	(265,417)
e. Land & Building not used since more than 3 Years ( 8.7 chha)	-
f. Deferred Tax Assets	(65,533)

(Rs. In '000)

<b>Total Qualifying Capital</b>	<b>6,636,921</b>
a. Tier 1 Capital Less Deductions	6,182,476
b. Tier 2 Capital	454,444

**■ Capital Adequacy Ratio**

a. Common Equity Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	9.75%
b. Tier 1 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	9.75%
c. Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	10.47%

## 2. Risk Exposures

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

(Rs. In '000)

<b>Total Risk Weighted Exposures</b>		<b>63,403,883</b>
a.	Risk Weighted Exposure for Credit Risk	56,245,413
b.	Risk Weighted Exposure for Operational Risk	2,662,054
c.	Risk Weighted Exposure for Market Risk	944,801
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	2,394,091
	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>56,245,413</b>
a.	Claims on government and central Bank	-
b.	Claims on other official entities	9,274
c.	Claims on Banks	2,570,162
d.	Claims on corporate and securities firms	20,249,993
e.	Claims on regulatory retail portfolio	5,620,902
f.	Claims secured by residential properties	2,080,049
g.	Claims secured by commercial real estate	750,669
h.	Past due claims (except for claim secured by residential properties)	137,080
i.	High risk claims	3,130,842
j.	Staff Loan secured by residential properties	271,442
k.	Other Assets	1,000,074
l.	Off Balance sheet items	20,424,924

### ▪ Total Risk Weighted Exposure Calculation Table

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	63,403,883
b.	Total Core Capital Fund	6,182,476
c.	Total Capital Fund (Tier I and Tier II Capital)	6,636,921
d.	Tier 1 Capital to Total Risk Weighted Exposures	9.75%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.47%

### ▪ 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	127,342,722	31,835,681	95,507,042
c.	Doubtful Loan	22,113,826	11,056,913	11,056,913
d.	Loss Loan	207,682,275	207,682,275	-
e.	Additional		2,464,223	(2,464,223)
<b>Total</b>		<b>357,138,823</b>	<b>253,039,092</b>	<b>104,099,731</b>

### ▪ NPA Ratios

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	0.99
b.	Net NPA to Net Advances	0.30

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	357,138,823	398,635,797	-10.41%

▪ **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	640,947,233	632,867,969	1.28%
Interest Suspense	297,318,300	313,506,372	-5.16%

▪ **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	750,109,964		
Investment on Govt. Bond	974,018,255		
Investment on NRB Bond	870,000,000		
Placement (USD)	2,282,753,352		
Investment on interbank lending	1,605,052,740		
<b>Investment on Shares</b>			
Micro-Finance institutions			11,035,100
Insurance Companies		53,420,733	49,275,600
Swift Investment	404,001		-
Investment on Mutual fund			58,257,250
Hydropower Com.Ltd.		6,918,193	6,341,300
Others	20,062,000		199,364
<b>TOTAL</b>	<b>6,502,400,311</b>	<b>60,338,925</b>	<b>125,108,614</b>