

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

The extract of the Basel III reporting of the Second quarter (2074/75) has been exhibited below:

(Rs. In '000)

Particulars		Amount
a	Tier 1 Capital [Core Capital (CET 1 + AT 1)]	10,651,730
	(i) Common Equity Tier 1 (CET 1)	10,651,730
	(ii) Additional Tier 1 (AT 1)	-
b	Tier 2 Capital	541,299
c	Total Capital	11,193,029
d	Risk Weighted Exposures	78,386,814
Regulatory Ratios		
a	Leverage Ratio (Regulatory Requirement \geq 4%)	10.58
b	Common Equity Tier 1 to Risk Weighted Exposure Ratios	13.59%
c	Tier 1 to Risk Weighted Exposure Ratios	13.59%
d	Total Capital to Risk Weighted Exposure Ratio	14.28%

1. Capital Structure and Capital Adequacy

(Rs. In '000)

■ (A) Tier 1 Capital and breakdown of its compents: [Core Capital (CET 1 + AT 1)]:		10,779,589
Common Equity Tier 1 (CET 1)		10,779,589
a.	Paid up Equity Share Capital	8,088,144
b.	Equity Share Premium	-
c.	Proposed Bonus Equity Shares	-
d.	Statutory General Reserves	2,065,468
e.	Retained Earnings	120,371
f.	Un-audited current year cumulative profit	438,049
g.	Capital Adjustment Reserve	-
h.	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)		541,299
a.	General Loan Loss Provision	441,676
b.	Investment Adjustment Reserve	17,925
c.	Exchange Equalization Reserve	64,936
d.	Other Reserves	16,762

■ Detailed Information About Subordinated Term Debts

Bank does not have subordinated term debts.

■ Deductions from Capital

(Rs. In '000)

Deductions From Capital		(127,859)
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	(65,320)
e.	Land & Building not used since more than 3 Years (8.7 chha)	-
f.	Deferred Tax Assets	(62,539)

(Rs. In '000)

Total Qualifying Capital		11,193,029
a.	Tier 1 Capital Less Deductions	10,651,730
b.	Tier 2 Capital	541,299

■ **Capital Adequacy Ratio**

a.	Common Equity Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	13.59%
b.	Tier 1 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	13.59%
c.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	14.28%

2. **Risk Exposures**

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

(Rs. In '000)

Total Risk Weighted Exposures		78,386,814
a.	Risk Weighted Exposure for Credit Risk	71,165,088
b.	Risk Weighted Exposure for Operational Risk	3,381,979
c.	Risk Weighted Exposure for Market Risk	243,821
Add:		
	3 % of Total Risk Weighted Exposure as per Supervisory Review	2,243,727
	5% of gross income	1,352,200

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

(Rs. In '000)

Total Risk Weighted Exposures for Credit Risk		71,165,088
a.	Claims on government and central Bank	
b.	Claims on other official entities	403
c.	Claims on Banks	3,555,698
d.	Claims on corporate and securities firms	24,030,043
e.	Claims on regulatory retail portfolio	6,268,836
f.	Claims secured by residential properties	2,233,466
g.	Claims secured by commercial real estate	764,596
h.	Past due claims (except for claim secured by residential properties)	319,159
i.	High risk claims	2,700,727
j.	Staff Loan secured by residential properties	302,446
k.	Other Assets	1,731,212
l.	Off Balance sheet items	29,258,501

■ **Total Risk Weighted Exposure Calculation Table**

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	78,386,814
b.	Total Core Capital Fund	10,651,730
c.	Total Capital Fund (Tier I and Tier II Capital)	11,193,029
d.	Tier 1 Capital to Total Risk Weighted Exposures	13.59%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	14.28%

■ **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	325,465,175	81,366,294	244,098,881
c.	Doubtful Loan	95,723,893	47,861,947	47,861,947
d.	Loss Loan	184,767,129	184,767,129	-
e.	Additional		-	-
Total		605,956,197	313,995,369	291,960,828

■ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.47
b.	Net NPA to Net Advances	0.72

■ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	605,956,197	282,065,059	114.83%

■ **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	755,671,260	612,646,269	23.35%
Interest Suspense	378,276,146	444,039,244	-14.81%

■ **Details of additional loan loss provisions**

There is no 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	1,889,016,278		
Investment on Govt. Bond	2,680,762,170		
Investment on NRB Bond & Deposit	1,230,000		
Placement (USD)	3,519,583,096		
Investment on interbank lending			
Investment on Shares			
Micro-Finance instututions			35,064,026
Insurance Companies		97,732,623	58,189,889
Swift Investment	404,001		-
Investment on Mutual fund			100,702,376
Hydropower Com.Ltd.		8,077,518	9,470,220
Others			220,261,364
TOTAL	8,090,995,544	105,810,141	423,687,875