

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

The extract of the Basel II reporting of the Third 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)		4,558,183
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	513,079
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)		319,918
a.	General Loan Loss Provision	254,784
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		(515,596)
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	(504,991)
e.	Land & Building not used since more than 3 Years (8.7 chha)	-

(In Rs. '000)

Total Qualifying Capital		4,362,505
a.	Tier 1 Capital Less Deductions	4,042,587
b.	Tier 2 Capital	319,918

▪ **Capital Adequacy Ratio**

a.	Tier 1 Capital to Total Risk Weighted Exposures	9.85%
b.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.63%

2. Risk Exposures

▪ Risk Weighted Exposures for Credit, Market and Operational Risk

(Rs. In '000)

Total Risk Weighted Exposures		41,056,189
a.	Risk Weighted Exposure for Credit Risk	36,962,469
b.	Risk Weighted Exposure for Operational Risk	1,259,370
c.	Risk Weighted Exposure for Market Risk	637,321
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	1,554,366
	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		36,962,469
a.	Claims on government and central Bank	-
b.	Claims on other official entities	15,893
c.	Claims on Banks	1,510,657
d.	Claims on corporate and securities firms	13,624,803
e.	Claims on regulatory retail portfolio	3,694,254
f.	Claims secured by residential properties	1,727,748
g.	Claims secured by commercial real estate	1,090,811
h.	Past due claims (except for claim secured by residential properties)	309,053
i.	High risk claims	1,559,886
j.	Staff Loan secured by residential properties	244,423
k.	Other Assets	855,587
l.	Off Balance sheet items	12,329,352

▪ Total Risk Weighted Exposure Calculation Table

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	41,056,189
b.	Total Core Capital Fund	4,042,587
c.	Total Capital Fund (Tier I and Tier II Capital)	4,362,505
d.	Tier 1 Capital to Total Risk Weighted Exposures	9.85%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.63%

▪ 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	248,406,079	62,101,520	186,304,560
c.	Doubtful Loan	54,820,980	27,410,490	27,410,490

d.	Loss Loan	186,690,461	186,690,461	-
e.	Additional		1,809,173	(1,809,173)
Total		489,917,520	278,011,644	211,905,877

▪ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.93
b.	Net NPA to Net Advances	0.86

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	489,917,520	297,992,258	64.41%

▪ **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	534,349,477	451,115,571	18.45%
Interest Suspense	281,458,770	252,732,614	11.37%

▪ **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	1,620,036,354	
Investment on Bond	265,210,367	
Placement (USD)	1,561,428,855	
Investment on NRB Deposit	300,000,000	
Investment on Reverse Repo	600,000,000	
Investment on Interbank lending	200,000,000	
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	4,546,675,577	64,631,414

4,611,306,991

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