

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

**The extract of the Basel II reporting of the Second 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)**

<b>Core Capital (Tier 1)</b>		<b>4,376,230</b>
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	331,126
f.	Capital Adjustment Reserve	-
g.	Deferred Tax Reserve	67,558

▪ **Tier 2 Capital and a breakdown of its components: (Rs. In '000)**

<b>Supplementary Capital (Tier 2)</b>		<b>298,965</b>
a.	General Loan Loss Provision	233,831
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)**

<b>Deductions From Capital</b>		<b>(636,129)</b>
a.	Miscellaneous expenditure not written off	-
b.	Investment in equity in licensed Financial Institutions	-
c.	Investment in equity of institutions with financial interests	(24,856)
d.	Loans extended to Shareholders holding more than 1% percent shares	(531,323)
e.	Land & Building not used since more than 3 Years ( 8.7 chha)	(79,950)

**(In Rs. '000)**

<b>Total Qualifying Capital</b>		<b>4,039,067</b>
a.	Tier 1 Capital Less Deductions	3,740,101
b.	Tier 2 Capital	298,965

▪ **Capital Adequacy Ratio**

a.	Tier 1 Capital to Total Risk Weighted Exposures	9.92%
b.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.72%

## 2. Risk Exposures

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

(Rs. In '000)

<b>Total Risk Weighted Exposures</b>		<b>37,692,998</b>
a.	Risk Weighted Exposure for Credit Risk	33,784,884
b.	Risk Weighted Exposure for Operational Risk	1,259,370
c.	Risk Weighted Exposure for Market Risk	581,068
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	1,425,013
	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)

<b>Total Risk Weighted Exposures for Credit Risk</b>		<b>33,784,884</b>
a.	Claims on government and central Bank	-
b.	Claims on other official entities	707
c.	Claims on Banks	1,372,682
d.	Claims on corporate and securities firms	12,901,984
e.	Claims on regulatory retail portfolio	3,358,765
f.	Claims secured by residential properties	1,570,101
g.	Claims secured by commercial real estate	1,118,160
h.	Past due claims (except for claim secured by residential properties)	117,326
i.	High risk claims	1,409,049
j.	Staff Loan secured by residential properties	245,344
k.	Other Assets	750,468
l.	Off Balance sheet items	10,940,299

### ▪ Total Risk Weighted Exposure Calculation Table

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	37,692,998
b.	Total Core Capital Fund	3,740,101
c.	Total Capital Fund (Tier I and Tier II Capital)	4,039,067
d.	Tier 1 Capital to Total Risk Weighted Exposures	9.92%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.72%

### ▪ 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	94,904,913	23,726,228	71,178,685
c.	Doubtful Loan	24,067,059	12,033,530	12,033,530

d.	Loss Loan	179,020,286	179,020,286	-
e.	Additional			-
<b>Total</b>		<b>297,992,258</b>	<b>214,780,044</b>	<b>83,212,215</b>

▪ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.26
b.	Net NPA to Net Advances	0.36

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	297,992,258	408,446,740	-27.04%

▪ **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	451,115,571	481,818,305	-6.37%
Interest Suspense	252,732,614	270,019,592	-6.40%

▪ **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	1,587,507,870	
Investment on Bond	265,210,367	
Placement (USD)	1,334,992,078	
Investment on NRB Deposit	100,000,000	
Investment on Reverse Repo	1,500,000,000	
Investment on Interbank lending	110,000,000	
<b>Investment on Shares</b>		
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
<b>TOTAL</b>	<b>4,897,710,315</b>	<b>64,631,414</b>

4,962,341,729

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