

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

The extract of the Basel II reporting of the First quarter (2068/69) 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)		1,698,401
a.	Paid up Equity Share Capital	2,009,396
b.	Share Premium	35,870
c.	Statutory General Reserves	1,030,376
d.	Retained Earnings	(995,910)
e.	Un-audited current year cumulative profit	31,923
f.	Capital Adjustment Reserve	72,000

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

Supplementary Capital (Tier 2)		147,457
a.	General Loan Loss Provision	85,876
b.	Investment Adjustment Reserve	2,673
c.	Exchange Equalization Reserve	58,908
d.	Other Reserves (Deferred Tax Reserve)	-

▪ **Detailed Information About Subordinated Term Debts**

Bank does not have subordinated term debts.

▪ **Deductions from Capital (Rs. In '000)**

Deductions From Capital		(485,254)
a.	Miscellaneous expenditure not written off	-
b.	Investment in equity in licensed Financial Institutions	(9,700)
c.	Investment in equity of institutions with financial interests	(90,001)
d.	Investments arising out of underwriting commitments	(13,414)
e.	Loans extended to Shareholders holding more than 1% percent Shares	(372,138)

▪ **Total Qualifying Capital (In Rs. '000)**

Total Qualifying Capital		1,845,857
a.	Tier 1 Capital Less Deductions	1,698,401
b.	Tier 2 Capital	147,457

▪ **Capital Adequacy Ratio**

a.	Tier 1 Capital to Total Risk Weighted Exposures	9.33%
b.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.14%

2. Risk Exposures

▪ Risk Weighted Exposures for Credit, Market and Operational Risk

(Rs. In '000)

Total Risk Weighted Exposures		18,082,702
a.	Risk Weighted Exposure for Credit Risk	15,634,322
b.	Risk Weighted Exposure for Operational Risk	1,450,004
c.	Risk Weighted Exposure for Market Risk	114,378
Add:		
	5 % of Total Risk Weighted Exposure as per Supervisory Review	859,935
	2% of gross income	142,300
	1 % of Net Interest Income	840

▪ Risk Weighted Exposures under each of 11 Categories of Credit Risk

(Rs. In '000)

Total Risk Weighted Exposures for Credit Risk		15,634,322
a.	Claims on government and central Bank	-
b.	Claims on other official entities	77,287.36
c.	Claims on Banks	149,163.09
d.	Claims on corporate and securities firms	3,377,550.25
e.	Claims on regulatory retail portfolio	780,972.98
f.	Claims secured by residential properties	300,062.80
g.	Claims secured by commercial real estate	30,741.65
h.	Past due claims (except for claim secured by residential properties)	420,263.95
i.	High risk claims	4,684,018.18
j.	Other Assets	781,577.97
k.	Off Balance sheet items	5,032,683.35

■ **Total Risk Weighted Exposure Calculation Table**

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	18,201,778
b.	Total Core Capital Fund	1,698,401
c.	Total Capital Fund (Tier I and Tier II Capital)	1,845,857
d.	Tier 1 Capital to Total Risk Weighted Exposures	9.33 %
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	10.14 %

■ **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	210,972,411.47	46,402,070.63	164,570,340.83
b.	Substandard Loan	114,194,755.41	33,948,688.85	80,246,066.55
c.	Doubtful Loan	39,986,171.63	19,993,085.81	19,993,085.81
d.	Loss Loan	1,608,992,734.59	1,608,992,734.59	-
Total		1,974,146,073.1	1,709,336,580.00	264,809,493.20

■ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	18.62
b.	Net NPA to Net Advances	3.01

■ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	1,974,146,073.10	1,963,556,081.55	1%

■ **Write off of Loans and Interest Suspense during the Quarter**

There is no any write off of loans and interest suspense during the quarter.

▪ **Movements in Loan Loss Provisions and Interest Suspense**

Particulars	Current Quarter	Previous Quarter	Change (%)
Loan Loss Provision	1,799,755,869.40	1,779,577,081.33	1
Interest Suspense	936,374,746.03	936,374,746.03	12

▪ **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	2,324,563,216.4	
Investment on Bond	357,562,402.50	
Placement (USD)	115,101,000.00	
Other Investment (NRS)	20,747,000.00	
Investment on Shares		133,624,972.82
Commercial Bank		9,700,000.00
Rural Development Bank		6,500,000.00
Rural Micro-Finance Development Center		4,531,000.00
Insurance Companies		64,250,000.00
Others		48,643,973.00
TOTAL	2,817,973,618.9	133,624,972.82