

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

The extract of the Basel II reporting of the First quarter (2070/71) 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)		3,650,246
a.	Paid up Equity Share Capital	2,009,396
b.	Proposed Bonus Equity Shares	200,940
c.	Statutory General Reserves	1,274,468
d.	Retained Earnings	14,961
e.	Un-audited current year cumulative profit	141,592
f.	Capital Adjustment Reserve	-
g.	Deferred Tax Reserve	8,890

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

Supplementary Capital (Tier 2)		198,893
a.	General Loan Loss Provision	134,135
b.	Investment Adjustment Reserve	2,673
c.	Exchange Equalization Reserve	62,085
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		(759,430)
a.	Miscellaneous expenditure not written off	-
b.	Investment in equity in licensed Financial Institutions	-
c.	Investment in equity of institutions with financial interests	(74,856)
d.	Loans extended to Shareholders holding more than 1% percent shares	(604,314)
e.	Land & Building not used since more than 3 Years (8.7 chha)	(80,260)

(In Rs. '000)

Total Qualifying Capital		3,089,709
a.	Tier 1 Capital Less Deductions	2,890,816
b.	Tier 2 Capital	198,893

▪ **Capital Adequacy Ratio**

a.	Tier 1 Capital to Total Risk Weighted Exposures	12.09%
b.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	12.93%

2. Risk Exposures

▪ Risk Weighted Exposures for Credit, Market and Operational Risk

(Rs. In '000)

Total Risk Weighted Exposures		23,901,682
a.	Risk Weighted Exposure for Credit Risk	21,143,211
b.	Risk Weighted Exposure for Operational Risk	1,255,136
c.	Risk Weighted Exposure for Market Risk	34,941
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	897,332
	5% of gross income	564,200
	1 % of Net Interest Income	6,862

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

(Rs. In '000)

Total Risk Weighted Exposures for Credit Risk		21,143,211
a.	Claims on government and central Bank	-
b.	Claims on other official entities	84,810
c.	Claims on Banks	302,983
d.	Claims on corporate and securities firms	8,212,006
e.	Claims on regulatory retail portfolio	2,359,844
f.	Claims secured by residential properties	322,668
g.	Claims secured by commercial real estate	218,773
h.	Past due claims (except for claim secured by residential properties)	15,074
i.	High risk claims	549,244
j.	Staff Loan secured by residential properties	215,105
k.	Other Assets	765,499
l.	Off Balance sheet items	8,097,204

▪ Total Risk Weighted Exposure Calculation Table

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	23,901,682
b.	Total Core Capital Fund	2,890,816
c.	Total Capital Fund (Tier I and Tier II Capital)	3,089,709
d.	Tier 1 Capital to Total Risk Weighted Exposures	12.09%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	12.93%

▪ 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	11,237,801	2,809,450	8,428,351
c.	Doubtful Loan	3,500,000	1,750,000	1,750,000

d.	Loss Loan	175,466,260	175,466,260	-
e.	Additional		29,362,432	(29,362,432)
Total		190,204,061	209,388,142	(19,184,081)

▪ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.40
b.	Net NPA to Net Advances	0.08

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	190,204,061	174,491,938	9.00%

▪ **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	343,525,650	327,415,259	4.92%
Interest Suspense	275,937,991	311,732,597	-11.48%

▪ **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	2,315,417,927	
Investment on Bond	353,627,713	
Placement (USD & EURO)	77,549,337	
Investment on Shares		
Rural Development Bank		6,500,000
Rural Micro-Finance Development Center		4,531,000
Insurance Companies		64,250,000
Others		15,866,964
TOTAL	2,746,594,976	91,147,964