

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

The extract of the Basel II reporting of the Second 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)		3,779,781
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	271,122
f.	Capital Adjustment Reserve	-
g.	Deferred Tax Reserve	8,895

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

Supplementary Capital (Tier 2)		222,192
a.	General Loan Loss Provision	157,435
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		(759,501)
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	(604,385)
e.	Land & Building not used since more than 3 Years (8.7 chha)	(80,260)

(In Rs. '000)

Total Qualifying Capital		3,242,473
a.	Tier 1 Capital Less Deductions	3,020,281
b.	Tier 2 Capital	222,192

▪ **Capital Adequacy Ratio**

a.	Tier 1 Capital to Total Risk Weighted Exposures	10.82%
b.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.61%

2. Risk Exposures

▪ Risk Weighted Exposures for Credit, Market and Operational Risk

(Rs. In '000)

Total Risk Weighted Exposures		27,923,816
a.	Risk Weighted Exposure for Credit Risk	24,782,254
b.	Risk Weighted Exposure for Operational Risk	1,255,136
c.	Risk Weighted Exposure for Market Risk	263,334
Add:		
	4 % of Total Risk Weighted Exposure as per Supervisory Review	1,052,029
	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		24,782,254
a.	Claims on government and central Bank	-
b.	Claims on other official entities	185,393
c.	Claims on Banks	389,915
d.	Claims on corporate and securities firms	9,210,449
e.	Claims on regulatory retail portfolio	2,782,458
f.	Claims secured by residential properties	351,947
g.	Claims secured by commercial real estate	658,226
h.	Past due claims (except for claim secured by residential properties)	57,143
i.	High risk claims	566,573
j.	Staff Loan secured by residential properties	217,607
k.	Other Assets	1,112,040
l.	Off Balance sheet items	9,250,503

▪ Total Risk Weighted Exposure Calculation Table

(Rs. In '000)

S.N	Particulars	Amount
a.	Total Risk Weighted Exposure	27,923,816
b.	Total Core Capital Fund	3,020,281
c.	Total Capital Fund (Tier I and Tier II Capital)	3,242,473
d.	Tier 1 Capital to Total Risk Weighted Exposures	10.82%
e.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.61%

▪ 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	58,126,300	14,531,575	43,594,725
c.	Doubtful Loan	12,022,226	6,011,113	6,011,113
d.	Loss Loan	170,208,317	170,208,317	-
e.	Additional		28,796,601	(28,796,601)

Total	240,356,843	219,547,606	20,809,237
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▪ **NPA Ratios**

S.N.	Ratios	%
a.	Gross NPA to Gross Advances	1.50
b.	Net NPA to Net Advances	0.32

▪ **Movement of Non - Performing Assets**

(Amount in Rs.)

Particulars	Current Quarter	Previous Quarter	Change (%)
Non Performing Assets (NPA)	240,356,843	190,204,061	26.37%

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

There is no any 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	376,984,457	343,525,650	9.74%
Interest Suspense	236,955,906	275,937,991	-14.13%

▪ **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	2,833,330,260	
Investment on Bond	353,269,040	
Placement (USD & EURO)	337,026,381	
Investment on Rev.Repo	3,100,000,000	
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	6,623,625,680	91,147,964