

Disclosure under BASEL II

As at mid January (2nd Quarter End of FY 2009/10)

Capital Structure and Capital Adequacy

Tier 1 Capital and Breakdown of its Components

		NRs.
Particulars	Amount	
a	Paid up Equity Share Capital	1,655,288,900
b	Irredeemable Non-cumulative preference shares	
c	Share Premium	14,107,500
d	Proposed Bonus Equity Shares	82,764,445
e	Statutory General Reserves	65,696,181
f	Retained Earnings	49,915,980
g	Un-audited current year cumulative profit	80,563,000
h	Capital Redemption Reserve	
i	Capital Adjustment Reserve	
j	Dividend Equalization Reserves	
k	Other Free Reserve	
	Total Tier 1 Capital	1,948,336,006

Tier 2 Capital and Breakdown of its Components

Particulars	Amount	
a	Cumulative and/or Redeemable Preference Share	
b	Subordinated Term Debt	
c	Hybrid Capital Instruments	
d	General loan loss provision	70,790,436
e	Exchange Equalization Reserve	1,720,734
f	Investment Adjustment Reserve	
g	Assets Revaluation Reserve	
h	Other Reserves	
	Total Tier 2 Capital	72,511,170

Details of Subordinated Term Debt

The Bank has no Subordinated Term Debt

Deductions From Capital

Particulars	Amount	
a	Goodwill	
b	Miscellaneous Expenditure not written off	(3,279,660)
c	Investment in equity in licensed Financial Institutions	
d	Investment in equity of institutions with financial interests	
e	Investment in equity of institutions in excess of limits	
f	Investments arising out of underwriting commitments	(4,471,000)
g	Reciprocal crossholdings	
h	Other Deductions	
	Total	(7,750,660)

Total Qualifying Capital

		NRs.
Particulars	Amount	
	Core Capital (Tier 1)	1,940,585,346
	Supplementary Capital (Tier 2)	72,511,170
	Total Capital Fund	2,013,096,516

Risk Exposures:**Risk Weighted Exposures under each 11 categories of Credit Risk**

		NRs.
S.No.	Categorises	Risk Weighted Exposure
1	Claims on Government and Central Bank	
2	Claims on Other Financial Entities	
3	Claims on Banks	227,017,392
4	Claims on Domestic Corporates and Securities Firms	4,602,440,649
5	Claims on Regulatory Retail Portfolio	
6	Claims secured by Residential properties	
7	Claims secured by Commercial Real estate	
8	Past due Claims	
9	High Risk claims	3,666,975,885
10	Other Assets	389,870,255
11	Off Balance Sheet Items	715,418,977
	Total	9,601,723,158

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

		NRs.
Risk Weighted Exposures	Amount	
Risk Weighted Exposures for Credit Risk	9,601,723,158	
Risk Weighted Exposures for Operational Risk	305,895,180	
Risk Weighted Exposures for Market Risk	27,758,299	
Total Risk Weighted Exposures	9,935,376,637	

Total Risk Weight Exposures Calculation Table

Particulars	Amount
Risk Weighted Exposures for Credit Risk	9,601,723,158
Risk Weighted Exposures for Operational Risk	305,895,180
Risk Weighted Exposures for Market Risk	27,758,299
Total Tier 1 Capital to Total Risk Weighted Exposures	19.53%
Total Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	20.26%

Amount of Non Performing Assets (both Gross and Net)

			NRs.
Particulars	Gross NPA	Provision	Net NPA
Rescheduled/ Restructured	694,894	86,862	608,032
Sub-Standard	2,580,792	645,198	1,935,594
Doubtful	76,304,034	38,152,017	38,152,017
Loss	17,433,112	17,433,112	-
Total	97,012,832	56,317,189	40,695,644

NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	1.35%
Net NPA to Net Advances	0.58%

Movement in Non Performing Assets

Particulars	This Quarter	Previous Quarter	Changes (%)
Non Performing Assets	97,012,832	98,245,869	-1.26%

Write Off of Loans and Interest Suspense in the Quarter

None

Movement in Loan Loss Provision and Interest Suspense

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	127,107,625	124,621,663	1.99%
Interest Suspense	23,430,155	22,298,343	5.08%

Details of Additional Loan Loss Provision:

None

Segregation of Investment Portfolio

		NRs.
Particulars	Amount	
Held to Maturity	704,770,867	
Available for Sale	12,275,000	