

Nepal SBI Bank Ltd.
DISCLOSURE UNDER BASEL II
As at Mid April 2014 (3rd quarter end of FY 2070/71)

1. CAPITAL STRUCTURE & CAPITAL ADEQUACY

(Amount in NPR Lacs)

i. Core Capital (Tier I)

S.No Particulars	Amount
A Paid UP Equity Share Capital	26,502.06
B Statutory General Reserve	9,260.97
C Retained Earnings	50.56
D Unaudited Current Year Cumulative Profit	6,747.13
E Capital Adjustment Reserve	350.00
F Deferred Tax Reserve	952.33
G Other Free Reserve (Debenture Redemption Reserve)	746.39
H Less: Investment arising out of underwriting commitments	
Total Core Capital (Tier I)	44,609.44

ii. Supplementary Capital (Tier II)

S.No Particulars	Amount
A Subordinate Term Debt	8,000.00
B General Loan Loss Provision	3,390.39
C Investment Adjustment Reserve	5.15
D Exchange Equalization Reserve	122.12
Total Supplementary Capital (Tier II)	11,517.66

iii. Information about Subordinate Term Debt

1. 12.5% Nepal SBI Bank Debentures 2078 of Rs.1,000 each (Unsecured) issued on 12.02.2012 and maturing on 11.02.2022; and	4,000.00
2. 8% Nepal SBI Bank Debentures 2079 of Rs.1,000 each (Unsecured) issued on 03.02.2013 and maturing on 03.02.2023.	4,000.00
Outstanding Amount	8,000.00
Amount raised during the period	0.00
Amount Eligible to be reckoned as Capital Fund	8,000.00
Outstanding Balance of Debenture Redemption Reserve fund	746.39
- Interest Payment - Half Yearly	
- At the time of liquidation, right of claims will be only after depositors	
- Redeemable and Non-Convertible	

iv. Deduction Form Capital

S.No Particulars	Amount
A Investment arising out of underwriting commitments	0.00
Total Deduction	-

v. TOTAL QUALIFYING CAPITAL

Particulars	Amount
Total Core Capital (Tier I)	44,609.44
Total Supplementary Capital (Tier II)	11,517.66
Total Capital Fund (Tier I + Tier II)	56,127.10

vi. Capital Adequacy Ratio

Capital Adequacy Ratio	13.32%
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2. RISK EXPOSURE

i. Risk Weighted Exposure for Credit Risk, Market Risk and Operational Risk

S.No Particulars	Amount
A Risk Weighted Exposure for Credit Risk	384,209.54
B Risk Weighted Exposure for Operational Risk	24,514.94
C Risk Weighted Exposure for Market Risk	4,369.08
D Add: 2% of the total RWE added by Supervisory	8,261.87
Total Risk Weighted Exposure (A+B+C)	421,355.44

ii. Risk Weighted Exposure under each 11 Categories of Credit Risk

S.No Categories	Amount
1 Claims on Government and Central Bank	-
2 Claims on Other Official Entities	-
3 Claims on Banks	28,965.38

4	Claims on Corporate and Securities Entities	216,459.41
5	Claims on Regulatory Retail Portfolio	54,847.24
6	Claims Secured by Residential Properties	12,220.27
7	Claims Secured by Commercial Real Estate	900.00
8	Past Due Claims	1,219.66
9	High Risk Claims	14,156.31
10	Other Assets	15,058.20
11	Off Balance Sheet Items	40,383.07
Total		384,209.54

iii. Amount of Non Performing Assets (Gross and Net Amount)

S.No	Particulars	Gross Amount	Provision	Net Amount
A	Restructured	271.91	271.91	0.00
B	Sub-standard	355.58	88.89	266.69
C	Doubtful	23.76	11.88	11.88
D	Loss	548.87	548.87	0.00
Total		1,200.12	921.55	278.57

iv. Non Performing Assets (NPA) Ratios

NPA Ratios	Percentage (%)
- Gross NPA to Gross Advances	0.35%
- Net NPA to Net Advances	0.08%

v. Movement of Non Performing Assets

S.No	Non Performing Loan	Opening Balance (Ashad End, 2070)	Closing Balance (Chaitra End, 2070)	Increase/ (Decrease)
1	Restructured Loan	276.31	271.91	(4.40)
2	Sub-Standard	0.00	355.58	355.58
3	Doubtful	0.00	23.76	23.76
4	Loss	810.61	548.87	(261.74)

vi. Write Off Of Loans and Interest Suspense:

During the period the bank has not written off any loan (principal).
At the end of 3rd quarter (Chaitra end 2070) Rs 712.14 lacs was outstanding as Interest Suspense.

vii. Movement in Loan Loss Provison and Interest Suspense

a) Loan Loss Provision

S.No.	Particulars	Opening Balance (Ashad End, 2070)	Closing Balance (Chaitra End, 2070)	Increase/ (Decrease)
1	Pass	2,990.07	3,390.39	400.32
2	Restructure	276.31	271.91	(4.40)
3	Sub-Standard	-	88.89	88.89
4	Doubtful	-	11.88	11.88
5	Loss	791.19	548.87	(242.32)
Total Loan Loss Provision		4,057.57	4,311.94	254.37

b) Interest Suspense

S.No.	Particulars	Opening Balance (Ashad End, 2070)	Closing Balance (Chaitra End, 2070)	Increase/ (Decrease)
	Interest Suspense	713.00	712.14	-0.86

viii. Details of Additional Loan Loss Provision

S.No.	Particulars	Chaitra End 2070
1	Pass	486.10
2	Restructure	-
3	Sub-Standard	88.89
4	Doubtful	11.88
5	Loss	151.94
Total		738.82

ix. Segregation of the Bank's Investment portfolio

S.No.	Particulars	Chaitra End 2070
1	Held for Trading	-
2	Held to Maturity	173,612.10
3	Available for Sale	299.56
Total		173,911.66