

DISCLOSURE UNDER BASEL II

At The End Of Poush End 2069 (2nd Quarter End of Fiscal Year 2069/70)

1. CAPITAL STRUCTURE & CAPITAL ADEQUACY

(Amount in Lacs)

i. Core Capital (Tier I)

	Particulars	Amount	Amount
A	Paid UP Equity Share Capital		23,557.39
B	Statutory General Reserve		5,718.02
C	Share Premium		0.00
D	Retained Earnings		22.03
E	Unaudited Current Year Cumulative Profit		3,818.56
F	Capital Adjustment Reserve		50.00
G	Deferred Tax Reserve		629.17
H	Other Free Reserve (Debenture Redemption Reserve)		1,882.05
I	Less:		(7.48)
	a) Fictitious Assets	-	
	b) Investment arising out of underwriting commitments	(7.48)	
	Total Core Capital (Tier I)		35,669.73

ii. Supplementary Capital (Tier II)

	Particulars	Amount
A	Subordinate Term Debt	4000.00
B	General Loan Loss Provision	2835.21
C	Investment Adjustment Reserve	5.15
D	Exchange Equalization Reserve	110.78
	Total Supplementary Capital (Tier II)	6951.15

iii. Capital Fund (Tier I + Tier II)

Particulars	Amount
Total Core Capital (Tier I)	35,669.73
Total Supplementary Capital (Tier II)	6,951.15
Total Capital Fund (Tier I + Tier II)	42,620.88

iv. Information about Subordinate Term Debt

6% Nepal SBI Debentures 2070 of Rs. 1,000/- each issued on 16.07.2006 and maturing on 15.07.2013	
- Outstanding Amount	2,000.00
- Fixed Maturity Period of 7 Years from 16.07.2006	
- Interest Payment - Half Yearly	
- At the time of liquidation, right of claims will be only after depositors	
- Redeemable and Non-Convertible	
- Outstanding Balance of Redemption Reserve	1882.05
- Amount raised during the year	NIL
- Amount Eligible to be reckoned as Capital Fund	4,000.00

v. Deduction Form Capital

	Particulars	Amount
A	Fictitious Assets	0.00
B	Investment arising out of underwriting commitments	(7.48)
	Total Deduction	(7.48)

vi. TOTAL QUALIFYING CAPITAL

Total Qualifying Capital	42,620.88
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vii. Capital Adequacy Ratio

Capital Adequacy Ratio	11.50%
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2. RISK EXPOSURE

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

	Particulars	Amount
A	Risk Weighted Exposure for Credit Risk	340,261.90
B	Risk Weighted Exposure for Operational Risk	19,019.71
C	Risk Weighted Exposure for Market Risk	3,921.81
D	Add: 2% of the total RWE as Supervisor is not satisfied with the overall risk Management Policies and Procedures (6.4 a 9)	7,264.07
	Total Risk Weighter Exposure (A+B+C)	370,467.49

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	1,538.68
3	Claims on Banks	43,806.03
4	Claims on Corporate and Securities Entities	178,034.10
5	Claims on Regulatory Retail Portfolio	40,502.91
6	Claims Secured by Residential Properties	16,180.93
7	Claims Secured by Commercial Real Estate	1,650.00
8	Past Due Claims	696.83
9	High Risk Claims	7,328.29
10	Other Assets	19,454.10
11	Off Balance Sheet Items	30,620.68
	Total	339,812.57

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

	Particulars	Gross Amount	Provision	Net Amount
A	Restructured	280.63	276.75	3.89
B	Sub-standard	300.00	75.00	225.00
C	Doubtful	-	0.00	-
D	Loss	640.25	625.22	15.03
	Total	1,220.89	976.97	243.91

iv. Non Performing Assets (NPA) Ratios

NPA Ratios	Percentage (%)
- Gross NPA to Gross Advances	0.43%
- Net NPA to Net Advances	0.09%

v. Movement of Non Performing Assets

S.No.	Particulars	Opening Balance (Ashad End, 2069)	Closing Balance (Poush End, 2069)	Movement
	Non Performing Loan			
1	Restructured Loan	1064.04	280.63	(783.41)
2	Sub-Standard	45.84	300.00	254.16
3	Doubtful	28.47	0.00	(28.47)
4	Loss	300.13	640.25	340.12

vi. Write Off Of Loans and Interest Suspense:

During the financial year the bank has not written off any loan (principal).

During the financial year the bank has Rs 1572.08 lacs as Interest Suspense

vii. Movement Of Loan Loss Provision and Interest Suspense**Loan Loss Provision**

S.No.	Particulars	Opening Balance (Ashad End, 2069)	Closing Balance (Poush End, 2069)	Movement
1	Pass	2,624.33	2,835.21	210.88
2	Restructure	299.04	276.75	(22.30)
3	Sub-Standard	11.46	75.00	63.54
4	Doubtful	12.28	-	(12.27)
5	Loss	268.67	625.22	356.55
Total Loan Loss Provision		3,215.78	3,812.19	596.41

Interest Suspense

S.No.	Particulars	Opening Balance (Ashad End, 2069)	Closing Balance (Poush End, 2069)	Movement
	Interest Suspense	1,326.21	748.57	-577.64

viii. Details of Additional Loan Loss Provision

S.No.	Particulars	Poush End 2069
1	Pass	210.88
2	Restructure	(22.30)
3	Sub-Standard	63.54
4	Doubtful	(12.27)
5	Loss	356.55
Total		596.41