

DISCLOSURE UNDER BASEL II

At The End OF CHAITRA END, 2068 (3rd Quarter End of Fiscal Year 2068/69)

1. CAPITAL STRUCTURE & CAPITAL ADEQUACY

(Amount in Lacs)

i. Core Capital (Tier I)

	Particulars	Amount	Amount
A	Paid UP Equity Share Capital		20,939.90
B	Statutory General Reserve		4,757.81
C	Share Premium		0.00
D	Retained Earnings		42.48
E	Unaudited Current Year Cumulative Profit		3,190.06
F	Capital Adjustment Reserve		300.00
G	Deferred Tax Reserve		396.84
H	Other Free Reserve (Debenture Redemption Reserve)		1,428.57
I	Less:		(96.91)
	a) Fictitious Assets	-	
	b) Investment arising out of underwriting commitments	(96.91)	
	Total Core Capital (Tier I)		30,958.75

ii. Supplementary Capital (Tier II)

	Particulars	Amount
A	Subordinate Term Debt	4400.00
B	General Loan Loss Provision	2508.83
C	Investment Adjustment Reserve	252.14
D	Exchange Equalization Reserve	102.79
	Total Supplementary Capital (Tier II)	7263.76

iii. Capital Fund (Tier I + Tier II)

Particulars	Amount
Total Core Capital (Tier I)	30,958.75
Total Supplementary Capital (Tier II)	7,263.76
Total Capital Fund (Tier I + Tier II)	38,222.51

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	
- Redeemable and Non-Convertible	
- Outstanding Balance of Redemption Reserve	1428.57
- Amount raised during the year	NIL
- Amount Eligible to be reckoned as Capital Fund	4,400.00

v. Deduction Form Capital

	Particulars	Amount
A	Fictitious Assets	0.00
B	Investment arising out of underwriting commitments	(96.91)
	Total Deduction	(96.91)

vi. TOTAL QUALIFYING CAPITAL

	Total Qualifying Capital	38,222.51
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vii. Capital Adequacy Ratio

	Capital Adequacy Ratio	10.76%
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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	316,342.52
B	Risk Weighted Exposure for Operational Risk	14,898.41
C	Risk Weighted Exposure for Market Risk	17,001.08
D	Add: 2% of the total RWE as Supervisor is not satisfied with the overall risk Management Policies and Procedures (6.4 a)	6,964.84
	Total Risk Weighter Exposure (A+B+C)	355,206.84

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	1,629.93
3	Claims on Banks	44,545.72
4	Claims on Corporate and Securities Entities	145,742.63
5	Claims on Regulatory Retail Portfolio	31,031.70
6	Claims Secured by Residential Properties	16,254.86
7	Claims Secured by Commercial Real Estate	3,490.90
8	Past Due Claims	2,522.53
9	High Risk Claims	18,903.62
10	Other Assets	14,101.10
11	Off Balance Sheet Items	38,119.54
	Total	316,342.52

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

	Particulars	Gross Amount	Provision	Net Amount
A	Restructured	1,190.61	262.10	928.51
B	Sub-standard	55.10	12.80	42.30
C	Doubtful	24.82	10.44	14.38
D	Loss	849.74	818.51	31.24
	Total	2,120.27	1,103.84	1,016.42

iv. Non Performing Assets (NPA) Ratios

NPA Ratios	Percentage (%)
- Gross NPA to Gross Advances	0.84%
- Net NPA to Net Advances	0.41%

v. Movement of Non Performing Assets

S.No.	Particulars	Opening Balance (Ashad End, 2068)	Closing Balance (Chaitra End, 2068)	Movement
	Non Performing Loan			
1	Restructured Loan	1399.45	1190.61	(208.84)
2	Sub-Standard	23.96	55.10	31.14
3	Doubtful	18.00	24.82	6.82
4	Loss	951.59	849.74	(101.85)

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 1,427.69 lacs as Interest Suspense

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

S.No.	Particulars	Opening Balance (Ashad End, 2068)	Closing Balance (Chaitra End, 2068)	Movement
1	Pass	2,101.62	2,508.83	407.21
2	Restructure	478.51	262.10	(216.42)
3	Sub-Standard	69.08	12.80	(56.28)
4	Doubtful	10.05	10.44	0.40
5	Loss	947.08	818.51	(128.57)
	Total Loan Loss Provision	3,606.34	3,612.67	6.33

Interest Suspense

S.No.	Particulars	Opening Balance (Ashad End, 2068)	Closing Balance (Chaitra End, 2068)	Movement
	Interest Suspense	1,326.21	1,427.69	101.48

viii. Details of Additional Loan Loss Provision

S.No.	Particulars	Ashad End 2068
1	Pass	407.21
2	Restructure	(216.42)
3	Sub-Standard	(56.28)
4	Doubtful	0.40
5	Loss	(128.57)
	Total	6.33

ix. Segregation of the Bank's Investment portfolio

All the investments are classified as held to maturity category.