

Nepal SBI Bank Ltd.
Disclosure Under Basel II – As on 16.10.2008 (Ashwin End 2065)

1. CAPITAL STRUCTURE & CAPITAL ADEQUACY

i. Core Capital (Tier I) (in lacs)

A. Paid up Equity Share Capital	8,745.28
B. Proposed Bonus Equity Shares	-
B. Statutory General Reserves	1,916.91
C. Retained Earnings	2,520.20
D. Unaudited Current Year Cumulative Profit	719.57
E. Capital Adjustment Reserve	600.00
F. Other Free Reserve	285.71
G. Less: Fictitious Assets	(6.90)
H. Less: Investments arising out of underwriting commitments	(96.91)
Total Core Capital (Tier I)	14,683.87

ii. Supplementary Capital (Tier II) (in lacs)

A. Subordinated Term Debt	1,600.00
B. General loan loss provision	1,277.87
C. Exchange Equalization Reserve	78.35
Total Supplementary Capital (Tier II)	2,956.22

iii. Capital Fund (Tier I + Tier II) (in lacs)

Total Core Capital (Tier I)	14,683.87
Total Supplementary Capital (Tier II)	2,956.22
Total Capital Fund (Tier I + Tier II)	17,640.08

iv. Information about Subordinate Term Debt (in lacs)

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 16.7.2006 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	571.43
Amount Raised during the year	Nil
Amount eligible to be reckoned as capital fund	1,600.00

v. Deductions from Capital (in lacs)

A. Fictitious Assets	6.90
B. Investments arising out of underwriting commitments	96.91
Total	103.81

v. Total Qualifying Capital (in lacs) 17,640.08

vi. Capital Adequacy Ratio 11.54%

2. RISK EXPOSURES**i. Risk Weighted Exposures** (in lacs)

A. Risk Weighted Exposure for Credit Risk	142,352.78
B. Risk Weighted Exposure for Operational Risk	8,673.69
C. Risk Weighted Exposure for Market Risk	1,778.70
Total Risk Weighted Exposures (a+b+c)	152,805.17

ii. Risk Weighted Exposures under each 11 categories of Credit Risk (in lacs)

Details	Risk Weighted Exposure
a. Claims on Government & Central Bank	-
b. Claims on other Official entities	6,000.00
c. Claims on banks	2,132.15
d. Claims on corporate & securities firms	83,166.89
e. Claims on regulatory retail portfolio	9,941.93
f. Claims secured by residential properties	11,365.87
g. Claims secured by commercial real estate	870.98
h. Past due claims	620.93
i. High risk claims	8,957.25
j. Other Assets	3,663.07
k. Off Balance Sheet Items	15,633.71
Total	142,352.78

iii. Amount of NPAs (in lacs)

Category	Gross	Provision	Net
Restructured	2,375.56	416.15	1,959.41
Substandard	177.46	36.02	141.44
Doubtful	194.28	91.75	102.53
Loss	4,613.05	4,541.52	71.53
Total	7,360.35	5,085.44	2,274.91

iv. NPA Ratios

- Gross NPA to Gross Advances : 3.64%
- Net NPA to Net Advances : 0.24%

v. Movement of Non Performing Assets

Particulars	Opening Balance	Closing Balance	Movement
Non Performing Loan	4,884.10	4,984.79	100.69
1. Substandard	38.75	177.46	138.72
2. Doubtful	216.27	194.28	(21.99)
3. Loss	4,629.09	4,613.05	(16.04)

vi. Write Off of Loans and Interest Suspense : NIL**vii. Movement of Loan Loss Provision and Interest Suspense**Loan Loss Provision

Particulars	Opening Balance	Closing Balance	Movement
1. Pass	1,179.23	1,277.88	98.65
2. Restructured	477.64	416.15	(61.49)
3. Substandard	5.66	36.02	30.36
4. Doubtful	98.69	91.75	(6.94)
5. Loss	4,563.96	4,541.52	(22.44)
Total Loan Loss Provision	6,325.18	6,363.32	38.14

Interest Suspense

Particulars	Opening Balance	Closing Balance	Movement
Interest Suspense	5,094.97	5,457.02	362.05

viii. Details of Additional Loan Loss Provision

Particulars	Opening Balance	Closing Balance	Movement
Total Loan Loss Provision	6,325.18	6,363.32	38.14