

DISCLOSURE UNDER BASEL II

At The End OF Aswin End 2066 (1st Quarter End of Fiscal Year 2009/10)

1. CAPITAL STRUCTURE & CAPITAL ADEQUACY

(Amount in Lacs)

i. Core Capital (Tire I)

	Particulars	Amount	Amount
A	Paid UP Equity Share Capital		8,745.28
B	Proposed Bonus Equity Share and Dividend		3,682.22
C	Statutory General Reserve		3,045.20
D	Unaudited Current Year Cumulative Profit		906.83
E	Capital Adjustment Reserve		650.00
F	Other Free Reserve (Debenture Redemption Reserve)		857.14
G	Less:		(100.36)
	a) Fictitious Assets	(3.45)	
	b) Investment arising out of underwriting commitments	(96.91)	
	Total Core Capital (Tier I)		17,786.31

ii. Supplementary Capital (Tier II)

	Particulars	Amount
A	Subordinate Term Debt	1,200.00
B	General Loan Loss Provision	1,591.67
C	Exchange Equalization Reserve	102.00
	Total Supplementary Capital (Tier II)	2,893.67

iii. Capital Fund (Tier I + Tier II)

	Particulars	Amount
	Total Core Capital (Tier I)	17,786.31
	Total Supplementary Capital (Tier II)	2,893.67
	Total Capital Fund (Tier I + Tier II)	20,679.99

iv. Information about Subordinate Term Debt

6% Nepal SBI Debentures 2070 of Rs. 1,000/- each issued on 16.07.2006 and maturing o 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	857.14
- Amount raised during the year	NIL
- Amount Eligible to be reckoned as Capital Fund	1,200.00

iv. Deduction From Capital

	Particulars	Amount
A	Fictitious Assets	3.45
B	Investmetn arising out of underwriting comitments	96.91
	Total Deduction	100.36

v. Capital Adequacy Ratio

	Capital Adequacy Ratio	10.90%
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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	173,711.62
B	Risk Weighted Exposure for Operational Risk	9,309.92
C	Risk Weighted Exposure for Market Risk	6,771.96
	Total Risk Weighter Exposure (A+B+C)	189,793.49

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	4,108.88
3	Claims on Banks	4,951.19
4	Claims on Corporate and Securities Entities	92,166.40
5	Claims on Regulatory Retail Portfolio	19,494.64
6	Claims Secured by Residential Properties	14,946.74
7	Claims Secured by Commercial Real Estate	1,540.31
8	Past Due Claims	698.09
9	High Risk Claims	7,974.68
10	Other Assets	6,809.58
11	Off Balance Sheet Items	21,021.10
	Total	173,711.62

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

	Particulars	Gross Amount	Provision	Net Amount
A	Sub-standard	61.86	11.48	50.38
B	Doubtful	81.87	23.71	58.16
C	Loss	2,911.30	2,868.00	43.30
	Total	3,055.04	2,903.18	151.86

iv. Non Performing Assets (NPA) Ratios

NPA Ratios	Percentage (%)
- Gross NPA to Gross Advances	1.85
- Net NPA to Net Advances	0.09

v. Movement of Non Performing Assets

S.No.	Particulars	Opening Balance (Ashad End 2066)	Closing Balance (Aswin End 2066)	Movement
	Non Performing Loan			
1	Sub-Standard	132.36	61.86	(70.50)
2	Doubtful	113.39	81.87	(31.52)
3	Loss	2,913.80	2,911.30	(2.50)

vi. Write Off Of Loans and Interest Suspense:

- No Write off of loan and interest in the quarter.

vii. Movement Of Loan Loss Provison and Interest Suspense

Loan Loss Provision

S.No.	Particulars	Opening Balance (Ashad End 2066)	Closing Balance (Aswin End 2066)	Movement
1	Pass	1,494.67	1,591.67	97.01
2	Restructure	390.72	377.48	(13.24)
3	Sub-Standard	27.41	11.48	(15.93)
4	Doubtful	36.85	23.71	(13.14)
5	Loss	2,853.38	2,868.00	14.62
	Total Loan Loss Provision	4,803.02	4,872.34	69.31

Interest Suspense

S.No.	Particulars	Opening Balance (Ashad End 2066)	Closing Balance (Aswin End 2066)	Movement
1		2,978.86	3,264.89	286.03

viii. Details of Additional Loan Loss Provision

S.No.	Particulars	Aswin End 2066
1	Pass	83.78
2	Restructure	-
3	Sub-Standard	-
4	Doubtful	-
5	Loss	14.62
	Total	98.40