

## Disclosure under Basel II

As on Mid July 2012 (4th Quarter End-ASHADH 2069 of FY 2068/69)

### Capital Structure and Capital Adequacy:

#### • Tier 1 Capital and Breakdown of its Components:

NPR in 000

Particulars	Amount
Paid up Equity Share Capital	1,231,636
Proposed Bonus Equity Shares	-
Share Premium	18,555
Irredeemable Non-cumulative preference shares	-
Statutory General Reserves	1,021,567
Retained Earnings	826,461
Reserve for Deffered Tax	73,780
Un-audited current year cumulative profit	-
Debenture Redemption Reserve	300,000
Capital Redemption Reserve	140,000
Capital Adjustment Reserve	367,147
Dividend Equalization Reserves	-
Other Free Reserve	31,226
<b>Total (Tier 1) Capital</b>	<b>4,010,371</b>

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	160,000
Subordinated Term Debt	-
Hybrid Capital Instruments	-
General loan loss provision	363,102
Investment Adjustment Reserve -	3,476
Assets Revaluation Reserve	-
Exchange Equalization Reserve	22,903
Additional Loan Loss Provision	82,870
Other Reserves	-
<b>Total (Tier 2) Capital</b>	<b>632,351</b>

#### • Details of Subordinated Term Debt:

Maturity period:	-
Interest rate:	-
Interest Payment frequency:	-
Claim in case of liquidation:	-

Debenture Redemption Reserve is Rs. 180 million

#### • Deductions from Capital:

The bank does not hold any amount as stipulated in the Framework that qualifies for deduction from its core capital.

• **Total qualifying capital:**

NPR in 000

Particulars	Amount
Core Capital (Tier 1)	4,010,371
Supplementary Capital (Tier 2)	632,351
<b>Total Capital Fund</b>	<b>4,642,722</b>

**Risk Exposures:**

• **Risk weighted exposures under each 11 categories of Credit Risk:**

NPR in 000

Categorises	Risk Weighted Exposure
Claims on Government and Central Bank	-
Claims on Other Financial Entities	-
Claims on Banks	608,295
Claims on Domestic Corporates and Securities Firms	14,730,801
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	7,458,646
Claims secured by residential properties	2,325,207
Claims secured by Commercial real estate -	4,614,629
Investment in equity of Institutions	112,403
Past due claims	-
High Risk claims	2,239,937
Staff Loan Secured by Residential Property	179,209
Other Assets	1,323,093
Off Balance Sheet Items	4146038
<b>Total</b>	<b>37,738,258</b>

• **Risk weighted exposures for Credit Risk Market Risk and Operational Risk:**

NPR in 000

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk ( a )	37,738,258
Risk Weighted Exposure for Operational Risk ( b )	3,271,529
Risk Weighted Exposure for Market Risk ( c )	85,682
Adjustments under Pillar II	-
Add: 2% of the total RWE due to non Compliance to Disclosure	821,909
Add: ...% of the total deposit due to insufficient liquid Assets (6.	-
<b>Total Risk Weighted Exposures (a+b+c)</b>	<b>41,917,378</b>

• **Total Risk Weight Exposures calculation table:**

NPR in 000

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	37,738,258
Risk Weighted Exposure for Operational Risk	3,271,529
Risk Weighted Exposure for Market Risk	85,682
Total Core Capital to Total Risk Weighted Exposures	9.57%
Total Capital to Total Risk Weighted Exposures	11.08%

• **Amount of Non Performing Assets (both Gross and Net)**

NPR in 000

Particulars	Amount	Loan Loss Provision	Net NPL
Non Performing Loans (NPL)			-
Restructured	750	750	-
Sub-Standard	77,415	77,415	-
Doubtful	10,450	10,450	-
Loss	218,002	218,002	-
<b>Total</b>	<b>306,617</b>	<b>306,617</b>	<b>-</b>

#### • NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.84%
Net NPA to Net Advances	Nil

#### • Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	306,617	174,904	75.31%
Non Performing Assets (%)	0.84%	0.49%	0.35%

NPR in 000

#### • Write off of Loans and Interest Suspense in the Quarter

Loan	-
Interest Suspense	-

#### • Movement in Loan Loss Provision and Interest Suspense:

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	705,857	645,857	9.29%
Interest Suspense	88,605	118,691	-25.35%

#### • Details of Additional Loan Loss Provision:

NPR in 000

Particulars	15-Jul-12
Pass	36,137
Rescheduled/ Restructured	656
Sub-Standard	58,061
Doubtful	5,225
Loss	-
<b>Total</b>	<b>100,079</b>

#### • Segregation of Investment Portfolio:

NPR in 000

Particulars	15-Jul-12
Held for Trading	-
Held to Maturity	7,754,451
Available for sale	110,776
<b>Total Investment</b>	<b>7,865,227</b>