

Disclosure under Basel II**As on Mid April 2014 (3rd Quarter End-Chaitra 2070 of FY 2070/71)****Capital Structure and Capital Adequacy:****• Tier 1 Capital and Breakdown of its Components:****NPR in 000**

Particulars	Amount
Paid up Equity Share Capital	1,801,239
Proposed Bonus Equity Shares	-
Share Premium	18,555
Irredeemable Non-cumulative preference shares	-
Statutory General Reserves	1,615,791
Retained Earnings	559,466
Reserve for Deffered Tax	99,453
Un-audited current year cumulative profit	1,080,948
Debenture Redemption Reserve	46,885
Capital Redemption Reserve	367,147
Capital Adjustment Reserve	140,000
Dividend Equalization Reserves	-
Other Free Reserve	31,226
Total (Tier 1) Capital	5,760,710

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	120,000
Subordinated Term Debt	421,960
Hybrid Capital Instruments	
General loan loss provision	503,293
Investment Adjustment Reserve	3,476
Assets Revaluation Reserve	
Exchange Equalization Reserve	24,607
Additional Loan Loss Provision	67,672
Other Reserves	-
Total (Tier 2) Capital	1,141,008

• Details of Subordinated Term Debt: Debenture

Maturity period:	10 YEAR
Interest rate:	8%
Interest Payment frequency:	HALF YEARLY
Amount	468.85 million
Eligible Amount for Tier 2 Capital	421.96 million

Debenture Redemption Reserve is Rs. 46.89 million

• **Details of Hybrid Capital Instrument: Cumulative Convertible Preference Share**

Maturity period:	15 YEAR
Dividend Rate:	Rs. 7/- per share
Dividend Payment frequency:	YEARLY
Amount(Initial)	200 million
Eligible Amount for Tier 2 Capital	120 million

Features :

20% amount of Initial Amount will be converted in Ordinary Share in every Three Years.

• **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)	5,760,710
Supplementary Capital (Tier 2)	1,141,008
Total Capital Fund	6,901,719

Risk Exposures:

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

NPR in 000	
Categorises	Risk Weighted Exposure
Claims on Other Financial Entities	-
Claims on Banks	1,456,787
Claims on Domestic Corporates and Securities Firms	23,581,156
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	9,197,489
Claims secured by residential properties	3,536,387
Claims secured by Commercial real estate -	3,237,234
Investment in equity of Institutions	26,717
Past due claims	-
High Risk claims	3,683,547
Other Assets	1,762,697
Off Balance Sheet Items	5,353,779
Total	51,835,792

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

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	51,835,792
Risk Weighted Exposure for Operational Risk	4,119,443
Risk Weighted Exposure for Market Risk	125,703
Adjustments under Pillar II	-
ALM policies & practices are not satisfactory, add 1% of net interest income to RWE SRP 6.4a (5)	-
Add% of the total deposit due to insufficient Liquid Assets SRP 6.4a (6)	-
Add RWE equivalent to reciprocal of capital charge of 2 % of gross income SRP 6.4a (7)	687,630
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP 6.4a (9)	1,121,619
If desired level of disclosure requirement has not been achieved, Add% of RWE SRP 6.4a (10)	-
Total Risk Weighted Exposures	57,890,188
Total Core Capital to Total Risk Weighted Exposures	9.95%
Total Capital to Total Risk Weighted Exposures	11.92%

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

NPR in 000

Particulars	Amount	Loan Loss Provision	Net NPL
Non Performing Loans (NPL)	-	-	-
Restructured	-	-	-
Sub-Standard	19,153	19,153	-
Doubtful	33,353	33,353	-
Loss	261,245	261,245	-
Total	313,751	313,751	-

• NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.62%
Net NPA to Net Advances	Nil

• Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	313,751	287,699	9.06%
Non Performing Assets (%)	0.62%	0.60%	0.02%

• Write off of Loans and Interest Suspense in the Quarter

NPR in 000

Loan	20
Interest Suspense	

• Movement in Loan Loss Provision and Interest Suspense:

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	885,216	844,258	4.85%
Interest Suspense	252,963	209,384	20.81%

• Details of Additional Loan Loss Provision:

NPR in 000

Particulars	14.01.2014
Pass	-
Rescheduled/ Restructured	-
Sub-Standard	14,365
Doubtful	16,676
Loss	-
Others	68,172
Total	99,213

• Segregation of Investment Portfolio:

NPR in 000

Particulars	14.01.2014
Held for Trading	-
Held to Maturity	11,281,711
Available for sale	25,849
Total Investment	11,307,560