

## 1 Capital structure and Capital Adequacy:

### Core capital and its components

	Description	Amount
a	Paid up equity Share capital	2,101,840,000.00
b	Statutory general reserve	108,513,421.00
c	Retained earning	9,220,557.00
d	Share Premium	2,971,617.08
e	Un-Audited Current year Cumulative profit	52,744,698.12
	Less: Miscellaneous Expenditure not written off	(2,887,441.78)
	<b>Core Capital ( tier 1)</b>	<b>2,272,402,851.42</b>

### Supplementary capital and its components:

	Description	Amount
a	General loan loss provision	119,732,901.54
b	Exchange Equilisation reserve	814,556.68
c	Investment Adjustment Reserve	74,000.00
	Supplementary Capital( Tier 2)	120,621,458.22

Detailed information about the term debts with information on the outstanding amount, maturity, amount raised during the year and amount eligible to be reckoned as capital fund.

NIL

### Deduction from Capital:

NIL

### Total Qualifying capital

	Description	Amount
a	Core capital( Tier 1)	2,272,402,851.42
b	Supplementary Capital(Tier2)	120,621,458.22
	<b>Total Capital Fund( Tier1 &amp; 2)</b>	<b>2,393,024,309.63</b>

### Capital Adequacy ratio

16.55%

### Risk weighted exposure for credit risk, market risk and operational risk

	RISK WEIGHTED EXPOSURE	Amount
a	Risk weighted Exposure for credit risk	13,282,759,442.36
b	Risk weighted Exposure for Operational Risk	808,432,037.00
c	Risk weighted Exposure for Market Risk	83,170,804.76
d	<b>Total Risk weighted exposure(a+b+c)*</b>	<b>14,174,362,284.12</b>

### 11 Categories of Credit Risk Weighted Exposure

	<b>Risk Weighted Exposure</b>	<b>Amount</b>
a	Claims On Government and Central Bank	
b	Claims On Other Official Entities	-
c	Claims On Banks	253,434,578.04
d	Claims on Corporate And Securities Firms	6,374,923,085.92
e	Claims On Regulatory Retail Portfolio	1,222,054,220.05
f	Claims Secured By Residential Properties	238,498,153.99
g	Claims Secured By Commercial Real Estate	2,176,381,470.24
h	Past Due Claims	285,899,121.46
i	High Risk Claims	1,054,202,181.74
j	Other Assets	371,391,516.98
k	Off Balance Sheet Items	1,305,975,113.95
	<b>Total Risk Weighted Assets</b>	<b>13,282,759,442.36</b>

#### **Total Risk Weighted Exposure Calculation Table**

a	Risk weighted Exposure for credit risk	13,282,759,442.36
b	Risk weighted Exposure for Operational Risk	808,432,037.00
c	Risk weighted Exposure for Market Risk	83,170,804.76
d	Capital charge for shortfall of liquid assets	-
e	1% of Net Interest Income As Supervisory Haircut	2,582,655.35
f	2% of RWE as Supervisory Haircut	283,487,245.68
g	Total Risk weighted exposure	14,460,432,185.15
h	Total capital fund( tier I& tier II)	2,393,024,309.63
	Capital Adequacy Ratios(f ÷ e)	16.55%

#### **Amount of non performing Assets( Both Gross and Net)**

##### **Restructured/Rescheduled loan**

**NIL**

##### **Substandard Loan**

**NPR 306,269,440.82**

##### **Doubtful Loan**

**NPR 30,009,812.32**

##### **Loss Loan**

**NPR 34,489,158.65**

#### **Ratio of Non Performing Assets**

##### **Gross NPA to Gross Advances**

**3.06%**

**Net NPA to Net Advances**

**2.06%**

**Movement of Non performing Assets**

Non performing assets upto previous quarter was NPR 146,175,892 which has been increased to NPR 370,768,411.79 in this quarter.

**Write off of Loans and Interest Suspense**

**NIL**

**Movement in Loan Loss Provisions and interest Suspense**

Loan Loss Provision and interest Suspense upto Ashad End 2068 was NPR 242,405,021 and NPR 74,449,832 respectively. The same is 243,819,264.53 and NPR 88,089,735.65 respectively as of Ashwin End

**Detail of Additional Loan loss Provisions**

Additional Loan Loss Provision of NPR 68,506,175.11 and NPR 68,506,175.11 and NPR 10,950,846.25 has been made for Substandard Loan and Doubtful Loan respectively.

**Segregation of investment portfolio into held for trading, held to maturity and available for sale category**

Out of total investment NPR 1,526,970,000.00 are held to maturity category and NPR 3,700,000.00 are categorised as available for sale.

**Summary of the banks internal approach to assess the adequacy of its capital to support current and future activities**

The Current Capital structure fully supports the functions of the bank. The issued capital of the bank is at NPR 3,000,000,000.00, which means that the bank has the ability to increase its capital as per the requirement. The bank will analyze the requirements on the future activities and look at increasing the paid up capital as per the requirement.

**Summary of the terms, conditions and main features of all capital instruments, especially in case of subordinated terms debts**

All the capital of the bank is unconditional. We do not have any subordinate terms debt.