

**Nepal SBI Bank Ltd.**  
**DISCLOSURE UNDER BASEL II**  
As at Mid January 2014 (2nd quarter end of FY 2070/71)

**1. CAPITAL STRUCTURE & CAPITAL ADEQUACY**

(Amount in NPR Lacs)

**i. Core Capital (Tier I)**

S.No	Particulars	Amount
A	Paid UP Equity Share Capital	26,502.06
B	Statutory General Reserve	9,260.97
C	Retained Earnings	50.56
D	Unaudited Current Year Cumulative Profit	4,590.43
E	Capital Adjustment Reserve	350.00
F	Deferred Tax Reserve	952.33
G	Other Free Reserve (Debenture Redemption Reserve)	746.39
H	Less: Investment arising out of underwriting commitments	
<b>Total Core Capital (Tier I)</b>		<b>42,452.74</b>

**ii. Supplementary Capital (Tier II)**

S.No	Particulars	Amount
A	Subordinate Term Debt	8,000.00
B	General Loan Loss Provision	3,262.72
C	Investment Adjustment Reserve	5.15
D	Exchange Equalization Reserve	122.12
<b>Total Supplementary Capital (Tier II)</b>		<b>11,389.99</b>

**iii. Information about Subordinate Term Debt**

1.	12.5% Nepal SBI Bank Debentures 2078 of Rs.1,000 each (Unsecured) issued on 12.02.2012 and maturing on 11.02.2022; and	4,000.00
2.	8% Nepal SBI Bank Debentures 2079 of Rs.1,000 each (Unsecured) issued on 03.02.2013 and maturing on 03.02.2023.	4,000.00
<b>Outstanding Amount</b>		<b>8,000.00</b>
Amount raised during the period		0.00
Amount Eligible to be reckoned as Capital Fund		8,000.00
Outstanding Balance of Debenture Redemption Reserve fund		746.39
- Interest Payment - Half Yearly		
- At the time of liquidation, right of claims will be only after		
- Redeemable and Non-Convertible		

**iv. Deduction Form Capital**

S.No	Particulars	Amount
A	Investment arising out of underwriting commitments	0.00
<b>Total Deduction</b>		<b>-</b>

**v. TOTAL QUALIFYING CAPITAL**

Particulars	Amount
Total Core Capital (Tier I)	42,452.74
Total Supplementary Capital (Tier II)	11,389.99
<b>Total Capital Fund (Tier I + Tier II)</b>	<b>53,842.73</b>

**vi. Capital Adequacy Ratio**

Capital Adequacy Ratio	12.63%
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**2. RISK EXPOSURE**

**i. Risk Weighted Exposure for Credit Risk, Market Risk and Operational Risk**

S.No	Particulars	Amount
A	Risk Weighted Exposure for Credit Risk	388,946.43
B	Risk Weighted Exposure for Operational Risk	24,514.94
C	Risk Weighted Exposure for Market Risk	4,547.16
D	Add: 2% of the total RWE added by Supervisory	8,360.17
<b>Total Risk Weighted Exposure (A+B+C)</b>		<b>426,368.71</b>

**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	-
3	Claims on Banks	40,211.91
4	Claims on Corporate and Securities Entities	203,783.78
5	Claims on Regulatory Retail Portfolio	50,958.01
6	Claims Secured by Residential Properties	12,011.41

7	Claims Secured by Commercial Real Estate	1,050.00
8	Past Due Claims	973.87
9	High Risk Claims	14,857.12
10	Other Assets	23,917.87
11	Off Balance Sheet Items	41,182.46
<b>Total</b>		<b>388,946.43</b>

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

S.No	Particulars	Gross Amount	Provision	Net Amount
A	Restructured	272.76	272.76	-
B	Sub-standard	328.69	82.17	246.52
C	Doubtful	-	0.00	-
D	Loss	455.05	455.05	-
<b>Total</b>		<b>1,056.50</b>	<b>809.98</b>	<b>246.52</b>

### iv. Non Performing Assets (NPA) Ratios

NPA Ratios	Percentage (%)
- Gross NPA to Gross Advances	0.32%
- Net NPA to Net Advances	0.08%

### v. Movement of Non Performing Assets

S.No	Non Performing Loan	Opening Balance (Ashad End, 2070)	Closing Balance (Poush End, 2070)	Increase/ (Decrease)
1	Restructured Loan	276.31	272.76	(3.55)
2	Sub-Standard	0.00	328.69	328.69
3	Doubtful	0.00	0.00	-
4	Loss	810.61	455.05	(355.56)

### vi. Write Off Of Loans and Interest Suspend:

During the period the bank has not written off any loan (principal).

At the end of 2nd quarter (Poush end 2070) Rs 559.79 lacs was outstanding as Interest Suspend.

### vii. Movement in Loan Loss Provison and Interest Suspend

#### a) Loan Loss Provison

S.No.	Particulars	Opening Balance (Ashad End, 2070)	Closing Balance (Poush End, 2070)	Increase/ (Decrease)
1	Pass	2,990.07	3,262.72	272.65
2	Restructure	276.31	272.76	(3.55)
3	Sub-Standard	-	82.17	82.17
4	Doubtful	-	-	-
5	Loss	791.19	455.05	(336.14)
<b>Total Loan Loss Provison</b>		<b>4,057.57</b>	<b>4,072.70</b>	<b>15.13</b>

#### b) Interest Suspend

S.No.	Particulars	Opening Balance (Ashad End, 2070)	Closing Balance (Poush End, 2070)	Increase/ (Decrease)
	Interest Suspend	713.00	559.79	-153.21

### viii. Details of Additional Loan Loss Provison

S.No.	Particulars	Poush End 2070
1	Pass	358.44
2	Restructure	-
3	Sub-Standard	82.17
4	Doubtful	-
5	Loss	25.27
<b>Total</b>		<b>465.88</b>

### ix. Segregation of the Bank's Investment portfolio

S.No.	Particulars	Poush End 2070
1	Held for Trading	-
2	Held to Maturity	224,866.71
3	Available for Sale	299.56
<b>Total</b>		<b>225,166.26</b>