



एन आई सी एशिया बैंक लि.

**DISCLOSURE AS PER BASEL II:
As of Ashwin End 2070 (17 October 2013)**

1. Capital structure and capital adequacy

- **Tier 1 capital and a breakdown of its components;**

Particulars	NPR in '000
Paid Up Capital	2,311,552
Share Premium	67,838
Statutory General Reserves	1,947,725
Retained Earnings	466,092
Deferred Tax Reserves	29,620
Profit/Loss of Current year	144,948
Fictitious Assets	(12,164)
Core Capital	4,955,612

- **Tier 2 capital and a breakdown of its components;**

Particulars	NPR in '000
General Loan Loss Provision	317,835
Exchange Equalization Reserves	27,014
Investment Adjust Reserve	645
Supplementary Capital	345,494

- **Detailed information about the Subordinated Term Debts with information on the outstanding amount, maturity, and amount rose during the year and amount eligible to be reckoned as capital funds.**

- The bank does not have any Subordinated Term Debts

- **Deductions from capital;**

- The fictitious assets which are deferred revenue expenditures amounting to Rs 12,164,058 are deducted from capital over the life of these assets.

- **Total qualifying capital;**

Particulars	NPR in '000
Core Capital	4,955,612
Supplementary Capital	345,494
Total Qualifying Capital (Total Capital Fund)	5,301,106

- **Capital Adequacy Ratio;**

- 14.29%

- **Summary of the bank’s internal approach to assess the adequacy of its capital to support current and future activities, if applicable;**

Bank has current paid up capital of NPR 2.31 Billion. The bank’s activities are weighed in terms of risk and return in light of capital requirement. It has established a culture whereby return on capital needs to be justified in light of risk involved in each investing and operating activity. In order to assess the adequacy of capital, all major risks such as credit, credit concentration, operational, market, liquidity, reputational etc. are identified, measured and reported on periodic basis. These are monitored by the Bank’s board and senior management periodically in addition to the monthly review and certification by the Internal Audit and Compliance Department of the Bank.

- **Summary of the terms, conditions and main features of all capital instruments, especially in case of subordinated term debts including hybrid capital instruments.**

Bank does not have any other capital instruments except fully paid equity shares as qualifying capital .

2. Risk Exposures

- **Risk weighted exposures for Credit Risk, Market Risk and Operational Risk;**

Particulars	NPR in ‘000
Risk weighted exposures for Credit Risk	34,916,380
Risk weighted exposures for Operational Risk	1,604,263
Risk weighted exposures for Market Risk	217,645
Add: 1% on Total Risk Weighted Exposure as directed by NRB	367,383
Total	37,105,671

- **Risk Weighted Exposures under each of 11 categories of Credit Risk;**

NPR in ‘000

Claims on government & central bank	-
Claims on Public sector entity	212,850
Claims on banks	671,338
Claims on corporate & securities firms	16,399,018
Claims on regulatory retail portfolio	6,821,859
Claims secured by residential properties	1,133,734
Claims secured by commercial real state	1,182,661
Past due claims	863,909
High risk claims/Other Loans	2,222,648
Other assets	2,811,724
Off balance sheet items	2,596,638
Total	34,916,380

- **Total Risk Weighted Exposure calculation table;**

Particulars	NPR in '000
Risk weighted exposures for Credit Risk	34,916,380
Risk weighted exposures for Operational Risk	1,604,263
Risk weighted exposures for Market Risk	217,645
Add: 1% on Total Risk Weighted Exposure as directed by NRB	367,383
Total Risk Weighted Exposure	37,105,671
Total Capital Fund	5,301,106
Total Capital to Total Risk Weighted Exposures	14.29%

- **Amount of NPAs (both Gross and Net) in NPR**

Particulars	NPR in '000	
	Gross NPAs	Net NPAs
Restructured / Reschedule Loans		
Sub Standard Loans	368,611	276,458
Doubtful Loans	121,969	60,984
Loss	457,700	-
Total NPAs	948,279	337,442

- **Ratio of Non Performing Asset**

Particulars	
Gross NPA to gross advances	2.90 %
Net NPA to net advances	1.06 %

- **Movement of Non Performing Assets**

Non Performing Assets Category	Figures in NPR		
	This Quarter	Last Quarter	Change
Substandard Loan	368,610	52,537	316,073
Doubtful Loan	121,969	54,717	67,252
Loss Loan	457,700	432,759	24,941

- **Write off of Loans and Interest Suspense**

NPR in 000'

Particulars	
Write off Loan	-
Write off Interest	-

- **Movements in Loan Loss Provisions and Interest Suspense**

Figures in NPR

	This Quarter	Last Quarter	Change
Loan Loss Provision	928,672	856,651	72,021
Interest Suspense	338,474	254,138	84.336

- **Details of additional Loan Loss Provisions**

- Nil

- **Segregation of Investment Portfolio into held for trading, Held to maturity and available for sale Category.**

Investment Portfolio	Amount in NPR
Held for trading	-
Held to Maturity	5,622,145
Available for Sale	41,242