



एन आई सी एशिया बैंक लि.

**DISCLOSURE AS PER BASEL II:
As of Poush End 2070 (14 Jan 2014)**

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	3,782
Deferred Tax Reserves	29,620
Profit/Loss of Current year	385,355
Fictitious Assets	(11,109)
Core Capital	4,734,763

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

Particulars	NPR in '000
General Loan Loss Provision	318,320
Exchange Equalization Reserves	27,014
Investment Adjust Reserve	645
Supplementary Capital	345,979

- **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 11,108,527.4 are deducted from capital over the life of these assets.

- **Total qualifying capital;**

Particulars	NPR in '000
Core Capital	4,734,763
Supplementary Capital	345,979
Total Qualifying Capital (Total Capital Fund)	5,080,742

- **Capital Adequacy Ratio;**

- 13.77%

- **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	34,760,282
Risk weighted exposures for Operational Risk	1,604,263
Risk weighted exposures for Market Risk	165,401
Add: 1% on Total Risk Weighted Exposure as directed by NRB	365,299
Total	36,895,245

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

NPR in '000

Claims on government & central bank	-
Claims on Public sector entity	76,500
Claims on banks	778,835
Claims on corporate & securities firms	16,581,506
Claims on regulatory retail portfolio	5,532,593
Claims secured by residential properties	2,266,932
Claims secured by commercial real state	200,356
Past due claims	705,149
High risk claims/Other Loans	3,327,286
Other assets	2,832,518
Off balance sheet items	2,458,606
Total	34,760,282

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

Particulars	NPR in '000
Risk weighted exposures for Credit Risk	34,760,282
Risk weighted exposures for Operational Risk	1,604,263
Risk weighted exposures for Market Risk	165,401
Add: 1% on Total Risk Weighted Exposure as directed by NRB	365,299
Total Risk Weighted Exposure	36,895,245
Total Capital Fund	5,080,742
Total Capital to Total Risk Weighted Exposures	13.77%

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

Particulars	NPR in '000	
	Gross NPAs	Net NPAs
Restructured / Reschedule Loans		
Sub Standard Loans	292,083	216,565
Doubtful Loans	216,571	108,286
Loss	461,715	-
Total NPAs	970,369	324,850

- **Ratio of Non Performing Asset**

Particulars	
Gross NPA to gross advances	2.96 %
Net NPA to net advances	1.02 %

- **Movement of Non Performing Assets**

Non Performing Assets Category	NPR in '000		
	This Quarter	Last Quarter	Change
Substandard Loan	292,083	368,610	(76,527)
Doubtful Loan	216,571	121,969	94,602
Loss Loan	461,715	457,700	4,015

- **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**

NPR in '000

	This Quarter	Last Quarter	Change
Loan Loss Provision	963,839	928,672	35,167
Interest Suspense	348,204	338,474	9,730

- **Details of additional Loan Loss Provision**

None

- **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	4,426,195
Available for Sale	41,242