

Disclosure under Basel II
As on Mid July 2009 (4th Quarter End-Ashad of FY 2065/66)

Capital Structure and Capital Adequacy:
• Tier 1 Capital and Breakdown of its Components:

NPR in 000

Particulars	Amount
Paid up Equity Share Capital	638,821.00
Proposed Bonus Equity Shares	-
Share Premium	206,427.00
Irredeemable Non-cumulative preference shares	-
Statutory General Reserves	447,906.00
Retained Earnings	425,980.00
Reserve for Deferred Tax	20,189.00
Un-audited current year cumulative profit	-
Capital Redemption Reserve	120,000.00
Capital Adjustment Reserve	284,100.00
Dividend Equalization Reserves	
Other Free Reserve	25,226.00
Total (Tier 1) Capital	2,168,649.00

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	200,000.00
Subordinated Term Debt	180,000.00
Hybrid Capital Instruments	
General loan loss provision	242,486.00
Investment Adjustment Reserve -	
Assets Revaluation Reserve	
Exchange Equalization Reserve	22,044.00
Additional Loan Loss Provision	82,995.00
Other Reserves	-
Total (Tier 2) Capital	727,525.00

• Details of Subordinated Term Debt:

The Bank has Debenture for Rs.300 million with the following main features:

Maturity period:	7 years
Interest rate:	6% per annum.
Interest Payment frequency:	Half Yearly
Claim in case of liquidation:	As per rule

Debt Redemption Reserve is Rs. 60 million

Pledgeability: Can be pledged with banks and financial institutions other than Everest Bank Limited

• 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)	2,168,649.00
Supplementary Capital (Tier 2)	727,525.00
Total Capital Fund	2,896,174.00

Risk Exposures:

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

NPR in 000	
Categorises	Risk Weighted Exposure
Claims on Government and Central Bank	-
Claims on Other Financial Entities	-
Claims on Banks	243,900
Claims on Domestic Corporates and Securities Firm	9,484,042
Claims on Regulatory Retail Portfolio & Other Retail	6,647,847
Claims secured by residential properties	2,247,870
Claims secured by Commercial real estate -	559,355
Investment in equity of Institutions	102,613
Past due claims	298,460
High Risk claims	1,557,534
Other Assets	849,661
Off Balance Sheet Items	2,128,080
Total	24,119,362

• Risk weighted exposures for Credit Risk Market Risk and Operational Risk:

NPR in 000	
RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk (a)	24,119,362
Risk Weighted Exposure for Operational Risk (b)	1,804,243
Risk Weighted Exposure for Market Risk (c)	114,837
Total Risk Weighted Exposures (a+b+c)	26,038,441

• Total Risk Weight Exposures calculation table:

NPR in 000

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	24,119,362
Risk Weighted Exposure for Operational Risk	1,804,243
Risk Weighted Exposure for Market Risk	114,837
Total Core Capital to Total Risk Weighted Exposure	8.33%
Total Capital to Total Risk Weighted Exposures	11.12%

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

NPR in 000

Particulars	Amount	Loan Loss Provision	Net NPL
Non Performing Loans (NPL)			
Restructured	102,979.71	12,872.46	90,107.25
Sub-Standard	1,360.79	1,360.79	-
Doubtful	28,514.32	28,514.32	-
Loss	88,110.12	88,110.12	-
Total	220,964.94	130,857.70	90,107.25

• NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.48%
Net NPA to Net Advances	0.00%

• Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	117,985.23	108,009.00	9.24%
Non Performing Assets (%)	0.48%	0.48%	0.00%

NPR in 000

• Write off of Loans and Interest Suspense in the Quarter

Loan	670.84
Interest Suspense	1,964.55

• Movement in Loan Loss Provision and Interest Suspense:

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	584,881.91	555,557.00	5.28%
Interest Suspense	81,095.34	132,906.00	-38.98%

• Details of Additional Loan Loss Provision:

NPR in 000

Particulars	15-Jul-09
Pass	135,571.77
Rescheduled/ Restructured	75,966.54

Sub-Standard	1,020.59
Doubtful	14,257.16
Loss	-
Total	226,816.06

• Segregation of Investment Portfolio:

NPR in 000

Particulars	15-Jul-09
Held for Trading	-
Held to Maturity	2,578,652
Available for sale	3,371,429
Total Investment	5,950,081