

Disclosure under Basel II
As on Mid October 2009 (1st Quarter End-Aswin of FY 2066/67)

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	191,646.00
Share Premium	14,780.00
Irredeemable Non-cumulative preference sha	-
Statutory General Reserves	450,839.00
Retained Earnings	82,444.00
Reserve for Deffered Tax	33,723.00
Un-audited current year cumulative profit	175,617.00
Debenture Redemption Reserve	120,000.00
Capital Redemption Reserve	140,000.00
Capital Adjustment Reserve	284,100.00
Dividend Equalization Reserves	-
Other Free Reserve	25,226.00
Total (Tier 1) Capital	2,157,196.00

NPR in 000	
Particulars	Amount
Cumulative and/or Redeemable Preference S	200,000.00
Subordinated Term Debt	180,000.00
Hybrid Capital Instruments	
General loan loss provision	256,729.00
Investment Adjustment Reserve -	
Assets Revaluation Reserve	
Exchange Equalization Reserve	22,044.00
Additional Loan Loss Provision	94,021.00
Other Reserves	-
Total (Tier 2) Capital	752,794.00

• 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

Debenture Redemption Reserve is Rs. 120 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)	2,157,196.00
Supplementary Capital (Tier 2)	752,794.00
Total Capital Fund	2,909,990.00

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	735,983
Claims on Domestic Corporates and Securities	9,882,600
Claims on Regulatory Retail Portfolio & Other	6,973,403
Claims secured by residential properties	2,387,566
Claims secured by Commercial real estate -	514,173
Investment in equity of Institutions	102,613
Past due claims	279,347
High Risk claims	1,853,057
Other Assets	861,782
Off Balance Sheet Items	2,462,673
Total	26,053,197

• 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)	26,053,197
Risk Weighted Exposure for Operational Risk	1,804,243
Risk Weighted Exposure for Market Risk (c)	202,577
Total Risk Weighted Exposures (a+b+c)	28,060,017

• Total Risk Weight Exposures calculation table:

NPR in 000	
RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	26,053,197
Risk Weighted Exposure for Operational Risk	1,804,243

Risk Weighted Exposure for Market Risk	202,577
Total Core Capital to Total Risk Weighted Exp	7.69%
Total Capital to Total Risk Weighted Exposure	10.37%

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

Particulars	Amount	Loan Loss Provision	NPR in 000
			Net NPL
Non Performing Loans (NPL)	-	-	-
Restructured	98,967.77	12,370.97	86,596.80
Sub-Standard	2,602.91	2,602.91	-
Doubtful	27,087.67	27,087.67	-
Loss	79,581.32	79,581.32	-
Total	208,239.67	121,642.87	86,596.80

• NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.42%
Net NPA to Net Advances	Nil

• Movement in Non Performing Assets

Particulars	This Quarter	Previous Quarter	NPR in 000
			Changes(%)
Non Performing Assets (Volumes)	109,271.91	117,985.23	-7.39%
Non Performing Assets (%)	0.42%	0.48%	-0.06%

NPR in 000

• Write off of Loans and Interest Suspense in the Quarter

Loan	7,122.11
Interest Suspense	25.00

• Movement in Loan Loss Provision and Interest Suspense:

Particulars	This Quarter	Previous Quarter	NPR in 000
			Changes(%)
Loan Loss Provision	595,054.52	584,881.91	1.74%
Interest Suspense	88,721.00	81,095.34	9.40%

• Details of Additional Loan Loss Provision:

Particulars	NPR in 000
	17-Oct-09
Pass	143,140.82
Rescheduled/ Restructured	73,541.96
Sub-Standard	1,952.18
Doubtful	13,543.84
Loss	-
Total	232,178.80

• Segregation of Investment Portfolio:

NPR in 000

Particulars	17-Oct-09
Held for Trading	-
Held to Maturity	2,578,151.49
Available for sale	3,290,112.46
Total Investment	5,868,263.95