

Disclosure under Basel II
Machhapuchchhre Bank Limited
As at First Quarter End, Ashad 2069 (F.Y. 2068/69)

1. Capital Structure and Capital Adequacy

Tier 1 capital and a breakdown of its components;

NPR

	Particulars	Amount
a	Paid up Equity Share Capital	2,478,794,560
b	Irredeemable non-cumulative preference shares	-
c	Share Premium	-
d	Proposed Bonus Equity Share	-
e	Statutory General Reserve	129,282,217
f	Retained Earnings	17,720,777
g	Un-audited current year cumulative profit	10,815,820
h	Capital Redemption Reserve	-
i	Capital Adjustment Reserve	-
j	Dividend Equalization Reserve	-
k	Other Free Reserve	-
l	Less : Goodwill	-
m	Less : Fictitious Assets	-11,691,198
n	Less : Investment in equity in licensed Financial Institutions	-
o	Less : Investment in equity of institutions with Financial interests	-
p	Less : Investment in equity of institutions in excess of limits	-
q	Less : Investments arising out of underwriting commitments	-
r	Less : Reciprocal crossholdings	-
s	less : Other Deductions	-
	Total Tier 1 Capital	2,624,922,176

Tier 2 capital and a breakdown of its components;

NPR

	Particulars	Amount
a	Cumulative and/or Redeemable Preference Shares	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	-
d	General Loan Loss Provision	154,353,810
e	Exchange Equalization Reserve	9,192,711
f	Investment Adjustment Reserve	1,184,140
g	Assets Revaluation Reserve	-
h	Other Reserves	-
	Total Tier 2 Capital	164,730,661

2. Information about Subordinated Term Debts

The Bank has not issued any Subordinated Term Debts

3. Deductions from capital

NPR

	Particulars	Amount
a	Miscellaneous Expenditure not written off	11,691,198
	Total	11,691,198

4. Total qualifying capital

NPR

	Particulars	Amount
a	Core Capital (Tier 1)	2,624,922,176
b	Supplementary Capital (Tier 2)	164,730,661
	Total Capital Fund	2,789,652,837

5. Capital adequacy ratio

14.61%

6. Risk weighted exposures for Credit Risk, Market Risk and Operational Risk

NPR

	RISK WEIGHTED EXPOSURES	Amount
A	Risk Weighted Exposure for Credit Risk	17,440,123,078
B	Risk Weighted Exposure for Operational Risk	1,069,929,303
C	Risk Weighted Exposure for Market Risk	32,253,000
	Add: 3% of the total RWE add by Supervisory Review	556,269,161
	Total Risk Weighted Exposures	19,098,574,542

7. Risk Weighted Exposures under each of 11 categories of Credit Risk

NPR

S.N.	Categories	Risk Weighted Exposures
1	Claims on government and central Bank	-
2	Claims on other official entities	149,721,875
3	Claims on Banks	405,807,755
4	Claims on corporate and securities firm	8,555,982,863
5	Claims on regulatory retail portfolio	2,391,270,287
6	Claim secured by residential properties	506,047,079
7	Claims secured by commercial real state	1,986,288,248

8	Past due Claims	448,908,837
9	High risk claims	369,111,529
10	Other Assets	1,438,050,203
11	Off Balance sheet Items	1,188,934,402
	Total	17,440,123,078

8. Total risk weighted exposure calculation table

NPR

S.N.	Particulars	Amount
1	Total Risk Weighted Exposure	19,098,574,542
2	Total Core Capital Fund (Tier 1)	2,624,922,176
3	Total Capital Fund (Tier 1 & Tier 2)	2,789,652,837
4	Total Core Capital to Total Risk Weighted Exposures	13.74%
5	Total Capital to Total Risk Weighted Exposures	14.61%

9. Amount of NPAs (both Gross and Net)

NPR

S.N.	Loan Classification	Gross Amount	Provision	Net Amount
1	Restructured Loan	35,000,000	4,375,000	30,625,000
2	Substandard Loan	16,427,217	4,106,804	12,320,413
3	Doubtful Loan	284,400,566	142,200,283	142,200,283
4	Loss Loan	97,353,046	97,353,046	-
	Total	433,180,829	248,035,133	185,145,696

10. NPA Ratios

Gross NPA to Gross Loans and Advances	2.69%
Net NPA to Net Loans and Advances	1.18%

11. Movement of NPA

NPR

S.N.	Loan Classification	This Quarter	Previous Quarter	% Change
	Restructured Loan	35,000,000	407,484,280	-91.41%
	Substandard Loan	16,427,217	131,951,259	-87.55%
	Doubtful Loan	284,400,566	6,392,181	4349.19%
	Loss Loan	97,353,046	36,284,222	168.31%
	Total	433,180,829	582,111,942	-25.58%

Non performing assets decreased by Rs. 148,931,113 during the quarter.

12. Write off of loans & Interest suspense up to this quarter

NPR

S.N.	Particulars	Amount
1	Write Off of Loans	519,152,417
2	Write Off of interest suspense	123,239,494
	Total	642,391,911

13. Movement in Loan loss provisions and interest suspense

NPR

S.N.	Particulars	This quarter	Previous Quarter	Change (%)
1	Loan Loss provision	447,152,685	259,557,449	72.28%
2	Interest Suspense	216,852,021	308,203,083	-29.64%

14. Detail of additional Loan Loss provision

NPR

S.N.	Loan Loss provision	This quarter	Previous Quarter	Change
1	Pass loan	199,117,551	136,153,786	62,963,765
2	Restructured Loan	4,375,000	50,935,535	-46,560,535
3	Substandard Loan	4,106,804	32,987,815	-28,881,011
4	Doubtful Loan	142,200,283	3,196,091	139,004,193
5	Loss Loan	97,353,046	36,284,222	61,068,824
	Total	447,152,684	259,557,449	187,595,236

15. Segregation of investment portfolio

NPR

S.N.	Particulars	Gross Amount
1	Held For Trading	Nil
2	Held To Maturity;	1,673,929,192
2.1	Investment in treasury bills	1,404,585,998
2.2	Investment in Govt. bonds	44,279,488
2.3	Investment in Other bonds	50,000,000
2.4	Investment others	175,063,706
3	Available For Sale;	39,449,497
3.1	Investment in equity	39,449,497