Multipurpose Finance Limited

Rajbiraj

Disclosure under Basel-II

For Quarter Ending on Ashwin End 2081

1. Capital Adequacy Ratios

Particulars	Ratio
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	23.15%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	23.75%

2. Total Qualifying Capital

Particulars	Amount '000'
Core Capital Fund (Tier-I)	588,202.24
Supplementary Capital (Tier-II)	15,102.89
Total Capital Fund	**603,305.13**

Core Capital Fund (Tier-I) and breakdown of its components

1.2 Capital		Current Period
(A) Core Capital (Tier 1)		**588,202.24**
a	Paid up Equity Share Capital	610,200.00
b	Irredeemable Non-cumulative preference shares	
c	Share Premium	10,540.72
d	Proposed Bonus Equity Shares	
e	Statutory General Reserves	20,432.30
f	Retained Earnings	7,530.68
g	Un-audited current year cumulative profit/(loss)	14,774.87
h	Capital Redemption Reserve	
i	Capital Adjustment Reserve	
j	Debenture Redemption Reserve	
k	Dividend Equalization Reserves	
l	Other Free Reserve	
m	Less: Goodwill	
n	Less: Fictitious Assets	
o	Less: Investment in equity in licensed Financial Institutions	
p	Less: Investment in equity of institutions with financial interests	
q	Less: Investment in equity of institutions in excess of limits	75,276.33
r	Less: Investments arising out of underwriting commitments	
s	Less: Reciprocal crossholdings	
t	Less: Purchase of land & building in excess of limit and unutilized	
u	Less: Other Deductions	
Adjustments under Pillar II		
SRP 6.4a(1)	Less: Shortfall in Provision	
SRP 6.4a(2)	Less: Loans & Facilities extended to related parties and restricted lending	

Supplementary Capital (Tier-II) and breakdown of its components

(B) Supplementary Capital (Tier 2)		15,102.89
a	Cumulative and/or Redeemable Preference Share	
b	Subordinated Term Debt	
c	Hybrid Capital Instruments	
d	General loan loss provision	15,102.89
e	Exchange Equalization Reserve	
f	Investment Adjustment Reserve	
g	Asset Revaluation Reserve	
h	Other Reserves	
Total Capital Fund (Tier I and Tier II)		**603,305.13**

Risk Weighted Exposures

1.1 Risk Weighted Exposures		Current Period
a	Risk Weighted Exposure for Credit Risk	2,322,769.02
b	Risk Weighted Exposure for Operational Risk	109,934.97
c	Risk Weighted Exposure for Market Risk	
Total Risk Weighted Exposures (Before adjustments of Pillar II)		**2,432,703.99**

Adjustments under Pillar II		
SRP 6.4a (5)	ALM policies & practices are not satisfactory, add 1% of net interest income to RWE	-
SRP 6.4a (6)	Add % of the total deposit due to insufficient Liquid Assets	-
SRP 6.4a (7)	Add RWE equvalent to reciprocal of capital charge of 3 % of gross income.	34,743.90
SRP 6.4a (9)	Overall risk management policies and precedures are not satisfactory. Add 3% of RWE	72,981.12
SRP 6.4a (10)	Desired level of disclosure requirement has not been achieved. Add 1% of RWE	
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		**2,540,429.01**

						Rs in '000
A. Balance Sheet Exposures	**Book Value (a)**	**Specific Provision (b)**	**Eligible CRM (c)**	**Net Value (d=a-b-c)**	**Risk Weight (e)**	**Risk Weighted Exposures (f=d*e)**
Cash Balance	21,360.32			21,360.32	0%	-
Balance With Nepal Rastra Bank	145,809.53			145,809.53	0%	-
Gold				-	0%	-
Investment in Nepalese Government Securities	114,468.49			114,468.49	0%	-
All Claims on Government of Nepal				-	0%	-
Investment in Nepal Rastra Bank securities				-	0%	-
All claims on Nepal Rastra Bank				-	0%	-
Claims on Foreign Government and Central Bank (ECA 0-1)				-	0%	-
Claims on Foreign Government and Central Bank (ECA -2)				-	20%	-
Claims on Foreign Government and Central Bank (ECA -3)				-	50%	-
Claims on Foreign Government and Central Bank (ECA-4-6)				-	100%	-
Claims on Foreign Government and Central Bank (ECA -7)				-	150%	-
Claims On BIS, IMF, ECB, EC and MDB's recognized by the framework				-	0%	-
Claims on Other Multilateral Development Banks				-	100%	-
Claims on Domestic Public Sector Entities				-	100%	-
Claims on Public Sector Entity (ECA 0-1)				-	20%	-
Claims on Public Sector Entity (ECA 2)				-	50%	-
Claims on Public Sector Entity (ECA 3-6)				-	100%	-
Claims on Public Sector Entity (ECA 7)				-	150%	-
Claims on domestic banks that meet capital adequacy requirements	718,366.42			718,366.42	20%	143,673.28
Claims on domestic banks that do not meet capital adequacy requirements				-	100%	-
Claims on foreign bank (ECA Rating 0-1)				-	20%	-
Claims on foreign bank (ECA Rating 2)				-	50%	-
Claims on foreign bank (ECA Rating 3-6)				-	100%	-
Claims on foreign bank (ECA Rating 7)				-	150%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement				-	20%	-
Claims on Domestic Corporates (Credit rating score equivalent to AAA)				-	80%	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)				-	85%	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)				-	90%	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)				-	100%	-
Claims on Domestic Corporates (Unrated)				-	100%	-
Claims on Foreign Corporates (ECA 0-1)				-	20%	-
Claims on Foreign Corporates (ECA 2)				-	50%	-
Claims on Foreign Corporates (ECA 3-6)				-	100%	-
Claims on Foreign Corporates (ECA 7)				-	150%	-
Regulatory Retail Portfolio (Not Overdue)			28,423.81	-	75%	-
Claims fulfilling all criterion of regularity retail except granularity	1,557,506.39	66,067.42		1,491,438.97	100%	1,491,438.97
Claims secured by residential properties	22,424.63	841.42		21,583.21	60%	12,949.93

Claims not fully secured by residential properties				-	150%	-
Claims secured by residential properties (Overdue)				-	100%	-
Claims secured by Commercial real estate				-	100%	-
Past due claims (except for claims secured by residential properties)				-	150%	-
High Risk claims				-	150%	-
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2007-point 3.3(j)(1)(j))					125%	
Lending against Shares(above Rs.5 Million)					125%	
Lending Against Securities (Bonds)				-	100%	-
Lending Against Shares(upto Rs. 5 Million)				-	100%	-
Real Estate loans for land acquisition and development (For institutions/projects registred/licensed and approved by Government of Nepal for land acquisition and development purposes)				-	100%	-
Personal Hirepurchase/Personal Auto Loans	4,016.10	44.18		3,971.93	100%	3,971.93
Investments in equity and other capital instruments of institutions listed in stock exchange	207,009.92			207,009.92	100%	207,009.92
Investments in equity and other capital instruments of institutions not listed in the stock exchange	70,000.00			70,000.00	150%	105,000.00
Staff loan secured by residential property	3,970.68			3,970.68	50%	1,985.34
Interest Receivable/claim on government securities				-	0%	-
Cash in transit and other cash items in the process of collection				-	20%	-
Other Assets (as per attachment)	356,739.65			356,739.65	100%	356,739.65
TOTAL (A)	**3,221,672.15**	**66,953.02**	**28,423.81**	**3,154,719.13**		**2,322,769.02**

B. Off Balance Sheet Exposures	Book Value (a)	Specific Provision (b)	Eligible CRM (c)	Net Value (d=a-b-c)	Risk Weight (e)	Risk Weighted Exposures (f=d*e)
Revocable Commitments				-	0%	-
Bills Under Collection				-	0%	-
Forward Exchange Contract Liabilities				-	0%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty				-	0%	-
Foreign counterparty (ECA Rating 0-1)				-	0%	-
Foreign counterparty (ECA Rating 2)				-	0%	-
Foreign counterparty (ECA Rating 3-6)				-	0%	-
Foreign counterparty (ECA Rating 7)				-	0%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty				-	0%	-
Foreign counterparty (ECA Rating 0-1)				-	20%	-
Foreign counterparty (ECA Rating 2)				-	50%	-
Foreign counterparty (ECA Rating 3-6)				-	100%	-
Foreign counterparty (ECA Rating 7)				-	150%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty				-	0%	-
Foreign counterparty (ECA Rating 0-1)				-	100%	-
Foreign counterparty (ECA Rating 2)				-	100%	-
Foreign counterparty (ECA Rating 3-6)				-	20%	-
Foreign counterparty (ECA Rating 7)				-	50%	-
Underwriting commitments				-	100%	-
Lending of Bank's Securities or Posting of Securities as collateral				-	150%	-
Repurchase Agreements, Assets sale with recourse				-	40%	-
Advance Payment Guarantee				-	100%	-
Financial Guarantee				-	100%	-
Acceptances and Endorsements				-	150%	-
Unpaid portion of Partly paid shares and Securities				-	20%	-
Irrevocable Credit commitments (short term)				-	20%	-
Irrevocable Credit commitments (long term)				-	85%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement				-	90%	-
Other Contingent Liabilities				-	100%	-
Unpaid Guarantee Claims				-	20%	-
TOTAL (B)	**-**	**-**	**-**	**-**		**-**

Total RWE for credit Risk Before Adjustment (A) +(B)	**3,221,672.15**	**66,953.02**	**28,423.81**	**3,154,719.13**		**2,322,769.02**

Adjustments under Pillar II

SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE						
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE						
Total RWE for Credit Risk after Bank's adjustments under Pillar II	**3,221,672.15**	**66,953.02**	**28,423.81**	**3,154,719.13**		**2,322,769.02**

Amount of Non-Performing Loan

Particulars	Loan	Provision	Net NPA
Restructured/Reschedule			
Sub standard	30,113,923.15	7,528,480.79	22,585,442.36
Doubtful	21,806,244.99	10,903,122.50	10,903,122.50
Bad Loan	26,807,040.60	26,807,040.60	-
Non-Performing Loan	**78,727,208.74**	**45,238,643.88**	**33,488,564.86**

NPA Ratios

Particulars	Gross NPA	Net NPA
Performing Loan to Total Loan	95.03	97.79
NPL to Total Loan	4.97	2.21

Movement of Loan Loss Provision

Particulars	Amount
Total LLP 2081.04.01 (Opening Balance)	59,936,519.24
Total LLP 2081.06.30	66,953,021.04
LLP Booked till 2081.06.30	66,953,021.04
Add LLP to be Booked/(Write back) till 2081.06.30	**7,016,501.80**

Movement of Non-Performing Loan

Particulars	Amount
Total NPL 2081.04.01 (Opening Balance)	68,432,934.24
Additional NPL in FY 2081-082	10,294,274.50
Total NPL 2081.06.30	78,727,208.74

Movement of Interest Suspense

Particulars	Amount
Opening Interest Suspense	18,261,366.01
Interest Addition	13,495,140.23
Interest Suspense as on 2081.06.30	31,756,506.24

Segregation of investment portfolio into Held for trading, Held to maturity and Available for sale category

Particulars	Amount
Held for Trading	-
Held for Maturity	114,468,485.00
Available for Sale	277,009,924.63
Total	**391,478,409.63**