

Disclosure Under Basel II
Garima Bikas Bank Ltd.
As of Poush End 2073 (January 13, 2017)

Capital Structure and Capital Adequacy

- **Tier 1 Capital and Breakdown of its Components**

Particulars	Amount in '000
Paid up Equity Share Capital	10,80,511.51
Share Premium	25,560.10
Statutory General Reserves	1,34,760.84
Retained Earnings	2,90,523.39
Un-audited current year cumulative profit/(loss)	1,59,547.91
Deferred Tax Reserve	6,736.92
Other Free Reserve	
Less: Goodwill	
Less: Fictitious Assets	6,975.99
Less: Purchase of land & building in excess of limit and unutilized	32,114.80
Total Core Capital	16,58,549.88

- **Tier 2 Capital and Breakdown of its Components**

Particulars	Amount in '000
General Loan Loss Provision	1,27,091.76
Investment Adjustment Reserve	1,766.31
Total Supplementary Capital	1,28,858.07

- **Deductions from Capital**

- Deferred tax assets amounting NRs. 6,975,990.21 has been deducted as per NRB directive no. 1/073
- Land amounting NRs. 32,114,800.00 has been deducted as per NRB directive no. 8/073

- **Total Qualifying Capital**

Particulars	Amount in '000
Core Capital	16,58,549.88
Supplementary Capital	1,28,858.07
Total Qualifying Capital (Total Capital Fund)	17,87,407.95

- **Capital Adequacy Ratio**

Tier 1 Capital to Total Risk Weighted Exposures	16.80%
Total Capital Fund to Total Risk Weighted Exposures	15.59%

Risk Weighted Exposure

- Risk Weighted Exposure for Credit Risk, Operational Risk and Market Risk

Particulars	Amount in '000
Risk Weighted Exposure for Credit Risk	1,00,43,000.26
Risk Weighted Exposure for Operational Risk	5,95,716.50
Risk Weighted Exposure for Market Risk	-
Total Risk Weighted Exposure	1,06,38,716.76

- Risk Weighted Exposure Under Each 11 Categories of Credit Risk

Particulars	Amount in '000
Claims on Government and Central Bank	-
Claims on Other Financial Entities	-
Claims on Banks	4,60,191.05
Claims on Domestic Corporate and Securities Firms	1,61,208.13
Claims on Regulatory Retail Portfolio and Ohter Retail Portfolio	70,91,702.18
Claims Secured by Resendential Properties	-
Claims Secured by Commercial Real Estate	5,44,810.40
Past Due Claims	86,762.67
High Risk Claims	12,38,877.45
Other Assets	3,16,582.11
Off Balance Sheet Items	1,42,866.27
Total Risk Weighted Exposure	1,00,43,000.26

- Amount of Non-Performing Assets (Both Gross and Net)

Particulars	Gross Amount in '000	LLP Amount in '000	Net NPL Amount in '000
Restructured	-	-	-
Sub-Standard	70,563.00	17,641.00	52,922.00
Doubtful	13,957.00	6,979.00	6,978.00
Loss	13,869.00	13,869.00	-
Total	98,389.00	38,489.00	59,900.00

- NPA Ratios

Particulars	Gross	Net Loan
Total Loan and Advances	1,17,01,999.00	1,15,36,419.00

Particulars	%
Gross NPA to Gross Loan and Advances	0.84%
Net NPA to Net Loan and Advances	0.52%

- **Movement in Non-Performing Assets**

Particulars	This Quarter Amount in '000	Last Quarter Amount in '000	Change %
Restructured	-	-	NA
Sub-Standard	70,563.00	57,844.26	21.99%
Doubtful	13,957.00	2,922.36	377.59%
Loss	13,869.00	10,867.53	27.62%
Total	98,389.00	71,634.15	37.35%

- **Write Off of Loans and Interest Suspense**

Particulars	Amount in '000
Write Off of Loans During the Year	-
Write Off of Interest Suspense During the Year	-
Total	-

- **Movement in Loan Loss Provision and Interest Suspense**

Particulars	This Quarter Amount in '000	Last Quarter Amount in '000	Change %
Loan Loss Provision (Total)	1,65,580.00	1,54,905.03	6.89%
Interest Suspense	36,482.00	59,645.18	-38.83%

- **Segregation of Investment Portfolio**

Particulars	Amount in '000
Held for Trading	-
Held to Maturity	1,01,202.66
Available for Sale	3,262.14
Total	1,04,464.80

Internal Control System

- The effectiveness of the internal control system of the bank is reviewed regularly by the Board, its Committee through Internal Audit Department. The Internal Audit Department monitors the compliance with policies and ensures the effectiveness of the internal control system throughout the organization.
- Periodic supervision is done by the top management.