

# Multipurpose Finance Limited

## Rajbiraj

### Disclosure under Basel-II

### For Quarter Ending on Chaitra End 2079

The Information below is as per the Capital Adequacy Framework, disclosure requirement issued by NRB.

#### 1. Capital Adequacy Ratios

Particulars	Ratio
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	35.96%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	36.99%

#### 2. Total Qualifying Capital

Particulars	Amount '000'
Core Capital Fund (Tier-I)	4,92,514.77
Supplementary Capital (Tier-II)	14,168.17
<b>Total Capital Fund</b>	<b>5,06,682.95</b>

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

1.2 CAPITAL		Current Period
<b>(A) Core Capital (Tier 1)</b>		<b>4,92,514.77</b>
a	Paid up Equity Share Capital	4,52,000.00
b	Irredeemable Non-cumulative preference shares	
c	Share Premium	
d	Proposed Bonus Equity Shares	
e	Statutory General Reserves	16,170.11
f	Retained Earnings	-7,914.25

g	Un-audited current year cumulative profit/(loss)	7,667.00
h	Capital Redemption Reserve	
i	Capital Adjustment Reserve	24,591.90
j	Debenture Redemption Reserve	
k	Dividend Equalization Reserves	
l	Other Free Reserve	
n	Less: Goodwill	
o	Less: Fictitious Assets	
p	Less: Investment in equity in licensed Financial Institutions	
q	Less: Investment in equity of institutions with financial interests	
r	Less: Investment in equity of institutions in excess of limits	
s	Less: Investments arising out of underwriting commitments	
t	Less: Reciprocal crossholdings	
u	Less: Purchase of land & building in excess of limit and unutilized	
v	Less: Other Deductions	
<b>Adjustments under Pillar II</b>		
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>(B) Supplementary Capital (Tier 2)</b>		14,168.17
a	Cumulative and/or Redeemable Preference Share	15,350.00
b	Subordinated Term Debt	
c	Hybrid Capital Instruments	
d	General loan loss provision	13,884.81
e	Exchange Equalization Reserve	
f	Investment Adjustment Reserve	
g	Asset Revaluation Reserve	24,937.66

h	Other Reserves	
<b>Total Capital Fund (Tier I and Tier II)</b>		<b>5,06,682.95</b>

### Risk Weighted Exposures

1. 1 RISK WEIGHTED EXPOSURES		Current Period
a	Risk Weighted Exposure for Credit Risk	12,47,368.82
b	Risk Weighted Exposure for Operational Risk	56,573.96
c	Risk Weighted Exposure for Market Risk	
<b>Total Risk Weighted Exposures</b> (Before adjustments of Pillar II)		<b>13,03,942.78</b>
<b><i>Adjustments under Pillar II</i></b>		
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 equivalent to reciprocal of capital charge of 3 % of gross income.	13,502.00
SRP 6.4a (9)	Overall risk management policies and precedures are not satisfactory. Add 3% of RWE	39,118.28
SRP 6.4a (10)	Desired level of disclosure requirement has not been achieved. Add 1% of RWE	13,039.43
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		13,69,602.50

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
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	a	b	c	d=a-b-c	e	f=d*e
Cash Balance	15,862.31			15,862.31	0%	-
Balance With Nepal Rastra Bank	57,935.91			57,935.91	0%	-
Gold				-	0%	-
Investment in Nepalese Government Securities					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	3,71,459.49		-	3,71,459.49	20%	74,291.90
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)	10,75,041.73			10,75,041.73	75%	8,06,281.30
Claims fulfilling all criterion of regularity retail except granularity			-	-	100%	-
Claims secured by residential properties	31,992.61		-	31,992.61	60%	19,195.57
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%	-
Lending Against Securities (Bonds)			-	-	100%	-
Investments in equity and other capital instruments of institutions listed in stock exchange			-		100%	

Investments in equity and other capital instruments of institutions not listed in the stock exchange			-		100%	
Staff loan secured by residential property			-		50%	
Interest Receivable/claim on government securities	8,902.05			8,902.05	0%	
Cash in transit and other cash items in the process of collection					20%	-
Other Assets (as per attachment)	3,47,600.06			3,47,600.06	100%	3,47,600.06
<b>TOTAL (A)</b>	19,40,556.98	-	31,762.82	19,08,794.16		12,47,368.82

<b>B. Off Balance Sheet Exposures</b>					0%	-
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)			-	-	20%	-

LC Commitments With Original Maturity Over 6 months domestic counterparty			-	-	50%	-
Foreign counterparty (ECA Rating 0-1)			-	-	100%	-
Foreign counterparty (ECA Rating 2)			-	-	150%	-
Foreign counterparty (ECA Rating 3-6)				-	0%	-
Foreign counterparty (ECA Rating 7)			-	-	100%	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty			-	-	100%	-
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%	-
Underwriting commitments					40%	
Lending of Bank's Securities or Posting of Securities as collateral			-	-	100%	-
Repurchase Agreements, Assets sale with recourse			-	-	20%	-
Advance Payment Guarantee			-	-	50%	-
Financial Guarantee			-	-	100%	-



Acceptances and Endorsements			-	-	150%	-
Unpaid portion of Partly paid shares and Securities			-	-	20%	-
Irrevocable Credit commitments (short term)			-	-	80%	-
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						
<b>TOTAL (B)</b>			-	-	20%	-
<b>Total RWE for credit Risk Before Adjustment (A)+(B)</b>	19,40,556.98		31,762.82	19,08,794.16		12,47,368.82
<b><u>Adjustments under Pillar II</u></b>						
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						-
<b>Total RWE for Credit Risk after Bank's adjustments under Pillar II</b>	19,40,556.98		31,762.82	19,08,794.16		12,47,368.82

### Amount of Non-Performing Loan

Particulars	Loan	Provision	Net NPA
Restructured/Reschedule	0	0	0

Sub standard	5,095,322.53	1,273,830.63	38,21,491.90
Doubtful	6,342,754.03	3,171,377.02	31,71,377.01
Bad Loan	1,462,000.00	1,462,000.00	-
<b>Non-Performing Loan</b>	<b>129,00,076.56</b>	<b>59,07,207.65</b>	<b>69,92,868.91</b>

### NPA Ratios

Particulars	Gross NPA	Net NPA
Performing Loan to Total Loan	98.87%	97.40%
NPL to Total Loan	1.13%	0.61%

### Movement of Loan Loss Provision

Particulars	Amount
Total LLP 2079.04.01 (Opening Balance)	148,27,691.76
Total LLP 2079.12.30	226,83,754.94
LLP Booked till 2079.12.31	226,83,754.94
Add LLP to be Booked/(Write back) till 2079.06.31	78,56,063.18

### Movement of Non-Performing Loan

Particulars	Amount
Total NPL 2079.04.01 (Opening Balance)	28,33,331.32
Additional NPL in FY 2079-80	30,73,876.33
<b>Total NPL 2079.12.30</b>	<b>59,07,207.65</b>

### Movement of Interest Suspense

Particulars	Amount
Opening Interest Suspense	74,99,292.00
Interest Addition	14,02,757.34
Interest Suspense as on 2079.12.30	89,02,049.34

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

<b>Particulars</b>	<b>Amount</b>
Held for Trading	-
Held for Maturity	19,544,780.00
Available for Sale	113,968,901.33
<b>Total</b>	<b>133,513,681.33</b>