Multipurpose Finance Limited
Rajbiraj
Disclosure under Basel-II
For 1st Quarter Ending on Ashwin End 2083

1. Capital Adequacy Ratios

Particulars	Ratio
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	21.34%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	23.10%

2. Total Qualifying Capital

Particulars	Amount '000'
Core Capital Fund (Tier-I)	638,185.78
Supplementary Capital (Tier-II)	52,448.95
Total Capital Fund	**690,634.73**

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

1.2 Capital		Current Period
(A) Core Capital (Tier 1)		**638,185.78**
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	35,429.55
f	Retained Earnings	33,321.96
g	Un-audited current year cumulative profit/(loss)	2,612.26
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	9,941.44
p	Less: Investment in equity of institutions with financial interests	
q	Less: Investment in equity of institutions in excess of limits	43,977.27
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)		**52,448.95**
a	Cumulative and/or Redeemable Preference Share	
b	Subordinated Term Debt	
c	Hybrid Capital Instruments	
d	General loan loss provision	27,109.89
e	Exchange Equalization Reserve	
f	Investment Adjustment Reserve	
g	Accrued Interest Receivable on pass loan included in Regulatory Reserve	5,396.07
h	Interest Capitalized Reserve included in Regulatory Reserve	
i	Regulatory reserve for nonbanking assets recorded within the last 24 months.	19,942.99
J	Other Reserves	
Total Capital Fund (Tier I and Tier II)		**690,634.73**

Risk Weighted Exposures

1.1 Risk Weighted Exposures		**Current Period**
a	Risk Weighted Exposure for Credit Risk	2,682,229.77
b	Risk Weighted Exposure for Operational Risk	193,800.93
c	Risk Weighted Exposure for Market Risk	
Total Risk Weighted Exposures (Before adjustments of Pillar II)		**2,876,030.70**

Adjustments under Pillar II		
SRP 6.4a (5)	ALM policies & practices are not satisfactory, add 1% of net interest income to RWE	841.24
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 2 % of gross income.	27,151.80
SRP 6.4a (9)	Overall risk management policies and precedures are not satisfactory. Add 2% of RWE	86,280.92
SRP 6.4a (10)	If Desired level of disclosure requirement has not been achieved. Add ..% of RWE	
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		**2,990,304.66**

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	23,895.06			23,895.06	0%	-
Balance With Nepal Rastra Bank	188,177.09			188,177.09	0%	-
Gold				-	0%	-
Investment in Nepalese Government Securities	901,801.43			901,801.43	0%	-
All Claims on Government of Nepal	5,565.78			5,565.78	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	118,527.07			118,527.07	20%	23,705.41
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)	1,694,037.61	1,426.43	23,909.50	1,668,701.68	75%	1,251,526.26
Claims fulfilling all criterion of regularity retail except granularity	206,935.26	-		206,935.26	100%	206,935.26
Claims secured by residential properties	85,400.35			85,400.35	60%	51,240.21
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)	105,175.64	71682.5623		33,493.07	150%	50,239.61
High Risk claims	226,372.41	950		225,422.41	150%	338,133.61
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2007-point 3.3(j)(1)(j))	97,132.18			97,132.18	125%	121,415.23
Lending Against Securities (Bonds)				-	100%	-
Lending Against Shares(upto Rs. 5 Million)	10,411.98			10,411.98	100%	10,411.98
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	3,576.08			3,576.08	100%	3,576.08
Investments in equity and other capital instruments of institutions listed in stock exchange	100,714.10			100,714.10	100%	100,714.10
Investments in equity and other capital instruments of institutions not listed in the stock exchange	121,694.50			121,694.50	150%	182,541.75
Staff loan secured by residential property	30,679.88			30,679.88	50%	15,339.94
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)	326,450.33			326,450.33	100%	326,450.33
TOTAL (A)	**4,246,546.73**	**74,058.99**	**23,909.50**	**4,148,578.24**		**2,682,229.77**

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				-	10%	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty				-	20%	-
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%	-
LC Commitments With Original Maturity Over 6 months domestic counterparty				-	50%	-
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				-	40%	-
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				-	50%	-
Lending of Bank's Securities or Posting of Securities as collateral				-	100%	-
Repurchase Agreements, Assets sale with recourse				-	100%	-
Advance Payment Guarantee				-	100%	-
Financial Guarantee				-	100%	-
Acceptances and Endorsements				-	100%	-
Unpaid portion of Partly paid shares and Securities				-	100%	-
Irrevocable Credit commitments (short term)				-	20%	-
Irrevocable Credit commitments (long term)				-	50%	-
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement				-	20%	-
Other Contingent Liabilities				-	100%	-
Unpaid Guarantee Claims				-	200%	-
TOTAL (B)	**-**	**-**	**-**	**-**		**-**

Total RWE for credit Risk Before Adjustment (A) +(B)	**4,246,546.73**	**74,058.99**	**23,909.50**	**4,148,578.24**		**2,682,229.77**

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	**4,246,546.73**	**74,058.99**	**23,909.50**	**4,148,578.24**		**2,682,229.77**

Amount of Non-Performing Loan

Particulars	Loan	Provision	Net NPA
Restructured/Reschedule			
Sub standard	15,149,439.86	3,787,359.97	11,362,079.90
Doubtful	4,780,602.43	2,390,301.22	2,390,301.22
Bad Loan	67,881,331.30	67,881,331.30	-

Non-Performing Loan	**87,811,373.59**	**74,058,992.48**	**13,752,381.11**

NPA Ratios

Particulars	Gross NPA	Net NPA
Performing Loan to Total Loan	**96.38**	**99.41**
NPL to Total Loan	**3.62**	**0.59**

Movement of Loan Loss Provision

Particulars	Amount
Total LLP 2083.04.01 (Opening Balance)	97,694,897.05
Total LLP 2083.06.31	101,168,880.41
LLP Booked till 2083.06.31	101,168,880.41
Add LLP to be Booked/(Write back) till 2083.06.31	**3,473,983.35**

Movement of Non-Performing Loan

Particulars	Amount
Total NPL 2083.04.01 (Opening Balance)	74,058,992.48
Additional/(Deduction) NPL in FY 2083-084	13,752,381.11
Total NPL 2083.06.31	**87,811,373.59**

Movement of Interest Suspense

Particulars	Amount
Opening Interest Suspense	41,513,188.64
Interest Addition	17,470.86
Interest Suspense as on 2083.06.31	**41,530,659.50**

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

Particulars	Amount
Held for Maturity	1,101,801,433.43
Available for Sale	222,214,099.20
Total	**1,324,015,532.63**