



Nepal Bank Limited

Dharmapath, Kathmandu

Unaudited Financial Results (Quarterly)

As at Asoj end 2067 of the Fiscal Year 2067/068 (Mid October of 2010)

Rs. in '000

S.N.	Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
1	Total Capital and Liabilities (1.1 to 1.7)	51,944,004	46,430,624	51,693,183
1.1	Paid Up Capital	380,383	380,383	380,383
1.2	Reserve and Surplus	(4,680,339)	(4,877,597)	(5,520,646)
1.3	Debenture and Bond	-	-	-
1.4	Borrowings	2,311,746	2,125,141	1,918,591
1.5	Deposits (a+b)	40,829,246	42,406,007	45,238,116
	a. Domestic Currency	40,620,588	42,193,664	45,037,072
	b. Foreign Currency	208,659	212,343	201,044
1.6	Income Tax Liability	-	-	-
1.7	Other Liabilities	13,102,968	6,396,690	9,676,739
2	Total Assets (2.1 to 2.7)	51,944,004	46,430,624	51,693,183
2.1	Cash and Bank Balance	12,375,542	10,059,315	9,881,586
2.2	Money at Call and short Notice	200,015	-	300,000
2.3	Investments	7,770,637	5,886,083	12,536,489
2.4	Loans and Advances	25,360,255	24,934,962	20,367,310
	a. Real Estate Loan	1,386,750	1,480,285	
	b. Home / Housing Loan	2,067,133	2,056,268	
	c. Margin Type Loan	1,104,882	1,156,401	
	d. Term Loan	6,377,183	6,175,210	
	e. Overdraft / TR Loan / WC Loan	9,622,524	9,461,406	
	f. Others	4,801,783	4,605,392	
2.5	Fixed Assets	323,373	291,646	270,329
2.6	Non Banking Assets	430,713	435,266	587,088
2.7	Other Assets	5,483,469	4,823,352	7,750,381
3	Profit and Loss Account	Up to This Quarter	Up to Previous Quarter	Up to Corresponding Previous Year Quarter
3.1	Interest Income	780,790	3,097,405	588,444
3.2	Interest Expense	204,006	899,375	156,898
	A. Net Interest Income (3.1-3.2)	576,783	2,198,030	431,546
3.3	Fees, Commission and Discount	23,491	355,664	30,114
3.4	Other Operating Income	30,661	150,104	32,351
3.5	Foreign Exchange Gain/Loss (Net)	(9,065)	23,550	(268)
	B. Total Operating Income (A.+3.3+3.4+3.5)	621,871	2,727,348	493,743
3.6	Staff Expenses	356,751	2,566,057	320,916
3.7	Other Operating Expenses	88,955	305,101	79,910
	C. Operating Profit Before Provision (B.-3.6-3.7)	176,164	(143,810)	92,917
3.8	Provision for Possible Losses	(49,849)	(240,996)	19,851
	D. Operating Profit (C.-3.8)	226,013	97,186	73,066
3.9	Non Operating Income/Expenses (Net)	7,296	63,832	4,290
3.10	Write Back of Provision for Possible Loss	4,553	168,806	19,678
	E. Profit from Regular Activities (D.+3.9+3.10)	237,862	329,825	97,034
3.11	Extraordinary Income/Expenses (Net)	72,114	231,330	18,584
	F. Profit before Bonus and Taxes (E.+3.11)	309,976	561,154	115,618
3.12	Provision for Staff Bonus	28,180	51,014	10,511
3.13	Provision for Tax	84,539	153,042	31,532
	G. Net Profit/Loss (F.-3.12-3.13)	197,257	357,098	73,575
4	Ratios	At the End of this Quarter	At the End of Previous Quarter	At the End of Corresponding Previous Year Quarter
4.1	Capital Fund to RWA	-10.67%	-11.76%	-12.83%
4.2	Non Performing Loan(NPL) To Total Loan	4.87%	4.98%	5.65%
4.3	Total Loan Loss Provision to Total NPL	121.83%	123.07%	174.94%
4.4	Cost of Funds	2.63%	2.70%	
4.5	Credit to Deposit Ratio (Calculated as per NRB Directives)	69.82%	66.15%	
Additional Information				
1	Average Yield	9.49%	9.75%	
2	Net Interest Spread	6.86%	7.05%	
3	Return on Equity	N/A	N/A	
4	Return on Assets	1.52%	0.77%	

Note:

Disclosure under Basel II

As at Asoj end 2067 of the Fiscal Year 2067/068 (Mid Oct of 2010)

Rs. in '000'

Tier 1 Capital and Breakdown of its Components

Particulars		Amount
a	Paid up equity Share Capital	380,383
b	Proposed Bonus Equity Shares	-
c	Irredeemable Non-cumulative preference shares	-
d	Share Premium	-
e	Statutory General Reserves	1,558,851
f	Retained Earnings	(7,005,929)
g	Un-audited current year cumulative profit	197,257
h	Capital Redemption Reserve	-
i	Capital Adjustment Reserve	228,230
j	Dividend Equalization Reserves	7,486
k	Other Free Reserves	6,063
Total Tier 1 Capital		(4,627,659)

Tier 2 Capital and Breakdown of its Components

Particulars		Amount
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	-
d	General loan loss provision	571,583
e	Investment Adjustment Reserve	2,504
f	Assets Revaluation Reserve	-
g	Exchange Equalization Reserve	67,968
h	Other Reserves	-
Total Tier 2 Capital		642,054

Details of Subordinated Term Debt:

Not Applicable

Deduction from Capital

The Bank holds Investment in shares and debentures amounting to Rs. 143,359 thousand.

Total Capital Fund

Particulars	Amount
Core Capital (after deduction of qualifying amount)	(4,771,018)
Supplementary Capital (Tier 2)	642,054
Total Capital Fund	(4,128,964)

Risk weighted exposures under each 11 categories of Credit Risk

S. No.	Categories	RWE
1	Claims on Government and Central Bank	-
2	Claims on Other Financial Entities	-
3	Claims on Banks	1,373,182
4	Claims on Domestic Corporates and Securities Firms	-
5	Claims on Regulatory Retail Portfolio	-
6	Claims secured by residential properties	2,794,425
7	Claims Secured by Commercial real estate	-
8	Past due claims	-
9	High Risk claims	28,786,222
10	Other Assets	5,171,544
11	Off Balance Sheet Items	891,316
Total		39,016,688

Risk weighted exposures for Credit, Market and Operational Risk

Risk Weighted Exposures	Amount
Risk Weighted Exposure for Credit Risk	39,016,688
Risk Weighted Exposure for Operational Risk	3,002,950
Risk Weighted Exposure for Market Risk	972,165
Total Risk Weighted Exposures	42,991,804

Amount of Non Performing Assets (both Gross and Net)

Particulars	Amount	
	Gross	Net
Substandard	662,824	-
Doubtful	46,836	-
Bad	531,403	-
Total	1,241,063	-

NPA Ratios

NPA Ratios	%
Gross NPA to Gross Advances	4.89%
Net NPA to Net Advances	0.00%

Movement in Non Performing Assets

Particulars	This Quarter	Previous Quarter	Changes %
Non Performing Assets (Rs. in 000')	1,241,063	1,241,063	0.00%
Non Performing Assets (%)	4.89%	4.98%	-0.09%

Write off of Loans and Interest Suspense in the Quarter

None

Movement in Loan Loss Provision and Interest Suspense:

Particulars	This Quarter	Previous Quarter	Changes %
Loan Loss Provision	1,473,440	1,527,353	-3.7%
Interest Suspense	3,380,017	3,250,069	4.0%

Details of Additional Loan Loss Provision

None

Segregation of Investment Portfolio

Particulars	Amount
Held for Trading	-
Held to Maturity	7,770,637
Available for sale	-
Total	7,770,637