

# Saptakoshi Development Bank Limited

Form No. 1

## Capital Adequacy Table

At the month end of Chaitra, 2078

(Rs. in '000)

1.1 RISK WEIGHTED EXPOSURES		Current Period	Previous Period
a	Risk Weighted Exposure for Credit Risk	4,151,563.10	4,154,336.94
b	Risk Weighted Exposure for Operational Risk	343,794.24	343,794.24
c	Risk Weighted Exposure for Market Risk	-	-
<b>Total Risk Weighted Exposures</b> (Before adjustments of Pillar II)		<b>4,495,357.35</b>	<b>4,498,131.19</b>
<b>Adjustments under Pillar II</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	-	80,627.82
SRP 6.4a (7)	Add RWE equivalent to reciprocal of capital charge of 2 % of gross income.	50,476.60	50,476.60
SRP 6.4a (9)	Overall risk management policies and procedures are not satisfactory. Add 2% of RWE	89,907.15	89,962.62
SRP 6.4a (10)	If desired level of disclosure requirement has not been achieved, Add .....% of RWE	-	-
<b>Total Risk Weighted Exposures</b> (After Bank's adjustments of Pillar II)		<b>4,635,741.09</b>	<b>4,719,198.23</b>

1.2 CAPITAL		Current Period	Previous Period
<b>(A) Core Capital (Tier 1)</b>		<b>757,987.69</b>	<b>806,800.33</b>
a	Paid up Equity Share Capital	834,338.43	834,338.43
b	Irredeemable Non-cumulative preference shares		
c	Share Premium		
d	Proposed Bonus Equity Shares		
e	Statutory General Reserves	77,032.72	77,032.72
f	Retained Earnings	-79,538.55	(79,538.55)
g	Un-audited current year cumulative profit/(loss)	(73,844.91)	(25,032.27)
h	Capital Redemption Reserve		
i	Capital Adjustment Reserve		
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	-	-

<b>(B) Supplementary Capital (Tier 2)</b>		Current Period	Previous Period
<b>(eligible Rs. 76489.73 thousand only)</b>		<b>80,717.58</b>	<b>81,908</b>
a	Cumulative and/or Redeemable Preference Share		
b	Subordinated Term Debt		
c	Hybrid Capital Instruments		
d	General loan loss provision	80,717.58	81,908.00
e	Exchange Equalization Reserve		
f	Investment Adjustment Reserve		
g	Asset Revaluation Reserve		
h	Other Reserves		
<b>Total Capital Fund (Tier I and Tier II)</b>		<b>834,477.41</b>	<b>888,708.33</b>

1.3 CAPITAL ADEQUACY RATIOS		Current Period	Previous Period
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		16.35%	17.10%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)		18.00%	18.83%