

**Progressive Finance Limited**  
**Disclosure Under Basel II**  
**As at Asadh End -2077**

**1 CAPITAL STRUCTURE & CAPITAL ADEQUACY**

(NPR. '000')

<b>A.</b>	<b>Core Capital (Tier I)</b>	<b>860,732.56</b>
a	Paid up Equity Share Capital	800,100.00
b	Irredeemable Non-cumulative preference shares	-
c	Share Premium	7124.78
d	Proposed Bonus Equity Shares	-
e	Statutory General Reserves	44,600.17
f	Retained Earnings	8,907.61
g	Un-audited current year cumulative profit/(loss)	-
h	Capital Redemption Reserve	-
i	Capital Adjustment Reserve	-
j	Dividend Equalization Reserves	-
k	<b>Other Free Reserve</b>	-
l	Less: Goodwill	-
m	Less: Deferred Tax Assets	-
n	<b>Less: Fictitious Assets</b>	-
o	<b>Less: Investment in equity in licensed Financial Institutions</b>	-
p	Less: Investment in equity of institutions with financial interests	-
q	Less: Investment in equity of institutions in excess of limits	-
r	Less: Investments arising out of underwriting commitments	-
s	Less: Reciprocal crossholdings	-
t	<b>Less: Purchase of land &amp; building in excess of limit and unutilized</b>	-
u	Less: Other Deductions	-
<b>B.</b>	<b>Supplementary Capital (Tier 2)</b>	<b>37,511.85</b>
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	-
d	General loan loss provision	34,493.87
e	Exchange Equalization Reserve	-
f	Investment Adjustment Reserve	-
g	Asset Revaluation Reserve	3,017.98
h	Other Reserves	-
	<b>Total Capital Fund (Tier I and Tier II)</b>	<b>895,930.39</b>

	Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	29.15%
	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	30.34%

**2 Risk Exposure****(NRs. '000')**

<b>RISK WEIGHTED EXPOSURES</b>		<b>Current Priod</b>
a	Risk Weighted Exposure for Credit Risk	2,613,912.70
b	Risk Weighted Exposure for Operational Risk	212,463.53
c	Risk Weighted Exposure for Market Risk	-
Add: 1) 6.4a(7) RWA equivalent to reciprocal of capital charge of 3% of Gross Income		42,027.50
2) 6.4a(9)Overall risk management policies and procedures are not satisfactory @3%		84791.29
<b>Total Risk Weighted Exposures</b>		<b>2,953,195.01</b>

**3 Risk Weighted Exposure under each 11 Categories of Credit Risk****(NRs. '000')**

<b>A.</b>	<b>Balance Sheet Exposure</b>	<b>Risk Weighted Exposure</b>
1	Claims on Government and Central Bank	149,838.57
2	Claims on Other Official Entities	-
3	Claims on Banks	886,787.07
4	Claims on Corporate & Securities firm	1,613,780.44
5	Lending Against Securities	121,806.49
6	Claims on Regulatory Retail Portfolio (Not overdue)	640,495.25
7	Claims Secured by Residential Properties	114,620.10
8	Claims Secured by Commercial Real Estate	352,313.22
9	Past due claims (except for claims secured by residential properties)	2,962.97
10	High Risk Claims	5,119.18
11	<b>Other Assets</b>	-
a.	Investments in equity and other capital instruments of institutions listed in stock exchange	125,349.89
b.	Staff loan secured by residential property	-
c.	Other Assets (as per attachment)	183,914.72
12	<b>Off- Balance Sheet Exposures</b>	118558.13
<b>Total RWE for Credit Risk</b>		<b>4,315,546.03</b>

**4 Eligible Credit Risk Mitigation****(NRs. '000')**

<b>Eligible Credit Risk Mitigations</b>	<b>Amount</b>
Deposit with Banks	950,956.48
Govt. & NRB Securities	415,000.00
<b>Total Eligible CRM</b>	<b>1,365,956.48</b>

5 **Amount of Non Performing Assets** (NRs. '000')

	Particulars	Gross	Provision	Net
A	Restructured	19,988.00	2,498.50	17,489.50
B	Sub-standard	37,868.54	9,467.14	28,401.41
C	Doubtful	12,883.47	6,441.73	6,441.73
D	Loss	23,770.53	23,770.53	0.00
	<b>Total</b>	<b>94,510.53</b>	<b>42,177.89</b>	<b>52,332.64</b>

6 **Non Performing Assets (NPA Ratios)**

NPA Ratio	
Gross NPA to Gross Advances	3.46
Net NPA to Net Advances	1.97

7 **Movement in Non Performing Assets** (NRs. '000')

Particulars	This Quarter	Previous Quarter	Change %
Non Performing Assets	94,510.53	84,679.00	11.61
Non Performing Assets %	3.46%	3.47%	-0.01%

8 **Write off of Loans and Interest in the Quarter:** (NRs. '000')

Particulars	Amount
Write off Loans during the Quarter	-
Write off Interest Suspense during the	-

9 **Movement of Loan Loss provision and Interest Suspense** (NRs. '000')

Particulars	This Quarter	Previous Quarter	Change %
Loan Loss Provision	76,671.76	71,998.59	6.49%
Interest Suspense	24,101.41	18,987.52	26.93%

10 **Details of Additional Loan Loss Provision** (NRs. '000')

Particulars	This Quarter	Previous Quarter	Movement
Additional Loan Loss Provision	6,532.35	6,792.36	-260.01

11 **Segregation of Investment Portfolio** (NRs. '000')

Particulars	As on 15-Jul-20
Held For Trading	0
Held For Maturity	0
Available for Sale	98,827.35