

Progressive Finance Limited
Disclosure Under Basel II
As at Poush End -2078

1 CAPITAL STRUCTURE & CAPITAL ADEQUACY

(NPR. '000')

A.	Core Capital (Tier I)	874,742.70
a	Paid up Equity Share Capital	800,100.00
b	Irredeemable Non-cumulative preference shares	-
c	Share Premium	7,124.78
d	Proposed Bonus Equity Shares	-
e	Statutory General Reserves	31,637.12
f	Retained Earnings	35,880.80
g	Un-audited current year cumulative profit/(loss)	-
h	Capital Redemption Reserve	-
i	Capital Adjustment Reserve	-
j	Dividend Equalization Reserves	-
k	Other Free Reserve	-
l	Less: Goodwill	-
m	Less: Deferred Tax Assets	-
n	Less: Fictitious Assets	-
o	Less: Investment in equity in licensed Financial Institutions	-
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	Less: Purchase of land & building in excess of limit and unutilized	-
u	Less: Other Deductions	-
B.	Supplementary Capital (Tier 2)	48,167.03
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	-
d	General loan loss provision	47,344.66
e	Exchange Equalization Reserve	-
f	Investment Adjustment Reserve	-
g	Asset Revaluation Reserve	822.37
h	Other Reserves	-
	Total Capital Fund (Tier I and Tier II)	922,909.74

	Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	22.42%
	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	23.65%

2 Risk Exposure

(NRs. '000')

RISK WEIGHTED EXPOSURES		Current Priod
a	Risk Weighted Exposure for Credit Risk	3,548,612.06
b	Risk Weighted Exposure for Operational Risk	215,569.16
c	Risk Weighted Exposure for Market Risk	-
	Add: 1) 6.4a(7) RWA equivalent to reciprocal of capital charge of 3% of Gross Income	24,674.50
	2) 6.4a(9)Overall risk management policies and procedures are not satisfactory @3%	112,925.44
Total Risk Weighted Exposures		3,901,781.16

3 Risk Weighted Exposure under each 11 Categories of Credit Risk

(NRs. '000')

A. Balance Sheet Exposure	Risk Weighted Exposure
1 Claims on Government and Central Bank	153,702.34
2 Claims on Other Official Entities	-
3 Claims on Banks	930,069.81
4 Claims on Corporate & Securities firm	439,841.97
5 Lending Against Securities	196,315.59
6 Claims on Regulatory Retail Portfolio (Not overdue)	2,412,174.19
7 Claims Secured by Residential Properties	175,829.84
8 Claims Secured by Commercial Real Estate	423,582.29
9 Past due claims (except for claims secured by residential properties)	0.00
10 High Risk Claims	40,096.76
11 Other Assets	-
a. Investments in equity and other capital instruments of institutions listed in stock exchange	107,854.13
b. Staff loan secured by residential property	-
c. Other Assets (as per attachment)	681,920.80
12 Off- Balance Sheet Exposures	118558.13
Total RWE for Credit Risk	5,679,945.84

4 Eligible Credit Risk Mitigation

(NRs. '000')

Eligible Credit Risk Mitigations	Amount
Deposit with Banks	978,782.73
Govt. & NRB Securities	415,000.00
Total Eligible CRM	1,393,782.73

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

	Particulars	Gross	Provision	Net
A	Restructured	21,202.71	2,650.34	18,552.37
B	Sub-standard	93,181.06	18,997.71	74,183.35
C	Doubtful	7,942.26	3,971.13	3,971.13
D	Loss	5,631.55	5,631.55	0.00
	Total	127,957.58	31,250.73	96,706.85

6 Non Performing Assets (NPA Ratios)

NPA Ratio	
Gross NPA to Gross Advances	3.64
Net NPA to Net Advances	2.81

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

Particulars	This Quarter	Previous Quarter	Change %
Non Performing Assets	127,957.58	59,225.33	116.05
Non Performing Assets %	3.64%	1.98%	1.66%

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

Particulars	Amount
Write off Loans during the Quarter	523.37
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	78,595.39	54,510.60	44.18%
Interest Suspense	21,129.67	19,713.89	7.18%

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

Particulars	This Quarter	Previous Quarter	Movement
Additional Loan Loss Provision	6,532.35	6,532.35	0.00

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

Particulars	As on 2078-09-30
Held For Trading	0
Held For Maturity	514022
Available for Sale	12,013.51