

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

**1 CAPITAL STRUCTURE & CAPITAL ADEQUACY**

(NPR. '000')

<b>A.</b>	<b>Core Capital (Tier I)</b>	<b>863,809.40</b>
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	30,335.60
f	Retained Earnings	26,249.02
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>36,857.71</b>
a	Cumulative and/or Redeemable Preference Share	-
b	Subordinated Term Debt	-
c	Hybrid Capital Instruments	-
d	General loan loss provision	41,253.44
e	Exchange Equalization Reserve	
f	Investment Adjustment Reserve	
g	Asset Revaluation Reserve	(4,395.73)
h	Other Reserves	-
	<b>Total Capital Fund (Tier I and Tier II)</b>	<b>900,667.11</b>

	Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	23.93%
	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	24.95%

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

<b>RISK WEIGHTED EXPOSURES</b>		<b>Current Priod</b>
a	Risk Weighted Exposure for Credit Risk	3,209,749.31
b	Risk Weighted Exposure for Operational Risk	250,673.27
c	Risk Weighted Exposure for Market Risk	-
	Add: 1) 6.4a(7) RWA equivalent to reciprocal of capital charge of 3% of Gross Income	45,737.00
	2) 6.4a(9) Overall risk management policies and procedures are not satisfactory @3%	103,812.68
<b>Total Risk Weighted Exposures</b>		<b>3,609,972.25</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	164,092.92
2	Claims on Other Official Entities	-
3	Claims on Banks	833,532.75
4	Claims on Corporate & Securities firm	502,933.50
5	Lending Against Securities	220,186.59
6	Claims on Regulatory Retail Portfolio (Not overdue)	2,718,557.91
7	Claims Secured by Residential Properties	183,021.82
8	Claims Secured by Commercial Real Estate	421,979.75
9	Past due claims (except for claims secured by residential properties)	3,973.34
10	High Risk Claims	38,180.43
11	<b>Other Assets</b>	-
a.	Investments in equity and other capital instruments of institutions listed in stock exchange	100,399.70
b.	Staff loan secured by residential property	-
c.	Other Assets (as per attachment)	170,225.58
12	<b>Off- Balance Sheet Exposures</b>	159049.78
<b>Total RWE for Credit Risk</b>		<b>5,516,134.07</b>

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

<b>Eligible Credit Risk Mitigations</b>	<b>Amount</b>
Deposit with Banks	916,017.95
Govt. & NRB Securities	465,000.00
<b>Total Eligible CRM</b>	<b>1,381,017.95</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	103,589.49	23,306.10	80,283.39
C	Doubtful	52,499.00	22,180.46	30,318.54
D	Loss	4,944.87	4,944.87	0.00
	<b>Total</b>	<b>181,021.36</b>	<b>52,929.93</b>	<b>128,091.43</b>

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

NPA Ratio	
Gross NPA to Gross Advances	4.68
Net NPA to Net Advances	3.40

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

Particulars	This Quarter	Previous Quarter	Change %
Non Performing Assets	181,021.36	127,957.58	41.47
Non Performing Assets %	4.68%	3.64%	28.57%

**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	100,715.73	78,595.39	28.14%
Interest Suspense	27,912.93	21,129.67	32.10%

**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 2078-12-30
Held For Trading	0
Held For Maturity	465000
Available for Sale	99,085.91