

**Disclosure under Basel III**

As on 16th July 2019 ( 4th Quarter End-Ashadh of FY 2075/76)

**Capital Structure and Capital Adequacy:**

**• Tier 1 Capital and Breakdown of its Components:**

NPR in 000

Particulars	Amount
Paid up Equity Share Capital	8,026,863
Proposed Bonus Equity Shares	-
Share Premium	238,470
Irredeemable Non- cumulative preference shares	-
Statutory General Reserves	3,813,452
Retained Earnings	133,664
Un-audited current year cumulative profit	2,054,374
Debenture Redemption Reserve	-
Capital Adjustment Reserve	808,195
Capital Redemption Reserve	47,563
Other Free Reserve	138,545
Less: Goodwill	-
Less: Deferred Tax Assests	-
Less: Miscellaneous Expenditure not written off	-
Less: Investment in Equity in licensed Financial Institutions	-
Less: Investment in Equity in licensed Financial Institutions	-
Less: Investment in Equity of institutions with excess of limits	-
Less: Investments arising out of underwriting commitments	-
Less: Reciprocal crossholdings	-
Less: Deferred Tax Assests	-
Less: Intangible Assests	(38,323)
Less: Purchase of land & building in excess of limit and unutilized	-
Less: Other Deductions	(128,476)
Adjustments under Pillar II	-
Less: Shortfall in Provision (6.4 a 1)	-
Less: Loans and Facilities extended to Related Parties and Restricted lending (6.4 a 2)	-
<b>Total (Tier 1) Capital</b>	<b>15,094,326</b>

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	80,000
Subordinated Term Debt	401,307
Hybrid Capital Instruments	-
Stock Premium	-
General loan loss provision	1,130,197
Investment Adjustment Reserve	1,418
Assets Revaluation Reserve	-
Exchange Equalization Reserve	30,162
Other Reserves	22,954
<b>Total (Tier 2) Capital</b>	<b>1,666,039</b>

**• Details of Subordinated Term Debt: Debenture**

<b>Amount</b>	<b>1068.85 million</b>
10 years Debenture	468.85 million
6 years Debenture	600 million
Interest rate:	8%
Interest Payment frequency:	HALF YEARLY
Eligible Amount for Tier 2 Capital	401.31 Million

**• Details of Hybrid Capital Instrument: Cumulative Convertible Preference Share**

Maturity period:	15 YEAR
Dividend Rate:	Rs. 7/- per share
Dividend Payment frequency:	YEARLY
Amount(Initial)	200 million
Eligible Amount for Tier 2 Capital	80 million

Features :

20% amount of Initial Amount will be converted in Ordinary Share in every Three Years.

**• Deductions from Capital:**

The bank does not hold any amount as stipulated in the Framework that qualifies for deduction from its core capital.

**• Total qualifying capital:**

	NPR in 000
Particulars	Amount
Core Capital (Tier 1)	15,094,326
Supplementary Capital (Tier 2)	1,666,039
<b>Total Capital Fund</b>	<b>16,760,364</b>

**Risk Exposures:**

**• Risk weighted exposures under each 11 categories of Credit Risk:**

	NPR in 000
Categorises	Risk Weighted Exposure
Claims on Other Financial Entities	-
Claims on Banks	2,355,475
Claims on Domestic Corporates and Securities Firms	53,370,269
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	16,506,956
Claims secured by residential properties	9,262,019
Claims secured by Commercial real estate -	3,879,648
Investment in equity of Institutions	360,719
Past due claims	49,334
High Risk claims	12,327,069
Staff Loan Secured by Residential Property	567,275
Other Assets/Cash in Transit	2,496,764
Off Balance Sheet Items	8,763,838
<b>Total</b>	<b>109,939,364</b>

**• Total Risk Weight Exposures calculation table:**

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	109,939,364
Risk Weighted Exposure for Operational Risk	7,453,830
Risk Weighted Exposure for Market Risk	950,036
<b>Adjustments under Pillar II</b>	-
ALM policies & practices are not satisfactory, add 1% of net interest income to RWE SRP 6	-
Add .....% of the total deposit due to insufficient Liquid Assets SRP 6.4a (6)	-
Add RWE equivalent to reciprocal of capital charge of 2 % of gross income SRP 6.4a (7)	1,194,390
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP	2,366,865
If desired level of disclosure requirement has not been achieved, Add .....% of RWE SRP 6.4a (10)	-
<b>Total Risk Weighted Exposures</b>	<b>121,904,484</b>
Total Core Capital to Total Risk Weighted Exposures	12.38%
Total Capital to Total Risk Weighted Exposures	13.75%

**• Amount of Non Performing Assets (both Gross and Net)**

NPR in 000

Particulars	Amount	Loan Loss Provision	Net NPL
Non Performing Loans (NPL)	-	-	-
Restructured	-	-	-
Sub-Standard	67,205	16,801	50,404
Doubtful	9,648	4,824	4,824
Loss	100,405	100,405	-
<b>Total</b>	<b>177,258</b>	<b>122,030</b>	<b>55,227</b>

**• NPA Ratios**

NPA Ratios	(%)
Gross NPA to Gross Advances	0.16%
Net NPA to Net Advances	0.05%

**• Movement in Non Performing Assets**

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	177,258	198,458	-10.68%
Non Performing Assets (%)	0.16%	0.18%	-10.68%

**• Write off of Loans and Interest Suspense in the Quarter**

NPR in 000

Loan	3,320
Interest Suspense	-

**• Movement in Loan Loss Provision and Interest Suspense:**

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	1,265,786	1,267,761	-0.16%
Interest Suspense	41,732	410,024	-89.82%

**• Details of Additional Loan Loss Provision:**

NPR in 000

Particulars	16.07.2019
Pass	-
Rescheduled/ Restructured	-
Sub-Standard	-
Doubtful	-
Loss	-
Others	16,464
<b>Total</b>	<b>16,464</b>

**• Segregation of Investment Portfolio:**

NPR in 000

Particulars	16.07.2019
Held for Trading	-
Held to Maturity	21,365,451
Available for sale	1,247,426
<b>Total Investment</b>	<b>22,612,877</b>