

Disclosure under Basel III

As on 16th Nov 2020 (1st Quarter End-Ashwin of FY 2077/78)

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

NPR in 000

Particulars	Amount
Paid up Equity Share Capital	8,470,207
Proposed Bonus Equity Shares	-
Share Premium	238,470
Irredeemable Non- cumulative preference shares	-
Statutory General Reserves	4,318,303
Retained Earnings	1,793,066
Un-audited current year cumulative profit	230,233
Dividend Equalization Reserve	-
Capital Adjustment Reserve	975,080
Capital Redemption Reserve	47,563
Other Free Reserve	118,587
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	(46,136)
Less: Purchase of land & building in excess of limit and unutilized	(31,200)
Less: Other Deductions	(40,312)
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)	-
Total (Tier 1) Capital	16,073,860

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	40,000
Subordinated Term Debt	187,538
Hybrid Capital Instruments	-
Stock Premium	-
General loan loss provision	1,735,071
Investment Adjustment Reserve	2,773
Assets Revaluation Reserve	-
Exchange Equalization Reserve	35,067
Other Reserves	10,323
Total (Tier 2) Capital	2,010,772

• Details of Subordinated Term Debt: Debenture

Amount		1068.85 million
	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		187.54 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	40 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:**

Particulars	NPR in 000
	Amount
Core Capital (Tier 1)	16,073,860
Supplementary Capital (Tier 2)	2,010,772
Total Capital Fund	18,084,633

Risk Exposures:

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

Categorises	NPR in 000
	Risk Weighted Exposure
Claims on Other Financial Entities	-
Claims on Banks	2,698,756
Claims on Domestic Corporates and Securities Firms	62,134,205
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	16,963,693
Claims secured by residential properties	10,457,145
Claims secured by Commercial real estate -	3,537,520
Investment in equity of Institutions	533,154
Past due claims	187,415
High Risk claims	11,908,730
Staff Loan Secured by Residential Property	554,353
Other Assets/Cash in Transit	4,508,735
Off Balance Sheet Items	11,124,218
Total	124,607,924

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

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	124,607,924
Risk Weighted Exposure for Operational Risk	9,137,182
Risk Weighted Exposure for Market Risk	327,032
Adjustments under Pillar II	-
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)	2,052,083
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP	2,681,443
If desired level of disclosure requirement has not been achieved, Add% of RWE SRP 6.4a (10)	-
Total Risk Weighted Exposures	138,805,663
Total Core Capital to Total Risk Weighted Exposures	11.58%
Total Capital to Total Risk Weighted Exposures	13.03%

• 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	30,660	7,665	92,610.56
Doubtful	123,699	61,850	61,849.67
Loss	119,260	119,260	-
Total	273,619	188,774	84,845

• NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.22%
Net NPA to Net Advances	0.07%

• Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	273619	265716	2.97%
Non Performing Assets (%)	0.22%	0.22%	0.07%

• Write off of Loans and Interest Suspense in the Quarter

NPR in 000

Loan	-
Interest Suspense	-

• Movement in Loan Loss Provision and Interest Suspense:

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	2,018,650	1,814,256	11.27%
Interest Suspense	741,780	588,362	26.08%

• Details of Additional Loan Loss Provision:

NPR in 000

Particulars	16.11.2020
Pass	-
Rescheduled/ Restructured	-
Sub-Standard	-
Doubtful	-
Loss	-
Others	16,464
Total	16,464

• Segregation of Investment Portfolio:

NPR in 000

Particulars	16.11.2020
Held for Trading	-
Held to Maturity	34,941,526
Available for sale	1,425,526
Total Investment	36,367,052