

**Disclosure under Basel III**

As on 15th July 2020 ( 4th Quarter End-Ashad of FY 2076/77)

**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	4,315,053
Retained Earnings	307,435
Un-audited current year cumulative profit	-
Dividend Equalization Reserve	47,563
Capital Adjustment Reserve	975,080
Capital Redemption Reserve	1,420,092
Other Free Reserve	119,024
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	(45,151)
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)	-
<b>Total (Tier 1) Capital</b>	<b>15,776,261</b>

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	1,646,084
Investment Adjustment Reserve	1,453
Assets Revaluation Reserve	16,464
Exchange Equalization Reserve	30,162
Other Reserves	22,954
<b>Total (Tier 2) Capital</b>	<b>1,944,656</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		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)	15,776,261
Supplementary Capital (Tier 2)	1,944,656
<b>Total Capital Fund</b>	<b>17,720,916</b>

**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	2,419,743
Claims on Domestic Corporates and Securities Firms	59,136,094
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	16,605,052
Claims secured by residential properties	10,524,822
Claims secured by Commercial real estate -	4,268,186
Investment in equity of Institutions	250,502
Past due claims	154,724
High Risk claims	12,094,597
Staff Loan Secured by Residential Property	472,729
Other Assets/Cash in Transit	3,827,618
Off Balance Sheet Items	9,600,302
<b>Total</b>	<b>119,354,370</b>

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

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	119,354,370
Risk Weighted Exposure for Operational Risk	8,195,200
Risk Weighted Exposure for Market Risk	749,309
<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)	2,139,000
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP	2,565,978
If desired level of disclosure requirement has not been achieved, Add .....% of RWE SRP 6.4a (10)	-
<b>Total Risk Weighted Exposures</b>	<b>133,003,856</b>
Total Core Capital to Total Risk Weighted Exposures	11.86%
Total Capital to Total Risk Weighted Exposures	13.32%

**• 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	123,525	30,881	92,610.56
Doubtful	49,580	45,201	4,378.56
Loss	92,611	70,416	22,194.95
<b>Total</b>	<b>265,716</b>	<b>146,498</b>	<b>119,217</b>

**• NPA Ratios**

NPA Ratios	(%)
Gross NPA to Gross Advances	0.22%
Net NPA to Net Advances	0.10%

**• Movement in Non Performing Assets**

**NPR in 000**

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	265716	236073	12.56%
Non Performing Assets (%)	0.22%	0.20%	12.52%

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

**NPR in 000**

Loan	Nil
Interest Suspense	576,052,244.87

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

**NPR in 000**

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	1,814,256	1,373,470	32.09%
Interest Suspense	588,362	1,163,552	-49.43%

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

**NPR in 000**

Particulars	15.07.2020
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	15.07.2020
Held for Trading	-
Held to Maturity	31,777,293
Available for sale	1,435,378
<b>Total Investment</b>	<b>33,212,671</b>