

## Disclosure under Basel III

As on 13th April 2021 ( 3rd Quarter End-Chaitra 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	8,893,717
Proposed Bonus Equity Shares	-
Share Premium	238,470
Irredeemable Non- cumulative preference shares	-
Statutory General Reserves	4,318,303
Retained Earnings	901,465
Un-audited current year cumulative profit	1,204,925
Debenture Redemption 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	(36,903)
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>16,589,696</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	1,515,465
Investment Adjustment Reserve	2,773
Assets Revaluation Reserve	-
Exchange Equalization Reserve	35,067
Other Reserves	10,323
<b>Total (Tier 2) Capital</b>	<b>1,791,167</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:**

<b>NPR in 000</b>	
<b>Particulars</b>	<b>Amount</b>
Core Capital (Tier 1)	16,589,696
Supplementary Capital (Tier 2)	1,791,167
<b>Total Capital Fund</b>	<b>18,380,863</b>

**Risk Exposures:**

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

<b>NPR in 000</b>	
<b>Categorises</b>	<b>Risk Weighted Exposure</b>
Claims on Other Financial Entities	-
Claims on Banks	2,517,583
Claims on Domestic Corporates and Securities Firms	67,279,860
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	19,226,275
Claims secured by residential properties	10,643,955
Claims secured by Commercial real estate -	2,368,752
Investment in equity of Institutions	1,093,787
Past due claims	42,524
High Risk claims	14,186,711
Staff Loan Secured by Residential Property	554,353
Other Assets/Cash in Transit	5,266,694
Off Balance Sheet Items	11,942,656
<b>Total</b>	<b>135,123,151</b>

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

<b>RISK WEIGHTED EXPOSURES</b>	<b>Amount</b>
Risk Weighted Exposure for Credit Risk	135,123,151

Risk Weighted Exposure for Operational Risk	9,137,182
Risk Weighted Exposure for Market Risk	663,753
<b>Adjustments under Pillar II</b>	-
ALM policies & practices are not satisfactory, add 1% of net interest income to RWE SRP 6.4a (5)	-
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)	1,865,343
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP 6.4a (9)	2,898,482
If desired level of disclosure requirement has not been achieved, Add .....% of RWE SRP 6.4a (10)	-
<b>Total Risk Weighted Exposures</b>	<b>149,687,911</b>
Total Core Capital to Total Risk Weighted Exposures	11.08%
Total Capital to Total Risk Weighted Exposures	12.28%

#### • 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	37,629	9,407	28,221
Doubtful	20,466	10,233	10,233
Loss	99,177	99,177	-
<b>Total</b>	<b>157,272</b>	<b>118,817</b>	<b>38,454</b>

#### • NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.12%
Net NPA to Net Advances	0.03%

#### • Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	157,272	231,539	-32.08%
Non Performing Assets (%)	0.12%	0.19%	-35.96%

#### • 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	1,634,283	1,683,410	-2.92%
Interest Suspense	1,011,511	375,318	169.51%

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

NPR in 000

Particulars	13.04.2021
Pass	-
Rescheduled/ Restructured	-
Sub-Standard	-
Doubtful	-
Loss	-
Others	16,464
<b>Total</b>	<b>16,464</b>

**• Segregation of Investment Portfolio:****NPR in 000**

<b>Particulars</b>	<b>13.04.2021</b>
Held for Trading	-
Held to Maturity	30,641,302
Available for sale	2,652,632
<b>Total Investment</b>	<b>33,293,934</b>





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