

**Disclosure under Basel III**

As on 13th April 2022 ( 3rd Quarter End-Chaitra of FY 2078/79)

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

NPR in 000

| Particulars   | Amount            |
|---|-------------------|
| Paid up Equity Share Capital  | 9,427,340         |
| Proposed Bonus Equity Shares  | -                 |
| Share Premium   | 238,470           |
| Irredeemable Non- cumulative preference shares  | -                 |
| Statutory General Reserves  | 4,726,450         |
| Retained Earnings   | 1,446,376         |
| Un-audited current year cumulative profit   | 1,709,840         |
| Dividend Equalization Reserve   | -                 |
| Capital Adjustment Reserve  | 647,563           |
| Capital Redemption Reserve  | -                 |
| Debenture Redemption Reserve  | 421,965           |
| Other Free Reserve  | 88,177            |
| 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  | (27,497)          |
| Less: Purchase of land & building in excess of limit and unutilized                     | (31,200)          |
| Less: Other Deductions  | (97,071)          |
| 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>18,550,414</b> |

NPR in 000

| Particulars                                   | Amount           |
|---|------------------|
| Cumulative and/or Redeemable Preference Share | 40,000           |
| Subordinated Term Debt                        | 93,769           |
| Hybrid Capital Instruments                    | -                |
| Stock Premium                                 | -                |
| General loan loss provision                   | 1,934,094        |
| Investment Adjustment Reserve                 | 2,763            |
| Assets Revaluation Reserve                    | -                |
| Exchange Equalization Reserve                 | 38,060           |
| Other Reserves                                | -                |
| <b>Total (Tier 2) Capital</b>                 | <b>2,108,686</b> |

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

|                                    |                    |                        |
|------------------------------------|--------------------|------------------------|
| <b>Amount</b>                      |                    | <b>1325.63 million</b> |
|                                    | 10 years Debenture | 468.85 Million         |
|                                    | 8 years Debenture  | 856.78 Million         |
| Interest rate:                     |                    | 8%                     |
| Interest Payment frequency:        |                    | HALF YEARLY            |
| Eligible Amount for Tier 2 Capital |                    | 93.77 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)          | 18,550,414        |
| Supplementary Capital (Tier 2) | 2,108,686         |
| <b>Total Capital Fund</b>      | <b>20,659,100</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  | 3,556,286              |
| Claims on Domestic Corporates and Securities Firms             | 78,481,997             |
| Claims on Regulatory Retail Portfolio & Other Retail Portfolio | 21,627,905             |
| Claims secured by residential properties                       | 11,080,515             |
| Claims secured by Commercial real estate -                     | 1,938,948              |
| Investment in equity of Institutions                           | 1,074,915              |
| Past due claims  | 88,898                 |
| High Risk claims   | 16,713,744             |
| Staff Loan Secured by Residential Property                     | 554,353                |
| Other Assets/Cash in Transit                                   | 5,384,098              |
| Off Balance Sheet Items  | 13,213,379             |
| <b>Total</b>   | <b>153,715,038</b>     |

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

| RISK WEIGHTED EXPOSURES   | Amount             |
|---|--------------------|
| Risk Weighted Exposure for Credit Risk  | 153,715,038        |
| Risk Weighted Exposure for Operational Risk   | 8,856,874          |
| Risk Weighted Exposure for Market Risk  | 1,260,885          |
| <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 3% of gross income SRP 6.4a (7)             | 1,504,395          |
| Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP           | 3,276,656          |
| If desired level of disclosure requirement has not been achieved, Add .....% of RWE SRP 6.4a (10) | -                  |
| <b>Total Risk Weighted Exposures</b>  | <b>168,613,848</b> |
| Total Core Capital to Total Risk Weighted Exposures   | 11.00%             |
| Total Capital to Total Risk Weighted Exposures  | 12.25%             |

**• 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               | 68,383         | 17,096              | 51,287        |
| Doubtful                   | 53,241         | 26,621              | 26,621        |
| Loss                       | 281,321        | 283,300             | (1,978.97)    |
| <b>Total</b>               | <b>402,946</b> | <b>327,017</b>      | <b>75,929</b> |

**• NPA Ratios**

| NPA Ratios                  | (%)   |
|-----------------------------|-------|
| Gross NPA to Gross Advances | 0.26% |
| 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) | 402,946      | 401,213          | 0.43%      |
| Non Performing Assets (%)       | 0.26%        | 0.26%            | 0.35%      |

**• 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 | 2,490,613    | 2,484,327        | 0.25%      |
| Interest Suspense   | 1,003,525    | 801,718          | 25.17%     |

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

NPR in 000

| Particulars               | 13.04.2022    |
|---------------------------|---------------|
| 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             | 13.04.2022        |
|-------------------------|-------------------|
| Held for Trading        | -                 |
| Held to Maturity        | 33,120,202        |
| Available for sale      | 1,673,668         |
| <b>Total Investment</b> | <b>34,793,870</b> |