

**Disclosure under Basel III**

**As on 16th July 2022 ( 4th Quarter End-Ashad of FY 2078/79)**

**Capital Structure and Capital Adequacy:**

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

**NPR in 000**

<b>Particulars</b>	<b>Amount</b>
Paid up Equity Share Capital	9,427,340
Proposed Bonus Equity Shares	-
Share Premium	238,470
Irredeemable Non- cumulative preference shares	-
Statutory General Reserves	5,311,837
Retained Earnings	1,446,376
Un-audited current year cumulative profit	2,449,078
Dividend Equalization Reserve	-
Capital Adjustment Reserve	647,563
Capital Redemption Reserve	-
Debenture Redemption Reserve	468,845
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	(21,646)
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>19,927,769</b>

**NPR in 000**

<b>Particulars</b>	<b>Amount</b>
Cumulative and/or Redeemable Preference Share	40,000
Subordinated Term Debt	-
Hybrid Capital Instruments	-
Stock Premium	-
General loan loss provision	1,950,861
Investment Adjustment Reserve	2,691
Assets Revaluation Reserve	-
Exchange Equalization Reserve	38,661
Other Reserves	-
<b>Total (Tier 2) Capital</b>	<b>2,032,213</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% & 8.5%
Interest Payment frequency:		HALF YEARLY
Eligible Amount for Tier 2 Capital		-

• **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)	19,927,769
Supplementary Capital (Tier 2)	2,032,213
<b>Total Capital Fund</b>	<b>21,959,981</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	4,045,757
Claims on Domestic Corporates and Securities Firms	78,904,952
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	17,628,361
Claims secured by residential properties	10,673,116
Claims secured by Commercial real estate -	1,844,021
Investment in equity of Institutions	2,758,270
Past due claims	52,566
High Risk claims	26,644,522
Staff Loan Secured by Residential Property	554,353
Other Assets/Cash in Transit	5,261,942
Off Balance Sheet Items	20,836,514
<b>Total</b>	<b>169,204,374</b>

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

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	169,204,374
Risk Weighted Exposure for Operational Risk	8,856,874
Risk Weighted Exposure for Market Risk	647,188
<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	3,574,169
If desired level of disclosure requirement has not been achieved, Add .....% of RWE SRP 6.4a (10)	-
<b>Total Risk Weighted Exposures</b>	<b>183,786,999</b>
Total Core Capital to Total Risk Weighted Exposures	10.84%
Total Capital to Total Risk Weighted Exposures	11.95%

**• 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	47,082	11,770	35,311
Doubtful	40,175	20,087	20,087
Loss	288,713	288,713	-
<b>Total</b>	<b>375,970</b>	<b>320,571</b>	<b>55,399</b>

**• NPA Ratios**

NPA Ratios	(%)
Gross NPA to Gross Advances	0.24%
Net NPA to Net Advances	0.04%

**• Movement in Non Performing Assets**

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	375,970	402,946	-6.69%
Non Performing Assets (%)	0.24%	0.26%	-7.93%

**• 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	2,540,474	2,490,613	2.00%
Interest Suspense	605,065	1,003,525	-39.71%

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

NPR in 000

Particulars	16.07.2022
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	16.07.2022
Held for Trading	-
Held to Maturity	38,257,914
Available for sale	1,771,652
<b>Total Investment</b>	<b>40,029,566</b>