

Disclosure under Basel III

As on 14th JAN 2023 (2nd Quarter End-Pouch of FY 2079/80)

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

NPR in 000

Particulars	Amount
Paid up Equity Share Capital	10,698,094
Proposed Bonus Equity Shares	-
Share Premium	238,470
Irredeemable Non- cumulative preference shares	-
Statutory General Reserves	5,653,520
Retained Earnings	2,524,123
Un-audited current year cumulative profit	-
Dividend Equalization Reserve	-
Capital Adjustment Reserve	647,563
Capital Redemption Reserve	468,845
Debenture Redemption Reserve	-
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	(36,434)
Less: Purchase of land & building in excess of limit and unutilized	(31,200)
Less: Negative Balances of reserve accounts	(105,011)
Less: Other Deductions	(111,957)
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	20,034,189

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	-
Subordinated Term Debt	2,000,000
Hybrid Capital Instruments	-
Stock Premium	-
General loan loss provision	2,081,121
Investment Adjustment Reserve	2,691
Assets Revaluation Reserve	-
Exchange Equalization Reserve	51,738
Other Reserves	16,464
Total (Tier 2) Capital	4,152,014

• Details of Subordinated Term Debt: Debenture

Amount	3325.63 Million
10 years Debenture	468.85 Million
8 years Debenture	856.78 Million
6 Years Debenture	2000.00 Million
Interest rate:	8% , 8.5% & 10.50%
Interest Payment frequency:	HALF YEARLY
Eligible Amount for Tier 2 Capital	2,000.00

• 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:**

	NPR in 000
Particulars	Amount
Core Capital (Tier 1)	20,034,189
Supplementary Capital (Tier 2)	4,152,014
Total Capital Fund	24,186,204

Risk Exposures:

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

	NPR in 000
Categorises	Risk Weighted Exposure
Claims on Other Financial Entities	-
Claims on Banks	5,622,563
Claims on Domestic Corporates and Securities Firms	87,138,395
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	18,995,373
Claims secured by residential properties	10,620,623
Claims secured by Commercial real estate	1,594,685
Trust Receipt Loans for Trading Firms	1,720,403
Investment in equity of Institutions	806,562
Lending against Shares (upto Rs.2.5 Million)	20,018
Past due claims	-
High Risk claims	27,484,794
Staff Loan Secured by Residential Property	1,479,581
Other Assets/Cash in Transit	4,975,077
Off Balance Sheet Items	18,729,981
Total	179,188,055

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

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	179,188,055
Risk Weighted Exposure for Operational Risk	8,947,133
Risk Weighted Exposure for Market Risk	918,929
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 3% of gross income SRP 6.4a (7)	1,998,527
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP	3,781,082
If desired level of disclosure requirement has not been achieved, Add% of RWE SRP 6.4a (10)	-
Total Risk Weighted Exposures	194,833,726
Total Core Capital to Total Risk Weighted Exposures	10.28%
Total Capital to Total Risk Weighted Exposures	12.41%

• 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	571,426	142,856	35,311
Doubtful	199,417	99,709	20,087
Loss	134,654	134,654	-
Total	905,498	377,220	528,278

• NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.55%
Net NPA to Net Advances	0.32%

• Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	905,498	518,478	74.65%
Non Performing Assets (%)	0.55%	0.33%	65.99%

• Write off of Loans and Interest Suspense in the Quarter

NPR in 000

Loan	166.82
Interest Suspense	-

• Movement in Loan Loss Provision and Interest Suspense:

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	2,768,702	2,712,509	2.07%
Interest Suspense	1,117,028	759,138	47.14%

• Details of Additional Loan Loss Provision:

NPR in 000

Particulars	14.01.2023
Pass	2,081,121
Watch List	152,467
Rescheduled/ Restructured	141,430
Sub-Standard	142,856
Doubtful	99,709
Loss	134,654
Others	16,464
Total	2,768,702

• Segregation of Investment Portfolio:

NPR in 000

Particulars	14.01.2023
Held for Trading	-
Held to Maturity	38,090,151
Available for sale	1,807,449
Total Investment	39,897,600