

Disclosure under Basel III

As on October 2017 (1st Quarter End-Ashwin 2074 of FY 2074/75)

Capital Structure and Capital Adequacy:

• Tier 1 Capital and Breakdown of its Components:

NPR in 000

Particulars	Amount
Paid up Equity Share Capital	6,035,235
Proposed Bonus Equity Shares	-
Share Premium	238,470
Irredeemable Non- cumulative preference shares	-
Statutory General Reserves	2,687,894
Retained Earnings	2,545,434
Un-audited current year cumulative profit	531,474
Debenture Redemption Reserve	474,425
Capital Adjustment Reserve	47,563
Capital Redemption Reserve	-
Other Free Reserve	108,240
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	(70,835)
Less: Intangible Assests	(5,970)
Less: Purchase of land & building in excess of limit and unutilized	(31,200)
Less: Other Deductions	-
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	12,560,729

NPR in 000

Particulars	Amount
Cumulative and/or Redeemable Preference Share	80,000
Subordinated Term Debt	828,845
Hybrid Capital Instruments	-
Stock Premium	-
General loan loss provision	856,659
Investment Adjustment Reserve	1,418
Assets Revaluation Reserve	-
Exchange Equalization Reserve	28,236
Other Reserves	15,100
Total (Tier 2) Capital	1,810,258

• Details of Subordinated Term Debt: Debenture

Amount	1068.85 million
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	828.85 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	80 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:

	NPR in 000
Particulars	Amount
Core Capital (Tier 1)	12,560,729
Supplementary Capital (Tier 2)	1,810,258
Total Capital Fund	14,370,987

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	2,137,148
Claims on Domestic Corporates and Securities Firms	39,440,570
Claims on Regulatory Retail Portfolio & Other Retail Portfolio	14210769
Claims secured by residential properties	5,952,804
Claims secured by Commercial real estate -	2032801
Investment in equity of Institutions	103,317
Past due claims	15,641
High Risk claims	10,371,511
Staff Loan Secured by Residential Property	209,612
Other Assets/Cash in Transit	2,603,535
Off Balance Sheet Items	6,485,221
Total	83,562,928

• Total Risk Weight Exposures calculation table:

RISK WEIGHTED EXPOSURES	Amount
Risk Weighted Exposure for Credit Risk	83,562,928
Risk Weighted Exposure for Operational Risk	6,291,389
Risk Weighted Exposure for Market Risk	328,145
Adjustments under Pillar II	-
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)	953,500
Overall risk management policies and procedures are not satisfactory. Add 2% of RWE SRP 6.4a (9)	1,803,649
If desired level of disclosure requirement has not been achieved, Add% of RWE SRP 6.4a (10)	-
Total Risk Weighted Exposures	92,939,612
Total Core Capital to Total Risk Weighted Exposures	13.51%
Total Capital to Total Risk Weighted Exposures	15.46%

• 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	21,003	5,251	15,752
Doubtful	608	304	304
Loss	192,946	192,946	-
Total	214,557	198,501	16,056

• NPA Ratios

NPA Ratios	(%)
Gross NPA to Gross Advances	0.26%
Net NPA to Net Advances	0.02%

• Movement in Non Performing Assets

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Non Performing Assets (Volumes)	214,557	198,905	7.87%
Non Performing Assets (%)	0.26%	0.25%	0.01%

• Write off of Loans and Interest Suspense in the Quarter

NPR in 000

Loan	-
Interest Suspense	971.00

• Movement in Loan Loss Provision and Interest Suspense:

NPR in 000

Particulars	This Quarter	Previous Quarter	Changes(%)
Loan Loss Provision	1,055,159.94	996,914.43	5.84%
Interest Suspense	269,036	174,036.95	54.59%

• Details of Additional Loan Loss Provision:

NPR in 000

Particulars	17.10.2017
Pass	-
Rescheduled/ Restructured	-
Sub-Standard	-
Doubtful	-
Loss	-
Others	16,464
Total	16,464

• Segregation of Investment Portfolio:

NPR in 000

Particulars	17.10.2017
Held for Trading	-
Held to Maturity	13,155,939
Available for sale	75,849
Total Investment	13,231,788

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