

MACRO-PRUDENTIAL RULES AND REGULATION (2015): DISCLOSURE REQUIREMENTS

ANNEXURE I: FORMAT FOR ANNUAL DISCLOSURES

DRUK PNB BANK LTD.

For the Year ended December 31, 2016

Item 1: Tier I Capital and its Sub-components

Sl. No.	Particulars	31.12.2016	31.12.2015
1	Total Tier I Capital		
a	Paid - Up Capital	450000.00	450000.00
b	General Reserves	327208.46	239452.33
c	Share Premium Account	28150.80	28150.80
d	Retained Earning	145477.27	106277.02
	Less		
e	Losses for the Current Year	0.00	0.00
	Total	950836.53	823880.15

Item 2: Tier 2 Capital and its Sub-components

Sl. No.	Particulars	31.12.2016	31.12.2015
1	Tier II Capital		
a	Capital Reserve	0.00	0.00
b	Fixed Assets Revaluation Reserve	0.00	0.00
c	Exchange Fluctuation Reserve	10301.92	5785.83
d	Investment Fluctuation Reserve	0.00	0.00
e	Research and Development Fund	0.00	0.00

f	General Provision	49644.05	43404.34
g	Capital Grants	0.00	0.00
h	Subordinate Debt	178800.00	207600.00
i	Profit for the Year	176431.16	
	Total	238745.97	256790.17

Item 3: Risk Weighted Assets (Current period and COPPY)

Sl	Risk Weighted Assets	Balance Sheet Amount		Risk Weight %	Risk Weighted Asset	
		31.12.2016	31.12.2015		31.12.2016	31.12.2015
1	LAFD	89,775.37	114,868.81	0%	-	0.00
2	L & A other than LAFD	4,786,472.04	4,207,127.27	100%	4,786,472.04	5,974,223.04
3	Non Permoing Loan less sepcial prov.	40,739.18		150%	61,108.77	
4	Claim on Commercial Banks	2,154,638.33	2,253,079.28	20%	430,927.67	521,877.51
5	Fixed Assets	42,838.89	34,380.67	100%	42,838.89	34,380.67
6	Other Assets	574,346.35	94,789.03	100%	574,346.35	94,789.03
7	Off Balance Sheet Items (Direct Credit Substitute)	428,333.88	1,601,355.33	100%	428,333.88	1601355.33
8	Off Balance Sheet Items (Transaction related contingent item)	1,728,706.98		50%	864,353.49	
	Total Credit Risk					
9	Operational risk				452,305.15	-
	Grand Total	9,845,851.02	8,305,600.39		7,640,686.24	8,226,625.58

Item 4: Capital Adequacy Ratios

Sl. No.	Particulars	31.12.2016	31.12.2015
1	Tier 1 Capital	998779.51	823880.15
a	<i>Of which Counter-Cyclical Capital Buffer (CCYB) (if applicable)</i>		
b	<i>Of which Sectoral Capital Requirements (SCR) (if applicable)</i>		
i	<i>Sector 1</i>		

ii		Sector 2		
iii		Sector 3		
2	Tier 2 Capital		415177.13	256790.17
3	Total Qualifying capital		1413956.64	1080670.32
4	Core CAR		13.60%	10.01%
a	<i>Of which CCyB (if applicable) expressed as % of RWA</i>			
b	<i>Of which SCR (if applicable) expressed as % of Sectoral RWA</i>			
i		Sector 1		
ii		Sector 2		
iii		Sector 3		
5	CAR		19.25%	13.14%
6	Leverage ratio		10.46%	9.92%

Item 5: Loans and NPL by Sectoral Classifications

Sl. No.	Sector	31.12.2016		31.12.2015	
		Total Loans	NPL	Total Loans	NPL
a	Agriculture	15476.59	473.465	620.187	432.832
b	Manufacturing / Industry	628520.44	427891.00	501847.05	14802.42
c	Service & Tourism	1367953.10	68605.50	,177079.14	54156.62
d	Trade & Commerce	414741.59	15896.48	91437.246	25212.19
e	Housing	1455969.94	7531.68	,201999.93	7352.29
f	Transport	127774.74	7556.29	116279.81	9065.79
g	Loans to Purchase Securities	289420.34		264638.735	
h	Personal Loan	259550.26	20636.49	320965.76	81646.64
i	Education Loan	14860.63	492.11	19089.37	503.19
j	Loan Against Term Deposits	89775.37		114735.67	
k	Loans to FI (s)	250075.34		3683.08	
l	Infrastructure Loan				
m	Staff loan (incentive)	20545.04		5528.14	
n	Loans to Govt. Owned Corporation	105566.04		115267.05	
o	Consumer Loan (GE)			66307.65	1730.88

4	Time deposits								
5	Bonds & other negotiable instruments								
6	Other liabilities								
	TOTAL	0	0	0	0	0	0	0	0
1	Assets/Liabilities	1350246.18	8537.32	135609.14	137126.76	131466.22	160680.94	2535812.24	4459478.80
2	Net Mismatch in each Time Interval								
3	Cumulative Net Mismatch								

Item 9: Assets and Liabilities by Time - To - Re-pricing (Current Period and COPPY)

Sl.No.	As of period ending	Time to re-pricing				Non-interest bearing	Total
	Assets	0-3 months	3-6 months	6-12 months	More than 12 months		
1	Cash and Balances with banks						
2	Treasury Bills						
3	Loans and Advances	180,100.470	173,484.743	364,733.117	3,741,030.468	130.00	4,459,478.798
4	Investment securities						
5	Other Assets						
6	Total financial assets						
		180100.470	173484.743	364733.117	3741030.468	130.000	4459478.798
	Liabilities						
1	Deposits						
2	Borrowings						
3	Other Liabilities						
4	Total financial liabilities	0	0	0	0	0	0
5	Total interest Re-pricing gap						

Item 10: Non Performing Loans and Provisions

Sl.		Current Period	COPPY
	Gross Loans	5,040,229.40	4,459,478.80
1	Amount of NPLs (Gross)	163,982.00	194,902.85
a	Substandard	2,347.19	57,305.30
b	Doubtful	19,328.90	26,267.26
c	Loss	142,305.91	111,330.29
		163,982.00	194,902.85
2	Specific Provisions	123,242.82	111,704.43
a	Substandard	425.01	8,147.11
b	Doubtful	9,642.85	12,509.84
c	Loss	113,174.96	91,047.48
		123,242.82	111,704.43
3	Interest - in Suspense	30,769.68	25,911.43
a	Substandard	222.13	2,991.24
b	Doubtful	1,416.60	2,637.38
c	Loss	29,130.95	20,282.81
		30,769.68	25,911.43
4	Net NPLs	9,969.50	26,366.14
a	Substandard	1,700.05	46,166.95
b	Doubtful	8,269.45	11,120.04
c	Loss	-	-
		9,969.50	57,286.99
	Net NPLs	9,969.50	57,286.99
	Net Loans	4,886,216.91	4,321,862.94
5	Gross NPLs to Gross Loans	3.25%	4.37%
6	Net NPLs to net Loans	0.20%	1.33%
7	General Provisioning		
a	Standard	44,701.99	39,441.39
b	Watch	4,942.06	3,962.95

Item 11: Assets and Investments

SL. No.	Investment	31.12.2016	31.12.2015
1	Marketable Securities (Interest Earnings)		
a.	RMA Securities	00	00
b.	RGoB Bonds/Securities	00	00
c.	Corporate Bonds	250000.00	250000.00
d.	Others	00	00
2	Equity Investments		
e.	Public Companies	00	00
f.	Private Companies	00	00
g.	Commercial banks	00	00
h.	Non-Bank Financial Institutions	00	00
Less			
i.	Specific Provisions	00	00
3	Fixed Assets		
j.	Fixed Assets (Gross)	131453.85	108516.11
Less			
k.	Accumulated Depreciations	88614.96	74135.45
l.	Fixed Assets (Net Book Value)	42838.89	3438.67

Item 12: Foreign Exchange Assets and Liabilities (Current Period & COPY)

CURRENCY	Assets in Foreign Currency	Liabilities in Foreign Currency	NET SHORT TERM POSITION	Assets in Foreign Currency	Liabilities in Foreign Currency	LONG TERM NET POSITION	OVERALL NET POSITION	OVERALL NET POSITION*/ CORE CAPITAL
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 3 + 6	8
USD	8754.81	0.00	8754.81	697291.98	1046.24	696245.74	705000.55	74.15
SG \$	0.00	0.00	0.00	1222.53	0.00	1222.53	1222.53	0.13
EURO	32.12	0.00	32.12	913.28	0.00	913.28	945.40	0.10
AUD	239.85	0.00	239.85	0.00	0.00	0.00	239.85	0.03
CAD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HKD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GBP	0.00	0.00	0.00	1485.89	0.00	1485.89	1485.89	0.16
SFR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ACU \$	0.00	0.00	0.00	11164.52	0.00	11164.52	11164.52	1.17
CHF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JPY	0.00	0.00	0.00	106.78	0.00	106.78	106.78	0.01
INR	1.50	0.00	1.50	164503.06	113056.81	51446.25	51447.75	5.41
TOTAL	9028.28	0.00	9028.28	876688.04	114103.05	762584.99	771613.27	81.15
					Core Capital		950836.54	

Item 13: Geographic Distribution of Exposures

	DOMESTIC		INDIA		OTHERS	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Demand Deposits held with other Banks	255789.02	222326.45	164503.06	716908.90	712184.97	107689.89
Time Deposits Held with other Banks	1022161.27	1117076.98	0	0	0	0

Item 14: Credit Risk Exposures by Collateral

SI		Domestic		India		Other	
		Current Period	COPPY	Current Period	COPPY	Current Period	COPPY
1	Secured Loans	5,035,715.32	4,380,000.06	0	0	0	0
a	Loans secured by physical / real estate collateral	4,853,422.13	4,293,266.38	0	0	0	0
b	Loans secured by financial collateral	89,775.37	86,733.69	0	0	0	0
c	Loans secured by guarantees	92,517.82	72,955.83	0	0	0	0
2	Unsecured loans	4,514.08	6,522.90	0	0	0	0
3	Total Loans	5,040,229.40	4,459,478.80	0	0	0	0

Item 15: Earning Ratios (%)

Sl. No	Ratio	31.12.2016	31.12.2015
1	Interest Income as percentage of Average Assets	7.27%	6.87%
2	Non-interest Income as percentage of Avg. Assets	1.47%	1.57%
3	Operating profit as percentage of Average assets	3.18%	2.74%
4	Return on Assets	2.09%	1.66%
5	Business (Deposits plus Advances) per employee	10016261.30	8354767.26
6	Profit per employee	1327913.12	927935.20

Item 17: Customer Complaints

Sl. No.	Particulars	31.12.2016	COPPY
1	No. of complaints pending at the beginning of the year	0	0
2	No. of complaints received during the year	0	0
3	No. of complaints redressed during the end of the year	0	0
4	No. of complaints pending at the end of the year	0	0

Item 18: Provisioning Coverage Ratio

Year	Gross NPL	Additional NPL	Additional Specific Provisions	Additional-Interest-in-Suspense A/c.	Required PCR (60% of Additional NPL)	Accretion to the buffer	Countercyclical provisioning buffer (Stock)
1	2	3	4	5	6= (60% of Col 3)	7 = (6-5-4)	8
COPPY	194,902.85	-	-	-	-	-	
Current year	163,981.998	-30,920.853	11,538.385				

Item 19: Concentration of Credit & Deposits

S. No.	Particular	End of Current Period	COPPY
1	Total loans to 10 largest borrowers	1,412,896.71	1,319,084.80
	Total loans	5,040,229.40	4,459,478.80
2	<i>As % of total Loans</i>	28.03	29.58%
3	Total deposits of the 10 largest depositors	2,780,484.00	1,050,711.00
4	<i>As % of total Deposits</i>	33.42%	15.25%

Item 20: Exposure to 5 Largest NPL accounts.

S.No.	Particular	31.12.2016	31.12.2015
1	Five largest NPL accounts.	83,004,234.50	100,535,035.38
	Total NPLs	163,981,997.84	194,902,851.17
2	<i>As % of total NPLs</i>	50.62	51.58%