NRB Unified Directives for Class A, B and C Licensed Institutions

Directive 01

Language mode: En

C.M. & Associates, Chartered Accountants | Kathmandu, Nepal

Generated: 2026-09-03

Contents

Directive 01: Provisions Relating to Minimum Capital Fund

Classification: PASS — EXISTING AUTHORITATIVE BASELINE (UNCHANGED)

Source document: NRB_Unified_Directives_2082_Bilingual_Compiled_Directives_1-21.docx

Controlled English translation

Provisions Relating to Minimum Capital Fund

Legal unit

Controlled English translation

Directive No. 1/2082

Provisions Relating to Minimum Capital Fund

In exercise of the authority conferred by Section 79 of the Nepal Rastra Bank Act, 2058, the following directives are issued regarding the minimum capital fund to be maintained by Class “A”, “B” and “C” institutions licensed by this Bank.

१ 1. Minimum Capital Fund to be Maintained

Controlled English translation

A licensed institution shall maintain the minimum capital fund ratio in accordance with the following provisions.

* Commercial banks shall maintain the Countercyclical Buffer prescribed in the Capital Adequacy Framework 2015 from FY 2080/81. For FY 2082/83, such Buffer shall be zero percent.

** Excluding national-level development banks.

२ 2. Capital Fund

Controlled English translation

“Capital fund” means the sum of Tier 1 (core) capital and Tier 2 (supplementary) capital.

Class “A” licensed institutions and national-level development banks licensed as Class “B” shall calculate the capital fund in accordance with the Capital Adequacy Framework, 2015 set out in Schedule 1.1 attached hereto. Class “B” licensed institutions other than national-level development banks and Class “C” licensed institutions shall calculate the capital fund in accordance with the Capital Adequacy Framework, 2007 (Updated July 2008) set out in Schedule 1.2 attached hereto.

३ 3. Returns to be Submitted in Relation to Capital Fund

Controlled English translation

(a) A licensed bank or financial institution shall maintain the prescribed minimum capital fund ratio at all times.

(b) A licensed bank or financial institution shall prepare the capital fund return in the prescribed format on the basis of the financial statements as at the end of each month, have it certified by the internal auditor, and submit it through this Bank’s reporting portal within seven days after the end of each month.

४ 4. ICAAP Guidelines

Controlled English translation

Licensed banks and financial institutions shall comply with the Internal Capital Adequacy Assessment Process (ICAAP) Guidelines issued by this Bank.

५ 5. Audit May Be Conducted

Controlled English translation

Where this Bank considers it necessary in order to ascertain the business condition of a bank or financial institution whose capital fund is inadequate, it may cause a Due Diligence Audit to be conducted, and the cost thereof shall be borne by the institution concerned.

६ 6. Action for Non-compliance with Capital Fund Directives

Controlled English translation

(a) Where a licensed institution fails to comply with the directives relating to capital fund, action shall be taken in accordance with the Prompt Corrective Action Bylaws, 2074.

(b) If a licensed institution fails to maintain the prescribed minimum capital fund ratio at any time during a financial year, it shall not be permitted to declare or distribute cash dividends or bonus shares merely on the ground that the prescribed minimum capital fund ratio has been maintained at the end of that same financial year.

७ 7. Repeal and Saving

Controlled English translation

(1) The following directives previously issued by this Bank are hereby repealed: the directive issued as Directive No. 1/2081 under the provisions relating to minimum capital fund in the Unified Directives, 2081, and all circulars relating to the same subject issued thereafter up to Magh 2, 2082.

(2) Any acts or actions done or taken pursuant to the directives and circulars repealed under sub-clause (1) shall be deemed to have been done or taken pursuant to this Directive.

Regulatory tables

Tables 1

Table Id: nrb-2082-directive-01-table-01

Source Block Index: 68

Caption

Controlled English translation

Header Row Count: 1

Rows

Rows 1

Row	Column	Text	En	Grid Span	V Merge
0	0	संस्था Institution	Institution	1	

Row	Column	Text	En	Grid Span	V Merge
0	1	न्यूनतम प्राथमकि पुँजी तथा पुँजीकोष कायम गर्नुपर्ने व्यवस्था Requirement for Minimum Tier 1 Capital and Capital Fund	Requirement for Minimum Tier 1 Capital and Capital Fund	1	

Rows 2

Row	Column	Text	En	Grid Span	V Merge
1	0	“क” वर्ग तथा “ख” वर्गका इजाजतपत्रप्राप्त राष्ट्रयि स्तरका वकिास बैंकहरु Class “A” institutions and national-level development banks licensed as Class “B”	Class “A” institutions and national-level development banks licensed as Class “B”	1	
1	1	Capital Adequacy Framework, 2015 बमोजमि* In accordance with the Capital Adequacy Framework, 2015*	Capital Adequacy Framework, 2015 बमोजमि* In accordance with the Capital Adequacy Framework, 2015*	1	

Rows 3

Row	Column	Text	En	Grid Span	V Merge
2	0	“ख”** र “ग” वर्ग Class “B”** and Class “C” institutions	Class “B”** and Class “C” institutions	1	
2	1	Capital Adequacy Framework, 2007 (Updated July 2008) बमोजमि In accordance with the Capital Adequacy Framework, 2007 (Updated July 2008)	Capital Adequacy Framework, 2007 (Updated July 2008) बमोजमि In accordance with the Capital Adequacy Framework, 2007 (Updated July 2008)	1	

Footnotes

Footnotes: []

Notes

Notes: []

Merged Cell Information: gridSpan/vMerge captured where identifiable

Schedules 1.1

Schedules 1.1: 1.1

Schedules 1.1

Schedules 1.1: 1.1

Schedules 1.2

Schedules 1.2: 1.2

Schedules 1.2

Schedules 1.2: 1.2

Source and disclaimer

This material is provided for information and reference only and does not constitute legal, regulatory, tax or professional advice. Original Nepali text is authoritative. English is a controlled facilitative translation and is not an official Nepal Rastra Bank translation. In case of inconsistency, ambiguity or difference, the official Nepali Directive and applicable Nepal Rastra Bank circulars prevail. C.M. & Associates is not affiliated with, approved by or endorsed by Nepal Rastra Bank.