



Nepal SBI Bank Limited

ICRA Nepal has rating outstanding of [ICRANP] LAA@ (pronounced ICRA NP L Double A, on watch with Negative Implications) on NPR 200 million subordinated bonds of Nepal SBI Bank Limited (NSBL). Instruments with of [ICRANP] LAA Rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The rating was put on watch in April 2015 after the earthquake. ICRA Nepal has been reviewing the impact of developments on the credit profile of NSBL.

NSBL's rating is supported by the parentage of State Bank of India (rated at [ICRA]AAA(hyb) (Stable) for Basel III compliant tier II bonds and [ICRA]AAA (Stable) for tier II bonds programme by ICRA). Based on limited financial highlights published by the bank, there has not been material deterioration in NSBL's financial profile.

However, ICRA Nepal is in the process of carrying out the surveillance exercise, and ICRA Nepal would keep the investors updated on the same.

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