## 7.10 Macro Prudential Disclosure

### Financial Risk management of the Bank (Qualitative)

#### i. Capital Planning

The Bank has a process for assessing and monitoring its Capital Adequacy Ratio in line with the Bank's risk appetite while maintaining its capital in line with the statutory requirements. The monitoring process provides an assurance that the Bank has adequate capital to support all risks inherent to its business and appropriate capital buffer based on its business profile. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through its governance and control practices, risk management and an elaborate process for capital calculation and planning, through its annual planning processes.

The Bank has a structured internal framework to assess its capital requirements which involves the identification and evaluation of all significant risks that the Bank faces, which may have a material impact on its financial position. The Bank also implemented a comprehensive Internal Capital Adequacy Assessment Process (ICAAP) that will guide the Bank in setting the process for assessment of the capital adequacy to support its current and future business activities/risks and built a model on the capital projections/requirements for a period of up to 3 years.

#### ii. Credit Risk Management

The Bank has an approved Credit risk policy document governing credit risk identification, assessment and monitoring. Credit scoring is key for assessing the credit risk arising from facilities. Credit scoring assesses the credit worthiness of borrowers and is indicative of expected losses by undertaking the loan. A rating model consists of a set of factors, which is used to assess the customers' ability to repay the loan based on their inherent credit risk.

**Capital requirements**

For credit risk capital requirements, ICAAP policy document covers the method to compute the regulatory capital requirements. The Bank however, bases the RMA Prudential regulation 2024 to maintain the minimum CAR of 12.5 percent along with Operation risk capital, based on BIA method.

**Credit Risk Stress Testing**

Credit risk stress testing is being conducted semi-annually to ascertain the resilience of Bank under severe but plausible scenarios for the following variables:

- Capital adequacy;
- Liquidity risk;
- Profitability risk;
- Interest rate risk;
- Non-performing assets;
- Concentration risk;
- Sectoral risk etc.;

**a. Credit risk Provisions for Loans and Advances**

**For the provision for loans & advances the bank uses two approaches:**

**Individual impairment** is assessed for significant exposures, covering at a minimum the 30 largest borrowers or 30% of total exposures, whichever is higher, including loans against term deposits. These accounts are individually evaluated by the Bank to identify objective evidence of impairment based on the borrower's financial condition, cash-flow capacity, and collateral recoverability.

**Collective impairment** is applied to all other exposures and is calculated transaction-wise by grouping loans into homogeneous pools based on sector-wise classification and similar credit risk characteristics. Credit loss provisioning for these accounts is determined in accordance with the Expected Credit Loss model, with provisions recognized under Stage 1, Stage 2, and Stage 3 based on changes in credit risk and credit impairment.

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*(Amount in Nu.)*

| Classficiation | | December 31,2025 | December 31,2024 |
|---|---|---|---|
| **Individual Impairment** | | **520,561,213.94** | **371,342,594.06** |
| | Stage 1 | - | 317,472,349.03 |
| | Stage 2 | 29,608,965.94 | 26,320,859.82 |
| | Stage 3 | 490,952,248.00 | 27,549,385.21 |
| **Collective Impairment** | | **2,102,558,621.99** | **2,043,971,532.69** |
| | Stage 1 | 624,932,659.05 | 486,090,934.40 |
| | Stage 2 | 216,333,723.46 | 142,529,309.00 |
| | Stage 3 | 1,261,292,239.48 | 1,415,351,289.29 |
| **Total Impairment** | | **2,623,119,835.93** | **2,415,314,126.75** |
| **Interest Insuspense** | | **202,282,911.20** | **191,781,920.16** |

### b. Methodology for Valuation and Management of Collaterals

We take collaterals such as fixed assets, movable assets, stock and book debts, and against fixed deposits. The valuation and management of the collaterals is based on the followings:

a. Place of locations and its feasibility of business.
b. Verifications and valuations of stock and book debt.
c. Execution of mortgage deed of the collateral being offered against the loan
d. Insurance requirement for mortgaged property
e. Physical verification assets and site visits.

**Collateral management**

Collateral management is the method of verifying the status, evaluate the value of collateral in the market and maintain proper track record of collateral transactions, in order to reduce credit risk.

i. Taking into account the depreciated value of the collateral securities on a yearly basis during the periodical review of loans till the currency of loan account.
ii. Securing and continue to have comprehensive insurance for the full value of collateral security, having adjusted the periodical depreciation.

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## Risk Management Strategy

The Risk Management Policy of the Bank provides a detailed approach to identifying, assessing, and managing risks across the organization. It defines risk as any potential event that could hinder the achievement of objectives, measured by impact and likelihood. It emphasizes the integration of risk management into strategic planning, decision-making, and daily operations to ensure sustainability and resilience. The policy is guided by principles such as adding value, proportionality, integration into routine functions, and continuous improvement. The Bank promotes a risk-aware culture where all employees understand their role in managing risk, supported by a governance structure that includes the Board of Directors, the Board Risk Management Committee, and the Risk Management Committee.

The Bank's risk management policy outlines the various types of risks including:

### Strategic risk

Strategic risk refers to the potential impact on the Bank's earnings or capital due to poor business decisions, improper implementation of strategies, or failure to respond effectively to changes in the industry or external environment. These risks can significantly affect the bank's ability to achieve its long-term goals and vision. To manage strategic risk, the board and senior management play a critical role in overseeing the development and implementation of the Bank's strategic plans. This includes setting clear strategic goals and objectives, aligning them with the Bank's mission and risk tolerance, and ensuring that the organization has the necessary resources, infrastructure, and capabilities to execute its strategies. Regular performance evaluations and feedback mechanisms are in place to monitor progress and adjust as needed. The bank also employs stress-testing techniques to assess the potential impact of adverse scenarios on its strategic plans and to develop contingency strategies.

### Credit Risk

Credit risk arises when borrowers fail to meet their contractual obligations, leading to potential financial losses. This risk is inherent in its lending activities and is one of the most significant risks faced by the Bank. To manage credit risk, the Bank has established comprehensive policies and procedures for credit assessment, approval, and monitoring. These include setting exposure limits to avoid over-concentration in specific sectors or borrowers, conducting thorough due diligence on borrowers' financial health and repayment capacity, and using collateral and guarantees to mitigate potential losses. The Bank also employs internal risk rating systems to monitor the quality of its credit portfolio and identify problem loans early. Stress testing is conducted to assess the ability to withstand adverse economic conditions, and internal audits ensure compliance with credit policies and procedures.

**Liquidity Risk**

Liquidity risk is the risk that the Bank may not be able to meet its financial obligations as they become due, potentially leading to financial distress or insolvency. Effective liquidity risk management is crucial to maintaining the its financial stability and confidence among stakeholders. The Bank monitors key liquidity indicators such as the Loan to Deposit Ratio and the Statutory Liquidity Ratio to ensure it maintains sufficient liquid assets to cover short-term obligations. Stress testing is used to evaluate the bank's ability to withstand liquidity shocks under various scenarios, including market disruptions or sudden withdrawals of deposits. The Bank also has Contingency Funding Plan in place to address potential liquidity shortfalls and ensure continuity of operations during periods of stress.

**Market Risk**

Market risk arises from adverse movements in market rates, such as interest rates, foreign exchange rates, equity prices, and commodity prices, which can negatively impact the Bank's earnings and capital. The Bank manages market risk by setting limits on open positions, monitoring exposure to interest rate and foreign exchange risks, and conducting regular stress tests to assess the potential impact of adverse market conditions. The Asset Liability Management Committee plays a key role in overseeing the market risk management activities, ensuring that the risk remains within approved limits and aligns with its overall risk appetite.

**Operational Risk**

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. This includes risks related to fraud, system failures, human error, and external disruptions such as natural disasters. The Bank has implemented a comprehensive operational risk management framework that includes policies and procedures for identifying, assessing, and mitigating operational risks. This framework covers areas such as outsourcing, business continuity planning, and incident management. The Bank also conducts regular risk assessments and internal audits to identify weaknesses in its operational processes and controls. Stress testing is used to evaluate the Bank's resilience to operational risk events, and contingency plans are in place to ensure the continuity of critical operations in the event of a disruption.

**IT and Cybersecurity Risk**

IT and cybersecurity risks are associated with the information technology systems and the potential for data breaches, system failures, or cyberattacks. These risks can have significant financial, operational, and reputational consequences. The bank has established a detailed IT risk management framework that includes policies for information security, access control, system development, and disaster recovery. The framework ensures the confidentiality, integrity, and availability of the data and systems. The Bank conducts regular vulnerability assessments and penetration testing to identify and address potential weaknesses in its IT infrastructure. It also provides training to employees on IT security best practices and has incident response plans in place to quickly address and mitigate the impact of cybersecurity incidents.

**Reputational Risk**

Reputational risk is the risk of damage to the Bank's reputation due to negative publicity, customer dissatisfaction, or unethical business practices. This risk can arise from a wide range of factors, including poor customer service, regulatory violations, or involvement in controversial activities. The Bank manages reputational risk by monitoring customer satisfaction, handling complaints effectively, and ensuring transparency in its operations. It also has policies in place to promote ethical behavior and compliance with legal and regulatory requirements. The Bank conducts regular assessments of its reputation among stakeholders and uses early warning indicators, such as customer complaints and media coverage, to identify and address potential reputational risks before they escalate.

**Compliance Risk**

Compliance risk arises from the failure to comply with laws, regulations, or internal policies, which can result in financial penalties, legal actions, or reputational damage. The bank has established an independent compliance function to monitor and ensure adherence to all applicable legal and regulatory requirements. This function is responsible for identifying compliance risks, developing policies and procedures to mitigate these risks, and providing training to employees on compliance-related matters. The Bank also conducts regular internal audits to assess the effectiveness of its compliance controls and reports any compliance breaches to senior management and the board. By maintaining a strong compliance culture, the bank aims to minimize the risk of non-compliance and ensure that it operates within the bounds of the law.

The Risk Management Policy of the Bank provides a detailed approach to identifying, assessing, and managing risks across the organization. It defines risk as any potential event that could hinder the achievement of objectives, measured by impact and likelihood. It emphasizes the integration of risk management into strategic planning, decision-making, and daily operations to ensure the bank's sustainability and resilience. The policy is guided by principles such as adding value, proportionality, integration into routine functions, and continuous improvement. The bank promotes a risk-aware culture where all employees understand their role in managing risk, supported by a governance structure that includes the Board of Directors, the Board Risk Management Committee, and the Risk Management Committee.

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**ISO/IEC 27001:2022 (ISMS), ISO/IEC 27701:2019 (PIMS) and PCI-DSS Certification**

The Bank of Bhutan Limited, the largest and the oldest Bank in the country, has come a long way, in serving the Nation and its Citizens, towards successfully steering the country's economy growth. In this long journey, the Bank has transformed itself from legacy banking into offering reliable digital banking experience. However, the digital transformation is always associated with Cyber Threats and Risks.

In order to minimize the Cyber Threats and Risks, the Bank has implementing world-class Cyber Security Standards such as ISO 27001:2022 ISMS (Information Security Management System), ISO/IEC 27701:2019 PIMS (Privacy Information Management System) and Payment Card Industry Data Security Standards (PCI-DSS), during the Year 2021, as part of its commitment in extending secured and reliable digital services.

ISO/IEC 27001:2022 is a specification for the Information Security Management System (ISMS). An ISMS is a framework of policies and procedures that includes all legal, physical and technical controls involved in an organization's Information Risk Management Processes. The Information Security Management System preserves the confidentiality, integrity and availability of information, by applying a risk management process and gives confidence to interested parties, that the risks are adequately managed.

ISO/IEC 27701:2019 is an extension of ISMS focusing on the privacy of Personally Identifiable Information (PII) of the bank. This new standard adds Privacy as Pillar in CIA triad.

Securing the ISO 27001 certification demonstrates that BoB has identified the risks, assessed the implications and put in place the needed systemized controls, to limit any damage to the organization and that the Bank is prepared to provide requirements for establishing, implementing, maintaining and continually improving its information security management system. Overall, getting ISO 27001 certification portrays that the Bank is sensitive about the Information Security.

PCI-DSS is an Information Security Standard, applicable to organizations handling the card transactions, from the major Card Schemes, like Visa, MasterCard etc. The standard was created, to increase controls around card holder-data and to reduce card-related frauds. PCI certification ensures security of card data at business, through fulfilment of a set of requirements established by the Payment Card Industry Security Standard Council (PCI-SSC). These include a number of commonly known best practices, such as Installation of firewalls, Encryption of data transmitted, etc.

As part of these certifications, the Bank underwent various assessment processes, which include from defining the scope, Gap assessment, developing the Policies & Procedures, Vulnerabilities Assessment, Penetration Testing and suitable Remediation. The journey was very challenging and costly to the Bank, yet worth doing it, since this is the only way to minimize the ever-increasing Cyber Threats and Risks to the Bank and its esteemed customers.

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## Disclosures required as per Macro-Prudential Rules and Regulations

**Item 1: Tier 1 Capital and Its Sub-components**

| Sl.No. | Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| | **Total Tier 1 Capital** | **10,022,391,368.58** | **9,048,332,109.62** |
| a. | Paid-Up Capital | 3,000,000,000.00 | 3,000,000,000.00 |
| b. | General Reserves | 3,686,439,048.09 | 3,174,741,215.08 |
| c. | Share Premium Account | | |
| d. | Retained Earnings | 3,335,952,320.49 | 2,873,590,894.53 |
| Less:- | | | |
| e. | Losses for the Current Year(Other Comphrensive Loss) | | |
| f. | Buyback of FI's own shares | | |
| g. | Holdings of Tier 1 instruments issued by FIs | | |

**Item 2: Tier 2 Capital and Its Sub-components**

| Sl.No. | Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| | **Tier II Capital** | **4,942,438,261.00** | **3,473,545,517.44** |
| a. | Capital Reserve | | |
| b. | Fixed Asset Revaluation Reserve | 322,593,730.98 | 322,593,730.98 |
| c. | Exchange Fluctuation Reserve | 439,694,530.02 | 370,801,786.46 |
| d. | Investment Fluctuation Reserve | | |
| e. | Research & Development Reserve | | |
| f. | General Provision | | |
| g. | Asset Pending Foreclosure Reserve | | |
| h. | Capital Grants | | |
| i. | Subordinated Debt | 4,180,150,000.00 | 2,780,150,000.00 |
| j. | Other Comphrensine Income/(Loss) | | |
| k. | Profit for the Year (After profit is appropriate) | | |

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Item 3: Risk Weighted Exposure Table (Current Period & COPPY)

| Sl.No. | Assets | Risk Weight % | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|---|---|
| | | | Balance Sheet Amount* | Risk Component | Balance Sheet Amount# | Risk Component |
| 1 | Zero-Risk Weighted Assets | 0% | 50,571,759,396.78 | - | 34,570,332,029.50 | - |
| 2 | 20% Risk Weighted Assets | 20% | 7,977,085,458.61 | 1,595,417,091.72 | 4,963,743,008.41 | 992,748,601.68 |
| 3 | 50% Risk Weighted Assets | 50% | 9,081,136,641.85 | 4,540,568,320.93 | 6,363,956,595.41 | 3,181,978,297.71 |
| 4 | 100% Risk Weighted Assets | 100% | 91,034,817,226.17 | 91,034,817,226.17 | 78,399,636,642.88 | 78,399,636,642.88 |
| 5 | 150% Risk Weighted Assets | 150% | 3,811,515,043.00 | 5,717,272,564.50 | 1,313,349,578.66 | 1,970,024,367.99 |
| | **Grand Totals** | | **162,476,313,766.41** | **102,888,075,203.32** | **125,611,017,854.86** | **84,544,387,910.26** |

* Includes Total Assets of Nu.157,449,376,198.56 and Contingent Liabilities of Nu.5,026,937,567.72

# Includes Total Assets of Nu.122,680,750,375.8492 and Contingent Liabilities of Nu.2,930,267,477.21

**Item 4: Capital Adequacy Ratios**

| Sl.No. | Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| 1 | Tier 1 Capital | 10,022,391,368.58 | 9,048,332,109.62 |
| a. | *of which Counter-Cylical Capital Buffer (CCyB) (If applicable)* | | |
| b. | *of which Sectoral Capital Requirements (SCR) (If applicable)* | | |
| i. | Sector 1 | | |
| ii. | Sector 2 | | |
| iii. | Sector 3 | | |
| 2 | Tier 2 Capital | 4,942,438,261.00 | 3,473,545,517.44 |
| 3 | Total qualifying Capital | 14,964,829,629.58 | 12,521,877,627.06 |
| 4 | Core CAR | 9.28% | 10.24% |
| 5 | BIA | 5,140,759,147.18 | 3,776,191,136.92 |
| a. | *of which CCyB (If applicable) expressed as % of RWA* | | |
| b. | *of which SCR (If applicable) expressed as % of RWA* | | |
| i. | Sector 1 | | |
| ii. | Sector 2 | | |
| iii. | Sector 3 | | |
| 6 | CAR | 13.85% | 14.18% |
| 7 | Leverage Ratio | 6.17% | 7.20% |

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**Item 5: Loans and NPL by Sectoral Classification As per BFRS**

| Sl.No. | Sector | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|---|
| | | Total Loans # | NPL | Total Loans * | NPL |
| 1 | Agriculture | 262,370,432.72 | 40,554,984.83 | 264,237,563.78 | 14,301,655.90 |
| 2 | Manufacturing/Industry | 16,864,695,029.36 | 200,256,362.42 | 13,780,207,339.77 | 68,554,497.21 |
| 3 | Service & Tourism | 19,551,295,857.63 | 635,650,426.14 | 16,887,572,341.57 | 30,555,101.93 |
| 4 | Trade & Commerce | 7,635,717,098.99 | 962,919,775.79 | 6,082,847,445.97 | 848,383,559.37 |
| 5 | Housing | 29,802,114,461.85 | 686,331,935.98 | 28,768,077,501.76 | 389,587,947.46 |
| 6 | Transport | 1,458,716,982.88 | 162,279,173.44 | 1,329,780,589.74 | 267,206,104.44 |
| 7 | Loans to Purchase Securities-OTHERS | 475,192,981.70 | | 521,593,223.65 | |
| 8 | Personal Loans | 875,341,913.57 | 36,630,890.86 | 979,208,414.67 | 39,272,121.54 |
| 9 | Education Loan | 9,779,288,412.25 | 73,497,513.63 | 6,612,005,984.28 | 51,507,128.31 |
| 10 | Loan against term deposits | 932,420,625.93 | | 643,756,128.42 | 770,296.68 |
| 11 | Loans to FI (s) | 205,996,008.30 | | 121,268,952.54 | |
| 12 | Staff Loans (incentives) | 1,153,596,719.05 | 2,788,944.88 | 932,625,578.64 | 298,528.56 |
| 13 | Loans to govt Owned Companies | 3,819,947.94 | | 194,900,651.59 | |
| 14 | Consumer Loan | 7,250,814,049.93 | 23,485,745.32 | 5,335,709,809.41 | 37,998,391.67 |
| | | | | | |
| | Total | 96,251,380,522.10 | 2,824,395,753.29 | 82,453,791,525.79 | 1,748,435,333.07 |
| | | | - | | - |

# Includes Gross Loans and Advance of Nu. 96,251,380,522.10. and Bills discounted & Purchased Nil.

* Includes Gross Loans and Advance of Nu. 82,453,791,525.79. and Bills discounted & Purchased of Nu. 15,508,500

**Item 5: Loans and NPL by Sectoral Classification- As per RMA PR**

| Item 5: | Loans and NPL by Sectoral Classification | 31.12.2025 | | 31.12.2024 | |
|---|---|---|---|---|---|
| | | Total Loans # | NPL | Total Loans * | NPL |
| 1 | Agriculture | 262,370,432.72 | 41,952,416.48 | 264,237,563.78 | 11,251,567.82 |
| 2 | Manufacturing/Industry | 16,864,695,029.36 | 36,568,406.62 | 13,780,207,339.77 | 163,107,891.20 |
| 3 | Service & Tourism | 19,551,295,857.63 | 382,959,341.29 | 16,887,572,341.57 | 31,986,103.86 |
| 4 | Trade & Commerce | 7,635,717,098.99 | 853,474,240.20 | 6,082,847,445.97 | 677,798,308.83 |
| 5 | Housing | 29,802,114,461.85 | 1,084,491,171.09 | 28,959,836,123.10 | 352,905,944.12 |
| 6 | Transport | 1,458,716,982.88 | 196,822,593.64 | 1,329,780,589.74 | 258,126,110.99 |
| 7 | Loans to Purchase Securities | 475,192,981.70 | | 521,593,223.65 | |
| 8 | Personal Loans | 875,341,913.57 | 43,036,647.09 | 979,010,410.19 | 36,492,267.91 |
| 9 | Education Loan | 9,779,288,412.25 | 100,444,924.48 | 6,612,005,984.28 | 42,116,669.12 |
| 10 | Loan against term deposits | 932,420,625.93 | 8,908,303.57 | 643,756,128.42 | 611,387.53 |
| 11 | Loans to FI (s) | 205,996,008.30 | | 121,268,952.54 | |
| 12 | Infrastucture Loans | | | | |
| 13 | Staff Loans (incentives) | 1,153,596,719.05 | 2,742,043.88 | 932,625,578.64 | 298,528.56 |
| 14 | Loans to govt Owned Companies | 3,819,947.94 | | 3,142,030.25 | |
| 15 | Consumer Loan | 7,250,814,049.93 | 30,820,445.75 | 5,335,907,813.89 | 33,929,430.67 |
| 16 | Government ways and means | | | | |
| | Total | 96,251,380,522.10 | 2,782,220,534.09 | 82,453,791,525.79 | 1,608,624,210.61 |

# Includes Gross Loans and Advance of Nu. 96,251,380,522.10 and Bills discounted & Purchased Nil

* Includes Gross Loans and Advance of Nu. 82,453,791,525.79 and Bills discounted & Purchased of Nu. 15,508,500.00.

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**Item 6: Loans (Overdraft and Term Loans) by type of Counter-Party**

| Sl.No. | | Counter Party | December 31, 2025 | December 31, 2024 |
|---|---|---|---|---|
| 1 | | **Overdrafts** | **13,132,266,881.99** | **9,436,589,633.54** |
| | a | Government | 3,819,947.94 | 3,142,030.25 |
| | b | State Owned Enterprises | 595,114,592.02 | 390,894,165.62 |
| | c | Public Companies | 493,875,598.33 | 311,602,008.70 |
| | d | Private Companies | 6,685,260,326.32 | 4,343,445,043.23 |
| | e | Individuals | 1,133,189,094.00 | 764,905,756.89 |
| | f | Non-Bank Financial Institutions | 205,996,008.30 | 121,268,952.54 |
| | g | NGO | 1,961,716.21 | - |
| | h | Sole Proprietorship | 4,013,049,598.87 | 3,501,331,676.31 |
| 2 | | **Term Loans** | **83,057,963,774.41** | **72,961,603,204.51** |
| | a | Gelephu Mindfulness City | 165,856,732.18 | |
| | b | State Owned Enterprises | 4,267,129,800.78 | 4,581,019,954.81 |
| | c | Public Companies | 1,189,064,374.46 | 1,363,242,723.97 |
| | d | Private Companies | 16,219,532,507.09 | 13,098,195,287.97 |
| | e | Individuals | 51,367,241,017.85 | 45,880,552,474.26 |
| | f | NGO | 552,310,755.34 | 310,353,295.33 |
| | g | Sole Proprietorship | 9,296,828,586.71 | 7,728,239,468.17 |
| | | **Total** | **96,190,230,656.40** | **82,398,192,838.05** |
| | | Bills | | 15,508,500.00 |
| | | Credit Cards | 61,149,865.70 | 40,090,187.74 |
| | | **Total Loan Outstanding** | **96,251,380,522.10** | **82,453,791,525.79** |

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BOB
BANK OF BHUTAN
A dhi Company
Head Office

SPAN & ASSOCIATES
Kolkata
Chartered Accountants

**Item 7: Assets (net of provisions) and Liabilities by Residual Maturity**

| As of period ending December 31, 2025 | On Demand | 1-30 days | 31-90 days | 91-180 days | 181-270 days | 271-365 days | Over 1 year | TOTAL |
|---|---|---|---|---|---|---|---|---|
| Cash in hand | 30,377,730,525.41 | 10,026,405,110.16 | - | - | - | - | - | **40,404,135,635.57** |
| Govt. Securities | - | 381,000,000.00 | 726,500,000.00 | 431,500,000.00 | 987,999,000.00 | 881,000,000.00 | 7,729,818,000.00 | **11,137,817,000.00** |
| Investment securities | - | - | - | 75,592,519.59 | - | 64,202,081.44 | 4,951,399,861.64 | **5,091,194,462.67** |
| Loans & advances to banks | - | 3,150,000,000.00 | 1,122,658,709.95 | - | - | - | 100,665,600.00 | **4,373,324,309.95** |
| Loans & advances to customers | 482,953,923.60 | 2,033,035,616.31 | 1,186,860,956.38 | 1,391,867,711.00 | 3,828,254,341.01 | 2,219,883,260.73 | 82,185,132,548.56 | **93,327,988,357.59** |
| Other assets | | 201,803,936.08 | 338,502.00 | 31,634,080.63 | 581,612,218.71 | - | 2,299,527,695.49 | **3,114,916,432.91** |
| TOTAL ASSETS | **30,860,684,449.01** | **15,792,244,662.55** | **3,036,358,168.33** | **1,930,594,311.22** | **5,397,865,559.72** | **3,165,085,342.17** | **97,266,543,705.69** | **157,449,376,198.69** |
| Amounts owed to other banks | 17,738.51 | - | - | - | - | - | - | **17,738.51** |
| Demand deposits | 1,984,110,806.56 | 1,982,451,575.75 | 1,982,451,575.75 | 1,982,451,575.75 | 1,982,451,575.75 | 1,982,451,575.75 | 28,085,070,285.15 | **39,981,438,970.46** |
| Savings deposits | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 23,835,322,910.55 | **39,413,138,102.26** |
| Time deposits | - | 4,081,223,626.69 | 6,077,203,434.92 | 10,608,584,496.12 | 4,074,785,897.33 | 2,469,443,627.37 | 30,596,362,261.42 | **57,907,603,343.85** |
| Bonds & other negotiable instruments | | | | | | | 4,280,150,000.00 | **4,280,150,000.00** |
| Other liabilities | - | 1,199,748,588.54 | 286,327,018.46 | 83,855,448.40 | 2,292,243,723.60 | - | 12,004,853,264.60 | **15,867,028,043.61** |
| TOTAL LIABILITIES | **4,580,431,077.02** | **9,859,726,322.94** | **10,942,284,561.08** | **15,271,194,052.22** | **10,945,783,728.63** | **7,048,197,735.07** | **98,801,758,721.72** | **157,449,376,198.69** |
| **Assets/Liabilities** | **6.74** | **1.60** | **0.28** | **0.13** | **0.49** | **0.45** | **0.98** | **1.00** |
| **Net Mismatch in each Time Interval** | **26,280,253,371.99** | **5,932,518,339.61** | **(7,905,926,392.75)** | **(13,340,599,741.00)** | **(5,547,918,168.91)** | **(3,883,112,392.90)** | **(1,535,215,016.03)** | **0.01** |
| **Cumulative Net Mismatch** | **26,280,253,371.99** | **32,212,771,711.61** | **24,306,845,318.85** | **10,966,245,577.85** | **5,418,327,408.94** | **1,535,215,016.04** | **0.01** | **0.01** |

**Item 7: Assets (net of provisions) and Liabilities by Residual Maturity**

| As of period ending December 31, 2024 | On Demand | 1-30 days | 31-90 days | 91-180 days | 181-270 days | 271-365 days | Over 1 year | TOTAL |
|---|---|---|---|---|---|---|---|---|
| Cash in hand | 1,360,631,502.52 | | | | | | | **1,360,631,502.52** |
| Govt. Securities | | | 425,415,600.00 | | | 2,450,000,000.00 | 9,832,817,000.00 | **12,708,232,600.00** |
| Investment securities | | | 95,341,916.60 | 48,520,550.00 | | | 897,782,475.20 | **1,041,644,941.80** |
| Loans & advances to banks | | 2,671,260,000.00 | 192,898,709.95 | | | | 95,905,600.00 | **2,960,064,309.95** |
| Loans & advances to customers | 459,975,008.02 | 960,151,553.14 | 1,110,298,575.74 | 1,739,274,755.09 | 2,325,662,202.47 | 2,186,627,331.73 | 71,049,197,552.76 | **79,831,186,978.95** |
| Other assets | | 24,778,990,044.43 | | | | | | **24,778,990,044.43** |
| TOTAL ASSETS | **1,820,606,510.54** | **28,410,401,597.57** | **1,823,954,802.29** | **1,787,795,305.09** | **2,325,662,202.47** | **4,636,627,331.73** | **81,875,702,627.96** | **122,680,750,377.65** |
| Amounts owed to other banks | 398,085.32 | | | | | | | **398,085.32** |
| Demand deposits | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 23,893,877,139.09 | **38,753,555,159.62** |
| Savings deposits | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 21,018,234,725.90 | **32,850,994,940.40** |
| Time deposits | 32,000.00 | 2,865,473,321.05 | 1,398,499,106.87 | 2,206,169,167.82 | 1,819,385,535.88 | 1,874,823,152.85 | 23,896,147,639.62 | **34,060,529,924.09** |
| Bonds & other negotiable instruments | | | | | | | 2,780,150,000.00 | **2,780,150,000.00** |
| Other liabilities | | 14,235,122,269.23 | | | | | | **14,235,122,269.23** |
| TOTAL LIABILITIES | **4,449,169,791.16** | **21,549,335,296.12** | **5,847,238,812.71** | **6,654,908,873.66** | **6,268,125,241.72** | **6,323,562,858.69** | **71,588,409,504.61** | **122,680,750,378.66** |
| **Assets/Liabilities** | **0.41** | **1.32** | **0.31** | **0.27** | **0.37** | **0.73** | **1.14** | **1.00** |
| **Net Mismatch in each Time Interval** | **(2,628,563,280.62)** | **6,861,066,301.45** | **(4,023,284,010.42)** | **(4,867,113,568.57)** | **(3,942,463,039.25)** | **(1,686,935,526.96)** | **10,287,293,123.35** | **(1.00)** |
| **Cumulative Net Mismatch** | **(2,628,563,280.62)** | **4,232,503,020.84** | **209,219,010.42** | **(4,657,894,558.15)** | **(8,600,357,597.40)** | **(10,287,293,124.35)** | **(1.00)** | **(2.00)** |

**Item 8: Assets (net of provisions) and Liabilities by Original Maturity**

| As of period ending December 31, 2025 | On Demand | 1-30 days | 31-90 days | 91-180 days | 181-270 days | 271-365 days | Over 1 year | TOTAL |
|---|---|---|---|---|---|---|---|---|
| Cash in hand | 30,377,730,525.41 | 10,026,405,110.16 | | | | | | **40,404,135,635.57** |
| Govt. Securities | | | | | | | 11,137,817,000.00 | **11,137,817,000.00** |
| Investment securities | | | | 75,592,519.59 | | 64,202,081.44 | 4,951,399,861.64 | **5,091,194,462.67** |
| Loans & advances to banks | | | 3,700,000,000.00 | 379,760,000.00 | | 192,898,709.95 | 100,665,600.00 | **4,373,324,309.95** |
| Loans & advances to customers | | 61,149,865.70 | 4,750,537.60 | 195,861,805.87 | 335,339,979.77 | 1,280,675,255.94 | 91,450,210,912.71 | **93,327,988,357.59** |
| Other assets | | 201,803,936.08 | 338,502.00 | 31,634,080.63 | 581,612,218.71 | | 2,299,527,695.49 | **3,114,916,432.91** |
| **TOTAL ASSETS** | **30,377,730,525.41** | **10,289,358,911.94** | **3,705,089,039.60** | **682,848,406.09** | **916,952,198.48** | **1,537,776,047.33** | **109,939,621,069.84** | **157,449,376,198.69** |
| Amounts owed to other banks | 17,738.51 | - | - | - | - | - | - | **17,738.51** |
| Demand deposits | 1,984,110,806.56 | 1,982,451,575.75 | 1,982,451,575.75 | 1,982,451,575.75 | 1,982,451,575.75 | 1,982,451,575.75 | 28,085,070,285.15 | **39,981,438,970.46** |
| Savings deposits | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 2,596,302,531.95 | 23,835,322,910.55 | **39,413,138,102.26** |
| Time deposits | | | 4,050,000,000.00 | 3,968,538,010.98 | 10,267,542,106.77 | 2,780,672,185.28 | 36,840,851,040.82 | **57,907,603,343.85** |
| Bonds & other negotiable instruments | | | | | | | 4,280,150,000.00 | **4,280,150,000.00** |
| Other liabilities | | 1,199,748,588.54 | 286,327,018.46 | 83,855,448.40 | 2,292,243,723.60 | | 12,004,853,264.60 | **15,867,028,043.61** |
| **TOTAL LIABILITIES** | **4,580,431,077.02** | **5,778,502,696.25** | **8,915,081,126.16** | **8,631,147,567.08** | **17,138,539,938.07** | **7,359,426,292.98** | **105,046,247,501.12** | **157,449,376,198.69** |
| **Assets/Liabilities** | **6.63** | **1.78** | **0.42** | **0.08** | **0.05** | **0.21** | **1.05** | **1.00** |
| **Net Mismatch in each Time Interval** | **25,797,299,448.39** | **4,510,856,215.69** | **(5,209,992,086.56)** | **(7,948,299,160.99)** | **(16,221,587,739.59)** | **(5,821,650,245.65)** | **4,893,373,568.72** | **0.01** |
| **Cumulative Net Mismatch** | **25,797,299,448.39** | **30,308,155,664.09** | **25,098,163,577.52** | **17,149,864,416.53** | **928,276,676.94** | **-4,893,373,568.71** | **0.00** | **0.01** |

**Item 8: Assets (net of provisions) and Liabilities by Original Maturity**

| As of period ending December 31, 2024 | On Demand | 1-30 days | 31-90 days | 91-180 days | 181-270 days | 271-365 days | Over 1 year | TOTAL |
|---|---|---|---|---|---|---|---|---|
| Cash in hand | 1,360,631,502.52 | | | | | | | **1,360,631,502.52** |
| Govt. Securities | | | 425,415,600.00 | | | | 12,282,817,000.00 | **12,708,232,600.00** |
| Investment securities | | | | 143,862,466.60 | | | 897,782,475.20 | **1,041,644,941.80** |
| Loans & advances to banks | | | 2,300,000,000.00 | 371,260,000.00 | | 192,898,709.95 | 95,905,600.00 | **2,960,064,309.95** |
| Loans & advances to customers | | 40,090,187.74 | 19,093,864.25 | 182,550,409.58 | 202,764,568.72 | 552,370,231.19 | 78,834,317,717.47 | **79,831,186,978.95** |
| Other assets | - | 24,778,990,044.43 | - | - | - | - | - | **24,778,990,044.43** |
| **TOTAL ASSETS** | **1,360,631,502.52** | **24,819,080,232.17** | **2,744,509,464.25** | **697,672,876.18** | **202,764,568.72** | **745,268,941.14** | **92,110,822,792.67** | **122,680,750,377.65** |
| Amounts owed to other banks | 398,085.32 | | | | | | | **398,085.32** |
| Demand deposits | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 2,476,613,003.42 | 23,893,877,139.09 | **38,753,555,159.62** |
| Savings deposits | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 1,972,126,702.42 | 21,018,234,725.90 | **32,850,994,940.40** |
| Time deposits | | | 2,100,032,000.00 | 362,745,559.97 | 157,727,519.62 | 1,966,222,916.75 | 29,473,801,927.75 | **34,060,529,924.09** |
| Bonds & other negotiable instruments | | | | | | | 2,780,150,000.00 | **2,780,150,000.00** |
| Other liabilities | | 14,235,122,269.23 | | | | | | **14,235,122,269.23** |
| **TOTAL LIABILITIES** | **4,449,137,791.16** | **18,683,861,975.07** | **6,548,771,705.84** | **4,811,485,265.81** | **4,606,467,225.46** | **6,414,962,622.59** | **77,166,063,792.74** | **122,680,750,378.66** |
| **Assets/Liabilities** | **0.31** | **1.33** | **0.42** | **0.15** | **0.04** | **0.12** | **1.19** | **1.00** |
| **Net Mismatch in each Time Interval** | **(3,088,506,288.64)** | **6,135,218,257.10** | **(3,804,262,241.59)** | **(4,113,812,389.63)** | **(4,403,702,656.74)** | **(5,669,693,681.45)** | **14,944,758,999.93** | **(1.00)** |
| **Cumulative Net Mismatch** | **(3,088,506,288.64)** | **3,046,711,968.47** | **(757,550,273.12)** | **(4,871,362,662.75)** | **(9,275,065,319.49)** | **(14,944,759,000.93)** | **(1.00)** | **(2.00)** |

**Item 9: Assets and Liabilities by time-to-re-pricing**

| As of period ending December 31, 2025 | Time to re-pricing | | | | Non-interest bearing | Total |
|---|---|---|---|---|---|---|
| | 0-90 days | 91-180 days | 181-365 days | 366<= | | |
| **Assets** | **0-3 months** | **3-6 months** | **6-12 months** | **More than 12 months** | | |
| Cash and Balances with Banks | | | | | 40,404,135,635.57 | 40,404,135,635.57 |
| Treasury Bills | | | | | | - |
| Loans and Advances | 88,302,991,590.21 | 41,589,545.19 | 147,351,443.09 | 4,836,055,779.10 | | 93,327,988,357.59 |
| Investment Securities | 5,380,158,709.95 | 507,092,519.59 | 1,868,999,000.00 | 12,449,001,681.44 | 397,083,861.64 | 20,602,335,772.62 |
| Other Assets | - | - | | - | 3,114,916,432.91 | 3,114,916,432.91 |
| **Total financial assets** | **93,683,150,300.16** | **548,682,064.78** | **2,016,350,443.09** | **17,285,057,460.54** | **43,916,135,930.12** | **157,449,376,198.69** |
| **Liabilities** | | | | | | |
| Deposits | 17,947,352,395.98 | 13,204,887,028.07 | 11,736,834,588.60 | 54,431,685,171.97 | 39,981,438,970.46 | 137,302,198,155.08 |
| Borrowings | | | | 4,280,150,000.00 | | 4,280,150,000.00 |
| Other Liabilities | | | | | 15,867,028,043.61 | 15,867,028,043.61 |
| **Total financial liabilities** | **17,947,352,395.98** | **13,204,887,028.07** | **11,736,834,588.60** | **58,711,835,171.97** | **55,848,467,014.06** | **157,449,376,198.69** |
| **Total interest Re-pricing gap** | **75,735,797,904.18** | **(12,656,204,963.29)** | **(9,720,484,145.51)** | **(41,426,777,711.43)** | **(11,932,331,083.94)** | **0.01** |

**Item 9: Assets and Liabilities by time-to-re-pricing**

| As of period ending December 31, 2024 | Time to re-pricing | | | | Non-interest bearing | Total |
|---|---|---|---|---|---|---|
| | 0-90 days | 91-180 days | 181-365 days | 366<= | | |
| **Assets** | **0-3 months** | **3-6 months** | **6-12 months** | **More than 12 months** | | |
| Cash and Balances with Banks | | | | | 22,419,041,159.21 | 22,419,041,159.21 |
| Treasury Bills | 425,415,600.00 | | | | | 425,415,600.00 |
| Loans and Advances | 72,095,186,633.72 | 30,050,783.72 | 79,226,709.80 | 7,871,819,716.09 | | 80,076,283,843.33 |
| Investment Securities | 2,959,500,626.55 | 48,520,550.00 | 2,450,000,000.00 | 10,328,722,600.00 | 497,782,475.20 | 16,284,526,251.75 |
| Other Assets | | | | | 3,475,483,523.36 | 3,475,483,523.36 |
| **Total financial assets** | **75,480,102,860.27** | **78,571,333.72** | **2,529,226,709.80** | **18,200,542,316.09** | **26,392,307,157.77** | **122,680,750,377.65** |
| **Liabilities** | | | | | | |
| Deposits | 10,180,384,535.17 | 4,178,295,870.24 | 7,638,462,093.56 | 44,914,382,365.52 | 38,753,953,244.94 | 105,665,478,109.43 |
| Borrowings | | | | 2,780,150,000.00 | | 2,780,150,000.00 |
| Other Liabilities | | | | | 14,235,122,269.23 | 14,235,122,269.23 |
| **Total financial liabilities** | **10,180,384,535.17** | **4,178,295,870.24** | **7,638,462,093.56** | **47,694,532,365.52** | **52,989,075,514.17** | **122,680,750,378.66** |
| **Total interest Re-pricing gap** | **65,299,718,325.10** | **(4,099,724,536.52)** | **(5,109,235,383.76)** | **(29,493,990,049.43)** | **(26,596,768,356.39)** | **(1.00)** |

**Item 10: Non performing Loans and Provisions As per BFRS**

| As of period ending December 31, 2025 | | | | |
|---|---|---|---|---|
| **Stage** | **Amount of NPL's (Gross)** | **Impairment Provision** | **Interest Impairment** | **Total Impairment Provision** |
| Stage 1 | | 624,932,659.05 | | 624,932,659.05 |
| Stage 2 | | 216,333,723.46 | | 216,333,723.46 |
| Stage 3 | 1,907,140,823.52 | 1,261,292,239.48 | 202,282,911.20 | 1,463,575,150.68 |
| **Total Collective Impairment#** | **1,907,140,823.52** | **2,102,558,621.99** | **202,282,911.20** | **2,304,841,533.19** |
| Individual Impairment | 917,254,929.77 | 520,561,213.94 | | 520,561,213.94 |
| **Total Impairment (Collective+Individual)** | **2,824,395,753.29** | **2,623,119,835.93** | **202,282,911.20** | **2,825,402,747.13** |
| **Impairment provision % (GNPA)** | | | | **2.93%** |

**Item 10: Non performing Loans and Provisions As per BFRS**

| As of period ending December 31, 2024 | | | | |
|---|---|---|---|---|
| **Stage** | **Amount of NPL's (Gross)** | **Impairment Provision** | **Interest Impairment Provision** | **Total Impairment Provision** |
| Stage 1 | | 486,090,934.40 | | 486,090,934.40 |
| Stage 2 | | 142,529,309.00 | | 142,529,309.00 |
| Stage 3 | 1,434,717,306.67 | 1,415,351,289.22 | 191,781,920.16 | 1,607,133,209.38 |
| **Total Collective Impairment** | **1,434,717,306.67** | **2,043,971,532.62** | **191,781,920.16** | **2,235,753,452.78** |
| **Individual Impairment**** | 313,718,026.40 | 371,342,594.06 | | 371,342,594.06 |
| **Total Impairment (Collective+Individual)** | **1,748,435,333.07** | **2,415,314,126.68** | **191,781,920.16** | **2,607,096,046.84** |
| **Impairment provision % (GNPA)** | | | | **2.12%** |



SPAN & ASSOCIATES Kolkata Chartered Accountants

BOB BANK OF BHUTAN Head Office

**Item 11: Assets and Investments**

| Sl.No. | Investment | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| 1 | **Marketable Securities (Interest Earning)** | | |
| a. | RMA Securities | - | 425,415,600.00 |
| b. | RGOB Bonds/Securities | 11,137,817,000.00 | 12,282,817,000.00 |
| c. | Corporate Bonds | 4,154,316,000.00 | - |
| d. | Others | 539,794,601.03 | 495,341,916.60 |
| | ***Sub-Total*** | **15,831,927,601.03** | **13,203,574,516.60** |
| 2 | **Equity Investments** | | |
| a. | Public Companies | 329,498,768.64 | 416,985,831.20 |
| b. | Commercial Banks | 25,999,218.00 | 24,421,194.00 |
| c. | Non-Bank Financial Institutions | 41,585,875.00 | 56,375,450.00 |
| d. | Less: Specific Provisions | | |
| | ***Sub-Total*** | **397,083,861.64** | **497,782,475.20** |
| 3 | **Fixed Assets** | | |
| a. | Fixed Assets (Gross) | 3,747,865,639.48 | 3,503,460,067.18 |
| b. | Less: Accumulated Depreciation | 1,518,057,499.83 | 1,265,707,893.07 |
| c. | **Fixed Assets (Net Book Value)** | **2,229,808,139.65** | **2,237,752,174.11** |

**Item 13: Geographical Distribution of Exposures**

| Particulars | Domestic | | India | | Other | |
|---|---|---|---|---|---|---|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| Demand Deposits held with other banks | 201,000.00 | 200,000.00 | 72,187,763.53 | 181,475,986.95 | 2,261,120,341.22 | 1,452,225,305.21 |
| Time deposits held with other banks | 3,900,000,000.00 | 2,500,000,000.00 | 192,898,709.95 | - | 280,425,600.00 | 267,165,600.00 |

**Item 12: Foreign Exchange Assets and Liabilities as at December 31, 2025**

| Currency | Liquid Foreign Currency Holdings (up to one Week) | | | Long Term Foreign Currency Holdings (More than one Week) | | | Nu. In Millions | |
|---|---|---|---|---|---|---|---|---|
| | 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 | 3,355,251,871.48 | 3,228,138,787.62 | 127,113,083.86 | 59,133,064.05 | - | 59,133,064.05 | 186,246,147.91 | 1.86 |
| SGD | 52,600,622.97 | 291,156,604.25 | (238,555,981.28) | - | - | - | (238,555,981.28) | (2.38) |
| EURO | 122,163,026.18 | 27,982,551.80 | 94,180,474.38 | - | - | - | 94,180,474.38 | 0.94 |
| AUD | 98,239,019.87 | 18,207,211.35 | 80,031,808.52 | - | - | - | 80,031,808.52 | 0.80 |
| CAD | 24,031,486.40 | 13,807.25 | 24,017,679.15 | | | | 24,017,679.15 | 0.24 |
| HKD | 59,482.50 | - | 59,482.50 | - | - | - | 59,482.50 | 0.00 |
| GBP | 84,172,712.10 | 183,638.63 | 83,989,073.47 | - | - | - | 83,989,073.47 | 0.84 |
| CHF | 169,638,918.60 | 492,286.84 | 169,146,631.76 | - | - | - | 169,146,631.76 | 1.69 |
| JPY | 29,263,174.94 | - | 29,263,174.94 | - | - | - | 29,263,174.94 | 0.29 |
| **TOTAL** | **3,935,420,315.04** | **3,566,174,887.74** | **369,245,427.30** | **59,133,064.05** | - | **59,133,064.05** | **428,378,491.35** | **4.27** |
| | | | | | Core Capital | | **10,022,391,368.58** | |

**Item 12: Foreign Exchange Assets and Liabilities as at December 31, 2024**

| Currency | Liquid Foreign Currency Holdings (up to one Week) | | | Long Term Foreign Currency Holdings (More than one Week) | | | Nu. In Millions | |
|---|---|---|---|---|---|---|---|---|
| | 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 | 1,675,775,409.36 | 1,492,468,401.28 | 183,307,008.08 | 56,336,941.19 | - | 56,336,941.19 | 239,643,949.27 | 3.18 |
| SGD | 10,528,549.42 | 40,799,756.64 | (30,271,207.22) | - | - | - | (30,271,207.22) | (0.40) |
| EURO | 53,192,471.37 | 33,970,947.11 | 19,221,524.26 | - | - | - | 19,221,524.26 | 0.26 |
| AUD | 33,424,695.24 | 30,681,630.37 | 2,743,064.87 | - | - | - | 2,743,064.87 | 0.04 |
| CAD | 27,580,745.05 | 26,110,988.90 | 1,469,756.15 | - | - | - | 1,469,756.15 | 0.02 |
| HKD | 36,399.00 | | 36,399.00 | - | - | - | 36,399.00 | 0.00 |
| GBP | 40,024,599.86 | 227,016.14 | 39,797,583.72 | - | - | - | 39,797,583.72 | 0.53 |
| CHF | 80,108,199.77 | 553,010.31 | 79,555,189.46 | - | - | - | 79,555,189.46 | 1.06 |
| JPY | 14,750,893.44 | | 14,750,893.44 | - | - | - | 14,750,893.44 | 0.20 |
| **TOTAL** | **1,935,421,962.51** | **1,624,811,750.75** | **310,610,211.76** | **56,336,941.19** | - | **56,336,941.19** | **366,947,152.95** | **4.88** |
| | | | | | Core Capital | | **7,524,953,123.93** | |

**Item 14: Credit Risk Exposure by Collateral**

| Sl.No. | | Particulars | December 31, 2025 * | December 31, 2024 # |
|---|---|---|---|---|
| 1 | | **Secured Loans** | **96,236,645,709.52** | **82,447,141,921.78** |
| | a. | Loans secured by physical/real estate collateral | 83,220,127,800.00 | 71,834,295,146.21 |
| | b. | Loans Secured by financial collateral | 1,681,888,570.79 | 1,340,242,397.25 |
| | c. | Loans secured by guarantees | 11,334,629,338.73 | 9,272,604,378.32 |
| 2 | | Unsecured Loans | 14,734,812.58 | 6,649,604.01 |
| 3 | | **Total Loans** | **96,251,380,522.10** | **82,453,791,525.79** |

* Includes Gross Loans and Advance of Nu. 96,251,380,522.10 and Bills discounted & Purchased Nil

# Includes Gross Loans and Advance of Nu. 82,453,791,525.79. and Bills discounted & Purchased of Nu. 15,508,500

## Item 15: Earnings Ratios

| Sl.No. | Ratio | December 31, 2025 |
|---|---|---|
| 1 | Interest Income as a percentage of Average Assets | 2.92% |
| 2 | Non-interest income as a percentage of Average Assets | 0.63% |
| 3 | Operating Profit as a percentage of Average Assets | 2.10% |
| 4 | Return on Assets | 1.30% |
| 5 | Business (Deposits plus Advances) per employee (Nu. In million) | 293.42 |
| 6 | Profit per employee (Nu. In million) | 2.60 |

**Item 16: Penalties imposed by RMA in the past period**

| Sl.No. | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Reason for Penalty Imposed | Penalty Imposed | Reason for Penalty Imposed | Penalty Imposed |
| 1<br>2<br>3<br>4<br>5 | NIL | NIL | NIL | NIL |
| | | | | |

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**Item 17: Customer Complaints**

| Sl.No. | Particular | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| 1 | No. of complaints pending at the beginnig of the year | 6 | 57 |
| 2 | No. of complaints received during the year | 3,500 | 5,344 |
| 3 | No. of complaints redressed during the year | 3,493 | 5,435 |
| 4 | No. of complaints pending at the end of the year | 13 | 6 |

**Item 18: Provision Coverage Ratio (PCR)**

| Year | Gross NPA* | Impairment Provision** | Interest Impairment | Total Impairment Provision | PCR |
|---|---|---|---|---|---|
| 2024 | 1,748,435,333.07 | 2,415,314,126.68 | 191,781,920.16 | 2,607,096,046.84 | 1.49 |
| 2025 | 2,824,395,753.29 | 2,623,119,835.93 | 202,282,911.20 | 2,825,402,747.13 | 1.00 |

*GNPA consists of loan exposures that are classified as Stage 3.

** Impairment provisions comprise allowances recognized for Stage 1, Stage 2, and Stage 3 exposures.

**Item 19: Concentration of Credit and Deposits**

| Sl.No. | Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| 1 | Total loans to 10 largest borrowers | 17,156,091,251.54 | 15,477,454,759.35 |
| 2 | *As % of total loans* | 17.82% | 18.77% |
| 3 | Total deposits of the 10 largest depositors | 25,911,358,029.00 | 26,671,448,961.75 |
| 4 | *As % of total deposits* | 18.87% | 25.24% |

**Item 20: Exposure to 5 Largest NPL accounts**

| Sl.No. | Particulars | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| 1 | Five largest NPL accounts | 429,598,961.80 | 1,137,457,377.13 |
| 2 | % of Total NPLs | 7.51% | 17.25% |

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