

**Garima Bikas Bank Limited**  
**Capital Adequacy Table**  
At the month end of Ashadh, 2080

Form No. 1

(Rs. in '000)

| <b>1.1 RISK WEIGHTED EXPOSURES</b>   |   | <b>Current Period</b> | <b>Previous Period</b> |
|--|---|-----------------------|------------------------|
| a  | Risk Weighted Exposure for Credit Risk  | 60,507,600.97         | 59,987,291.64          |
| b  | Risk Weighted Exposure for Operational Risk   | 3,204,989.44          | 3,204,989.44           |
| c  | Risk Weighted Exposure for Market Risk  | 23,681.33             | 22,981.18              |
| <b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>       |   | <b>63,736,271.75</b>  | <b>63,215,262.26</b>   |
| <b>Adjustments under Pillar II</b>   |   |                       |                        |
| SRP 6.4a (5)   | ALM policies & practices are not satisfactory, add 1% of net interest income to RWE | -                     | -                      |
| SRP 6.4a (6)   | Add .....% of the total deposit due to insufficient Liquid Assets                   | -                     | -                      |
| SRP 6.4a (7)   | Add RWE equivalent to reciprocal of capital charge of 2-5% of gross income          | -                     | -                      |
| SRP 6.4a (9)   | Overall risk management policies and procedures are not satisfactory. Add 2% of RWE | 1,274,725.43          | 1,264,305.25           |
| SRP 6.4a (10)  | Desired level of disclosure requirement has not been achieved. Add 1% of RWE        | 637,362.72            | 632,152.62             |
| <b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b> |   | <b>65,648,359.90</b>  | <b>65,111,720.13</b>   |

| <b>1.2 CAPITAL</b>                 |   | <b>Current Period</b> | <b>Previous Period</b> |
|------------------------------------|---|-----------------------|------------------------|
| <b>(A) Core Capital (Tier 1)</b>   |   | <b>6,927,201.12</b>   | <b>6,150,942.55</b>    |
| a                                  | Paid up Equity Share Capital  | 5,187,687.06          | 5,187,687.06           |
| b                                  | Irredeemable Non-cumulative preference shares                               |                       |                        |
| c                                  | Share Premium   | 4,415.33              | 4,415.33               |
| d                                  | Proposed Bonus Equity Shares  |                       |                        |
| e                                  | Statutory General Reserves  | 968,269.80            | 968,269.80             |
| f                                  | Retained Earnings   | 11,077.19             | 24,748.11              |
| g                                  | Un-audited current year cumulative profit/(loss)                            | 1,004,078.28          | 214,148.79             |
| h                                  | Capital Redemption Reserve  |                       |                        |
| i                                  | Capital Adjustment Reserve  |                       |                        |
| j                                  | Debenture Redemption Reserve  |                       |                        |
| k                                  | Dividend Equalization Reserves  |                       |                        |
| l                                  | Other Free Reserve  |                       |                        |
| n                                  | Less: Goodwill  | 92,311.74             | 92,311.74              |
| o                                  | Less: Fictitious Assets   |                       |                        |
| p                                  | Less: Investment in equity in licensed Financial Institutions               |                       |                        |
| q                                  | Less: Investment in equity of institutions with financial interests         | 123,900.00            | 123,900.00             |
| r                                  | Less: Investment in equity of institutions in excess of limits              |                       |                        |
| s                                  | Less: Investments arising out of underwriting commitments                   |                       |                        |
| t                                  | Less: Reciprocal crossholdings  |                       |                        |
| u                                  | Less: Purchase of land & building in excess of limit and unutilized         | 32,114.80             | 32,114.80              |
| v                                  | Less: Other Deductions  |                       |                        |
| <b>Adjustments under Pillar II</b> |   |                       |                        |
| SRP 6.4a(1)                        | Less: Shortfall in Provision  | -                     |                        |
| SRP 6.4a(2)                        | Less: Loans & Facilities extended to related parties and restricted lending | -                     |                        |

|  |   |                     |                     |
|--|---|---------------------|---------------------|
| <b>(B) Supplementary Capital (Tier 2)</b>      |   | <b>2,071,952.08</b> | <b>2,134,780</b>    |
| a  | Cumulative and/or Redeemable Preference Share |                     |                     |
| b  | Subordinated Term Debt                        | 1,000,000.00        | 1,000,000.00        |
| c  | Hybrid Capital Instruments                    |                     |                     |
| d  | General loan loss provision                   | 1,070,207.80        | 1,133,195.80        |
| e  | Exchange Equalization Reserve                 | 160.28              |                     |
| f  | Investment Adjustment Reserve                 | 1,584.00            | 1,584.00            |
| g  | Asset Revaluation Reserve                     |                     |                     |
| h  | Other Reserves                                | -                   |                     |
| <b>Total Capital Fund (Tier I and Tier II)</b> |   | <b>8,999,153.20</b> | <b>8,285,722.34</b> |

| <b>1.3 CAPITAL ADEQUACY RATIOS</b>  |  | <b>Current Period</b> | <b>Previous Period</b> |
|---|--|-----------------------|------------------------|
| Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)           |  | 10.55%                | 9.45%                  |
| Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II) |  | 13.71%                | 12.73%                 |