

## DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) AS ON 30 JUNE 2024.

### 1. INTRODUCTION:

Doha Bank Q.P.S.C. is an entity domiciled in the State of Qatar and was incorporated on March 15, 1979 as a Joint Stock Company under Emiri Decree No. 51 of 1978. The commercial registration of the Bank is 7115. The address of the Bank's registered office is Doha Bank Tower, Corniche Street, West Bay, P.O. Box 3818, Doha Qatar.

The India branch of Doha Bank Q.P.S.C. ("Doha Bank" or the "Bank") started operations from June 10, 2014. The registered office of the Bank is Sakhar Bhavan, Ground Floor, Plot No. 230, Block No. III, Backbay, Reclamation, Nariman Point, Mumbai -400021, Maharashtra State, India.

### 2. SCOPE OF APPLICATION

The Basel III disclosure contained herein relate to the Indian branches of Doha Bank Q.P.S.C. (the Bank) as on 30 June 2024. These primarily relate to the disclosure required under Annexure 18 – Pillar 3 disclosure requirements of the Reserve Bank of India (The RBI) Master Circular - Basel III capital regulation dated 1st July 2015 and published in accordance with the requirements of RBI for a branch of foreign bank, and do not require the disclosures pertaining to the consolidation of entities.

The Bank has implemented the requirement laid down by RBI for Pillar 3 disclosure, covering both the quantitative and qualitative items. The information provided has been reviewed by senior management and is in accordance with the guidelines prescribed by the RBI. All table DF reference relate to those mentioned in annexure 18 - pillar 3 of above mentioned circular.

#### Qualitative and Quantitative disclosure as per DF 1

The Bank does not have any reportable interest in subsidiaries/associates/ joint venture or insurance entities. As such this disclosure is not applicable to the Bank.

### 3. CAPITAL ADEQUACY:

#### Qualitative Disclosures:

The capital to risk weighted asset ratio (CRAR) of the Bank is 43.50% as of June 30, 2024 computed under Basel III norms, higher than minimum regulatory CRAR requirement of 11.50% including capital conservation buffer (CCB) of 2.50%.

The bank's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

It is overseen by the Bank's local Risk Management Committee (RMC). The Bank's capital management framework also includes a comprehensive internal capital adequacy assessment process (ICAAP) conducted annually. The ICAAP encompasses capital planning for five years' time horizon, identification and measurement of material risks and the relationship between risk and capital. Further bank has developed ICAAP policy for assessment of capital adequacy.

The Bank's ICAAP document covers the capital management framework of the bank, sets the process for the assessment of the adequacy of capital to support current and future activities / risk and report on the capital projection for period of 5 years. This framework is supplemented by the existing stress testing framework which is an integral part of ICAAP.

In the normal course of event, management reviews the adequacy of capital quarterly or with increased frequency, if circumstances demand. The capital requirement of the bank is assessed after considering bank's business model as well as opportunity for growth in India.

The capital assessment by the bank factors in the credit, operational and market risk associated with its current and future activities as well as the effective management of these risks to optimise the utilisation of capital.

**DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) AS ON 30 JUNE 2024.**

**Quantitative Disclosure:**

A Summary of the bank's capital requirement for credit, market and operational risk and capital adequacy ratio as on June 30, 2024 is presented below:

Details	(Rs'000)
<b>Capital requirement for credit risk (Standardized approach)</b>	<b>837,166</b>
On balance sheet exposure	586,634
<u>Off balance sheet exposure</u>	
Non market related	245,933
Market related	4,599
<b>Capital requirement for market risk (Standardized duration approach)</b>	<b>35,578</b>
Interest rate risk	-
Foreign exchange risk	35,578
Equity risk	-
<b>Capital requirement for operational risk (Basic Indicator approach)</b>	<b>114,388</b>
<b>Total capital requirements</b>	<b>987,132</b>
<b>Total Risk Weighted Assets of the Bank</b>	<b>86,17,014</b>
Credit risk	7,312,958
Market risk	309,375
Operational risk	994,681
CET 1 capital	3,656,690
Additional Tier 1 capital	-
<b>Total Tier 1 capital</b>	<b>3,656,690</b>
<b>Tier 2 capital</b>	<b>91,412</b>
<b>Total regulatory capital</b>	<b>3,748,102</b>
<b>CET1 / Tier 1 Capital ratio</b>	<b>42.44%</b>
<b>Tier II Capital ratio</b>	<b>1.06%</b>
<b>Total capital ratio</b>	<b>43.50%</b>

The Composition of the Capital structure as on June 30, 2024:

Particulars	(Rs'000)
Paid up Capital (Funds from Head Office)	3,042,002
Statutory Reserve	242,281
Capital Reserve*	324,248
Balance in Profit & Loss Account	66,969
Regulatory Adjustment to CET I	(24,655)
<b>CET 1 Capital</b>	<b>3,650,845</b>
Additional Tier 1 Capital	-
<b>Total Tier 1 Capital</b>	<b>3,650,845</b>
Tier 2 Capital	153,469
Restricted to 1.25% of Credit Risk Weighted Assets	91,412
<b>Whichever is lower, so allowed</b>	<b>91,412</b>
<b>Total regulatory capital</b>	<b>3,742,257</b>

\*Net of reserve Rs 6,645 thousand created on acquisition of HSBC Bank Oman SAOG.

**DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) AS ON 30 JUNE 2024.**

**Qualitative disclosure**

This refers to risk arising from the potential that an obligor is either unwilling to honour his/her obligation or has become unable to meet such obligation, which leads to economic loss to the bank or the possibility of losses associated with diminution in the credit quality of borrowers or counter parties and/or in the value of the collateral held by the Bank as security. Identification, measurement and management of risk are strategic priorities for the Bank and its credit risk is managed by a thorough and well-structured credit assessment process complemented with appropriate collaterals wherever necessary and continuous monitoring of the advances at account and portfolio levels.

**Quantitative disclosure**

Total gross credit risk exposures including geographic distribution of exposure as on June 30, 2024

	(Rs '000)		
Particulars	Domestic	Overseas	Total
Fund Based	13,278,752	1,263,920	14,509,413
Non Fund Based*	4,977,758	2,975,250	8,019,527
<b>Total</b>	<b>18,256,510</b>	<b>4,239,171</b>	<b>22,528,940</b>

\*Non fund based exposure are guarantee given on behalf of constituents, acceptances, endorsement, undrawn credit limits sanctioned to borrower and credit exposure on outstanding derivative contracts.

**Industry wise distribution of advances and off balance sheet credit exposure as at 30 June 2024 (Gross)**

Industry Name	Fund Based [Outstanding-O/s]			Non Fund Based Exposure (Outstanding)
	Standard	NPA	Total	
A. Mining and Quarrying	-	-	-	-
B. Food Processing	-	-	-	-
C. Beverages (excluding Tea & Coffee) and Tobacco	-	-	-	-
D. Textiles	-	-	-	-
E. Leather and Leather products	-	-	-	-
F. Wood and Wood Products	-	-	-	-
G. Paper and Paper Products	-	-	-	-
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	-	-	-	-
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	497,000	-	497,000	-
J. Rubber, Plastic and their Products	300,000	-	300,000	81,100
K. Glass & Glassware	-	-	-	-
L. Cement and Cement Products	-	-	-	-
M. Basic Metal and Metal Products	-	-	-	13,000
N. All Engineering	730,600	-	730,600	210,900
O. Vehicles, Vehicle Parts and Transport Equipments	-	-	-	-
P. Gems and Jewellery	594,000	-	594,000	-
Q. Construction	-	-	-	-
R. Infrastructure	610,000	-	610,000	512,300
S. Other Industries	-	-	-	-
Residuary other advances (to tally with gross advances)	3,994,000	93,700	4,087,700	3,121,500
<b>Total</b>	<b>6,725,600</b>	<b>93,700</b>	<b>6,819,300</b>	<b>3,938,800</b>

DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) AS ON 30 JUNE 2024.

Residual Contractual maturity breaks down of Assets

(Rs '000)

MATURITY BUCKETS	Cash balances with RBI and other Banks	Investment Securities	Loans and Advances	Other Assets including fixed assets
1 Day	5,07,601	9,87,663	7,67,849	97,988
2 to 7 Days	7,50,163	21,953	9,12,500	620
8 Days to 14 Days	-	59,786	7,44,000	-
15 days to 30 Days	4,16,938	1,22,371	5,47,500	8,168
31 days to 2 months	9,16,936	91,227	-	5,577
2 months to 3 months	-	1,47,431	25,000	23,610
Over 3 months to 6 months	-	4,29,498	1,06,350	31,592
Over 6 months to 1 year	-	13,55,275	2,47,000	64,433
Over 1 year to 3 years	-	8,64,357	19,30,218	3,26,349
Over 3 years to 5 years	-	33,441	6,57,339	58,734
Over 5 years	-	9,715	8,31,123	3,70,891
<b>Total</b>	<b>25,91,638</b>	<b>41,22,717</b>	<b>67,68,879</b>	<b>9,87,962</b>

Movement of NPAs (Gross) and Provision for NPAs

(Rs '000)

Particulars	June 30, 2024
(i) Amount of NPAs (Gross)	93,734
Doubtful 1	-
Doubtful 2	-
Doubtful 3	-
Loss	-
(ii) Net NPAs	43,377
(iii) NPA Ratios	
Gross NPAs to Gross Advances	1.37%
Net NPAs to Net Advances	0.64%
(iv) Movement of NPAs (Gross)	
Opening Balance as at April 01, 2024	93,734
Additions during the year	-
Reductions during the year	93,734
<b>Closing Balance as at June 30, 2024</b>	<b>93,374</b>
(v) Movement of provision of NPAs	
Opening Balance as at April 1, 2024	39,098
Provisions made during the year	11,260
Write offs of NPA provision	-
Write backs of excess provisions	-
<b>Closing Balance as at June 30, 2024</b>	<b>50,358</b>

DISCLOSURES UNDER PILLAR 3 OF THE CAPITAL ADEQUACY FRAMEWORK (BASEL III GUIDELINES) AS ON 30 JUNE 2024.

Movement of General Provision- Position as on 30 June 2024

	(Rs '000)
<b>Opening Balance</b>	<b>25,304</b>
Provisions made during the year	-
Write offs	-
Write backs of excess provisions	-
Any other adjustments	-
<b>Closing Balance</b>	<b>25,304</b>

Movement of Provision for Depreciation on Investment

	(Rs '000)
<b>Opening Balance</b>	<b>110,681</b>
Add: Provisions made during the year	12,541
Less: Write back of excess provisions	121,042
<b>Closing Balance</b>	<b>2,180</b>

Major Industry wise break up of NPAs & Specific Provisions

	(Rs '000)	
Industry	NPAs	Specific Provisions
S. Other Industries	93,734	50,358
<b>Total</b>	<b>93,734</b>	<b>50,359</b>

Geography Wise distribution of NPAs

	(Rs '000)
State	NPAs
Maharashtra	93,734
<b>Total</b>	<b>93,734</b>

**Credit Risk: Portfolios under the standardised approach:**

**Qualitative Disclosures**

The Bank uses external rating agencies that are approved by the RBI for capital adequacy, viz, CRISIL, ICRA, and CARE for domestic exposures and S&P, Moody's and Fitch for overseas exposures.

The Bank also has an independent internal ratings model. These internal ratings are used for ascertaining credit worthiness of a client, setting internal prudential limits, determining pricings etc. The internal and external ratings do not have a one to one mapping and for the purpose of calculation of the capital for the credit risk under the standardized approach, the external ratings are used.

**Quantitative Disclosures**

The exposure under each credit risk category is as follows:

	(Rs'000)
Risk Bucket	Amount
Below 100% Risk Weight	1,76,23,102
100% risk weight	42,93,124
More than 100% risk weight	5,92,414
	<b>22,508,639</b>