Basel III - Disclosures Under Pillar 3 as per the Banking Act Direction No.01 of 2016

Disclosure 1

Key Regulatory Ratios - Capital and Liquidity

	As at 31.03.2025	As at 31.12.2024
Regulatory Capital (LKR '000)		
Common Equity Tier 1 Capital	7,115,616	7,141,955
Tier 1 Capital	7,365,616	7,391,955
Total Capital	7,567,141	7,608,959
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio *(Minimum Requirement -7.00%)*	33.688	32.526
Tier 1 Capital Ratio *(Minimum Requirement - 8.50%)*	34.872	33.664
Total Capital Ratio *(Minimum Requirement -12.50%)*	35.826	34.653
Leverage Ratio *(Minimum Requirement - 3%)*	11.45	11.90
Regulatory Liquidity		
Statutory Liquid Assets (LKR '000)	-	-
Statutory Liquid Assets Ratio *(Minimum Requirement -- 20%)*		
Domestic Banking Unit (%)	-	-
Off-Shore Banking Unit (%)	-	-
Liquidity Coverage Ratio (%) - Rupee *(Minimum Requirement -100%,)*	186	223
Liquidity Coverage Ratio (%) - All Currency *(Minimum Requirement -100%)*	-	-

Disclosure 2

Basel III Computation of Capital Ratios

	Amount (LKR ' 000)	
	As at 31.03.2025	**As at 31.12.2024**
Common Equity Tire 1 (CET1) Capital Afer Adjustment	**7,115,616**	**7,141,955**
Common Equity Tire 1 (CET1) Capital	**7,712,980**	**7,712,980**
Equity Capital (Stated Capital)/Assigned Capital	962,093	962,093
Reserve Fund	353,799	353,799
Published Retained Earnings/(Accumulated Retained Losses)	5,865,869	5,865,869
Published Accumulated Other Comprehensive Income (OCI)	(102,781)	(102,781)
General and other Disclosed Reserves	634,000	634,000
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-
Ordinery Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to CET1 Capital	**597,364**	**571,025**
Goodwill (net)	-	-
Intangible Assets (net)	94,607	65,643
Others (Specify)	502,757	505,382
Additional Tier 1 (AT1) Capital after Adjustments	**250,000**	**250,000**
Additional Tier 1 (AT1) Capital	**250,000**	**250,000**
Qualifying Additional Tiere 1 Capital Instruments	250,000	250,000
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to AT1 Capital	**-**	**-**
Investment in Own Shares	-	-
Others *(Specify)*	-	-
Tier 2 Capital after Adjustments		
Tier 2 Capital	**201,525**	**217,004**
Qualifying Tier 2 Capital Instruments	-	-
Revaluation Gains	-	-
Loan Loss Provisions	201,525	217,004
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to Tier 2	**-**	**-**
Investment in Own Shares	-	-
Others (Specify)	-	-
CET1 Capital		
Total Tier 1 Capital	**7,365,616**	**7,391,955**
Total Capital	**7,567,141**	**7,608,959**

	Amount (LKR ' 000)	
	As at 31.03.2025	**As at 31.12.2024**
Total Risk Weighted Amount	**21,121,854**	**21,957,837**
R W As for Credit Risk	16,122,006	17,352,069
R W As for Market Risk	-	-
R W As for Operational Risk	4,999,848	4,605,768
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	**33.688**	**32.526**
of Which : Capital Conservation Buffer (%)	-	-
of Which : Countercyclical Buffer (%)	-	-
of Which : Capital Surcharge on D-SIBs (%)	-	-
Total Tier 1 Capital Ratio (%)	**34.872**	**33.664**
Total Capital Ratio (including Capital Conervation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	**35.826**	**34.653**
of Which : Capital Conservation Buffer (%)	-	-
of Which : Countercyclical Buffer (%)	-	-
of Which : Capital Surcharge on D-SIBs (%)	-	-

Disclosure 3

Computation of Leverage Ratio

	Amount (LKR '000)	
	As at 31.03.2025	**As at 31.12.2024**
Tier 1 Capital	**7,365,616**	**7,841,213**
Total Exposures	**64,307,828**	**65,915,616**
On Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	64,307,828	65,915,616
Derivative Exposures	-	-
Securities Financing Transaction Exposures	-	-
Other Off- Balance Sheet Exposures		
Basel III Leverage Ratio (%) (Tier 1/ Total Exposure)	**11.45**	**11.90**

Disclosure 4

Basel III Computation of Liquidity Coverage Ratio

	Amount (LKR '000)			
	As at 31.03.2025		As at 31.12.2024	
	Total Un - weighted Value	Total Weighted Value	Total Un - weighted Value	Total Weighted Value
Total Stock of High - Quality Liquid Assets (HQLA)	**14,381,236**	**14,381,236**	**17,390,657**	**17,390,657**
Total Adjusted Level 1A Assets	14,381,236	14,381,236	17,390,657	17,390,657
Level 1 Assets	14,381,236	14,381,236	17,390,657	17,390,657
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	**51,836,866**	**8,483,465**	**52,279,612**	**8,463,625**
Deposits	35,440,128	3,544,013	35,250,479	3,525,048
Unsecured Wholesale Funding	16,164,057	4,766,203	16,787,207	4,726,545
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	232,681	173,249	241,926	212,032
Additional Requirements	-	-	-	-
Total Cash Inflows	**838,093**	**734,396**	**4,283,337**	**671,381**
Maturing Secured Lending Transactions Backed by Collateral	457,727	457,727	3,939,492	421,559
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	376,029	274,500	339,193	247,496
Operational Deposits	-	-	-	-
Other Cash Inflows	4,337	2,169	4,652	2,326
Liquidity Coverrage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Nexty 30 Callender Days) * 100		**186**		**223**

Disclosure 5

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	Stated Capital	Basel III Compliant -Tier 1 Perpetual Bond with a Non - viability Conversion
Issuer	HDFC Bank	General Treasury
CSE Security Code	HDFC N0000	Unlisted
Governing Law (s) of the Instrument	Sri Lanka	Sri Lanka
Original Date of Issuance	Multiple	Multiple
Par Value of Instrument	N/A	100
Perpetual or Dated	Perpetual	Perpetual
Original Maturity Date, if Applicable	N/A	N/A
Amount Recognized in Regulatory Capital (in LKR '000 as at the Reporting Date)	962,093	250,000
Accounting Classification (Equity/Liability)	Equity	Liability
Issuer Call Subject to Prior Supervisory Approval		
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A	N/A
Subsequent Call Dates, if Applicable	N/A	N/A
Coupons/ Dividends		
Fixed or Floating Dividend/Coupon	N/A	Fixed
Coupon Rate and any Related Index		12.5
Non - Cumulative or Cumulative	Non - Cumulative	Non - Cumulative
Convertible or Non-Convertible		
If Convertible, Conversion Trigger (s)	N/A	A “Trigger Event” is determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka (i.e. conversion of the said Perpetual Bond upon occurrence of the Trigger Event will be effected by the Bank solely upon being instructed by the Monetary Board of the Central Bank of Sri Lanka), Upon the occurrence of a Trigger Event / point which would make the bank non-viable as determined by the Monetary Board as contemplated by section 11(iii) of item 20.2.2.1.1.1 of the Web Based Return Code of the Banking Direction there would be an allocation of losses to the instrument and the par value of the instrument would be reduced which would result in;” a. The claims of the AT1 Bond holder being reduced on a liquidation or upon a call option being exercised in terms of (1) above ; and b. A reduction in the amount of interest arising from the reduction of the principal sum on which the interest rate is applied.
If Convertible, Fully or Partially	N/A	Fully
If Convertible, Mandatory or Optional	N/A	Optional. At the discretion of the monetary board of the Central Bank of Sri Lanka up on occurance of trigger points as detailed above.
If Convertible, Conversion Rate	N/A	As per the Bond Certificate

Disclosure 7

Credit Risk under Standardised Approach
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Asset Class	Amount (LKR ' 000) as at 31.03.2025					
	Exposure before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (ii)
Claims on Central Govrnment and CBSL	20,471,460	-	20,471,460	-	-	-
Claims on Forign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	435,166	-	435,166	-	217,583	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	563,188	-	563,188	-	221,323	39.30
Claims on Financial Institutions	339,824	-	339,824	-	169,912	50.00
Claims on Corporates	506,060	-	506,060	-	253,046	50.00
Retail Claims	4,285,243	-	4,285,243	-	3,172,310	74.03
Claims Secured by Gold	1,500,049	-	1,500,049	-	1,549	0.10
Claims Secured by Residential Property	6,062,779	-	6,062,779	-	2,284,844	37.69
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non - Performing Assets (NPAs) (i)	6,661,013	-	6,661,013	-	8,009,204	120.24
Higher - risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	1,855,574	-	1,855,574	-	1,792,236	96.59
Total	**42,680,356**	**-**	**42,680,356**	**-**	**16,122,007**	**37.77**

Disclosure 9

Market Risk under Standardised Measurment Method

Item	RWA Amount (LKR ' 000) As at 31.03.2025
(a) RWA for Interest Rate Risk	-
General Interest Rate Risk	-
(i) Net Long or Short Position	-
(ii) Horizontal Disallowance	-
(iii) Vertical Disallowance	-
(iv) Options	-
Specific Interest Rate Risk	-
(b) RWA for Equity	-
(i) General Equity Risk	-
(ii) Specific Equity Risk	-
(c) RWA for Foreign Exchnge & Risk	-
Capital Charges For Market Risk [(a) + (b) + (c)] * CAR	**-**

Disclosure 10

Operational Risk under Basic Indicator Approach/ The standardised Approach/The Alternative Standardised Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR '000) As at 31.03.2025		
			1st year	2nd Year	3rd year
The Basic Indicator Approach	15%		2,651,546	5,688,449	4,159,628
The Standardised Approach					
Corporate Finance	18%		-	-	-
Trading and Sales	18%		-	-	-
Payment and Settlement	18%		-	-	-
Agency services	15%		-	-	-
Asset Management	12%		-	-	-
Retail Brokerage	12%		-	-	-
Retail Banking	12%		-	-	-
Commercial Banking	15%		-	-	-
The Alternative Standardised Approach					
Corporate Finance	18%		-	-	-
Trading and Sales	18%		-	-	-
Payment and Settlement	18%		-	-	-
Agency services	15%		-	-	-
Asset Management	12%		-	-	-
Retail Brokerage	12%		-	-	-
Retail Banking	12%	0.035	-	-	-
Commercial Banking	15%	0.035	-	-	-
Capital Charges For Operational Risk (LKR'000)					
The Basic Indicator Approach	624,981				
The Standardised Approach	-				
The Alternative Standardised Approach	-				
Risk weighted Amount For Operational Risk (LKR' 000)					
The Basic Indicator Approach	4,999,848				
The Standardised Approach	-				
The Alternative Standardised Approach	-				

Disclosure 11

Differences between Accounting and Regulatory Scopes and
Mapping of Financial Statement Categories with Regulatory Risk Categories - Bank Only

Item	Amount (LKR ' 000) as at 31.03.2025				
	a	b	c	d	e
	Carrying values as reported in published Financial Statements	Carrying values under scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or subject to Deduction from Capital
Assets	**64,575,707**	**64,592,059**	**42,680,356**		**21,918,955**
Cash and Cash Equivalents	227,262	227,262	227,262	-	-
Balances with Central Banks	-	-	-	-	-
Placements with Banks	5,753,118	5,753,118	5,753,118	-	-
Securities purchased under re - sale agreements	-	-	-	-	-
Derivative Financial Assets	-	-	-	-	-
Financial assets recognized through profit or loss- measured at fair value	-	-	-	-	-
Financial Assets at amortised cost - Loans and advance to Banks	-	-	-	-	-
Financial Assets at amortised cost-Loans and advances to other customers	39,805,064	39,812,687	18,402,508	-	21,410,179
Financial assets at amortised cost-Debt and other financial instruments	16,386,685	16,391,404	16,398,655	-	-
Financial assets measured at fair value through other comprehensive income				-	-
Investments in Subsidiaries	-	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	195,231	195,231	195,231	-	-
Lease ROUA	242,869	242,869	242,869	-	-
Investment Property	1,284,000	1,284,000	1,284,000	-	-
Intangible assets	56,231	56,231	56,231	-	-
Deferred Tax Assets	504,764	508,775	-	-	508,775
Other Assets	120,482	120,482	120,482	-	
Liabilities	**56,823,424**	**56,812,898**	-	-	
Due to Banks	203,845	203,845	-	-	-
Derivative Financial Instruments	-	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-	-
Financial Liabilities at amortised cost - due to depositors	51,538,711	51,538,711	-	-	-
Financial Liabilities at amortised cost -other borrowings	1,587,109	1,587,109	-	-	-
Debt Securities Issued	1,469,190	1,469,190	-	-	-
Retirement Benefits obligations	1,040,860	1,040,860	-	-	-
Current Tax Liabilities	27,355	16,829	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Provisions	286,651	286,651	-	-	-
Other Liabilities	669,703	669,703	-	-	-
Off-Balance Sheet Liabilities	**62,054**	**62,054**	**-**	**-**	**-**
Guarantees	9,620	9,620	9,620	-	-
Performance Bonds	-	-	-	-	-
Letters of Credit	-	-	-	-	-
Other contingent Items	-	-	-	-	-
Undrawn Loan Commitments	52,434	52,434	-	-	52,434
Other commitments	-	-	-	-	-
Shareholders' Equity	**7,752,282**	**7,779,161**	**-**	**-**	**-**
Equity Capital (stated Capital)/Assigned Capital	**962,093**	**962,093**	-	-	-
of which Amount Eligible for CETI	962,093	962,093	-	-	-
of which Amount Eligible for ATI	-	-	-	-	-
Retained Earnings	5,896,771	5,920,722	-	-	-
Accumulated Other Comprehensive Income	-94,380	-91,453	-	-	-
Other Reserves	987,799	987,799	-	-	-