



Siddhartha Bank Limited

ICRA Nepal has an issuer rating of [ICRANP-IR] BBB@ (pronounced ICRA NP Issuer Rating triple B, on watch with Negative Implications) outstanding on Siddhartha Bank Limited (SBL). Instruments with [ICRANP-IR] BBB rating are considered as moderate-credit-quality rating assigned by ICRA Nepal. The rated entity carries higher than average credit risk. The rating is only an opinion on the general creditworthiness of the rated entity and not specific to any particular debt instrument.

ICRA Nepal also has rating outstanding of [ICRANP] LBBB@ (pronounced ICRA NP L triple B, on watch with Negative Implications) on NPR 500 million subordinated debt of SBL. Instruments with [ICRANP] LBBB rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

These ratings were put on watch in April 2015 after the earthquake. ICRA Nepal has been reviewing the impact of developments on the credit profile of SBL.

Based on limited financial highlights published by the bank, there has been some deterioration in SBL's financial profile although the same is not material.

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

January 2016

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