

**HIMALAYAN BANK LIMITED**  
**DISCLOSURES UNDER BASEL III AS ON CHAITRA 2079 (13 APRIL 2023)**  
Based on Unaudited Financials

**A. Capital Structure & Capital Adequacy as per Basel III**

**1. Tier 1 Capital and Breakdown of its Components:**

SN	Particulars	Amount
<b>A</b>	<b>Core Capital (Tier 1)</b>	<b>29,009,189,300</b>
1	Paid up Equity Share Capital	21,656,615,632
2	Share Premium	-
3	Statutory General Reserves	6,629,226,666
4	Retained Earnings	(1,339,908,623)
5	Current year profit/(loss)	418,888,057
6	Capital Redemption Reserve	1,879,244,236
7	Debenture Redemption Reserve	227,054,795
8	Special Reserve	-
9	Deferred Tax Reserve	-
	Less: Miscellaneous expenditure not written off	-
	Less: Deferred Tax Reserve	-
	Less: Investment in equity of institutions with financial interests	350,865,000
	Less: Purchase of land & building in excess of limit and unutilized	111,066,463
	Less: Other Deductions	-

**2. Tier 2 Capital and Breakdown of its Components**

SN	Particulars	Amount
<b>B</b>	<b>Supplementary Capital (Tier 2)</b>	<b>10,147,460,710</b>
1	Subordinated Term Debt	5,500,000,000
2	General loan loss provision	4,578,782,597
3	Exchange Equalization Reserve	67,463,254
4	Investment Adjustment Reserve	1,214,859
5	Other Reserves	-

**3. Information on Subordinated Term Debt:**

	HBL Bond 2086	CBL DEBENTURE 2088
Bond Issued		
Outstanding amount	2,500,000,000.00	3,000,000,000.00
Interest rate	10.50%	10.25%
Maturity Date	Aswin 2086	Poush 2088
Interest payment	Half yearly basis	Quarterly Basis
Tenor	7 years	10 Years
Amount to be reckoned as capital	2,500,000,000.00	3,000,000,000.00

**4. Total deductions from Capital: N/a**

**5. Total Qualifying Capital**

SN	Particulars	Amount
1	Core Capital (Tier 1)	29,009,189,300
2	Supplementary Capital (Tier 2)	10,147,460,710
<b>Total</b>		<b>39,156,650,010</b>

**6. Capital Adequacy Ratio:**

<b>CAPITAL ADEQUACY RATIOS</b>		
Tier 1 Capital to Total Risk Weighted Exposures		<b>9.58%</b>
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		<b>12.93%</b>

**B. Risk Exposures****1. Risk Weighted Exposures for Credit Risk, Market Risk & Operational Risks)**

RISK WEIGHTED EXPOSURES		Amount
a	Risk Weighted Exposure for Credit Risk	277,282,955,713
b	Risk Weighted Exposure for Operational Risk	12,907,060,813
c	Risk Weighted Exposure for Market Risk	838,020,669
<b>Adjustment under Pillar II</b>		
	Net liquid assets to total deposit ratio is shortfall by ....%, Add ....% of total deposit to RWE	-
	Add 3% of gross income for operational risk	2,992,796,479
	Add: 3% of total RWE for overall risk	8,730,841,116
<b>Total Risk Weighted Exposures</b>		<b>302,751,674,790</b>

**2. Risk Weighted Exposures under each of 13 categories of Credit Risk**

SN	Particulars	Amount
1	Claims on government & central bank	-
2	Claims on other official entities	229,656,514
3	Claims on banks	5,061,673,942
4	Claims on domestic corporate and securities firms	173,579,038,794
5	Claims on regulatory retail portfolio	17,799,983,914
6	Claims secured by residential properties	5,376,934,281
7	Claims secured by commercial real estate	6,738,730,344
8	Past due claims	2,081,059,459
9	High risk claims	24,034,379,543
10	Lending against Shares(upto Rs.2.5 Million)	343,889,803
11	TR loan for Trading Firm- 120%	2,824,689,681
12	Other assets	14,529,732,473
13	Off balance sheet items	24,683,186,964
<b>TOTAL</b>		<b>277,282,955,713</b>

**3. Total Risk Weighted Exposures calculation table:**

SN	Particulars	Amount
1	Total Risk Weighted Exposure	<b>302,751,674,790</b>
2	Total Core Capital Fund (Tier 1)	29,009,189,300
3	Total Capital Fund (Tier 1 & Tier 2)	39,156,650,010
4	Total Core Capital to Total Risk Weighted Exposures	<b>9.58%</b>
5	Total Capital to Total Risk Weighted Exposures	<b>12.93%</b>

**4. Amount of NPA**

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	47,214,901	21,830,733	25,384,168
2	Substandard Loan	4,653,396,121	1,181,662,214	3,471,733,907
3	Doubtful Loan	4,560,795,349	2,280,397,674	2,280,397,674
4	Loss Loan	2,198,172,342	2,198,172,342	-
<b>Total</b>		<b>11,459,578,713</b>	<b>5,682,062,963</b>	<b>5,777,515,750</b>

**5.NPA Ratios**

Gross NPA to Gross Advances		4.56%
Net NPA to Net Advances	:	2.40%

**6. Movement of Non Performing Assets ( Poush 2079 vs Chaitra 2079)**

S.N	Loan Classification	Previous quarter Poush End 2079	This quarter Chaitra End 2079	Movement of non performing Assets
1	Restructured Loan	36,866,080	47,214,901	28.07%
2	Substandard Loan	3,467,917,145	4,653,396,121	34.18%
3	Doubtful Loan	1,661,031,483	4,560,795,349	174.58%
4	Loss Loan	979,861,158	2,198,172,342	124.34%
<b>Total</b>		<b>6,145,675,866</b>	<b>11,459,578,713</b>	<b>86.47%</b>

**7. Write Off of Loans & Interest upto Chaitra End 2079**

SN	Principal	Interest	Total
1	24,376,078.12	5,083,754.92	29,459,833

**8. Movement in Loan Loss Provisioning:**

SN	Loan Loss Provision	Previous quarter Poush End 2079	This quarter Chaitra End 2079	Movement in Loan loss
1	Pass	2,000,980,894	2,859,349,415	42.90%
2	Watchlist	592,089,219	1,938,453,071	227.39%
2	Restructured/ Rescheduled Loan	20,556,080	21,830,733	6.20%
3	Substandard Loan	866,979,286	1,181,662,214	36.30%
4	Doubtful Loan	830,515,742	2,280,397,674	174.58%
5	Loss Loan	979,861,158	2,198,172,342	124.34%
<b>Total</b>		<b>5,290,982,379</b>	<b>10,479,865,449</b>	<b>98.07%</b>

**ii. Movement in Interest Suspend**

	Particular	Previous quarter Poush End 2079	This quarter Chaitra End 2079	Movement during the period
1	Interest Suspend	981,695,557	2,660,106,302	170.97%

**9 Segregation of Investment Portfolio:**

Particulars	Chaitra 2079
Investment in Subsidiary	460,063,200
Investment in Associate	192,707,259
Investment at Fair Value through OCI	374,931,487
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	9,378,811,601
Investment in Govt. bonds	278,040,000
Investment In Nepal Rastra Bank	28,946,512,712
Investment in debenture	1,146,982,321
Investment in Foreign Bonds	-
Placement	8,735,358,772
<b>Total Investment Measured At Amortized Cost</b>	<b>48,485,705,406</b>
<b>Total Investment</b>	<b>49,513,407,352</b>