

**HIMALAYAN BANK LIMITED**  
**DISCLOSURES UNDER BASEL III AS ON POUH 2080 (14 JANUARY 2024)**  
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>25,999,008,554</b>
1	Paid up Equity Share Capital	21,656,615,632
2	Share Premium	-
3	Statutory General Reserves	6,941,730,255
4	Retained Earnings	(3,242,625,038)
5	Current year profit/(loss)	(549,025,068)
6	Capital Redemption Reserve	1,879,244,236
7	Debenture Redemption Reserve	375,000,000
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	950,865,000
	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>8,978,788,953</b>
1	Subordinated Term Debt	5,500,000,000
2	General loan loss provision	3,410,110,840
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)	25,999,008,554
2	Supplementary Capital (Tier 2)	8,978,788,953
<b>Total</b>		<b>34,977,797,507</b>

**6. Capital Adequacy Ratio:**

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		<b>8.70%</b>
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		<b>11.70%</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	272,808,867,220

b	Risk Weighted Exposure for Operational Risk	14,007,984,346
c	Risk Weighted Exposure for Market Risk	286,158,267
<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	3,195,645,284
	Add: 3% of total RWE for overall risk	8,613,090,295
<b>Total Risk Weighted Exposures</b>		<b>298,911,745,412</b>

## 2. Risk Weighted Exposures under each categories of Credit Risk

SN	Particulars	Amount
1	Claims on government & central bank	-
2	Claims on other official entities	22,796,988
3	Claims on banks	5,720,313,178
4	Claims on domestic corporate and securities firms	165,757,533,458
5	Claims on regulatory retail portfolio	13,618,652,859
6	Claims secured by residential properties	4,686,617,868
7	Claims secured by commercial real estate	6,908,977,410
8	Past due claims	17,066,167,452
9	High risk claims	16,734,069,589
10	Lending against Shares(upto Rs.5.0 Million)	639,002,301
11	Lending against Shares(Above Rs.5.0 Million)	2,110,827,728
12	Real Estate loans for land acquisition and development (Other than mentioned in Ca	220,919,729
13	Personal HP/Auto Loans (Upto Rs. 2.5 Million)	1,316,933,141
14	Personal HP/Auto Loans (Above Rs. 2.5 Million)	407,062,939
15	TR loan for Trading Firm- 120%	4,281,271,070
16	Other assets	11,863,235,170
17	Off balance sheet items	21,454,486,340
18	Adjustment under Pillar II: Sale of Credit with Recourse	-
<b>TOTAL</b>		<b>272,808,867,220</b>

## 3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	298,911,745,412
2	Total Core Capital Fund (Tier 1)	25,999,008,554
3	Total Capital Fund (Tier 1 & Tier 2)	34,977,797,507
4	Total Core Capital to Total Risk Weighted Exposures	8.70%
5	Total Capital to Total Risk Weighted Exposures	11.70%

## 4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	50,664,839	7,335,177	43,329,662
2	Substandard Loan	251,414,355	62,637,090	188,777,265
3	Doubtful Loan	4,356,224,886	2,170,154,216	2,186,070,670
4	Loss Loan	7,716,360,762	7,711,365,841	4,994,921
<b>Total</b>		<b>12,374,664,843</b>	<b>9,951,492,325</b>	<b>2,423,172,518</b>

## 5. NPA Ratios

Gross NPA to Gross Advances		4.95%
Net NPA to Net Advances	:	1.03%

## 6. Movement of Non Performing Assets ( Ashwin 2080 vs Poush 2080)

S.N	Loan Classification	Previous quarter Ashwin End 2080	This quarter Poush End 2080	Movement of non performing Assets
1	Restructured Loan	43,501,303	50,664,839	16.47%
2	Substandard Loan	2,076,623,958	251,414,355	-87.89%

3	Doubtful Loan	6,356,404,217	4,356,224,886	-31.47%
4	Loss Loan	3,008,607,819	7,716,360,762	156.48%
<b>Total</b>		<b>11,485,137,298</b>	<b>12,374,664,843</b>	<b>7.75%</b>

#### 7. Write Off of Loans & Interest upto Poush End 2080

SN	Principal	Interest	Total
1	40,903,236.68	7,156,055.99	48,059,293

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

SN	Loan Loss Provision	Previous quarter Ashwin End 2080	This quarter Poush End 2080	Movement in Loan loss
1	Pass	2,427,368,615	2,260,056,184	-6.89%
2	Watchlist	1,950,442,885	2,770,215,745	42.03%
2	Restructured/ Rescheduled Loan	6,616,485	7,335,177	10.86%
3	Substandard Loan	515,380,264	62,637,090	-87.85%
4	Doubtful Loan	3,172,956,688	2,170,154,216	-31.60%
5	Loss Loan	3,004,924,089	7,711,365,841	156.62%
<b>Total</b>		<b>11,077,689,026</b>	<b>14,981,764,254</b>	<b>35.24%</b>

#### ii. Movement in Interest Suspense

	Particular	Previous quarter Ashwin End 2080	This quarter Poush End 2080	Movement during the period
1	Interest Suspense	551,795,411	855,232,215	54.99%

#### 9 Segregation of Investment Portfolio:

Particulars	Poush 2080
Investment in Subsidiary	1,060,063,200
Investment in Associate	190,929,197
Investment at Fair Value through OCI	452,906,138
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	9,874,854,146
Investment in Govt. bonds	252,440,000
Investment In Nepal Rastra Bank Bc	33,316,838,808
Investment in debenture	1,162,388,875
Investment in Foreign Bonds	-
Placement	26,457,765,334
<b>Total Investment Measured At Amortized Cost</b>	<b>71,064,287,163</b>
<b>Total Investment</b>	<b>72,768,185,698</b>