

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASHWIN 2080 (17 OCTOBER 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
A	Core Capital (Tier 1)	28,706,304,193
1	Paid up Equity Share Capital	21,656,615,632
2	Share Premium	-
3	Statutory General Reserves	7,287,390,350
4	Retained Earnings	(695,814,417)
5	Current year profit/(loss)	(734,200,146)
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	Supplementary Capital (Tier 2)	9,040,272,694
1	Subordinated Term Debt	5,500,000,000
2	General loan loss provision	3,471,594,581
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)	28,706,304,193
2	Supplementary Capital (Tier 2)	9,040,272,694
Total		37,746,576,886

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		9.43%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		12.41%

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	277,727,566,470
b	Risk Weighted Exposure for Operational Risk	13,998,414,416
c	Risk Weighted Exposure for Market Risk	577,189,956
Adjustment under Pillar II		
	Net liquid assets to total deposit ratio is shortfall by%, Add% of total deposit to RWE	-
	Add 3% of gross income for operational risk	3,189,903,326
	Add: 3% of total RWE for overall risk	8,769,095,125
Total Risk Weighted Exposures		304,262,169,293

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	-
3	Claims on banks	9,100,429,712
4	Claims on domestic corporate and securities firms	164,875,868,693
5	Claims on regulatory retail portfolio	13,925,177,973
6	Claims secured by residential properties	4,382,965,386
7	Claims secured by commercial real estate	7,790,471,640
8	Past due claims	16,100,057,425
9	High risk claims	19,925,934,451
10	Lending against Shares(upto Rs.5.0 Million)	613,803,137
11	Personal HP/Auto Loans (Upto Rs. 2.5 Million)	1,101,526,454
12	Personal HP/Auto Loans (Above Rs. 2.5 Million)	530,472,232
13	TR loan for Trading Firm- 120%	4,252,243,301
14	Other assets	10,822,708,275
15	Off balance sheet items	24,305,907,790
16	Adjustment under Pillar II: Sale of Credit with Recourse	-
TOTAL		277,727,566,470

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	304,262,169,293
2	Total Core Capital Fund (Tier 1)	28,706,304,193
3	Total Capital Fund (Tier 1 & Tier 2)	37,746,576,886
4	Total Core Capital to Total Risk Weighted Exposures	9.43%
5	Total Capital to Total Risk Weighted Exposures	12.41%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	43,501,303	6,616,485	36,884,818
2	Substandard Loan	2,076,623,958	515,380,264	1,561,243,694
3	Doubtful Loan	6,356,404,217	3,172,956,688	3,183,447,529
4	Loss Loan	3,008,607,819	3,004,924,089	3,683,731
Total		11,485,137,298	6,699,877,526	4,785,259,771

5.NPA Ratios

Gross NPA to Gross Advances		4.67%
Net NPA to Net Advances	:	2.04%

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

S.N	Loan Classification	Previous quarter Asadh End 2080	This quarter Ashwin End 2080	Movement of non performing Assets
1	Restructured Loan	44,010,958	43,501,303	-1.16%
2	Substandard Loan	1,127,074,771	2,076,623,958	84.25%
3	Doubtful Loan	8,062,866,229	6,356,404,217	-21.16%
4	Loss Loan	1,861,621,968	3,008,607,819	61.61%
Total		11,095,573,926	11,485,137,298	3.51%

7. Write Off of Loans & Interest upto Ashwin End 2080

SN	Principal	Interest	Total
1	40,652,010.36	7,066,633.86	47,718,644

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Asadh End 2080	This quarter Ashwin End 2080	Movement in Loan loss
1	Pass	2,735,396,115	2,427,368,615	-11.26%
2	Watchlist	1,408,385,329	1,950,442,885	38.49%
2	Restructured/ Rescheduled Loan	10,740,192	6,616,485	-38.40%
3	Substandard Loan	278,218,300	515,380,264	85.24%
4	Doubtful Loan	4,028,064,671	3,172,956,688	-21.23%
5	Loss Loan	1,860,300,975	3,004,924,089	61.53%
Total		10,321,105,582	11,077,689,026	7.33%

ii. Movement in Interest Suspense

	Particular	Previous quarter Asadh End 2080	This quarter Ashwin End 2080	Movement during the period
1	Interest Suspense	3,744,070,924	5,527,199,534	47.63%

9 Segregation of Investment Portfolio:

Particulars	Ashwin 2080
Investment in Subsidiary	1,060,063,200
Investment in Associate	190,929,197
Investment at Fair Value through OCI	507,392,444
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	5,837,292,592
Investment in Govt. bonds	278,040,000
Investment In Nepal Rastra Bank B	29,836,250,969
Investment in debenture	1,147,316,438
Investment in Foreign Bonds	-
Placement	19,736,130,417
Total Investment Measured At Amortized Cost	56,835,030,416
Total Investment	58,593,415,257