

**HIMALAYAN BANK LIMITED**  
**DISCLOSURES UNDER BASEL III AS ON ASHAD 2081 (15 JULY 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>26,982,579,253</b>
1	Paid up Equity Share Capital	21,656,615,632
2	Share Premium	-
3	Statutory General Reserves	7,509,340,084
4	Retained Earnings	(3,242,625,038)
5	Current year profit/(loss)	(1,020,600,139)
6	Capital Adjustment Reserve	1,879,244,236
7	Debenture Redemption Reserve	1,250,000,000
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	98,530,521
	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>8,960,808,671</b>
1	Subordinated Term Debt	5,500,000,000
2	General loan loss provision	3,392,130,558
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)	26,982,579,253
2	Supplementary Capital (Tier 2)	8,960,808,671
<b>Total</b>		<b>35,943,387,924</b>

**6. Capital Adequacy Ratio:**

<b>CAPITAL ADEQUACY RATIOS</b>		
Tier 1 Capital to Total Risk Weighted Exposures		<b>9.04%</b>
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		<b>12.04%</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	271,370,444,661
b	Risk Weighted Exposure for Operational Risk	14,007,984,346
c	Risk Weighted Exposure for Market Risk	416,048,440
<b>Adjustment under Pillar II</b>		
	Net liquid assets to total deposit ratio is shortfall by ....%, Add ....% of total deposit to RWE	-
	Add 4% of gross income for operational risk	4,260,860,379
	Add: 3% of total RWE for overall risk	8,573,834,323
<b>Total Risk Weighted Exposures</b>		<b>298,629,172,149</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	10
3	Claims on banks	5,294,932,978
4	Claims on domestic corporate and securities firms	158,793,200,692
5	Claims on regulatory retail portfolio	16,448,873,427
6	Claims secured by residential properties	4,528,791,732
7	Claims secured by commercial real estate	8,613,729,964
8	Past due claims	15,404,770,027
9	High risk claims	14,803,681,116
10	Lending against Shares(upto Rs.5.0 Million)	541,039,602
11	Lending against Shares(Above Rs.5.0 Million)	1,835,981,764
12	Real Estate loans for land acquisition and development (For institutions/projects	373,523,526
13	Real Estate loans for land acquisition and development (Other than mentioned in C	1,479,517,872
14	Personal HP/Auto Loans (Upto Rs. 2.5 Million)	1,332,011,947
15	Personal HP/Auto Loans (Above Rs. 2.5 Million)	-
16	TR loan for Trading Firm- 120%	3,190,089,209
17	Other assets	16,922,593,926
18	Off balance sheet items	21,807,706,867
19	Adjustment under Pillar II: Sale of Credit with Recourse	-
<b>TOTAL</b>		<b>271,370,444,661</b>

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

SN	Particulars	Amount
1	Total Risk Weighted Exposure	<b>298,629,172,149</b>
2	Total Core Capital Fund (Tier 1)	26,982,579,253
3	Total Capital Fund (Tier 1 & Tier 2)	35,943,387,924
4	Total Core Capital to Total Risk Weighted Exposures	9.04%
5	Total Capital to Total Risk Weighted Exposures	12.04%

**4. Amount of NPA**

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	7,122,631	890,329	6,232,303
2	Substandard Loan	2,106,503,555	522,527,445	1,583,976,110
3	Doubtful Loan	1,600,470,174	788,163,055	812,307,119
4	Loss Loan	8,413,082,923	8,413,082,923	-
<b>Total</b>		<b>12,127,179,283</b>	<b>9,724,663,752</b>	<b>2,402,515,531</b>

#### 5. NPA Ratios

Gross NPA to Gross Advances		4.91%
Net NPA to Net Advances	:	1.04%

#### 6. Movement of Non Performing Assets ( Chaitra 2080 vs Ashad 2081)

S.N	Loan Classification	Previous quarter Chaitra End 2080	This quarter Ashad End 2081	Movement of non performing Assets
1	Restructured Loan	40,372,607	7,122,631	-82.36%
2	Substandard Loan	962,095,687	2,106,503,555	118.95%
3	Doubtful Loan	1,861,335,672	1,600,470,174	-14.01%
4	Loss Loan	9,351,821,302	8,413,082,923	-10.04%
<b>Total</b>		<b>12,215,625,268</b>	<b>12,127,179,283</b>	<b>-0.72%</b>

#### 7. Write Off of Loans & Interest upto Ashad End 2081

SN	Principal	Interest	Total
1	756,529,849.61	367,818,387.88	1,124,348,237

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

SN	Loan Loss Provision	Previous quarter Chaitra End 2080	This quarter Ashad End 2081	Movement in Loan loss
1	Pass	2,302,143,568	2,220,590,658	-3.54%
2	Watchlist	2,471,393,092	3,875,430,149	56.81%
2	Restructured/ Rescheduled Loan	10,038,648	890,329	-91.13%
3	Substandard Loan	240,466,013	522,527,445	117.30%
4	Doubtful Loan	925,826,136	788,163,055	-14.87%
5	Loss Loan	9,341,334,683	8,413,082,923	-9.94%
<b>Total</b>		<b>15,291,202,141</b>	<b>15,820,684,559</b>	<b>3.46%</b>

#### ii. Movement in Interest Suspense

	Particular	Previous quarter Chaitra End 2080	This quarter Ashad End 2081	Movement during the period
1	Interest Suspense	855,232,215	1,069,256,520	25.03%

#### 9 Segregation of Investment Portfolio:

Particulars	Ashad 2081
Investment in Subsidiary	1,060,063,200
Investment in Associate	190,929,197
Investment at Fair Value through OCI	490,911,380
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	7,603,794,758
Investment in Govt. bonds	47,426,937
Investment In Nepal Rastra Bank B	32,838,736,923
Investment in debenture	1,162,388,880
Investment in Foreign Bonds	-
Placement	24,124,512,935
<b>Total Investment Measured At Amortized Cost</b>	<b>65,776,860,433</b>
<b>Total Investment</b>	<b>67,518,764,210</b>