

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASHWIN 2081 (16 OCTOBER 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
A	Core Capital (Tier 1)	27,102,339,481
1	Paid up Equity Share Capital	21,656,615,632
2	Share Premium	-
3	Statutory General Reserves	7,483,285,859
4	Retained Earnings	(4,296,226,859)
5	Current year profit/(loss)	1,189,226,262
6	Capital Adjustment Reserve	1,879,244,236
7	Debenture Redemption Reserve	1,250,000,000
	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	1,010,410,127

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	8,902,864,281
1	Cumulative and/or Redeemable Preference Share	
2	Subordinated Term Debt	5,000,000,000
3	Hybrid Capital Instruments	
4	Stock Premium	
5	General loan loss provision	3,314,413,704
6	Exchange Equalization Reserve	67,463,254
7	Investment Adjustment Reserve	1,214,859
8	Accrued Interest Receivable on pass loan included in Regulatory Reserve	484,235,630
9	Interest Capitalized Reserve included in Regulatory Reserve	35,536,834
10	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)	27,102,339,481
2	Supplementary Capital (Tier 2)	8,902,864,281
Total		36,005,203,762

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		9.19%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		12.21%

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	265,153,096,319
b	Risk Weighted Exposure for Operational Risk	16,361,042,167
c	Risk Weighted Exposure for Market Risk	129,265,894
Adjustment under Pillar II		
	Net liquid assets to total deposit ratio is shortfall by%, Add% of total deposit to RWE	-
	Add 4% of gross income for operational risk	4,837,578,050
	Add: 3% of total RWE for overall risk	8,449,302,131
Total Risk Weighted Exposures		294,930,284,561

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	7,195,724,145
4	Claims on domestic corporate and securities firms	152,607,771,638
5	Claims on regulatory retail portfolio	17,344,116,127
6	Claims secured by residential properties	4,473,568,266
7	Claims secured by commercial real estate	9,424,552,823
8	Past due claims	14,034,944,342
9	High risk claims	14,414,368,493
10	Lending against Shares(upto Rs.5.0 Million)	514,910,727
11	Lending against Shares(Above Rs.5.0 Million)	1,583,151,956
12	Real Estate loans for land acquisition and development (For institutions/projects registred/licensed and approved by Government of Nepal for land acquisition and development purposes)	363,521,539
13	Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2015-point 3.3(j)(1)(k))	1,643,525,703
14	Personal HP/Auto Loans	1,272,481,505
15	TR loan for Trading Firm- 120%	4,197,886,757
16	Other assets	14,252,883,081
17	Off balance sheet items	21,829,689,217
18	Adjustment under Pillar II: Sale of Credit with Recourse	-
TOTAL		265,153,096,319

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	294,930,284,561
2	Total Core Capital Fund (Tier 1)	27,102,339,481
3	Total Capital Fund (Tier 1 & Tier 2)	36,005,203,762
4	Total Core Capital to Total Risk Weighted Exposures	9.19%
5	Total Capital to Total Risk Weighted Exposures	12.21%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	6,967,975	870,997	6,096,979
2	Substandard Loan	729,863,553	182,465,888	547,397,665
3	Doubtful Loan	2,358,638,603	1,170,100,185	1,188,538,419
4	Loss Loan	8,956,303,365	8,934,647,179	21,656,186
Total		12,051,773,497	10,288,084,249	1,763,689,248

5. NPA Ratios

Gross NPA to Gross Advances		4.98%
Net NPA to Net Advances	:	0.78%

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

S.N	Loan Classification	Previous quarter Ashad End 2080	This quarter Ashwin End 2081	Movement of non performing Assets
1	Restructured Loan	7,122,631	6,967,975	-2.17%
2	Substandard Loan	2,106,503,555	729,863,553	-65.35%
3	Doubtful Loan	1,600,470,174	2,358,638,603	47.37%
4	Loss Loan	8,413,082,923	8,956,303,365	6.46%
Total		12,127,179,283	12,051,773,497	-0.62%

7. Write Off of Loans & Interest upto Ashwin End 2081

SN	Principal	Interest	Total
1	542,904,771.66	232,059,145.43	774,963,917

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashad End 2080	This quarter Ashwin End 2081	Movement in Loan loss
1	Pass	2,220,590,658	1,697,766,596	-23.54%
2	Watchlist	3,875,430,149	3,731,223,982	-3.72%
2	Restructured/ Rescheduled Loan	890,329	870,997	-2.17%
3	Substandard Loan	522,527,445	182,465,888	-65.08%
4	Doubtful Loan	788,163,055	1,170,100,185	48.46%
5	Loss Loan	8,413,082,923	8,934,647,179	6.20%
Total		15,820,684,559	15,717,074,826	-0.65%

ii. Movement in Interest Suspend

	Particular	Previous quarter Ashad End 2080	This quarter Ashwin End 2081	Movement during the period
1	Interest Suspend	1,069,256,520	1,511,222,145	41.33%

9 Segregation of Investment Portfolio:

Particulars	Ashwin 2081
Investment in Subsidiary	1,060,063,200
Investment in Associate	190,929,197
Investment at Fair Value through OCI	528,796,404
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	6,387,173,287
Investment in Govt. bonds	47,426,937
Investment In Nepal Rastra Bank Bond	37,126,814,519
Investment in debenture	1,147,316,440
Investment in Foreign Bonds	-
Placement	56,772,401,310
Total Investment Measured At Amortized Cost	101,481,132,493
Total Investment	103,260,921,294