

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASHWIN 2078 (17 OCTOBER 2021)
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)	19,153,348,965
1	Paid up Equity Share Capital	10,684,400,828
2	Share Premium	-
3	Statutory General Reserves	4,853,958,726
4	Retained Earnings	2,938,198,463
5	Current year profit/(loss)	180,727,372
6	Capital Redemption Reserve	734,029,714
7	Debenture Redemption Reserve	-
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	200,000,000
	Less: Purchase of land & building in excess of limit and unutilized	37,966,138
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	4,276,583,382
1	Subordinated Term Debt	2,055,283,200
2	General loan loss provision	2,181,029,230
3	Exchange Equalization Reserve	39,056,093
4	Investment Adjustment Reserve	1,214,859
5	Other Reserves	-

3. Information on Subordinated Term Debt:

Bond Issued	HBL Bond 2083
Outstanding amount	2,569,104,000.00
Interest rate	10%
Maturity Date	Bhadra 2083
Interest payment	Half yearly basis
Tenor	7 years
Amount to be reckoned as capital	2,055,283,200

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	19,153,348,965
2	Supplementary Capital (Tier 2)	4,276,583,382
Total		23,429,932,347

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		10.37%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		12.69%

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	167,619,575,641
b	Risk Weighted Exposure for Operational Risk	8,394,815,041
c	Risk Weighted Exposure for Market Risk	420,351,604
Adjustment under Pillar II		
	Net liquid assets to total deposit ratio is shortfall by 0.850000000000001%, Add 1% of total deposit to RWE	1,508,983,532
	Add 5% of gross income for operational risk	1,464,610,007
	Add: 3% of total RWE for overall risk	5,293,042,269
Total Risk Weighted Exposures		184,701,378,094

2. Risk Weighted Exposures under each of 12 categories of Credit Risk

SN	Particulars	Amount
1	Claims on government & central bank	-
2	Claims on other official entities	22,380,024
3	Claims on banks	2,795,880,228
4	Claims on domestic corporate and securities firms	119,256,085,850
5	Claims on regulatory retail portfolio	7,212,171,348
6	Claims secured by residential properties	3,133,169,423
7	Claims secured by commercial real estate	2,893,859,442
8	Past due claims	446,051,882
9	High risk claims	9,460,283,197
10	Lending against securities (Bonds and Shares)	1,504,527,865
11	Other assets	5,334,638,099
12	Off balance sheet items	15,560,528,283
TOTAL		167,619,575,641

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	184,701,378,094
2	Total Core Capital Fund (Tier 1)	19,153,348,965
3	Total Capital Fund (Tier 1 & Tier 2)	23,429,932,347
4	Total Core Capital to Total Risk Weighted Exposures	10.37%
5	Total Capital to Total Risk Weighted Exposures	12.69%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	4,247,226	1,709,726	2,537,500
2	Substandard Loan	371,113,596	92,778,399	278,335,197
3	Doubtful Loan	104,006,203	52,003,101	52,003,101
4	Loss Loan	370,542,972	370,542,972	-
Total		849,909,996	517,034,198	332,875,799

5. NPA Ratios

Gross NPA to Gross Advances		0.58%
Net NPA to Net Advances	:	0.23%

6. Movement of Non Performing Assets (Ashad 2078 VS Ashwin 2078)

S.N	Loan Classification	Previous quarter Ashad End 2078	This quarter Ashwin End 2078	Movement of non performing Assets
-----	---------------------	------------------------------------	---------------------------------	--------------------------------------

1	Restructured Loan	4,246,064	4,247,226	0.03%
2	Substandard Loan	177,182,089	371,113,596	109.45%
3	Doubtful Loan	81,850,656	104,006,203	27.07%
4	Loss Loan	372,572,697	370,542,972	-0.54%
Total		635,851,506	849,909,996	33.66%

7. Write Off of Loans & Interest upto Ashwin End 2078

SN	Principal	Interest	Total
1	-	-	-

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashad End 2078	This quarter Ashwin End 2078	Movement in Loan loss
1	Pass	1,800,208,412	1,966,488,719	9.24%
2	Watchlist	251,495,938	214,540,511	-14.69%
2	Restructured/ Rescheduled Loan	1,709,580	1,709,726	0.01%
3	Substandard Loan	44,295,522	92,778,399	109.45%
4	Doubtful Loan	40,925,328	52,003,101	27.07%
5	Loss Loan	372,572,697	370,542,972	-0.54%
Total		2,511,207,478	2,698,063,428	7.44%

ii. Movement in Interest Suspense

	Particular	Previous quarter Ashad End 2078	This quarter Ashwin End 2078	Movement during the period
1	Interest Suspense	607,990,504	610,348,961	0.39%

9 Segregation of Investment Portfolio:

Particulars	Ashwin 2078
Investment in Subsidiary	200,000,000
Investment in Associate	185,055,333
Investment at Fair Value through OCI	119,310,980
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	6,405,207,825
Investment in Govt. bonds	12,558,035,733
Investment in Foreign Bonds	-
Placement	6,383,600,000
Total Investment Measured At Amortized Cost	25,346,843,558
Total Investment	25,851,209,871