

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON POUH 2078 (14 JANUARY 2022)
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)	18,896,098,018
1	Paid up Equity Share Capital	12,968,725,725
2	Share Premium	-
3	Statutory General Reserves	4,853,958,726
4	Retained Earnings	160,254,248
5	Current year profit/(loss)	417,095,743
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)	4,417,410,236
1	Subordinated Term Debt	2,055,283,200
2	General loan loss provision	2,321,856,084
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)	18,896,098,018
2	Supplementary Capital (Tier 2)	4,417,410,236
Total		23,313,508,254

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		9.41%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		11.61%

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	181,202,142,825
b	Risk Weighted Exposure for Operational Risk	8,394,815,041
c	Risk Weighted Exposure for Market Risk	749,114,847
Adjustment under Pillar II		
	Net liquid assets to total deposit ratio is shortfall by 1.14%, Add 2% of total deposit to RWE	3,357,161,323
	Add 3% of gross income for operational risk	1,464,610,007
	Add: 3% of total RWE for overall risk	5,710,382,181
Total Risk Weighted Exposures		200,878,226,224

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	28,165,008
3	Claims on banks	1,620,783,152
4	Claims on domestic corporate and securities firms	131,309,735,217
5	Claims on regulatory retail portfolio	7,735,963,547
6	Claims secured by residential properties	3,236,917,636
7	Claims secured by commercial real estate	3,129,764,464
8	Past due claims	511,605,768
9	High risk claims	9,629,482,703
10	Lending against securities (Bonds and Shares)	1,510,477,705
11	Other assets	5,370,698,145
12	Off balance sheet items	17,118,549,481
TOTAL		181,202,142,825

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	200,878,226,224
2	Total Core Capital Fund (Tier 1)	18,896,098,018
3	Total Capital Fund (Tier 1 & Tier 2)	23,313,508,254
4	Total Core Capital to Total Risk Weighted Exposures	9.41%
5	Total Capital to Total Risk Weighted Exposures	11.61%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	34,017,226	5,430,976	28,586,250
2	Substandard Loan	713,860,654	178,465,164	535,395,491
3	Doubtful Loan	56,123,120	28,061,560	28,061,560
4	Loss Loan	340,390,827	340,390,827	-
Total		1,144,391,828	552,348,527	592,043,301

5. NPA Ratios

Gross NPA to Gross Advances		0.72%
Net NPA to Net Advances	:	0.38%

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

S.N	Loan Classification	Previous quarter Ashwin End 2078	This quarter Poush End 2078	Movement of non performing Assets
1	Restructured Loan	4,247,226	34,017,226	700.93%
2	Substandard Loan	371,113,596	713,860,654	92.36%
3	Doubtful Loan	104,006,203	56,123,120	-46.04%
4	Loss Loan	370,542,972	340,390,827	-8.14%
Total		849,909,996	1,144,391,828	34.65%

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

SN	Principal	Interest	Total
1	5,617,286	8,194,095	13,811,382

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashwin End 2078	This quarter Poush End 2078	Movement in Loan loss
1	Pass	1,966,488,719	2,155,752,523	9.62%
2	Watchlist	214,540,511	166,103,561	-22.58%
2	Restructured/ Rescheduled Loan	1,709,726	5,430,976	217.65%
3	Substandard Loan	92,778,399	178,465,164	92.36%
4	Doubtful Loan	52,003,101	28,061,560	-46.04%
5	Loss Loan	370,542,972	340,390,827	-8.14%
Total		2,698,063,428	2,874,204,611	6.53%

ii. Movement in Interest Suspense

	Particular	Previous quarter Ashwin End 2078	This quarter Poush End 2078	Movement during the period
1	Interest Suspense	610,348,961	622,078,857	1.92%

9 Segregation of Investment Portfolio:

Particulars	Poush 2078
Investment in Subsidiary	200,000,000
Investment in Associate	185,011,259
Investment at Fair Value through OCI	144,473,080
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	15,984,153,600
Investment in Govt. bonds	12,549,769,367
Investment in Foreign Bonds	-
Placement	2,827,417,500
Total Investment Measured At Amortized Cost	31,361,340,467
Total Investment	31,890,824,806