

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASHAD 2078 (15 JULY 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)	18,802,536,233
1	Paid up Equity Share Capital	10,684,400,828
2	Share Premium	-
3	Statutory General Reserves	4,254,234,117
4	Retained Earnings	622,306,102
5	Current year profit/(loss)	3,154,562,448
6	Capital Adjustment Reserve	-
7	Debenture Redemption Reserve	367,014,857
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	79,982,119
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	4,517,117,279
1	Subordinated Term Debt	2,569,104,000
2	General loan loss provision	1,907,742,327
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	2,569,104,000

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	18,802,536,233
2	Supplementary Capital (Tier 2)	4,517,117,279
Total		23,319,653,512

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		11.16%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		13.85%

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	152,619,386,131
b	Risk Weighted Exposure for Operational Risk	8,614,158,521
c	Risk Weighted Exposure for Market Risk	583,465,118
Adjustment under Pillar II		
Add 5% of gross income for operational risk		1,750,409,527
Add: 3% of total RWE for overall risk		4,854,510,293
Total Risk Weighted Exposures		168,421,929,590

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

SN	Particulars	Amount
1	Claims on government & central bank	226,163,458
2	Claims on other official entities	398,987,650
3	Claims on banks	2,197,318,703
4	Claims on domestic corporate and securities firms	107,105,736,032
5	Claims on regulatory retail portfolio	6,921,830,367
6	Claims secured by residential properties	3,026,428,381
7	Claims secured by commercial real estate	2,912,459,116
8	Past due claims	468,793,125
9	High risk claims	7,552,757,768
10	Lending against securities (Bonds and Shares)	2,056,857,646
11	Other assets	5,143,886,759
12	Off balance sheet items	14,608,167,126
TOTAL		152,619,386,131

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	168,421,929,590
2	Total Core Capital Fund (Tier 1)	18,802,536,233
3	Total Capital Fund (Tier 1 & Tier 2)	23,319,653,512
4	Total Core Capital to Total Risk Weighted Exposures	11.16%
5	Total Capital to Total Risk Weighted Exposures	13.85%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	4,246,064	1,709,580	2,536,483
2	Substandard Loan	177,182,089	44,295,522	132,886,567
3	Doubtful Loan	81,850,656	40,925,328	40,925,328
4	Loss Loan	372,572,697	372,572,697	-
Total		635,851,506	459,503,128	176,348,378

5. NPA Ratios

Gross NPA to Gross Advances		0.48%
Net NPA to Net Advances	:	0.14%

6. Movement of Non Performing Assets (Chaitra 2077 VS Ashad 2078)

S.N	Loan Classification	Previous quarter Chaitra End 2077	This quarter Ashad End 2078	Movement of non performing Assets
1	Restructured Loan	51,479,971	4,246,064	-91.75%
2	Substandard Loan	278,574,371	177,182,089	-36.40%
3	Doubtful Loan	287,603,313	81,850,656	-71.54%
4	Loss Loan	420,638,479	372,572,697	-11.43%
Total		1,038,296,135	635,851,506	-38.76%

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

SN	Principal	Interest	Total
1	-	-	-

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Chaitra End 2077	This quarter Ashad End 2078	Movement in Loan loss
1	Pass	1,396,834,108	1,800,208,412	28.88%
2	Watchlist	267,717,489	251,495,938	-6.06%
2	Restructured/ Rescheduled Loan	7,613,819	1,709,580	-77.55%
3	Substandard Loan	69,643,593	44,295,522	-36.40%
4	Doubtful Loan	143,801,657	40,925,328	-71.54%
5	Loss Loan	420,638,479	372,572,697	-11.43%
Total		2,306,249,145	2,511,207,478	8.89%

ii. Movement in Interest Suspense

	Particular	Previous quarter Chaitra End 2077	This quarter Ashad End 2078	Movement during the period
1	Interest Suspense	836,489,998	845,444,923	1.07%

9 Segregation of Investment Portfolio:

Particulars	Ashad 2078
Investment in Subsidiary	200,000,000
Investment in Associate	185,055,333
Investment at Fair Value through OCI	78,304,555
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	-
Investment in treasury bills	7,316,324,330
Investment in Govt. bonds	12,565,476,095
Investment in Foreign Bonds	226,163,458
Placement	7,917,517,500
Total Investment Measured At Amortized Cost	28,025,481,383
Total Investment	28,488,841,271