

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON CHAITRA 2076 (12 APRIL 2020)
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)	15,218,203,851
1	Paid up Equity Share Capital	9,372,281,428
2	Share Premium	-
3	Statutory General Reserves	3,736,889,575
4	Retained Earnings	296,690,592
5	Current year profit/ (loss)	1,590,448,375
6	Capital Adjustment Reserve	-
7	Debenture Redemption Reserve	600,000,000
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	298,124,000
	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)	3,906,882,770
1	Subordinated Term Debt	2,569,104,000
2	General loan loss provision	1,297,507,818
3	Exchange Equalization Reserve	39,056,093
4	Investment Adjustment Reserve	1,214,859
5	Other Reserves	-

3. Information on Subordinated Term Debt:

	HBL Bond 2077	HBL Bond 2083
Bond Issued		
Outstanding amount	600,000,000	2,569,104,000.00
Interest rate	8%	10%
Maturity Date	Ashad 2077	Bhadra 2083
Interest payment	Half yearly basis	Half yearly basis
Tenor	7 years	7 years
Amount to be reckoned as capital	-	2,569,104,000.00

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	15,218,203,851
2	Supplementary Capital (Tier 2)	3,906,882,770
Total		19,125,086,622

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		10.68%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		13.42%

B. Risk Exposures

1. Risk Weighted Exposures for Credit Risk, Market Risk & Operational Risks)

	Amount
RISK WEIGHTED EXPOSURES	
a Risk Weighted Exposure for Credit Risk	126,912,575,391
b Risk Weighted Exposure for Operational Risk	8,133,807,004
c Risk Weighted Exposure for Market Risk	350,335,270
Adjustment under Pillar II	
Add 5% of gross income for operational risk	3,036,449,152
Add: 3% of total RWE for overall risk	4,061,901,530
Total Risk Weighted Exposures	142,495,068,347

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

SN	Particulars	Amount
1	Claims on government & central bank	744,407,203
2	Claims on other official entities	1,385,772,464
3	Claims on banks	3,339,524,884

4	Claims on domestic corporate and securities firms	85,061,646,988
5	Claims on regulatory retail portfolio	6,830,677,467
6	Claims secured by residential properties	3,369,694,161
7	Claims secured by commercial real estate	1,723,042,382
8	Past due claims	1,182,733,471
9	High risk claims	6,706,254,324
10	Lending against securities (Bonds and Shares)	1,159,089,270
11	Other assets	4,249,916,076
12	Off balance sheet items	11,159,816,701
TOTAL		126,912,575,391

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	142,495,068,347
2	Total Core Capital Fund (Tier 1)	15,218,203,851
3	Total Capital Fund (Tier 1 & Tier 2)	19,125,086,622
4	Total Core Capital to Total Risk Weighted Exposures	10.68%
5	Total Capital to Total Risk Weighted Exposures	13.42%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	18,089,667	3,440,031	14,649,636
2	Substandard Loan	731,591,967	182,897,992	548,693,976
3	Doubtful Loan	118,435,996	59,217,998	59,217,998
4	Loss Loan	360,916,082	360,916,082	-
Total		1,229,033,713	606,472,103	622,561,610

5. NPA Ratios

Gross NPA to Gross Advances		1.11%
Net NPA to Net Advances	:	0.57%

6. Movement of Non Performing Assets (Poush 2076 VS Chaitra 2076)

S.N	Loan Classification	Previous quarter Poush End 2076	This quarter Chaitra End 2076	Movement of non performing Assets
1	Restructured Loan	18,125,585	18,089,667	-0.20%
2	Substandard Loan	598,395,010	731,591,967	22.26%
3	Doubtful Loan	78,244,519	118,435,996	51.37%
4	Loss Loan	626,862,035	360,916,082	-42.42%
Total		1,321,627,149	1,229,033,713	-7.01%

7. Write Off of Loans & Interest upto Chaitra End 2076

SN	Principal	Interest	Total
1	181,550,632	44,728,693	226,279,325

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Poush End 2076	This quarter Chaitra End 2076	Movement in Loan loss
1	Pass	1,000,342,549	1,050,284,943	4.99%
2	Watchlist	131,296,731	257,922,875	96.44%
2	Restructured/ Rescheduled Loan	3,455,829	3,440,031	-0.46%
3	Substandard Loan	149,598,752	182,897,992	22.26%
4	Doubtful Loan	39,122,260	59,217,998	51.37%
5	Loss Loan	626,862,035	360,916,082	-42.42%
Total		1,950,678,156	1,914,679,921	-1.85%

ii. Movement in Interest Suspense

	Particular	Previous quarter Poush End 2076	This quarter Chaitra End 2076	Movement during the period
1	Interest Suspense	808,534,605	778,219,508	-3.75%

9 Segregation of Investment Portfolio:

Particulars	Chaitra 2076
Available for sale:	
Investment in equity	450,737,736
Held to maturity:	
Investment in treasury bills	2,723,755,175
Investment in Govt. bonds	9,259,075,000
Investment in Foreign Bonds	962,221,481
Placement	6,432,035,000
Total	19,377,086,656
Held for Trading	-