

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASADH 2079 (16 JULY 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)	20,567,409,646
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)	2,161,521,306
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	111,080,073
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	2,321,121,543
1	Subordinated Term Debt	-
2	General loan loss provision	2,280,850,591
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	-

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	20,567,409,646
2	Supplementary Capital (Tier 2)	2,321,121,543
Total		22,888,531,189

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		10.45%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		11.63%

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	179,952,188,174
b	Risk Weighted Exposure for Operational Risk	8,394,815,041
c	Risk Weighted Exposure for Market Risk	396,090,747
Adjustment under Pillar II		
Net liquid assets to total deposit ratio is shortfall by%, Add% of total deposit to RWE		-
Add 3% of gross income for operational risk		2,441,016,678
Add: 3% of total RWE for overall risk		5,662,292,819
Total Risk Weighted Exposures		196,846,403,459

2. Risk Weighted Exposures under each of 13 categories of Credit Risk

SN	Particulars	Amount
1	Claims on government & central bank	-
2	Claims on other official entities	25,250,018
3	Claims on banks	6,049,470,676
4	Claims on domestic corporate and securities firms	116,252,487,870
5	Claims on regulatory retail portfolio	5,782,660,857
6	Claims secured by residential properties	3,267,188,089
7	Claims secured by commercial real estate	4,397,484,692
8	Past due claims	441,034,213
9	High risk claims	12,531,535,259
10	Lending against securities (Bonds and Shares)	1,943,757,596
11	TR loan for Trading Firm- 120%	3,492,566,016
12	Other assets	5,195,920,828
13	Off balance sheet items	20,572,832,060
TOTAL		179,952,188,174

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	196,846,403,459
2	Total Core Capital Fund (Tier 1)	20,567,409,646
3	Total Capital Fund (Tier 1 & Tier 2)	22,888,531,189
4	Total Core Capital to Total Risk Weighted Exposures	10.45%
5	Total Capital to Total Risk Weighted Exposures	11.63%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	36,865,818	6,874,022	29,991,796
2	Substandard Loan	411,203,596	102,800,899	308,402,697
3	Doubtful Loan	448,330,788	224,165,394	224,165,394
4	Loss Loan	307,277,153	307,277,153	-
Total		1,203,677,356	641,117,468	562,559,888

5.NPA Ratios

Gross NPA to Gross Advances		0.77%
Net NPA to Net Advances	:	0.37%

6. Movement of Non Performing Assets (Chaitra 2078 VS Asadh 2079)

S.N	Loan Classification	Previous quarter Chaitra End 2078	This quarter Asadh End 2079	Movement of non performing Assets
1	Restructured Loan	36,886,842	36,865,818	-0.06%
2	Substandard Loan	790,959,972	411,203,596	-48.01%
3	Doubtful Loan	423,033,464	448,330,788	5.98%
4	Loss Loan	332,255,580	307,277,153	-7.52%
Total		1,583,135,858	1,203,677,356	-23.97%

7. Write Off of Loans & Interest upto Asadh End 2079

SN	Principal	Interest	Total
1	15,919,830	3,582,482	19,502,312

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Chaitra End 2078	This quarter Asadh End 2079	Movement in Loan loss
1	Pass	2,106,283,650	1,981,148,705	-5.94%
2	Watchlist	257,074,400	299,701,886	16.58%
2	Restructured/ Rescheduled Loan	6,875,159	6,874,022	-0.02%
3	Substandard Loan	197,739,993	102,800,899	-48.01%
4	Doubtful Loan	211,516,732	224,165,394	5.98%
5	Loss Loan	332,255,580	307,277,153	-7.52%
Total		3,111,745,514	2,921,968,059	-6.10%

ii. Movement in Interest Suspend

	Particular	Previous quarter Chaitra End 2078	This quarter Asadh End 2079	Movement during the period
1	Interest Suspend	634,169,644	655,538,590	3.37%

9 Segregation of Investment Portfolio:

Particulars	Asadh 2079
Investment in Subsidiary	200,000,000
Investment in Associate	192,707,259
Investment at Fair Value through OCI	132,860,047
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	14,681,168,686
Investment in Govt. bonds	17,086,947,800
Investment in Foreign Bonds	-
Placement	9,904,052,684
Total Investment Measured At Amortized Cost	41,672,169,170
Total Investment	42,197,736,476