

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON CHAITRA 2077 (13 APRIL 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)	17,041,204,088
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)	1,393,230,303
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)	4,273,926,549
1	Subordinated Term Debt	2,569,104,000
2	General loan loss provision	1,664,551,597
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)	17,041,204,088
2	Supplementary Capital (Tier 2)	4,273,926,549
Total		21,315,130,637

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		10.55%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		13.19%

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	146,030,670,861
b	Risk Weighted Exposure for Operational Risk	8,614,158,521
c	Risk Weighted Exposure for Market Risk	541,345,590
Adjustment under Pillar II		
	Add 5% of gross income for operational risk	1,750,409,527
	Add: 3% of total RWE for overall risk	4,655,585,249
Total Risk Weighted Exposures		161,592,169,748

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

SN	Particulars	Amount
1	Claims on government & central bank	229,028,381
2	Claims on other official entities	1,213,932,122
3	Claims on banks	3,867,475,668
4	Claims on domestic corporate and securities firms	101,176,076,140
5	Claims on regulatory retail portfolio	6,797,736,779
6	Claims secured by residential properties	3,017,061,267
7	Claims secured by commercial real estate	2,737,252,646
8	Past due claims	547,064,438
9	High risk claims	7,447,954,218
10	Lending against securities (Bonds and Shares)	2,175,764,892
11	Other assets	4,571,144,719
12	Off balance sheet items	12,250,179,590
TOTAL		146,030,670,861

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	161,592,169,748
2	Total Core Capital Fund (Tier 1)	17,041,204,088
3	Total Capital Fund (Tier 1 & Tier 2)	21,315,130,637
4	Total Core Capital to Total Risk Weighted Exposures	10.55%
5	Total Capital to Total Risk Weighted Exposures	13.19%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	51,479,971	7,613,819	43,866,152
2	Substandard Loan	278,574,371	69,643,593	208,930,779
3	Doubtful Loan	287,603,313	143,801,657	143,801,657
4	Loss Loan	420,638,479	420,638,479	-
Total		1,038,296,135	641,697,548	396,598,587

5. NPA Ratios

Gross NPA to Gross Advances		0.81%
Net NPA to Net Advances	:	0.32%

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

S.N	Loan Classification	Previous quarter Poush End 2077	This quarter Chaitra End 2077	Movement of non performing Assets
1	Restructured Loan	101,408,756	51,479,971	-49.24%
2	Substandard Loan	1,229,754,737	278,574,371	-77.35%
3	Doubtful Loan	697,134,008	287,603,313	-58.74%
4	Loss Loan	427,226,733	420,638,479	-1.54%
Total		2,455,524,234	1,038,296,135	-57.72%

7. Write Off of Loans & Interest upto Chaitra End 2077

SN	Principal	Interest	Total
1	-	43,545	43,545

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Poush End 2077	This quarter Chaitra End 2077	Movement in Loan loss
1	Pass	1,171,213,848	1,396,834,108	19.26%
2	Watchlist	251,118,163	267,717,489	6.61%
2	Restructured/ Rescheduled Loan	7,472,229	7,613,819	1.89%
3	Substandard Loan	307,438,684	69,643,593	-77.35%
4	Doubtful Loan	348,567,004	143,801,657	-58.74%
5	Loss Loan	427,226,733	420,638,479	-1.54%
Total		2,513,036,661	2,306,249,145	-8.23%

ii. Movement in Interest Suspense

	Particular	Previous quarter Poush End 2077	This quarter Chaitra End 2077	Movement during the period
1	Interest Suspense	829,246,384	836,489,999	0.87%

9 Segregation of Investment Portfolio:

Particulars	Chaitra 2077
Investment in Subsidiary	200,000,000
Investment in Associate	195,785,700
Investment at Fair Value through OCI	139,685,106
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	13,986,844,320
Investment in Govt. bonds	11,431,172,359
Investment in Foreign Bonds	229,028,381
Placement	7,446,205,000
Total Investment Measured At Amortized Cost	33,093,250,060
Total Investment	33,628,720,866