

**HIMALAYAN BANK LIMITED**  
**DISCLOSURES UNDER BASEL III AS ON POUH 2077 (13 JANUARY 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
<b>A</b>	<b>Core Capital (Tier 1)</b>	<b>16,353,469,177</b>
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)	705,495,392
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>B</b>	<b>Supplementary Capital (Tier 2)</b>	<b>4,021,006,962</b>
1	Subordinated Term Debt	2,569,104,000
2	General loan loss provision	1,411,632,010
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	<b>HBL Bond 2083</b>
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)	16,353,469,177
2	Supplementary Capital (Tier 2)	4,021,006,962
<b>Total</b>		<b>20,374,476,139</b>

**6. Capital Adequacy Ratio:**

<b>CAPITAL ADEQUACY RATIOS</b>		
Tier 1 Capital to Total Risk Weighted Exposures		11.11%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		13.84%

**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	132,438,658,689
b	Risk Weighted Exposure for Operational Risk	8,614,158,521
c	Risk Weighted Exposure for Market Risk	174,077,851
<b>Adjustment under Pillar II</b>		
	Add 5% of gross income for operational risk	1,750,409,527
	Add: 3% of total RWE for overall risk	4,236,806,852
<b>Total Risk Weighted Exposures</b>		<b>147,214,111,440</b>

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

SN	Particulars	Amount
1	Claims on government & central bank	224,105,635
2	Claims on other official entities	1,176,585,927
3	Claims on banks	3,979,048,345
4	Claims on domestic corporate and securities firms	91,495,706,780
5	Claims on regulatory retail portfolio	6,376,622,682
6	Claims secured by residential properties	2,962,306,754
7	Claims secured by commercial real estate	2,390,605,933
8	Past due claims	747,190,342
9	High risk claims	5,607,128,678
10	Lending against securities (Bonds and Shares)	1,305,795,630
11	Other assets	4,570,706,032
12	Off balance sheet items	11,602,855,951
<b>TOTAL</b>		<b>132,438,658,689</b>

**3. Total Risk Weighted Exposures calculation table:**

SN	Particulars	Amount
1	Total Risk Weighted Exposure	147,214,111,440
2	Total Core Capital Fund (Tier 1)	16,353,469,177
3	Total Capital Fund (Tier 1 & Tier 2)	20,374,476,139
4	Total Core Capital to Total Risk Weighted Exposures	11.11%
5	Total Capital to Total Risk Weighted Exposures	13.84%

**4. Amount of NPA**

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	101,408,756	7,472,229	93,936,527
2	Substandard Loan	1,229,754,737	307,438,684	922,316,053
3	Doubtful Loan	697,134,008	348,567,004	348,567,004
4	Loss Loan	427,226,733	427,226,733	-
<b>Total</b>		<b>2,455,524,234</b>	<b>1,090,704,651</b>	<b>1,364,819,583</b>

**5. NPA Ratios**

Gross NPA to Gross Advances		2.13%
Net NPA to Net Advances	:	1.21%

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

S.N	Loan Classification	Previous quarter Ashwin End 2077	This quarter Poush End 2077	Movement of non performing Assets
1	Restructured Loan	617,583,935	101,408,756	-83.58%
2	Substandard Loan	61,860,831	1,229,754,737	1887.94%
3	Doubtful Loan	33,245,757	697,134,008	1996.91%
4	Loss Loan	580,266,296	427,226,733	-26.37%
<b>Total</b>		<b>1,292,956,819</b>	<b>2,455,524,234</b>	<b>89.92%</b>

**7. Write Off of Loans & Interest upto Poush End 2077**

SN	Principal	Interest	Total
1	-	-	-

**8. Movement in Loan Loss Provisioning:**

SN	Loan Loss Provision	Previous quarter Ashwin End 2077	This quarter Poush End 2077	Movement in Loan loss
1	Pass	1,733,990,094	1,171,213,848	-32.46%
2	Watchlist	148,532,172	251,118,163	69.07%
2	Restructured/ Rescheduled Loan	3,319,705	7,472,229	125.09%
3	Substandard Loan	15,465,208	307,438,684	1887.94%
4	Doubtful Loan	16,622,879	348,567,004	1996.91%
5	Loss Loan	580,266,296	427,226,733	-26.37%
<b>Total</b>		<b>2,498,196,354</b>	<b>2,513,036,661</b>	<b>0.59%</b>

**ii. Movement in Interest Suspense**

	Particular	Previous quarter Ashwin End 2077	This quarter Poush End 2077	Movement during the period
1	Interest Suspense	793,384,805	829,246,384	4.52%

**9 Segregation of Investment Portfolio:**

Particulars	Poush 2077
Investment in Subsidiary	200,000,000
Investment in Associate	195,785,700
Investment at Fair Value through OCI	89,189,390
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	224,105,635
Placement	10,117,050,000
<b>Total Investment Measured At Amortized Cost</b>	<b>35,759,172,315</b>
<b>Total Investment</b>	<b>36,244,147,404</b>