

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON POUH 2079 (14 JANUARY 2023)
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)	19,300,827,357
1	Paid up Equity Share Capital	14,006,223,783
2	Share Premium	-
3	Statutory General Reserves	5,327,466,373
4	Retained Earnings	89,470,351
5	Current year profit/(loss)	188,733,313
6	Capital Redemption Reserve	-
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	111,066,463
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	5,133,341,065
1	Subordinated Term Debt	2,500,000,000
2	General loan loss provision	2,593,070,113
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 2086
Outstanding amount	2,500,000,000.00
Interest rate	10.50%
Maturity Date	Aswin 2086
Interest payment	Half yearly basis
Tenor	7 years
Amount to be reckoned as capital	2,500,000,000.00

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	19,300,827,357
2	Supplementary Capital (Tier 2)	5,133,341,065
Total		24,434,168,423

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		9.58%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		12.12%

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	184,577,350,687
b	Risk Weighted Exposure for Operational Risk	8,401,443,471
c	Risk Weighted Exposure for Market Risk	942,696,549
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	1,825,846,549
	Add: 3% of total RWE for overall risk	5,817,644,721
Total Risk Weighted Exposures		201,564,981,977

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	65,790,952
3	Claims on banks	4,505,708,259
4	Claims on domestic corporate and securities firms	122,624,315,703
5	Claims on regulatory retail portfolio	5,426,661,397
6	Claims secured by residential properties	3,177,908,835
7	Claims secured by commercial real estate	3,914,910,715
8	Past due claims	552,824,538
9	High risk claims	14,143,495,457
10	Lending against Shares(upto Rs.2.5 Million)	45,773,370
11	TR loan for Trading Firm- 120%	2,858,503,124
12	Other assets	8,511,293,025
13	Off balance sheet items	18,750,165,311
TOTAL		184,577,350,687

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	201,564,981,977
2	Total Core Capital Fund (Tier 1)	19,300,827,357
3	Total Capital Fund (Tier 1 & Tier 2)	24,434,168,423
4	Total Core Capital to Total Risk Weighted Exposures	9.58%
5	Total Capital to Total Risk Weighted Exposures	12.12%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	36,866,080	20,556,080	16,310,000
2	Substandard Loan	3,467,917,145	866,979,286	2,600,937,859
3	Doubtful Loan	1,661,031,483	830,515,742	830,515,742
4	Loss Loan	979,861,158	979,861,158	-
Total		6,145,675,866	2,697,912,265	3,447,763,601

5.NPA Ratios

Gross NPA to Gross Advances		3.77%
Net NPA to Net Advances	:	2.19%

6. Movement of Non Performing Assets (Ashwin 2019 vs Poush 2019)

S.N	Loan Classification	Previous quarter Ashwin End 2019	This quarter Poush End 2019	Movement of non performing Assets
1	Restructured Loan	36,867,226	36,866,080	0.00%
2	Substandard Loan	1,637,258,239	3,467,917,145	111.81%
3	Doubtful Loan	1,422,642,115	1,661,031,483	16.76%
4	Loss Loan	631,272,280	979,861,158	55.22%
Total		3,728,039,859	6,145,675,866	64.85%

7. Write Off of Loans & Interest upto Poush End 2019

SN	Principal	Interest	Total
1	24,376,078.12	5,083,755.00	29,459,833

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashwin End 2019	This quarter Poush End 2019	Movement in Loan loss
1	Pass	1,980,644,978	2,000,980,894	1.03%
2	Watchlist	517,096,837	592,089,219	14.50%
2	Restructured/ Rescheduled Loan	12,402,226	20,556,080	65.75%
3	Substandard Loan	409,314,560	866,979,286	111.81%
4	Doubtful Loan	711,321,057	830,515,742	16.76%
5	Loss Loan	631,272,280	979,861,158	55.22%
Total		4,262,051,938	5,290,982,379	24.14%

ii. Movement in Interest Suspend

	Particular	Previous quarter Ashwin End 2019	This quarter Poush End 2019	Movement during the period
1	Interest Suspend	974,081,651	981,695,557	0.78%

9 Segregation of Investment Portfolio:

Particulars	Poush 2019
Investment in Subsidiary	200,000,000
Investment in Associate	192,707,259
Investment at Fair Value through OCI	147,646,979
Investment at Fair Value through PL	-
Investment Measured at Amortized Cost	
Investment in treasury bills	6,331,114,953
Investment in Govt. bonds	16,663,256,256
Investment in debenture	500,000,000
Investment in Foreign Bonds	-
Placement	7,823,179,258
Total Investment Measured At Amortized Cost	31,317,550,467
Total Investment	31,857,904,705