

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASHWIN 2077 (16 October 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)	16,385,168,374
1	Paid up Equity Share Capital	9,372,281,428
3	Statutory General Reserves	4,254,234,117
4	Retained Earnings	2,496,762,387
5	Current year profit/(loss)	174,857,704
7	Debenture Redemption Reserve	367,014,857
	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

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	4,136,114,646
1	Subordinated Term Debt	2,569,104,000
2	General loan loss provision	1,526,739,694
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	367,014,857

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	16,385,168,374
2	Supplementary Capital (Tier 2)	4,136,114,646
Total		20,521,283,020

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		11.98%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		15.00%

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	122,139,175,547
b	Risk Weighted Exposure for Operational Risk	8,614,158,521
c	Risk Weighted Exposure for Market Risk	353,961,744
	Adjustment under Pillar II	

	Add 5% of gross income for operational risk	1,750,409,527
	Add: 3% of total RWE for overall risk	3,933,218,874
	Total Risk Weighted Exposures	136,790,924,213

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

SN	Particulars	Amount
1	Claims on government & central bank	225,692,111
2	Claims on other official entities	848,296,752
3	Claims on banks	4,970,426,719
4	Claims on domestic corporate and securities firms	81,414,793,058
5	Claims on regulatory retail portfolio	6,340,220,897
6	Claims secured by residential properties	3,180,290,710
7	Claims secured by commercial real estate	1,970,578,495
8	Past due claims	616,087,420
9	High risk claims	5,919,954,365
10	Lending against securities (Bonds and Shares)	1,267,896,993
11	Other assets	4,972,248,780
12	Off balance sheet items	10,412,689,248
	TOTAL	122,139,175,547

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	136,790,924,213
2	Total Core Capital Fund (Tier 1)	16,385,168,374
3	Total Capital Fund (Tier 1 & Tier 2)	20,521,283,020
4	Total Core Capital to Total Risk Weighted Exposures	11.98%
5	Total Capital to Total Risk Weighted Exposures	15.00%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	617,583,935	33,342,549	584,241,386
2	Substandard Loan	61,860,831	15,465,208	46,395,623
3	Doubtful Loan	33,245,757	16,622,879	16,622,879
4	Loss Loan	580,266,296	580,266,296	-
Total		1,292,956,819	645,696,932	647,259,888

5. NPA Ratios

Gross NPA to Gross Advances		1.23%
Net NPA to Net Advances	:	0.63%

6. Movement of Non Performing Assets (Ashad 2077 VS Aswin 2077)

S.N	Loan Classification	Previous quarter Asar End 2077	This quarter Aswin End 2077	Movement of non performing Assets
1	Restructured Loan	17,608,153	617,583,935	3407.37%
2	Substandard Loan	300,851,150	61,860,831	-79.44%
3	Doubtful Loan	383,849,947	33,245,757	-91.34%
4	Loss Loan	381,272,352	580,266,296	52.19%
Total		1,083,581,602	1,292,956,819	19.32%

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

SN	Principal	Interest	Total
1	-	-	-

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashad End 2077	This quarter Aswin End 2077	Movement in Loan loss
1	Pass	1,556,065,751	1,733,990,094	11.43%
2	Watchlist	158,029,514	118,509,329	-25.01%
2	Restructured/ Rescheduled Loan	3,379,842	33,342,549	886.51%
3	Substandard Loan	75,212,787	15,465,208	-79.44%
4	Doubtful Loan	191,924,973	16,622,879	-91.34%
5	Loss Loan	381,272,352	580,266,296	52.19%
Total		2,365,885,220	2,498,196,354	5.59%

ii. Movement in Interest Suspense

	Particular	Previous quarter Ashad End 2077	This quarter Aswin End 2077	Movement during the period
1	Interest Suspense	794,764,614	795,386,336	0.08%

9 Segregation of Investment Portfolio:

Particulars	Aswin 2077
Available for sale:	
Investment in equity	460,151,049
Held to maturity:	
Investment in treasury bills	11,462,449,600
Investment in Govt. bonds	11,638,268,429
Investment in Foreign Bonds	432,935,463
Placement	10,575,620,000
Total	34,109,273,491
Held for Trading	-