

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL II AS ON CHAITRA END 2070 (13 APRIL 2014)
Based on Unaudited Financials

A. Capital Structure & Capital Adequacy as per Basel II

1. Tier 1 Capital and Breakdown of its Components:

SN	Particulars	Amount
A	Core Capital (Tier 1)	5,765,295,301
1	Paid up Equity Share Capital	2,898,000,000
2	Statutory General Reserves	1,571,890,689
3	Retained Earnings	4,685,147
4	Current year profit/(loss)	792,853,238
5	Capital Adjustment Reserve	-
6	Debenture Redemption Reserve	514,285,712
7	Special Reserve	4,000,000
8	Deferred Tax Reserve	62,887,064
	Less: Miscellaneous expenditure not written off	343,515
	Less: Other Deductions	82,963,035

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,488,117,782
1	Subordinated Term Debt	800,000,000
2	General loan loss provision	444,158,273
3	Exchange Equalization Reserve	29,769,898
4	Investment Adjustment Reserve	1,673,278
5	Other Reserves	212,516,333

3. Information on Subordinated Term Debt:

	HBL Bond 2072	HBL Bond 2077
Bond Issued		
Outstanding amount	500,000,000.00	600,000,000.00
Interest rate	8%	8%
Maturity Date	Ashad 2072	Ashad 2077
Interest payment	Half yearly basis	Half yearly basis
Tenor	7 years	7 years
Amount to be reckoned as capital	200,000,000.00	600,000,000.00

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	5,765,295,301
2	Supplementary Capital (Tier 2)	1,488,117,782
Total		7,253,413,082

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS	
Tier 1 Capital to Total Risk Weighted Exposures	8.91%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.21%

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	56,274,186,721
b	Risk Weighted Exposure for Operational Risk	4,586,360,657
c	Risk Weighted Exposure for Market Risk	192,109,691
Adjustment under Pillar II		
	Add 5% of gross income for operational risk	1,820,321,497
	Add: 3% of total RWE for overall risk	1,831,579,712
Total Risk Weighted Exposures		64,704,558,277

2. Risk Weighted Exposures under each of 11 categories of Credit Risk

SN	Particulars	Amount
1	Claims on government & central bank	-
2	Claims on other official entities	681,938,210
3	Claims on banks	2,019,189,460
4	Claims on domestic corporate and securities firms	27,903,287,719
5	Claims on regulatory retail portfolio	3,496,364,630
6	Claims secured by residential properties	2,854,608,888
7	Claims secured by commercial real estate	1,216,929,146
8	Past due claims	1,603,162,544
9	High risk claims	7,143,475,492
10	Other assets	2,612,857,077
11	Off balance sheet items	6,742,373,554
TOTAL		56,274,186,721

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	64,704,558,277
2	Total Core Capital Fund (Tier 1)	5,765,295,301
3	Total Capital Fund (Tier 1 & Tier 2)	7,253,413,082
4	Total Core Capital to Total Risk Weighted Exposures	8.91%
5	Total Capital to Total Risk Weighted Exposures	11.21%

4 Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	144,859,261	111,082,709	33,776,552
2	Substandard Loan	241,145,575	60,286,394	180,859,181
3	Doubtful Loan	154,561,206	77,280,603	77,280,603
4	Loss Loan	759,359,080	759,359,080	-
Total		1,299,925,122	1,008,008,785	291,916,337

5 NPA Ratios

Gross NPA to Gross Advances	:	2.84%
Net NPA to Net Advances	:	0.66%

6 Movement of Non Performing Assets (Poush 2070 Vs Chaitra 2070)

S.N	Loan Classification	Previous quarter Poush 2070	This quarter Chaitra 2070	Movement of non performing Assets
1	Restructured Loan	150,044,535	144,859,261	-3.46%
2	Substandard Loan	437,956,545	241,145,575	-44.94%
3	Doubtful Loan	497,645,648	154,561,206	-68.94%
4	Loss Loan	436,332,214	759,359,080	74.03%
Total		1,521,978,942	1,299,925,122	-14.59%

7. Write Off of Loans & Interest Suspense upto Chaitra End 2070

SN	Principal	Interest	Total
1	258,096	13,903	271,999

8 Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Poush 2070	This quarter Chaitra 2070	Movement in Loan loss
1	Pass	442,349,869	457,736,536	3.48%
2	Restructured/ Rescheduled Loan	114,534,979	111,082,709	-3.01%
3	Substandard Loan	109,489,136	60,286,394	-44.94%
4	Doubtful Loan	248,822,824	77,280,603	-68.94%
5	Loss Loan	436,332,214	759,359,080	74.03%
Total		1,351,529,022	1,465,745,321	8.45%

ii. Movement in Interest Suspense

	Particular	Previous quarter Poush End 2069	This quarter Chaitra End 2070	Movement during the period
1	Interest Suspense	686,286,439	680,262,394	-0.88%

9 Segregation of Investment Portfolio:

Particulars	Chaitra 2070
Available for sale:	
Investment in equity	90,002,059.00
Held to maturity:	
Investment in treasury bills	8,517,270,244
Investment in Govt. bonds	2,687,982,994
Placement	7,303,352,475
Total	18,508,605,714
Held for Trading	-