

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL II AS ON POUH END 2070 (14 JANUARY 2013)
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)	5,792,833,592
1	Paid up Equity Share Capital	2,760,000,000
2	Statutory General Reserves	1,383,151,091
3	Retained Earnings	804,080,585
4	Current year profit/(loss)	544,488,489
5	Capital Adjustment Reserve	-
6	Debenture Redemption Reserve	357,142,856
7	Special Reserve	4,000,000
8	Deferred Tax Reserve	23,374,082
	Less: Miscellaeous expenditure not written off	403,467
	Less: Other Deductions	83,000,044

2.

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,468,314,322
1	Subordinated Term Debt	800,000,000
2	General loan loss provision	424,354,814
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)	5,792,833,592
2	Supplementary Capital (Tier 2)	1,468,314,322
	Total	7,261,147,914

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS	
Tier 1 Capital to Total Risk Weighted Exposures	9.74%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	12.21%

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	52,717,148,699
b	Risk Weighted Exposure for Operational Risk	4,586,360,657
c	Risk Weighted Exposure for Market Risk	268,432,908
	Adjustment under Pillar II	
	Add 2% of gross income for operational risk	728,128,599
	Add: 2% of total RWE for overall risk	1,151,438,845
	Total Risk Weighted Exposures	59,451,509,707

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	777,681,293
3	Claims on banks	1,695,693,718
4	Claims on domestic corporate and securities firms	26,809,030,780
5	Claims on regulatory retail portfolio	3,439,955,298
6	Claims secured by residential properties	2,693,126,861
7	Claims secured by commercial real estate	1,293,664,948
8	Past due claims	2,064,040,773
9	High risk claims	6,076,641,604
10	Other assets	1,994,205,128
11	Off balance sheet items	5,873,108,295
TOTAL		52,717,148,699

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	59,451,509,707
2	Total Core Capital Fund (Tier 1)	5,792,833,592
3	Total Capital Fund (Tier 1 & Tier 2)	7,261,147,914
4	Total Core Capital to Total Risk Weighted Exposures	9.74%
5	Total Capital to Total Risk Weighted Exposures	12.21%

4 Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	150,044,535	114,534,979	35,509,556
2	Substandard Loan	437,956,545	109,489,136	328,467,409
3	Doubtful Loan	497,645,648	248,822,824	248,822,824
4	Loss Loan	436,332,214	436,332,214	-
Total		1,521,978,942	909,179,154	612,799,788

5 NPA Ratios

Gross NPA to Gross Advances	:	3.46%
Net NPA to Net Advances	:	1.44%

6 Movement of Non Performing Assets (Ashad 2070 Vs Aswin 2070)

S.N	Loan Classification	Previous quarter Aswin 2070	This quarter Poush 2070	Movement of non performing Assets
1	Restructured Loan	151,844,389	150,044,535	-1.19%
2	Substandard Loan	372,290,910	437,956,545	17.64%
3	Doubtful Loan	124,293,721	497,645,648	300.38%
4	Loss Loan	458,355,064	436,332,214	-4.80%
Total		1,106,784,084	1,521,978,942	37.51%

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

SN	Principal	Interest	Total
1	-	-	-

8 Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Aswin 2070	This quarter Poush 2070	Movement in Loan loss
1	Pass	437,685,227	442,349,869	1.07%
2	Restructured/ Rescheduled Loan	113,180,303	114,534,979	1.20%
3	Substandard Loan	93,072,727	109,489,136	17.64%
4	Doubtful Loan	62,146,860	248,822,824	300.38%
5	Loss Loan	458,355,064	436,332,214	-4.80%
Total		1,164,440,182	1,351,529,022	16.07%

ii. Movement in Interest Suspense

	Particular	Previous quarter Aswin End 2069	This quarter Poush End 2070	Movement during the period
1	Interest Suspense	758,335,718	686,286,439	-9.50%

9 Segregation of Investment Portfolio:

Particulars	Poush 2070
Available for sale:	
Investment in equity	90,002,059.00
Held to maturity:	
Investment in treasury bills	7,376,445,007
Investment in Govt. bonds	2,694,205,754
Placement	5,145,016,685
Total	15,215,667,446
Held for Trading	-