

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON ASHAD 2074 (15 JULY 2017)
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)	11,479,535,037
1	Paid up Equity Share Capital	6,491,623,500
2	Share Premium	123,094,283
3	Statutory General Reserves	2,808,640,766
4	Retained Earnings	1,774,925,117
5	Current year profit/(loss)	-
6	Capital Adjustment Reserve	29,471,134
7	Debenture Redemption Reserve	428,571,427
8	Special Reserve	4,000,000
9	Deferred Tax Reserve	69,514,769
	Less: Miscellaneous expenditure not written off	121,165
	Less: Deferred Tax Reserve	69,514,769
	Less: Investment in equity of institutions with financial interests	98,124,000
	Less: Purchase of land & building in excess of limit and unutilized	82,546,025
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,218,756,795
1	Subordinated Term Debt	360,000,000
2	General loan loss provision	822,550,591
3	Exchange Equalization Reserve	34,192,970
4	Investment Adjustment Reserve	2,013,234

3. Information on Subordinated Term Debt:

Bond Issued	HBL Bond 2077
Outstanding amount	600,000,000
Interest rate	8%
Maturity Date	Ashad 2077
Interest payment	Half yearly basis
Tenor	7 years
Amount to be reckoned as capital	360,000,000

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	11,479,535,037
2	Supplementary Capital (Tier 2)	1,218,756,795
Total		12,698,291,831

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		11.06%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		12.23%

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	91,563,811,074
b	Risk Weighted Exposure for Operational Risk	6,292,200,344
c	Risk Weighted Exposure for Market Risk	626,745,391
Adjustment under Pillar II		
	Add 5% of gross income for operational risk	2,365,747,388

Add: 3% of total RWE for overall risk		2,954,482,704
Total Risk Weighted Exposures		103,802,986,901

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

SN	Particulars	Amount
1	Claims on government & central bank	1,549,308,935
2	Claims on other official entities	654,069,582
3	Claims on banks	1,975,321,450
4	Claims on domestic corporate and securities firms	51,828,843,933
5	Claims on regulatory retail portfolio	6,426,356,171
6	Claims secured by residential properties	3,503,196,620
7	Claims secured by commercial real estate	1,805,775,668
8	Past due claims	892,953,057
9	High risk claims	11,004,084,627
10	Other assets	3,460,687,486
11	Off balance sheet items	8,463,213,545
TOTAL		91,563,811,074

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	103,802,986,901
2	Total Core Capital Fund (Tier 1)	11,479,535,037
3	Total Capital Fund (Tier 1 & Tier 2)	12,698,291,831
4	Total Core Capital to Total Risk Weighted Exposures	11.06%
5	Total Capital to Total Risk Weighted Exposures	12.23%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	65,191,069	11,866,500	53,324,569
2	Substandard Loan	237,586,331	59,396,583	178,189,748
3	Doubtful Loan	25,329,673	12,664,837	12,664,837
4	Loss Loan	347,697,417	347,697,417	-
Total		675,804,490	431,625,336	244,179,153

5. NPA Ratios

Gross NPA to Gross Advances		0.87%
Net NPA to Net Advances	:	0.32%

6. Movement of Non Performing Assets (Chaitra 2073 VS Ashad 2073)

S.N	Loan Classification	Previous quarter Chaitra End 2073	This quarter Ashad End 2074	Movement of non performing Assets
1	Restructured Loan	66,881,269	65,191,069	-2.53%
2	Substandard Loan	100,104,752	237,586,331	137.34%
3	Doubtful Loan	60,130,911	25,329,673	-57.88%
4	Loss Loan	474,287,831	347,697,417	-26.69%
Total		701,404,763	675,804,490	-3.65%

7. Write Off of Loans & Interest upto Ashad End 2074

SN	Principal	Interest	Total
1	8,114,430	1,260,310	9,374,740

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Chaitra End 2073	This quarter Ashad End 2074	Movement in Loan loss
1	Pass	760,193,748	758,586,900	-0.21%
2	Watchlist	82,612,173	70,502,146	-14.66%
2	Restructured/ Rescheduled Loan	12,118,397	11,866,500	-2.08%
3	Substandard Loan	25,026,188	59,396,583	137.34%
4	Doubtful Loan	30,065,456	12,664,837	-57.88%
5	Loss Loan	474,287,831	347,697,417	-26.69%
Total		1,384,303,793	1,260,714,382	-8.93%

ii. Movement in Interest Suspense

	Particular	Previous quarter Chaitra End 2073	This quarter Ashad End 2074	Movement during the period
1	Interest Suspense	651,589,928	602,790,518	-7.49%

9 Segregation of Investment Portfolio:

Particulars	Ashad 2074
Available for sale:	
Investment in equity	205,123,859
Held to maturity:	
Investment in treasury bills	3,784,667,300
Investment in Govt. bonds	4,180,950,000
Investment in Foreign Bonds	1,549,308,935
Placement	8,210,430,104
Total	17,725,356,339
Held for Trading	-