

**HIMALAYAN BANK LIMITED**  
**DISCLOSURES UNDER BASEL III AS ON ASHWIN 2074 (17 OCTOBER 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
<b>A</b>	<b>Core Capital (Tier 1)</b>	<b>11,844,358,839</b>
1	Paid up Equity Share Capital	6,491,623,500
2	Share Premium	123,094,283
3	Statutory General Reserves	2,808,997,787
4	Retained Earnings	1,730,503,154
5	Current year profit/(loss)	410,112,717
6	Capital Adjustment Reserve	29,471,134
7	Debenture Redemption Reserve	428,571,427
8	Special Reserve	4,000,000
9	Deferred Tax Reserve	93,139,126
	Less: Miscellaneous expenditure not written off	244,154
	Less: Deferred Tax Reserve	93,139,126
	Less: Investment in equity of institutions with financial interests	98,124,000
	Less: Purchase of land & building in excess of limit and unutilized	83,647,009
	Less: Other Deductions	-

**2. Tier 2 Capital and Breakdown of its Components**

SN	Particulars	Amount
<b>B</b>	<b>Supplementary Capital (Tier 2)</b>	<b>1,317,698,442</b>
1	Subordinated Term Debt	360,000,000
2	General loan loss provision	876,485,318
3	Exchange Equalization Reserve	34,636,311
4	Investment Adjustment Reserve	2,013,234
5	Other Reserves	44,563,579

**3. Information on Subordinated Term Debt:**

Bond Issued	<b>HBL Bond 2077</b>
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)	11,844,358,839
2	Supplementary Capital (Tier 2)	1,317,698,442
<b>Total</b>		<b>13,162,057,281</b>

**6. Capital Adequacy Ratio:**

<b>CAPITAL ADEQUACY RATIOS</b>	
Tier 1 Capital to Total Risk Weighted Exposures	<b>10.78%</b>
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	<b>11.98%</b>

**B. Risk Exposures**

**1. Risk Weighted Exposures for Credit Risk, Market Risk & Operational Risks)**

<b>RISK WEIGHTED EXPOSURES</b>		<b>Amount</b>
a	Risk Weighted Exposure for Credit Risk	96,548,701,314
b	Risk Weighted Exposure for Operational Risk	7,111,149,947
c	Risk Weighted Exposure for Market Risk	370,107,485
<b>Adjustment under Pillar II</b>		
	Add 5% of gross income for operational risk	2,680,965,560
	Add: 3% of total RWE for overall risk	3,120,898,762
<b>Total Risk Weighted Exposures</b>		<b>109,831,823,068</b>

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

<b>SN</b>	<b>Particulars</b>	<b>Amount</b>
1	Claims on government & central bank	1,559,852,673
2	Claims on other official entities	1,299,438,093
3	Claims on banks	2,169,185,820
4	Claims on domestic corporate and securities firms	56,030,271,784
5	Claims on regulatory retail portfolio	6,081,517,930
6	Claims secured by residential properties	3,641,222,763
7	Claims secured by commercial real estate	1,914,688,236
8	Past due claims	1,295,756,580
9	High risk claims	8,741,639,845
10	Other assets	3,648,812,316
11	Off balance sheet items	10,166,315,275
<b>TOTAL</b>		<b>96,548,701,314</b>

**3. Total Risk Weighted Exposures calculation table:**

<b>SN</b>	<b>Particulars</b>	<b>Amount</b>
1	Total Risk Weighted Exposure	<b>109,831,823,068</b>
2	Total Core Capital Fund (Tier 1)	11,844,358,839
3	Total Capital Fund (Tier 1 & Tier 2)	13,162,057,281
4	Total Core Capital to Total Risk Weighted Exposures	<b>10.78%</b>
5	Total Capital to Total Risk Weighted Exposures	<b>11.98%</b>

**4. Amount of NPA**

<b>SN</b>	<b>Loan Classification</b>	<b>Gross Amount</b>	<b>Provision Held</b>	<b>Net NPA</b>
1	Restructured Loan	6,944,712	4,544,750	2,399,962
2	Substandard Loan	425,450,346	106,362,587	319,087,760
3	Doubtful Loan	219,276,657	109,638,328	109,638,328
4	Loss Loan	347,124,396	347,124,396	-
<b>Total</b>		<b>998,796,111</b>	<b>567,670,061</b>	<b>431,126,050</b>

**5.NPA Ratios**

Gross NPA to Gross Advances	1.24%
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Net NPA to Net Advances	:	0.54%
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#### 6. Movement of Non Performing Assets ( Ashad 2074 VS Ashwin 2074 )

S.N	Loan Classification	Previous quarter Ashad End 2074	This quarter Ashwin End 2074	Movement of non performing Assets
1	Restructured Loan	65,191,069	6,944,712	-89.35%
2	Substandard Loan	237,586,331	425,450,346	79.07%
3	Doubtful Loan	25,329,673	219,276,657	765.69%
4	Loss Loan	333,700,624	347,124,396	4.02%
<b>Total</b>		<b>661,807,697</b>	<b>998,796,111</b>	<b>50.92%</b>

#### 7. Write Off of Loans & Interest upto Ashwin End 2074

SN	Principal	Interest	Total
1	249,040	15,546	264,586

#### 8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashad End 2074	This quarter Ashwin End 2074	Movement in Loan loss
1	Pass	763,140,421	780,721,131	2.30%
2	Watchlist	65,948,624	98,237,231	48.96%
2	Restructured/ Rescheduled Loan	11,866,500	4,544,750	-61.70%
3	Substandard Loan	59,396,583	106,362,587	79.07%
4	Doubtful Loan	12,664,837	109,638,328	765.69%
5	Loss Loan	333,700,624	347,124,396	4.02%
<b>Total</b>		<b>1,246,717,590</b>	<b>1,446,628,422</b>	<b>16.03%</b>

#### ii. Movement in Interest Suspende

	Particular	Previous quarter Ashad End 2074	This quarter Ashwin End 2074	Movement during the period
1	Interest Suspende	599,124,894	834,101,357	39.22%

#### 9 Segregation of Investment Portfolio:

Particulars	Ashwin 2074
<b>Available for sale:</b>	
Investment in equity	205,123,859
<b>Held to maturity:</b>	
Investment in treasury bills	2,531,095,300
Investment in Govt. bonds	5,530,950,000
Investment in Foreign Bonds	1,559,852,673
Placement	9,555,465,729
<b>Total</b>	<b>19,177,363,702</b>
Held for Trading	-