

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON Chaitra 2073 (13 April 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)	10,838,195,006
1	Paid up Equity Share Capital	6,491,623,500
2	Share Premium	123,094,283
3	Statutory General Reserves	2,373,350,808
4	Retained Earnings	138,842,497
5	Current year profit/(loss)	1,535,150,671
6	Capital Adjustment Reserve	10,108,210
7	Debenture Redemption Reserve	342,857,141
8	Special Reserve	4,000,000
9	Deferred Tax Reserve	69,514,769
	Less: Miscellaneous expenditure not written off	140,926
	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	82,567,178

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,352,454,903
1	Subordinated Term Debt	480,000,000
2	General loan loss provision	836,248,699
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	480,000,000

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	10,838,195,006
2	Supplementary Capital (Tier 2)	1,352,454,903
Total		12,190,649,908

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		10.44%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		11.74%

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	91,677,082,981
b	Risk Weighted Exposure for Operational Risk	6,271,304,742
c	Risk Weighted Exposure for Market Risk	592,305,079
Adjustment under Pillar II		
	Add 5% of gross income for operational risk	2,344,851,785
	Add: 3% of total RWE for overall risk	2,956,220,784
Total Risk Weighted Exposures		103,841,765,371

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

SN	Particulars	Amount
1	Claims on government & central bank	2,058,000,000
2	Claims on other official entities	676,058,972
3	Claims on banks	2,131,693,219
4	Claims on domestic corporate and securities firms	52,364,902,868
5	Claims on regulatory retail portfolio	6,688,182,490
6	Claims secured by residential properties	3,799,340,421
7	Claims secured by commercial real estate	1,699,233,398
8	Past due claims	603,343,977
9	High risk claims	10,902,078,986
10	Other assets	3,351,107,170
11	Off balance sheet items	7,403,141,478
TOTAL		91,677,082,981

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	103,841,765,371
2	Total Core Capital Fund (Tier 1)	10,838,195,006
3	Total Capital Fund (Tier 1 & Tier 2)	12,190,649,908
4	Total Core Capital to Total Risk Weighted Exposures	10.44%
5	Total Capital to Total Risk Weighted Exposures	11.74%

4 Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	66,881,269	12,118,397	54,762,872
2	Substandard Loan	100,104,752	25,026,188	75,078,564
3	Doubtful Loan	60,130,911	30,065,456	30,065,456
4	Loss Loan	474,287,831	474,287,831	-
Total		701,404,763	541,497,872	159,906,892

5 NPA Ratios

Gross NPA to Gross Advances	:	0.90%
Net NPA to Net Advances	:	0.21%

6 Movement of Non Performing Assets (Poush 2073 VS Chaitra 2073)

S.N	Loan Classification	Previous quarter Poush End 2073	This quarter Chaitra End 2073	Movement of non performing Assets
1	Restructured Loan	70,409,145	66,881,269	-5.01%
2	Substandard Loan	91,307,810	100,104,752	9.63%
3	Doubtful Loan	32,698,673	60,130,911	83.89%
4	Loss Loan	512,303,156	474,287,831	-7.42%
Total		706,718,785	701,404,763	-0.75%

7. Write Off of Loans & Interest upto Chaitra End 2073

SN	Principal	Interest	Total
1	171,467	8,075	179,542

8 Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Poush End 2073	This quarter Chaitra End 2073	Movement in Loan loss
1	Pass	737,289,641	760,193,748	3.11%
2	Watchlist	89,401,077	82,612,173	-7.59%
2	Restructured/ Rescheduled Loan	12,601,668	12,118,397	-3.83%
3	Substandard Loan	22,826,953	25,026,188	9.63%
4	Doubtful Loan	16,349,337	30,065,456	83.89%
5	Loss Loan	512,303,156	474,287,831	-7.42%
Total		1,390,771,831	1,384,303,793	-0.47%

ii. Movement in Interest Suspense

	Particular	Previous quarter Poush End 2073	This quarter Chaitra End 2073	Movement during the period
1	Interest Suspense	563,335,612	651,589,928	15.67%

9 Segregation of Investment Portfolio:

Particulars	Chaitra 2073
Available for sale:	
Investment in equity	205,123,859
Held to maturity:	
Investment in treasury bills	1,039,801,200
Investment in Govt. bonds	2,680,950,000
Investment in Foreign Bonds	2,067,440,187
Placement	9,325,576,203
Total	15,113,767,590
Held for Trading	-