

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON POUH 2075 (14 JANUARY 2019)
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)	13,220,887,972
1	Paid up Equity Share Capital	8,520,255,844
2	Share Premium	-
3	Statutory General Reserves	3,184,119,880
4	Retained Earnings	219,161,824
5	Current year profit/(loss)	1,161,170,831
6	Capital Adjustment Reserve	-
7	Debenture Redemption Reserve	514,285,713
8	Special Reserve	-
9	Deferred Tax Reserve	-
	Less: Miscellaneous expenditure not written off	-
	Less: Deferred Tax Reserve	-
	Less: Investment in equity of institutions with financial interests	298,124,000
	Less: Purchase of land & building in excess of limit and unutilized	79,982,120
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,324,797,939
1	Subordinated Term Debt	240,000,000
2	General loan loss provision	1,050,161,628
3	Exchange Equalization Reserve	34,636,311
4	Investment Adjustment Reserve	-
5	Other Reserves	-

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	240,000,000

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	13,220,887,972
2	Supplementary Capital (Tier 2)	1,324,797,939
Total		14,545,685,911

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS		
Tier 1 Capital to Total Risk Weighted Exposures		10.33%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures		11.36%

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	113,150,584,107
b	Risk Weighted Exposure for Operational Risk	7,964,594,997
c	Risk Weighted Exposure for Market Risk	368,565,963
Adjustment under Pillar II		
Add 5% of gross income for operational risk		2,917,882,050
Add: 3% of total RWE for overall risk		3,644,512,352
Total Risk Weighted Exposures		128,046,139,469

2. Risk Weighted Exposures under each of 12 categories of Credit Risk

SN	Particulars	Amount
1	Claims on government & central bank	556,437,844
2	Claims on other official entities	1,929,174,419
3	Claims on banks	2,882,944,089
4	Claims on domestic corporate and securities firms	75,099,799,708
5	Claims on regulatory retail portfolio	6,735,988,340
6	Claims secured by residential properties	3,362,925,251
7	Claims secured by commercial real estate	1,405,669,361
8	Past due claims	647,238,677
9	High risk claims	5,143,377,714
10	Lending against securities (Bonds and Shares)	1,179,221,268
11	Other assets	3,579,518,232
12	Off balance sheet items	10,628,289,203
TOTAL		113,150,584,107

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	128,046,139,469
2	Total Core Capital Fund (Tier 1)	13,220,887,972
3	Total Capital Fund (Tier 1 & Tier 2)	14,545,685,911
4	Total Core Capital to Total Risk Weighted Exposures	10.33%
5	Total Capital to Total Risk Weighted Exposures	11.36%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	5,644,843	5,108,011	536,833
2	Substandard Loan	182,541,495	45,635,374	136,906,121
3	Doubtful Loan	100,060,182	50,030,091	50,030,091
4	Loss Loan	951,484,340	951,484,340	-
Total		1,239,730,860	1,052,257,816	187,473,045

5. NPA Ratios

Gross NPA to Gross Advances		1.25%
Net NPA to Net Advances	:	0.19%

6. Movement of Non Performing Assets (Ashwin 2075 VS Poush 2075)

S.N	Loan Classification	Previous quarter Ashwin End 2075	This quarter Poush End 2075	Movement of non performing Assets
1	Restructured Loan	5,969,125	5,644,843	-5.43%
2	Substandard Loan	420,105,945	182,541,495	-56.55%
3	Doubtful Loan	233,345,043	100,060,182	-57.12%
4	Loss Loan	723,973,517	951,484,340	31.43%
Total		1,383,393,630	1,239,730,860	-10.38%

7. Write Off of Loans & Interest upto Poush End 2075

SN	Principal	Interest	Total
1	463,692	2,024	465,716

8. Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Ashwin End 2075	This quarter Poush End 2075	Movement in Loan loss
1	Pass	922,119,534	976,853,088	5.94%
2	Watchlist	115,195,893	84,008,540	-27.07%
2	Restructured/ Rescheduled Loan	5,308,749	5,108,011	-3.78%
3	Substandard Loan	105,026,486	45,635,374	-56.55%
4	Doubtful Loan	116,672,522	50,030,091	-57.12%
5	Loss Loan	723,973,517	951,484,340	31.43%
Total		1,988,296,701	2,113,119,443	6.28%

ii. Movement in Interest Suspense

	Particular	Previous quarter Ashwin End 2075	This quarter Poush End 2075	Movement during the period
1	Interest Suspense	944,830,000	887,814,553	-6.03%

9 Segregation of Investment Portfolio:

Particulars	Poush 2075
Available for sale:	
Investment in equity	452,173,829
Held to maturity:	
Investment in treasury bills	3,765,666,945
Investment in Govt. bonds	5,574,100,000
Investment in Foreign Bonds	1,303,970,410
Placement	8,125,806,288
Total	18,769,543,643
Held for Trading	-