

**HIMALAYAN BANK LIMITED**  
**DISCLOSURES UNDER BASEL III AS ON CHAITRA 2074 (13 APRIL 2018)**  
**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>12,960,462,439</b>
1	Paid up Equity Share Capital	8,114,529,375
2	Share Premium	-
3	Statutory General Reserves	2,808,997,787
4	Retained Earnings	145,274,780
5	Current year profit/(loss)	1,611,800,628
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	471,971
	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	83,586,721
	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>1,315,617,627</b>
1	Subordinated Term Debt	360,000,000
2	General loan loss provision	874,404,503
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)	12,960,462,439
2	Supplementary Capital (Tier 2)	1,315,617,627
<b>Total</b>		<b>14,276,080,066</b>

**6. Capital Adequacy Ratio:**

<b>CAPITAL ADEQUACY RATIOS</b>	
Tier 1 Capital to Total Risk Weighted Exposures	<b>11.30%</b>
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	<b>12.44%</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	100,668,580,968
b	Risk Weighted Exposure for Operational Risk	7,111,149,947
c	Risk Weighted Exposure for Market Risk	990,312,350
<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		3,263,101,298
<b>Total Risk Weighted Exposures</b>		<b>114,714,110,123</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	1,565,281,864
2	Claims on other official entities	1,153,175,984
3	Claims on banks	1,416,769,404
4	Claims on domestic corporate and securities firms	61,425,460,672
5	Claims on regulatory retail portfolio	6,111,896,422
6	Claims secured by residential properties	3,543,854,205
7	Claims secured by commercial real estate	2,101,622,868
8	Past due claims	1,481,012,438
9	High risk claims	7,367,758,419
10	Other assets	3,862,925,589
11	Off balance sheet items	10,638,823,102
<b>TOTAL</b>		<b>100,668,580,968</b>

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

<b>SN</b>	<b>Particulars</b>	<b>Amount</b>
1	Total Risk Weighted Exposure	<b>114,714,110,123</b>
2	Total Core Capital Fund (Tier 1)	12,960,462,439
3	Total Capital Fund (Tier 1 & Tier 2)	14,276,080,066
4	Total Core Capital to Total Risk Weighted Exposures	<b>11.30%</b>
5	Total Capital to Total Risk Weighted Exposures	<b>12.44%</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	9,989,726	9,093,949	895,778
2	Substandard Loan	180,924,553	45,231,138	135,693,415
3	Doubtful Loan	295,346,132	147,673,066	147,673,066
4	Loss Loan	527,455,383	527,455,383	-
<b>Total</b>		<b>1,013,715,795</b>	<b>729,453,536</b>	<b>284,262,259</b>

### 5.NPA Ratios

Gross NPA to Gross Advances		1.19%
Net NPA to Net Advances	:	0.34%

### 6. Movement of Non Performing Assets ( Poush 2074 VS Chaitra 2074 )

S.N	Loan Classification	Previous quarter Poush End 2074	This quarter Chaitra End 2074	Movement of non performing Assets
1	Restructured Loan	7,872,823	9,989,726	26.89%
2	Substandard Loan	468,187,860	180,924,553	-61.36%
3	Doubtful Loan	273,407,242	295,346,132	8.02%
4	Loss Loan	345,955,082	527,455,383	52.46%
<b>Total</b>		<b>1,095,423,007</b>	<b>1,013,715,795</b>	<b>-7.46%</b>

### 7. Write Off of Loans & Interest upto Poush 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 Poush End 2074	This quarter Chaitra End 2074	Movement in Loan loss
1	Pass	808,427,278	838,566,293	3.73%
2	Watchlist	51,251,018	37,477,252	-26.88%
2	Restructured/ Rescheduled Loan	5,655,970	9,093,949	60.78%
3	Substandard Loan	117,046,965	45,231,138	-61.36%
4	Doubtful Loan	136,703,621	147,673,066	8.02%
5	Loss Loan	345,955,082	527,455,383	52.46%
<b>Total</b>		<b>1,465,039,935</b>	<b>1,605,497,082</b>	<b>9.59%</b>

### ii. Movement in Interest Suspense

	Particular	Previous quarter Poush End 2074	This quarter Chaitra End 2074	Movement during the period
1	Interest Suspense	792,940,925	809,805,273	2.13%

### 9 Segregation of Investment Portfolio:

Particulars	Chaitra 2074
<b>Available for sale:</b>	
Investment in equity	214,801,339
<b>Held to maturity:</b>	
Investment in treasury bills	4,518,110,900
Investment in Govt. bonds	4,880,950,000
Investment in Foreign Bonds	1,565,281,864
Placement	3,751,546,426
<b>Total</b>	<b>14,715,889,191</b>
<b>Held for Trading</b>	<b>-</b>