

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL III AS ON POUH 2074 (14 JANUARY 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
A	Core Capital (Tier 1)	12,454,684,276
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)	1,105,877,453
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	276,719
	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	83,636,961
	Less: Other Deductions	-

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,298,835,768
1	Subordinated Term Debt	360,000,000
2	General loan loss provision	857,622,644
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	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)	12,454,684,276
2	Supplementary Capital (Tier 2)	1,298,835,768
Total		13,753,520,044

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS	
Tier 1 Capital to Total Risk Weighted Exposures	11.21%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	12.38%

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	97,686,120,472
b	Risk Weighted Exposure for Operational Risk	7,111,149,947
c	Risk Weighted Exposure for Market Risk	481,657,099
Adjustment under Pillar II		
Add 5% of gross income for operational risk		2,680,965,560
Add: 3% of total RWE for overall risk		3,158,367,826
Total Risk Weighted Exposures		111,118,260,904

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

SN	Particulars	Amount
1	Claims on government & central bank	1,528,413,689
2	Claims on other official entities	973,756,003
3	Claims on banks	1,458,435,207
4	Claims on domestic corporate and securities firms	59,061,777,529
5	Claims on regulatory retail portfolio	6,251,444,940
6	Claims secured by residential properties	3,612,520,764
7	Claims secured by commercial real estate	2,002,515,670
8	Past due claims	1,711,582,748
9	High risk claims	6,817,711,272
10	Other assets	3,612,561,624
11	Off balance sheet items	10,655,401,025
TOTAL		97,686,120,472

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	111,118,260,904
2	Total Core Capital Fund (Tier 1)	12,454,684,276
3	Total Capital Fund (Tier 1 & Tier 2)	13,753,520,044
4	Total Core Capital to Total Risk Weighted Exposures	11.21%
5	Total Capital to Total Risk Weighted Exposures	12.38%

4. Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	7,872,823	5,655,970	2,216,853
2	Substandard Loan	468,187,860	117,046,965	351,140,895
3	Doubtful Loan	273,407,242	136,703,621	136,703,621
4	Loss Loan	345,955,082	345,955,082	-
Total		1,095,423,007	605,361,638	490,061,369

5. NPA Ratios

Gross NPA to Gross Advances		1.32%
Net NPA to Net Advances	:	0.60%

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

S.N	Loan Classification	Previous quarter Ashwin End 2074	This quarter Poush End 2074	Movement of non performing Assets
1	Restructured Loan	6,944,712	7,872,823	13.36%
2	Substandard Loan	425,450,346	468,187,860	10.05%
3	Doubtful Loan	219,276,657	273,407,242	24.69%
4	Loss Loan	347,124,396	345,955,082	-0.34%
Total		998,796,111	1,095,423,007	9.67%

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 Ashwin End 2074	This quarter Poush End 2074	Movement in Loan loss
1	Pass	780,721,131	808,427,278	3.55%
2	Watchlist	98,237,231	51,251,018	-47.83%
2	Restructured/ Rescheduled Loan	4,544,750	5,655,970	24.45%
3	Substandard Loan	106,362,587	117,046,965	10.05%
4	Doubtful Loan	109,638,328	136,703,621	24.69%
5	Loss Loan	347,124,396	345,955,082	-0.34%
Total		1,446,628,422	1,465,039,935	1.27%

ii. Movement in Interest Suspense

	Particular	Previous quarter Ashwin End 2074	This quarter Poush End 2074	Movement during the period
1	Interest Suspense	834,101,357	792,940,925	-4.93%

9 Segregation of Investment Portfolio:

Particulars	Ashwin 2074
Available for sale:	
Investment in equity	214,801,339
Held to maturity:	
Investment in treasury bills	3,104,923,300
Investment in Govt. bonds	6,130,950,000
Investment in Foreign Bonds	1,528,413,689
Placement	4,529,539,428
Total	15,293,826,418
Held for Trading	-