

HIMALAYAN BANK LIMITED
DISCLOSURES UNDER BASEL II AS ON CHAITRA 2071 (13 APRIL 2015)
Based on Unaudited Financials

A. Capital Structure & Capital Adequacy as per Basel II

1. Tier 1 Capital and Breakdown of its Components:

SN	Particulars	Amount
A	Core Capital (Tier 1)	6,656,147,449
1	Paid up Equity Share Capital	3,332,700,000
2	Statutory General Reserves	1,763,712,138
3	Retained Earnings	18,357,988
4	Current year profit/(loss)	901,515,220
5	Capital Adjustment Reserve	-
6	Debenture Redemption Reserve	671,428,569
7	Special Reserve	4,000,000
8	Deferred Tax Reserve	47,485,624
	Less: Miscellaneous expenditure not written off	231,537
	Less: Other Deductions	82,820,552

2. Tier 2 Capital and Breakdown of its Components

SN	Particulars	Amount
B	Supplementary Capital (Tier 2)	1,504,386,063
1	Subordinated Term Debt	700,000,000
2	General loan loss provision	558,659,368
3	Exchange Equalization Reserve	31,537,085
4	Investment Adjustment Reserve	1,673,278
5	Other Reserves	212,516,333

3. Information on Subordinated Term Debt:

	HBL Bond 2072	HBL Bond 2077
Bond Issued		
Outstanding amount	500,000,000.00	600,000,000.00
Interest rate	8%	8%
Maturity Date	Ashad 2072	Ashad 2077
Interest payment	Half yearly basis	Half yearly basis
Tenor	7 years	7 years
Amount to be reckoned as capital	100,000,000.00	600,000,000.00

4. Total deductions from Capital: N/a

5. Total Qualifying Capital

SN	Particulars	Amount
1	Core Capital (Tier 1)	6,656,147,449
2	Supplementary Capital (Tier 2)	1,504,386,063
Total		8,160,533,512

6. Capital Adequacy Ratio:

CAPITAL ADEQUACY RATIOS	
Tier 1 Capital to Total Risk Weighted Exposures	8.99%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.02%

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	64,698,638,150
b Risk Weighted Exposure for Operational Risk	5,101,721,508
c Risk Weighted Exposure for Market Risk	303,518,118
Adjustment under Pillar II	
Add 5% of gross income for operational risk	1,862,015,957
Add: 3% of total RWE for overall risk	2,103,116,333
Total Risk Weighted Exposures	74,069,010,066

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

SN	Particulars	Amount
1	Claims on government & central bank	-
2	Claims on other official entities	564,768,748
3	Claims on banks	2,462,575,985
4	Claims on domestic corporate and securities firms	35,934,506,557
5	Claims on regulatory retail portfolio	4,031,142,890
6	Claims secured by residential properties	3,479,212,418
7	Claims secured by commercial real estate	776,415,397
8	Past due claims	1,287,998,581
9	High risk claims	8,101,337,755
10	Other assets	2,046,617,212
11	Off balance sheet items	6,014,062,606
TOTAL		64,698,638,150

3. Total Risk Weighted Exposures calculation table:

SN	Particulars	Amount
1	Total Risk Weighted Exposure	74,069,010,066
2	Total Core Capital Fund (Tier 1)	6,656,147,449
3	Total Capital Fund (Tier 1 & Tier 2)	8,160,533,512
4	Total Core Capital to Total Risk Weighted Exposures	8.99%
5	Total Capital to Total Risk Weighted Exposures	11.02%

4 Amount of NPA

SN	Loan Classification	Gross Amount	Provision Held	Net NPA
1	Restructured Loan	120,744,742	116,694,742	4,050,000
2	Substandard Loan	375,951,839	93,987,960	281,963,879
3	Doubtful Loan	203,635,967	101,817,984	101,817,984
4	Loss Loan	421,507,567	421,507,567	-
Total		1,121,840,115	734,008,253	387,831,863

5 NPA Ratios

Gross NPA to Gross Advances	:	2.02%
Net NPA to Net Advances	:	0.72%

6 Movement of Non Performing Assets (Poush 2071 Vs Chaitra 2071)

S.N	Loan Classification	Previous quarter Poush 2071	This quarter Chaitra 2071	Movement of non performing Assets
1	Restructured Loan	146,247,953	120,744,742	-17.44%
2	Substandard Loan	338,922,373	375,951,839	10.93%
3	Doubtful Loan	249,656,716	203,635,967	-18.43%
4	Loss Loan	389,257,639	421,507,567	8.28%
Total		1,124,084,681	1,121,840,115	-0.20%

7. Write Off of Loans & Interest Suspense upto Chaitra End 2071

SN	Principal	Interest	Total
1	65,874	4,036	69,910

8 Movement in Loan Loss Provisioning:

SN	Loan Loss Provision	Previous quarter Poush 2071	This quarter Chaitra 2071	Movement in Loan loss
1	Pass	522,895,895	518,645,218	-0.81%
2	Watchlist	-	44,603,845	-
2	Restructured/ Rescheduled Loan	123,747,953	116,694,742	-5.70%
3	Substandard Loan	84,730,593	93,987,960	10.93%
4	Doubtful Loan	124,828,358	101,817,984	-18.43%
5	Loss Loan	389,257,639	421,507,567	8.28%
Total		1,245,460,438	1,297,257,316	4.16%

ii. Movement in Interest Suspense

	Particular	Previous quarter Poush 2071	This quarter Chaitra 2071	Movement during the period
1	Interest Suspense	494,225,781	478,207,686	-3.24%

9 Segregation of Investment Portfolio:

Particulars	Chaitra 2071
Available for sale:	
Investment in equity	90,002,059
Held to maturity:	
Investment in treasury bills	4,570,458,243
Investment in Govt. bonds	1,407,254,604
Placement	6,556,602,020
Total	12,534,314,867
Held for Trading	-