

**Janaki Finance Co. Limited**  
**Disclosure under Basel II**

**As on end of Chaitra, 2080**

(Rs. in '000)

1. 1 RISK WEIGHTED EXPOSURES		Current Period
a	Risk Weighted Exposure for Credit Risk	3,411,284.95
b	Risk Weighted Exposure for Operational Risk	422,770.36
c	Risk Weighted Exposure for Market Risk	-
<b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>		<b>3,834,055.31</b>
<b>Adjustments under Pillar II</b>		
SRP 6.4a (5)	<i>ALM policies &amp; practices are not satisfactory, add 1% of net interest income to RWE</i>	1,608.33
SRP 6.4a (6)	<i>Add .....% of the total deposit due to insufficient Liquid Assets</i>	-
SRP 6.4a (7)	<i>Add RWE equivalent to reciprocal of capital charge of 3 % of gross income.</i>	127,914.60
SRP 6.4a (9)	<i>Overall risk management policies and precedures are not satisfactory. Add 4% of RWE</i>	153,362.21
SRP 6.4a (10)	<i>Desired level of disclosure requirement has not been achieved. Add 1% of RWE</i>	38,340.55
<b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b>		<b>4,155,281.01</b>

(Rs. in '000)

1.2 CAPITAL		Current Period
<b>(A) Core Capital (Tier 1)</b>		<b>437,072.74</b>
a	Paid up Equity Share Capital	690,472.80
e	Statutory General Reserves	184,348.73
f	Retained Earnings	(349,168.16)
g	Un-audited current year cumulative profit/(loss)	(108,630.80)
l	Other Free Reserve	114,258.87
v	Less: Other Deductions	94,208.69
<b>Adjustments under Pillar II</b>		
SRP 6.4a(1)	Less: Shortfall in Provision	

		-
<b>SRP 6.4a(2)</b>	Less: Loans & Facilities extended to related parties and restricted lending	-

<b>(B) Supplementary Capital (Tier 2)</b>		<b>10,631.42</b>
a	Cumulative and/or Redeemable Preference Share	
b	Subordinated Term Debt	
c	Hybrid Capital Instruments	
d	General loan loss provision	10,631.42
<b>Total Capital Fund (Tier I and Tier II)</b>		<b>447,704.16</b>

<b>1.3 CAPITAL ADEQUACY RATIOS</b>	<b>Current Period</b>
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	10.52%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	10.77%

### Risk Weighted Exposure for Credit Risk

At the month end of Chaitra, 2080

(Rs. in '000)

<b>A. Balance Sheet Exposures</b>	<b>Book Value</b>	<b>Specific Provision</b>	<b>Eligible CRM</b>	<b>Net Value</b>	<b>Risk Weight</b>	<b>Risk Weighted Exposures</b>
	<b>a</b>	<b>b</b>	<b>c</b>	<b>d=a-b-c</b>	<b>e</b>	<b>f=d*e</b>
Cash Balance	36,055.95			36,055.95	0%	-
Balance With Nepal Rastra Bank	163,463.78			163,463.78	0%	-
Claims on domestic banks that meet capital adequacy requirements	1,647,625.07		-	1,647,625.07	20%	329,525.01
Claims on Domestic Corporates (Unrated)	1,476,792.67		-	1,476,792.67	100%	1,476,792.67
Regulatory Retail Portfolio (Not Overdue)	615,943.15		35,445.29	580,497.87	75%	435,373.40
Claims fulfilling all criterion of regularity retail except granularity			-	-	100%	-
Claims secured by residential properties	4,848.00		-	4,848.00	60%	2,908.80
Claims not fully secured by residential properties			-	-	150%	-
Claims secured by Commercial real estate	61,768.56		-	61,768.56	100%	61,768.56
Past due claims (except						

for claims secured by residential properties)			-	-	150%	-
High Risk claims	878,193.45	711,570.24	-	166,623.21	150%	249,934.81
Investments in equity and other capital instruments of institutions listed in stock exchange	43,680.00		-	43,680.00	100%	43,680.00
Investments in equity and other capital instruments of institutions not listed in the stock exchange	351.50		-	351.50	150%	527.25
Staff loan secured by residential property	6,787.38			6,787.38	50%	3,393.69
Other Assets (as per attachment)	733,213.55	-	-	733,213.55	100%	733,213.55
<b>TOTAL (A)</b>	<b>5,668,723.06</b>	<b>711,570.24</b>	<b>35,445.29</b>	<b>4,921,707.53</b>		<b>3,337,117.74</b>

<b>B. Off Balance Sheet Exposures</b>	<b>Book Value</b>	<b>Specific Provision</b>	<b>Eligible CRM</b>	<b>Net Value</b>	<b>Risk Weight</b>	<b>Risk Weighted Exposures</b>
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	1,400.00		-	1,400.00	40%	560.00
Irrevocable Credit commitments (short term)	314,263.50		-	314,263.50	20%	62,852.70
<b>TOTAL (B)</b>	<b>315,663.50</b>	<b>-</b>	<b>-</b>	<b>315,663.50</b>		<b>63,412.70</b>
<b>Total RWE for credit Risk Before Adjustment (A) +(B)</b>	<b>5,984,386.56</b>	<b>711,570.24</b>	<b>35,445.29</b>	<b>5,237,371.03</b>		<b>3,400,530.44</b>
<b><u>Adjustments under Pillar II</u></b>						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE						10,754.51
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE						-
<b>Total RWE for Credit Risk after Bank's adjustments under Pillar II</b>	<b>5,984,386.56</b>	<b>711,570.24</b>	<b>35,445.29</b>	<b>5,237,371.03</b>		<b>3,411,284.95</b>

### Other Assets

At the month end of Chaitra, 2080

(Rs. in '000)

<b>S.No.</b>	<b>Assets</b>	<b>Gross Amount</b>	<b>Specific Provision</b>	<b>Net Balance</b>
1	Current Tax Assets	83,021.86		83,021.86

2	Investment Property	44,031.50		44,031.50
3	Property and Equipment	52,595.33		52,595.33
4	Assets held for Sale			-
5	Other non-banking assets	967.88		967.88
6	Bills receivable			-
7	Accounts receivable	58,750.94		58,750.94
8	Accrued income	447,544.61		447,544.61
9	Prepayment and Deposits	150.20		150.20
10	Income tax deposits	46,151.22		46,151.22
11	Deferred Employee Expenditure			-
12	Others			-
	<b>TOTAL</b>	<b>733,213.55</b>	<b>-</b>	<b>733,213.55</b>

### Net Liquid Assets to Total Deposit Ratio

At the month end of Chaitra, 2080

(Rs. in '000)

Particulars		Amount
<b>A</b>	<b>Total Deposit &amp; Borrowing</b>	<b>3,945,843.29</b>
	1. Total Deposits (as per NRB Ni. Fa. 9.1)	3,945,843.29
	2. Total Borrowings (as per NRB Ni. Fa. 9.1)	
<b>B</b>	<b>Liquid Assets</b>	<b>1,847,144.80</b>
	1. Cash(as per NRB Ni. Fa. 9.1)	36,055.95
	2. Bank Balance (as per NRB Ni. Fa. 9.1)	164,071.50
	3. Money at call and short notice (as per NRB Ni. Fa. 9.1)	1,647,017.36
	4. Investments in government securities (as per NRB Ni. Fa. 9.1)	

	5. Placements upto 90 days	
C	Borrowings payable upto 90 days	
D	Net Liquid Assets (B-C)	1,847,144.80
E	Net Liquid Assets to Total deposit (D/A1)	46.81%
F	Shortfall in Ratio	No Shortfall
G	Percentage of deposit to be added to RWE	
H	Amount to be added to risk weighted exposures	-
Note (if any):		

### Eligible Credit Risk Mitigants

Eligible Credit Risk Mitigants	Amount
Deposit with Banks Govt. & NRB Securities	-
Total Eligible CRM	-

### Non Performing Assets

(Rs. in '000)

Particulars	Gross	Provision	Net
Restructured and Rescheduled Loan Provision			
Sub-Standard Loan Provision	79,257	19,814	59,443
Doubtful Loan Provision	214,361	107,181	107,181
Loss Loan Provision	584,575	584,575	0
Total		711,570	166,624