

Janaki Finance Co. Limited
Disclosure under Basel II

As on end of Ashadh, 2081

(Rs. in '000)

1. 1 RISK WEIGHTED EXPOSURES		Current Period
a	Risk Weighted Exposure for Credit Risk	3,411,743.89
b	Risk Weighted Exposure for Operational Risk	422,770.36
c	Risk Weighted Exposure for Market Risk	-
Total Risk Weighted Exposures (Before adjustments of Pillar II)		3,834,514.25
Adjustments under Pillar II		
SRP 6.4a (5)	<i>ALM policies & 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>	153,380.57
SRP 6.4a (10)	<i>Desired level of disclosure requirement has not been achieved. Add 1% of RWE</i>	38,345.14
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		4,155,762.90

(Rs. in '000)

1.2 CAPITAL		Current Period
(A) Core Capital (Tier 1)		44,023.10
a	Paid up Equity Share Capital	690,472.80
b	Irredeemable Non-cumulative preference shares	
c	Share Premium	
d	Proposed Bonus Equity Shares	
e	Statutory General Reserves	184,348.73
f	Retained Earnings	(584,732.84)
g	Un-audited current year cumulative profit/(loss)	(137,163.03)
v	Less: Other Deductions	108,902.56

Adjustments under Pillar II		
SRP 6.4a(1)	Less: Shortfall in Provision	-
SRP 6.4a(2)	Less: Loans & Facilities extended to related parties and restricted lending	-

(B) Supplementary Capital (Tier 2)		13,640.50
a	Cumulative and/or Redeemable Preference Share	
b	Subordinated Term Debt	
c	Hybrid Capital Instruments	
d	General loan loss provision	13,640.50
e	Exchange Equalization Reserve	
f	Investment Adjustment Reserve	
g	Other Reserves	
Total Capital Fund (Tier I and Tier II)		57,663.61

1.3 CAPITAL ADEQUACY RATIOS	Current Period
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	1.06%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)	1.39%

Risk Weighted Exposure for Credit Risk

At the month end of Ashadh, 2081

(Rs. in '000)

A. Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
	a	b	c	d=a-b-c	e	f=d*e
Cash Balance	32,015.84			32,015.84	0%	-
Balance With Nepal Rastra Bank	165,186.55			165,186.55	0%	-
Claims on domestic banks that meet capital adequacy requirements	1,728,962.31		-	1,728,962.31	20%	345,792.46
Claims on Domestic Corporates (Unrated)	1,337,601.16		-	1,337,601.16	100%	1,337,601.16
Regulatory Retail Portfolio (Not Overdue)	553,090.39		34,495.77	518,594.62	75%	388,945.97
Claims fulfilling all criterion of regularity retail except granularity			-	-	100%	-
Claims secured by residential properties			-		60%	

	7,897.72			7,897.72		4,738.63
Claims not fully secured by residential properties			-	-	150%	-
Claims secured by residential properties (Overdue)			-	-	100%	-
Claims secured by Commercial real estate	12,524.11		-	12,524.11	100%	12,524.11
Past due claims (except for claims secured by residential properties)			-	-	150%	-
High Risk claims	1,128,521.79	952,768.91	-	175,752.89	150%	263,629.33
Investments in equity and other capital instruments of institutions listed in stock exchange	39,145.00		-	39,145.00	100%	39,145.00
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	9,526.16			9,526.16	50%	4,763.08
Interest Receivable/claim on government securities				-	0%	-
Cash in transit and other cash items in the process of collection				-	20%	-
Other Assets (as per attachment)	929,220.13	-	-	929,220.13	100%	929,220.13
TOTAL (A)	5,944,042.67	952,768.91	34,495.77	4,956,778.00		3,326,887.12

B. Off Balance Sheet Exposures	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	1,300.00		-	1,300.00	40%	520.00
Irrevocable Credit commitments (short term)	316,704.93		-	316,704.93	20%	63,340.99
Irrevocable Credit commitments (long term)			-	-	50%	-
TOTAL (B)	318,004.93	-	-	318,004.93		63,860.99
Total RWE for credit Risk Before Adjustment (A)+(B)	6,262,047.60	952,768.91	34,495.77	5,274,782.92		3,390,748.11
<u>Adjustments under Pillar II</u>						
SRP 6.4a(3) - Add 10% of the loans & facilities in excess of Single Obligor Limits to RWE						20,995.78
SRP 6.4a(4) - Add 1% of the contract (sale) value in case of the sale of credit with recourse to RWE						-
Total RWE for Credit Risk after Bank's adjustments under Pillar II	6,262,047.60	952,768.91	34,495.77	5,274,782.92		3,411,743.89

Other Assets

At the month end of Ashadh, 2081

(Rs. in '000)

S.No.	Assets	Gross Amount	Specific Provision	Net Balance
1	Current Tax Assets	194,269.48		194,269.48
2	Investment Property	39,496.50		39,496.50
3	Property and Equipment	52,518.46		52,518.46
4	Assets held for Sale			-
5	Other non-banking assets	967.88		967.88
6	Bills receivable			-
7	Accounts receivable	91,493.80		91,493.80
8	Accrued income	512,095.17		512,095.17
9	Prepayment and Deposits	920.26		920.26
10	Income tax deposits	37,458.58		37,458.58
11	Deferred Employee Expenditure			-
12	Others			-
	TOTAL	929,220.13	-	929,220.13

Net Liquid Assets to Total Deposit Ratio

At the month end of Ashadh, 2081

(Rs. in '000)

Particulars		Amount
A	Total Deposit & Borrowing	4,097,076.18
	1. Total Deposits (as per NRB Ni. Fa. 9.1)	4,097,076.18
	2. Total Borrowings (as per NRB Ni. Fa. 9.1)	

B	Liquid Assets	1,926,164.70
	1. Cash(as per NRB Ni. Fa. 9.1)	32,015.84
	2. Bank Balance (as per NRB Ni. Fa. 9.1)	165,794.26
	3. Money at call and short notice (as per NRB Ni. Fa. 9.1)	1,728,354.59
	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)	1,926,164.70
E	Net Liquid Assets to Total deposit (D/A1)	47.01%
F	Shortfall in Ratio	No Shortfall
G	Percentage of deposit to be added to RWE	
H	Amount to be added to risk weighted exposures	-

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	104,401	26,100	78,301
Doubtful Loan Provision	194,905	97,452	97,453
Loss Loan Provision	829,216	829,216	0
Total		952,768	175,754