

Form - NBS 2

**Half yearly Statement of capital funds,
Risk assets/exposures and risk asset ratio etc.,
as at the end of March/September 200..**

Name and address of the Non-Banking
Financial Company

Company code number (as given by RBI) _____

Registration number (as given by RBI) _____

Classification of the company (as given by RBI) _____

(Rupees in lakh)

Item Name	<u>PART - A</u>	Item Code	Amount
<u>Capital Funds – Tier – I</u>			
(i) Paid-up Equity Capital		111	
(ii) Preference shares to be compulsorily convertible into equity		112	
(iii) Free reserves			
(a) General Reserves		113	
(b) Share Premium		114	
(c) Capital Reserves (representing surplus on sale of assets held in separate account)		115	
(d) Debenture Redemption Reserve		116	
(e) Capital Redemption Reserve		117	
(f) Credit Balance in P & L Account		118	
(g) Other free reserves (to be specified)		119	
Total (111 to 119)		110	
(iv) Accumulated balance of loss		121	
(v) Deferred Revenue Expenditure		122	
(vi) Other Intangible Assets		123	
Total (121 to 123)		120	
(vii) Owned Funds (110 - 120)		130	
(viii) Investment in shares of :			
(a) Subsidiaries		141	
(b) Companies in the same Group		142	
(c) Other non-banking financial companies		143	

ix) The book value of debentures, bonds, outstanding loans and advances, bills purchased and discounted (including hire-purchase and lease finance) made to, and deposits with	
(a) Subsidiaries	144
(b) Companies in the same Group	145
(x) Total (141 to 145)	140
(xi) Amount of Item 140 in excess of 10% of item 130 above	150
(xii) Tier I Capital	
Net owned fund (130 -150)	151

(Rupees in lakh)

Item Name	<u>PART - B</u>	Item Code	Amount
<u>Capital Funds – Tier II</u>			
(Para 2(1)(xx)(b) of Directions)			
(i) Preference Share Capital other than those compulsorily convertible into equity		161	
(ii) Revaluation reserves		162	
(iii) General provisions and loss reserves		163	
(iv) Hybrid debt capital instruments		164	
(v) Subordinated debt		165	
(vi) Aggregate Tier II Capital (Items 161 to 165)		160	
Total Capital Funds (151 + 160)		170	

(Rupees in lakh)

Item Name	<u>PART - C</u>	Item Code	Amount
<u>Risk Assets and Off-Balance Sheet items</u>			
(i) Adjusted value of funded risk assets i.e. on-balance sheet items (To tally with Part D)		181	
(ii) Adjusted value of non-funded and off-balance sheet items (To tally with Part E)		182	
(iii) Total risk weighted assets/ exposures (181 + 182)		180	
(iv) Percentage of capital funds to risk weighted assets/exposures:			
(a) Tier I capital (Percentage of item 151 to item 180)		191	
(b) Tier II capital (Percentage of item 160 to item 180)		192	
(c) Total (Percentage of item 170 to item 180)		193	

(Rupees in lakh)

PART – D**Weighted assets i.e. on - balance Sheet items**

Item name	Item code	Book value	Risk weight	Adjusted value
I. Cash and bank balances including fixed deposits & certificates of deposits	210		0	0
II. Investments [see Para 6 of the Directions]				
(a) Approved securities as defined in Reserve Bank of India Act, 1934	221		0	0
(b) Bonds of public sector banks and FDs/CDs/bonds of public financial institutions				
(i) Amounts deducted in part `A' item (x) (Item code 150)	222		0	0
(ii) Amounts not deducted in part `A' item (x) (Item code 150)	223		20	
Sub-total(222+223)	ST223			
(c) Units of Unit Trust of India	224		20	
(d) Shares of all companies and debentures/ bonds/ commercial papers of companies other than in (b) above/units of mutual funds other than in (c) above				
(i) Amounts deducted in Part `A' Item (xi) (Item code 150)	225		0	0
(ii) Amounts not deducted in Part A	226		100	
Sub-total(225+226)	ST226			
III. Current Assets				
(a) Stock on hire (Please see Note 2 below)				
(i) Amounts deducted in Part A [Item (xi) Item code 150]	231		0	0
(ii) Amounts not deducted in part A	232		100	
Sub-total(231+232)	ST232			
(b) Inter-corporate loans/ deposits				
(i) Amounts deducted in Part `A' [Item (xi) item code 150]	233		0	0
(ii) Amounts not deducted in Part A	234		100	
Sub-total (233+234)	ST234			
(c) Loans and advances fully secured by company's own deposits	235		0	0
(d) Loans to staff	236		0	0
(e) Other secured loans and advances considered good				
(i) Amounts deducted in Part A [Item (xi) item code 150]	241		0	0
(ii) Amounts not deducted in Part A	242		100	
Sub-total(235+236+241+242)	ST242			

(f) Bills purchased/discounted			
(i) Amounts deducted in Part A [Item (xi) item code 150]]	243	0	0
(ii) Amounts not deducted in Part A	244	100	
Sub-total (243+244)	ST244		
(g) Others (to be specified)	245	100	
IV. Fixed Asset (net of depreciation)			
(a) <u>Assets leased out</u>			
(i) Amounts deducted in Part A [Item (xi) item code 150]]	251	0	0
(ii) Amounts not deducted in Part A	252	100	
Sub-total (251+252)	ST252		
Total credit exposure (ST232+ST234+ST242+ST244+245+ST252)	CT200		
(b) Premises	253	100	
(c) Furniture & Fixtures	254	100	
V. Other assets	255	0	0
(a) Income-tax deducted at source (net of provisions)			
(b) Advance tax paid (net of provision)	256	0	0
(c) Interest due on Government securities	257	0	0
(d) Others (to be specified)	258	100	
Total weighted assets (Items 210 to 258 please exclude item codes prefixed by "ST")	200		

NOTES:

1. Netting may be done in respect of assets where provisions for depreciation or for bad and doubtful debts have been made.
2. Stock on hire should be shown net of finance charges i.e. interest and other charges recoverable.
3. Assets which have been deducted (item code 150) from owned fund to arrive at net owned fund will have a weightage of '0'.

PART - E

Weighted non-funded exposures/off-balance sheet items

Item Name -----	Item Code	Book value	Conver- sion factor	Equiva- lent value	Risk weight	Adjusted value
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1. Financial & Other guarantees -----	310		100		100	
2. Share/debenture underwriting obligations -----	320		50		100	
3. Partly paid shares/ debentures -----	330		100		100	
4. Bills rediscounted -----	340		100		100	
5. Lease contracts entered into but yet to be executed. -----	350		100		100	
6. Other contingent liabilities (To be specified) -----	360		50		100	
Total non-funded exposures (Items 310 to 360) -----	300		--		--	

Note: Cash margin/deposits shall be deducted before applying the conversion factor.

PART - F

Asset Classification

I. Aggregate of credit exposures categorised into:

Item name	Item code	Amount
(i) Standard assets	411	
(ii) <u>Sub-standard assets</u> :		
(a) Lease and hire purchase assets	412	
(b) Other credit facilities	413	
(iii) Doubtful assets	414	
(iv) Loss assets	415	
Total (411 to 415)	410	

Note: (item 410 should tally with CT200)

II. Aggregate provisioning in respect of I above as per the Directions prescribed

Item Name	Item code	Provision required	Actual provision made
(A) <u>Loans, advances and other credit facilities</u>			
(i) <u>Sub-standard assets</u> :			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(2) of the directions]	421		
(b) 10% of the balance of outstanding dues	422		
(ii) <u>Doubtful assets</u> :			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(2) of the directions]	423		

Item Name	Item code	Provision required	Actual provision made
(b) 100% to the extent not covered by realisable value of security plus 20 to 50% of the secured portion for the period the asset has remained doubtful	424		
(iii) <u>Loss assets</u> :			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(2) of the directions]	425		
(b) 100 % of the outstanding balance	426		
Total: (item No.421 to 426)	ST426		

(B) Hire purchase and Leased assets

(i) Sub-standard assets : [Para 8(2) of the directions]

Hire Purchase assets

- | | |
|---|-----|
| (a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(3) of the directions] | 427 |
| (b) deficit between total dues and depreciated value [Para 8(2)(i) of the directions] | 428 |
| (c) 10% of net book value [Para 8(2)(ii) of the directions] | 429 |

Leased Assets

- | | |
|--|-----|
| (d) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised [Para 3(4) of the directions] | 430 |
| (e) 10% of the net book value [Para 8(2)(ii) of the directions] | 431 |

Item name	Item code	Provision required	Actual provision made
(ii) <u>Doubtful assets</u>			
<u>Hire Purchase assets</u>			
(a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(3) of the directions]	432		
(b) deficit between total dues and depreciated value [Para 8(2)(i) of the directions]	433		
(c) 40% of net book value [Para 8(2)(ii) of the directions]	434		
<u>Leased Assets</u>			
(d) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised [Para 3(4) of the directions]	435		
(e) 40% of the net book value [Para 8(2)(ii) of the directions]	436		
<u>Hire Purchase assets</u>			
(f) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(3) of the directions]	437		
(g) deficit between total dues and depreciated value [Para 8(2)(i) of the directions]	438		
(h) 70% of net book value [Para 8(2)(ii) of the directions]	439		
<u>Leased Assets</u>			
(i) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised [Para 3(4) of the directions]	440		
(j) 70% of the net book value [Para 8(2)(ii) of the directions]	441		

Item name	Item code	Provision required	Actual provision made
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(iii) Loss assets

Hire Purchase assets

- | | |
|---|-----|
| (a) entire amount taken to the credit of profit and loss account before the asset became NPA and remaining unrealised [Para 3(3) of the directions] | 442 |
| (b) deficit between total dues and depreciated value [Para 8(2)(i) of the directions] | 443 |
| (c) 100% of net book value [Para 8(2)(ii) of the directions] | 444 |

Leased Assets

- | | |
|--|-----|
| (a) net lease rentals credited to profit and loss account before the asset became NPA and remaining unrealised [Para 3(4) of the directions] | 445 |
| (b) 100% of the net book value [Para 8(2)(ii) of the directions] | 446 |

Sub-Total: (item No.427 to 446)	ST 446		
Total provisions (ST426+ST446)	420		

III. Other provisions in respect of :

- | | |
|----------------------------------|-----|
| (i) Depreciation in fixed assets | 451 |
| (ii) Depreciation in investments | 452 |
| (iii) Loss/intangible assets | 453 |
| (iv) Provision for taxation | 454 |
| (v) Gratuity/provident fund | 455 |
| (vi) Others (to be specified) | 456 |

Total	450		
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PART- G

Particulars regarding investments in and advances to companies/firms in the same group and other NBFCs

Item name	Item code	Amount
i) Book value of bonds and debentures and outstanding loans and advances to and deposits with subsidiaries and companies in the same group (Details to be enclosed in Appendix No.).	510	
ii) Investments in shares of subsidiaries and companies in the same group and all non-banking financial companies (Details to be enclosed in Appendix No.).	520	
iii) Investments by way of shares, debentures, loans and advances, leasing, hire purchase finance, deposits etc. in other companies, firms and proprietary concerns where directors of the company hold substantial interest (Details to be enclosed in Appendix No.).	530	

PART - H

Particulars regarding concentration of advances including off balance sheet exposure and investments to parties including those in Part G above

Item name	Item Code	Amount
i) Loans and advances including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the NBFC. (Details to be enclosed in Appendix No.)	610	
ii) Loans and advances including off-balance sheet exposures to a single group of parties in excess of 25 per cent of owned fund of the NBFC. (Details to be enclosed in Appendix No.)	620	
iii) Investments in a single company in excess of 15 per cent of the owned fund of the NBFC. (Details to be enclosed in Appendix No.)	630	

Item name	Item Code	Amount
iv) Investments in the shares issued by a single group of companies in excess of 25 per cent of the owned fund of the NBFC	640	
v) Loans, advances to (including debentures/ bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the NBFC	650	
vi) Loans, advances to (including debentures/ bonds and off-balance sheet exposures) and investment in the shares of single group of parties in excess of 40 per cent of the owned fund of the NBFC	660	

Notes :

- (1) All these exposure limits are applicable to the NBFC's own group as well as to the borrower/investor company's group.
- (2) Investment in debentures for this purpose shall be treated as credit and not investment.

Part - I

Particulars regarding Investments in premises and unquoted shares

Item name	Item Code	Amount
(i) Investments in Premises, (Land and buildings) except for own use, (out of item code 253 in the return) held by the company in excess of 10 percent of the owned fund		
(a) Acquired by the company independently	710	
(b) Acquired in satisfaction of its debts.	720	
(ii) Investments in unquoted shares except those held in the subsidiaries and companies in the same group (vide item code 141 and 142) in excess of		
(a) 10 percent of the owned fund in case of equipment leasing and hire purchase finance companies	730	

(b) 20 percent of the owned fund 740
in case of loan and investment
companies

PART – J

**Particulars on suit filed and decreed debts by
the NBFC and against it**

Item Name	Item Code	Amount
I.		
(i) Loans, advances, other credit facilities, leased assets and hire purchase assets for which the NBFC has filed suits in any Court of Law for recovery of its dues including the decreed debts :	810	
Pending for over 5 years	811	
Pending for 3 to 5 years	812	
Pending for 1 to 3 years	813	
Pending for less than one year	814	
(ii) Out of (I) above, the loans, advances, other credit facilities and hire purchase assets for which decree has been obtained by the NBFC	820	
(iii) Recoveries made in suit filed / decreed debts (including amounts deposited in the Court)	830	
II. Suit filed and decreed against the company	840	
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[CERTIFICATE

Certified that

- (1) the data/information furnished in this statement are in accordance with the directions issued by the Reserve Bank of India relating to income recognition, accounting standards, asset classification, provisioning for bad and doubtful debts, capital adequacy and concentration of credit and investments. The statement has been compiled from the books of account and other records of the company and to the best of my knowledge and belief they are correct;
- (2) Reserve Bank's classification of the company as a on the basis of its principal business as evidenced from its asset and income pattern continues/does not continue to hold good (delete whatever is not applicable);
- (3) the company has accepted public deposit and the quantum of such deposit is within the limits applicable to the company;
- (4) the company has not paid interest/brokerage on deposit beyond the ceiling prescribed under the directions;
- (5) The company has not defaulted in repayment of matured deposit;
- (6) the credit rating for fixed deposits assigned by the Credit Rating Agency viz.------(Name of the Agency) at -----(rating level) is valid;
- (7) the capital adequacy as disclosed in part C of the return after taking into account the particulars contained in part D, E and F has been correctly worked out;
- (8) the aggregate of amount outstanding in respect of loans, Equipment Leasing, Hire Purchase Finance and investment held together with other assets of the company during the half year ended March / September _____ is taken into account to ensure that the minimum stipulated capital adequacy ratio as applicable to the company has been maintained throughout the relevant period on an on-going basis.
- (9) classification of assets as disclosed in part F of the return has been verified and found to be correct. No rollover/rephasing of loans, lease and hire purchase transactions and bills discounted beyond due dates has been observed. The sub-standard or doubtful or loss asset, if up-graded, has been done so, in conformity with the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998;
- (10) investments in group companies as disclosed in part G of the return, exposures to individuals/firms/other companies exceeding the credit/investment concentration norms as disclosed in part H of the half-yearly return, investments in premises and unquoted shares as disclosed in part I of the return and particulars on suit filed and

decreed debts by the company and against it as disclosed in part J of the return and classification of such assets is correct.

Place : For and on behalf of
Date : (Name of the company)

Managing Director/Chief Executive Officer

Auditor's Report

We have examined the books of accounts and other records maintained by Limited in respect of the capital funds, risk assets/exposures and risk asset ratio etc. as on20... and statements/certificate herein above made by the Managing Director/Chief Executive Officer of the company or his authorised representative. On the basis of random checking, we certify the statement in paragraph (8) above. We further report that to the best of our knowledge and according to the information and explanations given to us and as shown by the record examined by us, the figures shown in Parts A, B, C, D, E, F, G, H, I and J of the statement herein above are correct.

Place:

Date:

Statutory auditors]¹

¹ Amended vide notification No. 158 dated June 6, 2002