

## EXPLANATORY NOTES

### I. GENERAL EXPLANATIONS

1. The totals in the tables may not exactly tally with the sum of the constituent items on account of rounding off of the figures. Figures in brackets, in general, indicate percentage share in totals. The unit lakh is equal to 1,00,000 and unit crore is equal to 100 lakh.

'-' indicates nil or negligible.

'..' indicates not available/not applicable.

Source and notes on tables as appropriate to each table are given at the end of each table.

2. The item "profit" shown in certain tables (Table 5, Table 50 and Table 51) is computed by subtracting interest expenses, operating expenses and provisions and contingencies from total earnings of the bank. This figure is compiled from the banks' published annual profit and loss accounts.
3. Tables 4, 48 and 49 relating to the liabilities and assets of commercial banks (including RRBs) have been compiled on the basis of banks' published annual accounts as per the new format effective from 1991-92.
4. The publication contains some tables (Nos.7, 8, 9, 10, 11, 12, 13, 14, 15, 35, 36, 37, 38 and 39) based on data collected under the Basic Statistical Returns (BSR) system introduced by the Reserve Bank of India in December 1972, replacing the earlier Uniform Balance Book (UBB) system. These data (excluding information in tables 11 and 12) are collected from individual bank branches in India and are aggregated at region/state/population-group/bank-group level for the purpose of presentation. The deposits figures reported in tables 9, 35, 36, 37, 38 and 39 exclude inter-bank deposits and therefore their coverage is different from that of 'deposits' reported in tables 4 and 4A. The bank credit data in tables 13, 14, 15, 35, 36, 37, 38 and 39 comprise term loans, cash credits, overdrafts, bills purchased and discounted and bills rediscounted under the New Bill Market Scheme. The bank credit data in tables 13, 14 and 15 also include dues from banks. It may be mentioned that data in respect of loans and advances reported in tables 4 and 4A do not include bills rediscounted figures. Further, bank credit reported in tables 2 and 3 are exclusive of bills rediscounted under the New Bill Market Scheme as also due from banks (the second item is included under assets with the banking system). Detailed data on deposits and credit based on BSR 1 and 2 for the year ended March 31, 1999 were published in the annual RBI publication titled "Banking Statistics - Basic Statistical Returns - March 1999 (Volume 28)".

Few summary tables based on data collected under some of the banking surveys conducted by the Reserve Bank of India have also been presented in this publication. These relate to the 'Survey of Ownership of Deposits' (BSR 4) and 'Survey of Investments' (BSR 5) of the Scheduled Commercial Banks and related data are presented in Tables 10, 11 and 12.

### II. TABLE-WISE EXPLANATIONS

**Table 1** - Liabilities and assets of the Reserve Bank of India are based on the Weekly Statement of Affairs of the Reserve Bank of India, Department of Government and Bank Accounts and relate to the last Friday of March.

**Tables 2 and 3** - Data are compiled from the fortnightly "Form-A" returns submitted by the Scheduled Commercial Banks under Section 42(2) of the Reserve Bank of India Act, 1934 and relate to their business in India for the period March 1999 to March 2000. Data on balances with the Reserve Bank of India are obtained from Weekly Statement of Affairs of the Reserve Bank of India, Department of Government and Bank Accounts. While Table 2 presents data for the Scheduled Commercial Banks as a whole as on the last Friday of every month, the same are shown bank group-wise in Table 3. Banks are classified as: (1) State Bank of India and its Associates, (2) Nationalised Banks, (3) Regional Rural Banks, (4) Other Indian Scheduled Commercial Banks and (5) Foreign Banks.

**Table 4** - This table presents aggregate position of important items of liabilities and assets of different bank groups culled out from the published annual accounts of individual banks.

**Table 4A** - Data are compiled from the monthly "Form-X" returns submitted by the Commercial Banks under Section 27 of the Banking Regulation Act, 1949 and relate to their business in India as on the last Friday of every month for the period March 1999 to March 2000.

**Table 5** - This table is compiled from various schedules of profit and loss accounts as published by banks in their annual accounts. Profit is computed by subtracting interest expenses, operating expenses and provisions and contingencies from total earnings of the bank.

**Table 6** - Data presented in this table are culled out from various issues of the "Report on Trend and Progress of Banking in India" and relate to March 31 of the respective years.

**Tables 7 and 8** - These tables are based on data collected through Basic Statistical Return 2. While Table 7 presents state-wise data on number of full-time employees for the Scheduled Commercial Banks as a whole as on March 31 of the year 1999, the same are shown population and bank group-wise in Table 8.

**Table 9** - Maturity pattern of term deposits of Scheduled Commercial Banks are based on Basic Statistical Return 2 and relate to March 31 of the respective years. Inter-bank deposits are excluded from compilation.

**Table 10** - Data presented in this table are based on the annual survey of ownership of deposits as on the last Friday of March (Basic Statistical Return 4) conducted by the Reserve Bank of India on a sample of bank branches.

**Tables 11 and 12** - Data for both the tables are based on the annual survey of investments (BSR-5) conducted by Reserve Bank of India. Data are furnished by Head Offices of banks and relate to the position as on March 31. Table 11 gives state-wise distribution of investments of Scheduled Commercial Banks in State Government Securities and Shares/Debentures/Bonds of State Associated Bodies. The data in Table 12 relate to the aggregate position of investments including those in government securities, other trustee securities, share & debentures of joint stock companies, etc.

**Tables 13 and 14** - Data presented in these tables are compiled from the information furnished by bank branches in BSR-1 as on March 31.

**Table 15** - Data are based on the information available in Part A of the BSR-1 and they relate to accounts with credit limits of over Rs.2 lakh as on March 31, 1999.

**Tables 16 to 21** - Data are compiled on the basis of information furnished by banks to the Rural Planning and Credit Department of the Reserve Bank of India.

**Table 22** - Data are based on information furnished by Scheduled Commercial Banks to the Monetary Policy Department of the Reserve Bank of India as on last Friday/last reporting Friday of each quarter.

**Tables 23** - This table is based on the information furnished by public sector banks to the Rural Planning and Credit Department on advances and relates to the last Friday of March.

**Table 24** - This table is based on information furnished by the Department of Economic Analysis and Policy of the Reserve Bank of India and relate to last reporting Friday of each quarter.

**Table 25** - This table is based on information furnished by Financial Institutions Division of the Reserve Bank of India.

**Table 26** - Outstanding balances under various Non-resident Indian (NRI) deposit schemes are reproduced from various issues of the Annual Report of the Reserve Bank of India.

**Tables 27 to 31 and Table 33** - These tables are based on the information available in master office file (latest updated version) on commercial bank branches maintained in the Department of Statistical Analysis and Computer Services of the Reserve Bank of India.

**Tables 32A and 32B** - State and population group-wise distribution of offices of Co-operative Banks (rural and urban) given in these tables are based on the information available with the Rural Planning and Credit Department and Urban Banks Department of the Reserve Bank of India, respectively.

**Table 34** - Liabilities and assets of Urban Co-operative Banks are based on the information furnished by these banks in "Form-IX" to the Urban Banks Department and relate to the position as on March 31.

**Tables 35 to 39** - These tables are based on Basic Statistical Return-7 and relate to the position as on the last Friday of March. Inter-bank deposits and advances are not included in BSR - 7.

**Table 40** - Information presented in this table are compiled by the Department of Economic Analysis and Policy of the Reserve Bank of India.

**Table 41** - Information presented in this table are furnished by the Department of Banking Operations and Development of the Reserve Bank of India.

**Table 42** - Data relate to deposit accounts in India, which have not been operated upon for 10 years or more as on 31st December and are based on returns submitted by banks on Form IX under Section 26 of the Banking Regulation Act, 1949.

**Table 43** - Data presented here are based on information received by the Department of Economic Analysis and Policy on a monthly (calendar) basis from all the centres and in addition on a weekly (week ending Friday) basis from the clearing houses managed by the Reserve Bank of India. Figures shown against 'other centres' are in respect of clearing houses other than those managed by the Reserve Bank of India in the country.

**Table 44** - The information presented here are furnished by the Department of Information Technology of the Reserve Bank of India.

**Table 45** - Liabilities and assets of Indian Scheduled Commercial Banks in foreign countries presented here are furnished by the Department of Banking Supervision of the Reserve Bank of India.

**Tables 46 and 47** - Circle-wise distribution of Post Office savings and time deposits are based on the information received from the Department of Posts.

**Tables 48 and 49** - Detailed bank-wise information on liabilities and assets of Scheduled Commercial Banks in India, based on their published annual accounts as on March 31 of 1999 and 2000, is presented in Table 48, while the same for the Regional Rural Banks is presented in Table 49.

**Tables 50 and 51** - Detailed bank-wise information on earnings and expenses of Scheduled Commercial Banks in India, based on their published annual accounts for the year ended March 31 of 1999 and 2000, is presented in Table 50, while the same for the Regional Rural Banks is presented in Table 51.

**Table 52** - Contingent liabilities of Scheduled Commercial Banks (excluding RRBs) are based on the schedules of published annual accounts of respective banks and relate to the position as on March 31 of 1999 and 2000.

**Table 53** - Provisions and contingencies of Scheduled Commercial Banks (excluding RRBs) are based on the "notes to accounts" of published annual accounts of respective banks and relate to the year ended March 31, 2000.

**Table 54** - Movements of Non-Performing Assets (NPAs) of Scheduled Commercial Banks (excluding RRBs) are based on the "notes to accounts" of published annual accounts of individual banks and relate to the year ended March 31, 2000.

**Table 55** - Bank-wise maturity structures of selected items of liabilities and assets based on the "notes to accounts" of published annual accounts of individual banks are presented here and relate to the position as on March 31, 2000.

**Table 56** - Selected financial ratios of Scheduled Commercial Banks (excluding RRBs) are obtained/ compiled from the published annual accounts of banks and relate to the year ended March 31 of 1999 and 2000. Ratios like "return on assets", "business (deposits plus advances) per employee", "profit per employee", "capital adequacy ratio (including Tier I and Tier II)" and "net NPAs as a ratio to net advances" are obtained from the "notes to accounts" of published annual accounts of individual banks.

Concepts/definitions used to calculate other ratios are as follows:

1. (a) "Cash" in cash-deposit ratio include cash in hand and balances with RBI, (b) "Investments" in investment-deposit ratio represent total investments, including investments in non-approved securities, (c) "Net interest margin" is defined as the total interest earned *minus* total interest paid, (d) "Intermediation cost" is equal to "total operating expenses", (e) "Wage bills" is defined as "payments to and provisions for employees", (f) "Operating profit" is defined as total earnings *minus* total expenses, excluding provisions and contingencies and (g) "Burden" is defined as the total non-interest expenses *minus* total non-interest income.
2. Items like capital, reserves, deposits, borrowings, advances, investments and assets/liabilities used to compute various financial earnings/expenses ratios (Sr. no.11 to 29) are average figures based on balance sheet data for the two relevant years.
3. Definitions of a few ratios are as follows:
  - (a) Return on equity =  $(\text{net profit}) / \{\text{average}(\text{capital} + \text{reserves \& surplus, not adjusted for accumulated loss})\}$
  - (b) Cost of deposits =  $(\text{interest paid on deposits}) / (\text{average deposits})$
  - (c) Cost of borrowings =  $(\text{interest paid on borrowings}) / (\text{average borrowings})$
  - (d) Cost of funds =  $(\text{total interest paid on deposits and borrowings}) / (\text{total of average deposits and borrowings})$
  - (e) Return on advances =  $(\text{interest earned on advances/bills}) / (\text{average advances})$
  - (f) Return on investments =  $(\text{interest earned on investments}) / (\text{average investments})$

**Appendix** - This appendix table gives number of office of each commercial bank in each State and Union Territory and is based on the information available in master office file (latest updated version) of bank branches compiled in the Department of Statistical Analysis and Computer Services of the Reserve Bank of India.