

## EXPLANATORY NOTES TO THE TABLES

### 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 to totals. The unit lakh is equal to 1,00,000 and unit crore is equal to 100 lakh. The symbol '–' indicates nil or negligible and '..' indicates not available or not applicable. Source and notes as appropriate to each table are given at the end of each table.

2. *Commercial Banks which conduct the business of banking in India and which (a) have paid up capital and reserves of an aggregate real and exchangeable value of not less than Rs.5 lakhs and (b) satisfy the Reserve Bank of India that their affairs are not being conducted in a manner detrimental to the interest of their depositors, are eligible for inclusion in the Second Schedule to the Reserve Bank of India Act, 1934, and when included are known as 'Scheduled Commercial Banks'.*

3. Scheduled Commercial Banks in India are categorised in five different groups according to their ownership and/or nature of operation. These bank groups are (i) State Bank of India and its associates, (ii) Nationalised Banks, (iii) Regional Rural Banks, (iv) Foreign Banks and (v) Other Indian Scheduled Commercial Banks (in the private sector).

4. All Scheduled Banks comprise Schedule Commercial and Scheduled Co-operative banks. Scheduled Co-operative banks consist of Scheduled State Co-operative banks and Scheduled Urban Co-operative banks.

5. Population groups of the banked centres presented in this volume are based on the 1991 census. The population groups are defined as under:

- i. 'Rural' group includes all centres with population of less than 10,000
- ii. 'Semi-urban' group includes centres with population of 10,000 and above but less than 1 lakh
- iii. 'Urban' group includes centres with population of 1 lakh and above but less than 10 lakhs
- iv. 'Metropolitan' group includes centres with population of 10 lakhs and more.

6. During the year, the following changes have taken place in the commercial banking system:

- i. The names of the Fuji Bank has been changed to Mizuho Corporate Bank w.e.f. 1<sup>st</sup> April, 2002.
- ii. Antwerp Diamond Bank has started business from 20<sup>th</sup> June, 2002.
- iii. Benaras State Bank has been merged with Bank of Baroda w.e.f. 20<sup>th</sup> June, 2002.
- iv. Standard Chartered Grindlays Bank has been merged with Standard Chartered Bank w.e.f. 31<sup>st</sup> August, 2002.
- v. Nedungadi Bank has been merged with Punjab National Bank w.e.f. 31<sup>st</sup> January, 2003.
- vi. Dresdner Bank, Commerz bank, KBC Bank and Siam Commercial Bank have been closed w.e.f. 21<sup>st</sup> September, 2002, 18<sup>th</sup> December, 2002, 23<sup>rd</sup> January, 2003 and 27<sup>th</sup> February, 2003 respectively.

These changes are reflected while presenting individual bank's data in tables B1, B5, B9, B10, B11, B12, B13, B14, B15, B16, B17, B18, B19 and B21.

### II. Table-wise Explanations

**Tables 2.1 and 2.2** - 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. Inter-bank deposits/assets of maturity of 15 days and above and upto 1 year are excluded. 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.

**Tables 2.3, 2.4, 2.5, 2.6, 2.7, 4.1, 5.1, 5.2, 5.3** – The deposits figures reported in tables 2.3, 2.4, 2.5, 2.6, 2.7 and 4.1 exclude inter-bank deposits and therefore their coverage is different from that of 'deposits' reported in tables 3.1 and 3.2. The bank credit data in tables 2.3, 2.4, 2.5, 2.6, 2.7, 5.1, 5.2 and 5.3 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 5.1, 5.2 and 5.3 also include dues from banks. It may be mentioned that data in respect of loans and advances reported in tables 3.1 and 3.2 do not include bills rediscounted figures. Further, bank credit reported in tables 2.1 and 2.2 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).

**Tables 2.8 and B16** – 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 2002 and 2003. The ratios viz., "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 on accounts" of published annual accounts of individual banks. They are not aggregated at the bank-group level.

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

- i. (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.
- ii. 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.
- iii. Definitions of a few ratios are as follows:
  - (a) Return on equity =  $(\text{net profit}) / (\text{average (capital + reserves \& surplus, not adjusted for accumulated loss)})$
  - (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 =  $(\text{interest/discount earned on advances/bills}) / (\text{average advances})$
  - (f) Return on investments =  $(\text{interest earned on investments}) / (\text{average investments})$

investments).

**Table 3.1** – The break-up of “Investments in India”, as on March 31, 2003, for a few foreign and Indian private banks are not available in their published accounts. Therefore, total investments in India for these bank groups, as well as for all Scheduled Commercial Banks, as on 31st March, 2003 may not tally with sum of the constituent items.

**Table 3.2** - 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.

**Table 4.2** - This table is prepared on the basis of data reported by selected branches in Basic Statistical Return 4. In the BSR-4 survey as on 31st March, 2002, filled-in schedules were received from 9313 scheduled commercial bank branches.

**Table 5.2** - 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 31st March.

**Tables 6.1, 6.2 and 6.3** – Data relate to all Scheduled Commercial Banks excluding Regional Rural Banks.

**Tables 8.1 and 8.2** - Data for both the tables are based on the annual Survey of Investments in BSR-5. These data are submitted to the Reserve Bank of India by Head Offices of banks. Regional Rural Banks are excluded from this survey.

**Tables 9.1, B5, B6, B7 and B8** – Data in these tables are obtained from various schedules of profit and loss accounts as published by banks in their annual accounts. 'Total expenses' shown in these tables exclude 'provision and contingencies'. The item 'profit' is computed by subtracting interest expenses, operating expenses and provisions and contingencies from total earnings of the bank.

**Tables 10.1 and 10.2** - These tables are based on the data collected through Basic Statistical Return 2 and include only full-time employees of the banks.

**Table 11.3** – Data on cheque clearances are compiled on a weekly/monthly (calendar) basis. 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 11.5** - Data are based on BSR-1 and BSR-2 received from all branches of scheduled commercial banks and relate to accounts with credit limit of over 2 lakh as on March 31. The credit is exclusive of Inland & Foreign Bills purchased and discounted. Amount outstanding is used as weights for calculating average lending rates. The deposit rate corresponds to only term deposits. The data on average deposit rate are based on 56281 reporting branches out of 65457 total number of branches. Mid-points of the interest rate range are taken as values and outstanding deposit amount in the range as weights.

**Table 11.6** - Data relates to bank group-wise risk-weighted assets for the year 2002 and 2003 and are calculated on the basis of prudential norms on capital adequacy stipulated by Reserve Bank of India.

**Table B21** - 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 in Form IX under Section 26 of the Banking Regulation Act, 1949.