

Annex 2.1**Details of Balance Sheet Items and Notes on Accounts****A. Balance Sheet**

Item	Schedule	Coverage	Notes and Instructions for compilation
Capital	1.	<p>Nationalised Banks Capital (Fully owned By Central Government)</p> <p>Other Banks (Indian) Authorised Capital (.....shares of Rs. each)</p> <p>Issued Capital (.....shares of Rs. each)</p> <p>Subscribed Capital (.....shares of Rs. each)</p> <p>Called up Capital (.....shares of Rs. each)</p> <p>Less : Calls unpaid Add : forfeited shares Paid up Capital Banking Companies incorporated outside India</p>	<p>The Capital owned by Central Government as on the date of the balance sheet should be shown. In the case of other Indian banks, Authorised, Issued, Subscribed, Called up capital should be given separately. Calls-in-arrears will be deducted from the called-up capital while the paid-up value of forfeited shares should be added thus arriving at the paid-up capital. Where necessary, items which can be combined should be shown under one head for instance 'Issued and Subscribed Capital'.</p> <p>In the case of Banking Companies incorporated outside India, the amount of deposit kept with Reserve Bank of India, under sub-section 2 of section 11 of the Banking Regulation Act, 1949 should be shown under the head 'capital'; the amount, however, should not be extended to the outer column.</p> <p>Notes - General The changes in the above items, if any, during the year, say, fresh contribution made by the Government, fresh issue of capital, capitalisation of reserves, etc. may be explained in the notes.</p>
Reserves & Surplus	2	<p>I) Statutory Reserves</p> <p>II) Capital Reserves</p> <p>III) Share Premium</p> <p>IV) Revenue and other Reserves a) Investment Fluctuation Reserve</p> <p>V) Balance of Profit</p>	<p>Reserve created in terms of section 17 or any other section of Banking Regulation Act must be separately disclosed.</p> <p>The expression 'capital reserves' shall not include any amount regarded as free for distribution through the profit & loss account. Surplus on revaluation or sale of fixed assets should be treated as capital reserves. Premium on issue of share capital may be shown separately under this head.</p> <p>The expression 'Revenue Reserves' shall mean any reserve other than capital reserve. This item will include all reserves, other than those separately classified. The expression 'reserve' shall not include any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets or retained by way of providing for any known liability.</p> <p>Includes balance of profit after appropriations. In case of loss the balance may be shown as a deduction.</p> <p>Notes - General</p> <p>i) Movements in various categories of reserves should be shown as indicated in the schedule.</p>

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Deposits	3.	<p>A.I. Demand Deposits</p> <p>i) from banks</p> <p>ii) from others</p> <p>II. Savings Bank Deposits</p> <p>III. Term Deposits</p> <p>i) from banks</p> <p>ii) from others</p> <p>B. i) Deposits of branches in India.</p> <p>ii) Deposits of branches outside India.</p>	<p>Includes all banks deposits repayable on demand. Includes all demand deposits of the non-bank sectors. Credit balances in overdrafts, cash credit accounts deposits payable at call, overdue deposits, inoperative current accounts, matured time deposits and cash certificates, etc. are to be included under this category.</p> <p>Includes all savings bank deposits (including inoperative savings bank accounts). Includes all types of banks deposits repayable after a specified term. Includes all types of deposits of the non-bank sector repayable after a specified term. Fixed deposits, cumulative and recurring deposits, cash certificates, annuity deposits, deposits mobilised under various schemes, ordinary staff deposits, foreign currency non-resident deposits accounts, etc. are to be included under this category. The total of these two items will agree with the total deposits.</p> <p>Notes – General</p> <p>a) Interest payable on deposits (whether accrued and due and accrued but not due) should not be included but shown under other liabilities. Deposits, repayment of which is subject to restrictions by its very nature, like margin deposits, security deposits from staff, etc. also should not be included under deposits but shown under ‘other liabilities.’</p> <p>b) Matured time deposits and cash certificates, etc. should be treated as demand deposits</p> <p>c) Deposits under special schemes should be included under term deposits if they are not payable on demand. When such deposits have matured for payment they should be shown under demand deposits.</p> <p>d) Deposits from banks will include deposits from the banking system in India, co-operative banks, foreign banks which may or may not have a presence in India.</p>
Borrowings	4.	<p>I. Borrowings in India</p> <p>i) Reserve Bank of India</p> <p>ii) Other banks</p> <p>II. Borrowings outside India</p> <p>Secured borrowings included above</p>	<p>Includes borrowings/refinance and rediscount obtained from Reserve Bank of India. Includes borrowings/refinance and rediscount obtained from commercial banks (including co-operative banks)</p> <p>Includes borrowings/refinance and rediscount from Industrial Development Bank of India, Export-Import Bank of India, National Bank for Agricultural and Rural Development and other institutions, agencies (including liability against participation certificates, if any)</p> <p>Includes borrowings and rediscounts of Indian branches abroad as well as borrowings of foreign branches.</p> <p>This item will be shown separately: Includes secured borrowings/refinance in India and outside India.</p>

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			<p>Notes – General</p> <ul style="list-style-type: none"> i) The total of I & II will agree with the total borrowings shown in the balance sheet. ii) Inter-office transactions should not be shown as borrowings. iii) Funds raised by foreign branches by way of certificates of deposits, notes, bonds, etc. should be classified, depending upon documentation, as 'deposits', 'borrowings' etc. iv) Refinance obtained by banks from Reserve Bank of India and various institutions are being brought under the head 'Borrowings'. Hence advances will be shown at the gross amount on the asset side.
Other Liabilities and provisions	5	<ul style="list-style-type: none"> I. Bills Payable II. Inter-Office III. Interest Accrued IV. Deferred Tax V. Others 	<p>Includes drafts, telegraphic transfers, mail transfers payable, pay slip, bankers cheques, other miscellaneous items, etc.</p> <p>The inter-office adjustments balance, if in credit, should be shown under this head. Only net position of inter-office accounts, inland as well as foreign should be shown here.</p> <p>Includes interest due and payable and interest accrued but not due on deposits and borrowings. Includes net provision for income tax and other taxes like interest tax (less advance payment, tax deducted at source, etc.), surplus provisions in bad debts provision account, surplus provisions for depreciation in securities, contingency funds which are not disclosed as reserves but are actually in the nature of reserves, proposed dividend/transfer to Government, other liabilities which are not disclosed under any of the major heads such as unclaimed dividend, provisions and funds kept for specific purposes, unexpired discount, outstanding charges like rent, conveyance, etc. certain types of deposits like staff security deposits, margin deposits, etc. where the repayment is not free, should also be included under this head.</p> <p>Notes – General</p> <ul style="list-style-type: none"> i) For arriving at the net balance of inter-office adjustments all connected inter-office accounts should be aggregated and the net balance only will be shown, representing mostly items in transit and unadjusted items. ii) The interest accruing on all deposits, whether the payment is due or not, should be treated as a liability. iii) It is proposed to show only pure deposits under the head 'deposits' and hence all surplus provisions for bad and doubtful debts contingency funds, secret

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			reserves, etc. which are not netted off against the relative assets should be brought under the head 'Others' (including provisions).
Cash and balances with the Reserve Bank of India	6	I. Cash in hand (including foreign currency notes) II. In Current Account with Reserve Bank of India.	Includes cash in hand including foreign currency notes and also of foreign branches in the case of banks having such branches. Includes the balance maintained with the Reserve Bank of India in Current Account.
Balances with banks and money at call and short notice	7	I) In India i) Balances with Reserve Bank of India (other than in current account) ii) Balances with other banks in India Current accounts Deposit accounts iii) Money at call and short notice with banks and other institutions. II) Outside India i) Current accounts ii) Deposit accounts	Includes balances held with the Reserve Bank of India other than in current accounts, if any. Includes all balances with banks in India (including co-operative banks). Balances in current accounts and deposit accounts should be shown separately. Includes deposits repayable within 15 days or less than 15 days' notice lent in the inter-bank call money market. Includes balances held by foreign branches and balances held by Indian branches of the banks outside India. Balances held with foreign branches by other branches of the bank should not be shown under this head but should be included in inter branch accounts. The amounts held in 'current accounts' and 'deposit accounts' should be shown separately. Includes deposits usually classified in foreign countries as money at call and short notice.
Investments	8	I. Investments in India i) Government securities ii) Other approved securities iii) Shares iv) Debentures and Bonds v) Investments in subsidiaries/ associate companies. vi) Others II. Investments outside India i) Government securities (including local authorities) ii) Others	Includes Central and State Government securities and Government treasury bills. Securities other than Government securities, which according to the Statutes are treated as approved securities, should be included here. Investments in shares of companies and corporations not included in item (ii) should be included here. Investments in debentures and bonds of companies and corporations not included in item (ii) should be included here. Investments in subsidiaries/associate companies should be included here. A company will be considered as an associate company for the purpose of this classification if more than 25% of the share capital of that company is held by the bank. Includes residual investments, if any, like gold. All foreign Government securities including securities issued by local authorities may be classified under this head. All other investments outside India may be shown under this head.

Item	Schedule	Coverage	Notes and Instructions for compilation
Advances	9	<p>A. i) Bills purchased and Discounted ii) Cash credits, overdrafts and loans repayable on demand iii) Term loans</p> <p>B. i) Secured by tangible assets ii) Covered by Bank/ Government Guarantee iii) Unsecured</p> <p>C.I. Advances in India i) Priority sectors ii) Public sector iii) Banks iv) Others</p> <p>II. Advances outside India i) Due from banks ii) Due from others</p>	<p>In classification under Section 'A', all outstandings – in India as well as outside – less provisions made, will be classified under three heads as indicated and both secured and unsecured advances will be included under these heads.</p> <p>All advances or part of advances which are secured by tangible assets may be shown here. The item will include advances in India and outside India.</p> <p>Advances in India and outside India to the extent they are covered by guarantees of Indian and foreign governments and Indian and foreign banks are to be included.</p> <p>All advances not classified under (i) and (ii) will be included here.</p> <p>Advances should be broadly classified into 'Advances in India' and 'Advances outside India'. Advances in India will be further classified on the sectoral basis as indicated. Advances to sectors which for the time being are classified as priority sectors according to the instructions of the Reserve Bank are to be classified under the head 'Priority sectors'. Advances to Central and State Governments and other Government undertakings including Government companies and corporations which are, according to the statutes, to be treated as 'public sector'. All advances to the banking sector including co-operative banks will come under the head 'Banks'. All the remaining advances will be included under this head 'Others' and typically this category will include non-priority advances to the private, joint and co-operative sectors.</p> <p>Notes – General</p> <p>i) The gross amount of advances including refinance but excluding provisions made to the satisfaction of auditors should be shown as advances.</p> <p>ii) Term loans will be loans not repayable on demand.</p> <p>iii) Consortium advances would be shown net of recoveries from other participating banks/ institutions.</p>
Fixed Assets	10	I. Premises	<p>Premises wholly or partly owned by the banking company for the purpose of business including residential premises should be shown against 'Premises'. In the case of premises and other fixed assets, the previous balance, additions thereto and deductions there from during the year as also the total depreciation written off should be shown. Where sums have been written off on reduction of capital or revaluation of assets, every balance sheet after the first balance sheet</p>

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		<p>II. Other Fixed Assets (including furniture and fixtures)</p> <p>III. Capital work-in-progress or premises under construction</p>	<p>subsequent to the reduction or revaluation should show the revised figures with the date and amount of revision made.</p> <p>Motor vehicles and all other fixed assets other than premises but including furniture and fixtures should be shown under this head.</p>
Other assets	11	<p>I. Inter-office adjustments (net)</p> <p>II. Interest accrued</p> <p>III. Tax paid in advance/ tax deducted at source.</p> <p>IV. Stationery and stamps</p> <p>V. Others</p>	<p>The inter-office adjustments balance, if in debt, should be shown under this head. Only net position of inter-office accounts, inland as well as foreign, should be shown here. For arriving at the net balance of inter-office adjustment accounts, all connected inter-office accounts should be aggregated and the net balances, if in debit, only should be shown representing mostly items in transit and unadjusted items.</p> <p>Interest accrued but not due on investments and advances and interest due but not collected on investments will be the main components of this item. As banks normally debit the borrowers' account with interest due on the balance sheet date, usually there may not be any amount of interest due on advances. Only such interest as can be realised in the ordinary course should be shown under this head.</p> <p>The amount of tax deducted at source on securities, advance tax paid, etc. to the extent that these items are not set off against relative tax provisions should be shown against this item.</p> <p>Only exceptional items of expenditure on stationery like bulk purchase of security paper, loose leaf or other ledgers, etc. which are shown as quasi-asset to be written off over a period of time should be shown here. The value should be on a realistic basis and cost escalation should not be taken into account, as these items are for internal use.</p> <p>This will include non-banking assets and items like claims which have not been met, for instance, clearing items, debit items representing addition to assets or reduction in liabilities which have not been adjusted for technical reasons, want of particulars, etc. advances given to staff by a bank as employer and not as a banker, etc. Items, which are in the nature of expenses, which are pending adjustments, should be provided for and the provision netted against this item so that only realisable value is shown under this head. Accrued income other than interest may also be included here.</p>

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Contingent liabilities	12	I. Claims against the bank not acknowledged as debts. II. Liability for partly paid investments. III. Liability on account of outstanding forward exchange contracts IV. Guarantee given on behalf of constituents. a) In India b) Outside India V. Acceptances, endorsements and other obligations VI. Other items for which the bank is contingently liable	Liability on partly paid shares, debentures, etc. will be included in this head. Outstanding forward exchange contracts may be included here. Guarantees given for constituents in India and outside India may be shown separately. This item will include letters of credit and bills accepted by the bank on behalf of its customers. Arrears of cumulative dividends, commitments under underwriting contracts, estimated amount of contracts remaining to be executed on capital account and not provided for etc. are to be included here.
Bills for collection			Bills and other items in the course of collection and not adjusted will be shown against this item in the summary version only. Not separate schedule is proposed.

B. Profit & Loss Accounts

Item	Schedule	Coverage	Notes and Instructions for compilation
Interest earned	13	I. Interest /discount on advances/bills. II. Income on investments III. Interest on balances with Reserve Bank of India and other inter bank funds Others	Includes interest and discount on all types of loans and advances like cash credit, demand loans, overdrafts, export loans, term loans, domestic and foreign bills purchased and discounted (including those rediscounted), overdue interest and also interest subsidy, if any, relating to such advances/bills. Includes all income derived from the investment portfolio by way of interest and dividend. Includes interest on balances with Reserve Bank and other banks, call loans, money market placement, etc. Includes any other interest/discount income not included in the above heads.
Other Income	14	I. Commission, Exchange & brokerage II. Net Profit on sale of Investments III. Net Profit on revaluation of investments IV. Net Profit on sale of land, building & other assets	Net profit on sale of Investments = Profit on sale of Investments – Loss on revaluation of investments Net profit on revaluation of investments = Profit on revaluation of investments – Loss

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		V. Profit (net of loss) on exchange transactions VI. Income earned by way of dividends, etc. from subsidiaries/ companies and/or joint ventures abroad/in India VII. Miscellaneous Income	Net profit on sale of land, building & other assets = profit on sale of land, building & other assets - Loss on sale of land, building & other assets
Interest Expended	15	I. Interest on deposits II. Interest on RBI/ Inter-Bank borrowings III. Others	
Operating Expenses	16	I. Payments to and provisions for employees II. Rent, Taxes & Lighting III. Printing & Stationery IV. Advertisement and Publicity V. Depreciation on Banks' property VI. Directors' fees, allowances and expenses VII. Auditors' fees & expenses (including branch auditors) VIII. Law charges IX. PB Legal and other expenses debited in respect of PB accounts X. Postage, Telegram, Telephones, etc. XI. Repairs and Maintenance XII. Insurance XIII. Other Expenditure	
Provisions & Contingencies		Provisions & Contingencies made for i) Income Tax ii) Other Taxes iii) NPAs iv) Investments v) Others	
Appropriation of Profit		I. Transfer to Statutory Reserves II. Transfer to Capital Reserves	

Item	Schedule	Coverage	Notes and Instructions for compilation
		III. Transfer to Investment Fluctuation Reserves IV. Transfer to Debenture redemption reserves V. Transfer to Other reserves VI. Transfer to Proposed Dividend VII. Transfer to Tax on Dividend VIII. Balance carried over to Balance Sheet	

C. Notes on Accounts

Item	Schedule	Coverage	Notes and Instructions for compilation
Movement of NPAs	17	I) Gross NPAs II) Net NPAs	
Lending to Sensitive Sectors	17	I) Advances to Capital Market Sector II) Advances to Real Estate Sector III) Advances to Commodity Sector	
Maturity Profile of Selected items of Liabilities & Assets	17	I) Deposits II) Borrowings III) Loans & Advances IV) Investments V) Foreign Currency Assets and VI) Foreign Currency Liabilities	
Loans subjected to Res-structuring and Corporate Debt Re-structured	17	I) Standard Assets during the year II) Sub Standard Assets during the year III) Doubtful Assets during the year	
Capital adequacy Ratios	17	I) Capital Adequacy Ratio II) Capital Adequacy Ratio - Tier I and III) Capital Adequacy Ratio - Tier II	
Business Ratios	17	I) Return on Assets II) Business (Deposits+ Advances) per employee III) Profit per employee	