

**Monetary and Credit Policy Measures - Mid-Term Review
for the year 2001- 2002 - Balance Sheet Disclosures**

BP. BC. 38 / 21.04.018/ 2001- 2002

27 October 2001

All Commercial Banks
(excluding RRBs)

Dear Sir,

**Monetary and Credit Policy Measures - Mid-Term Review
for the year 2001- 2002 - Balance Sheet Disclosures**

Please refer to the Governor's letter No. MPD. BC. 210/ 07.01.279/ 2001-2002 dated 22 October 2001 enclosing a copy of the Statement on " Mid-Term review of Monetary and Credit Policy for the year 2001- 2002". As indicated in paragraph 72 of the Statement, it has been decided to further enhance the level of balance sheet disclosures by banks. The guidelines in this regard are given below :

Over a period, banks have been advised to disclose in the 'Notes on Accounts' in the balance sheet, the details of the maturity pattern of loans and advances, investments, deposits and borrowings, movements in NPAs, exposure to sensitive sectors, etc. As a further step in ensuring transparency and credibility of their financial positions, it has been decided that banks should furnish the following additional disclosures in the 'Notes on Accounts' in their balance sheets, from the year ending March 2002: (i) movement of provisions held towards NPAs and (ii) movement of provisions held towards depreciation on investments. The format of disclosure of this additional information is furnished in Annexure.

Yours faithfully,

sd/-

(**C. R. Muralidharan**)
Chief General Manager

Encl : one

Annexure

**Format for Disclosure of Movement of Provisions in
the 'Notes on Accounts' to the balance sheet of banks**

(Rs. in crore)

Provisions for NPAs
(excluding provisions on standard assets)

Opening balance (as on 01 April) :

<u>Add</u> : Provisions made during the year	:
<u>Less</u> : Write off, write back of excess provisions	:
Closing Balance (as at 31 March)	:

Provisions for depreciation on investments

Opening Balance (as on 01 April)	:
<u>Add</u> a) Appropriation (if any) from Investment	
Fluctuation Reserve account during the year	:
b) Provision made during the year	:
<u>Less</u> a) Transfer (if any) to Investment	
Fluctuation Reserve account during the year	:
b) Write off during the year	:
Closing balance (as at 31 March)	