

(Illustrative entries on the provisioning requirement for secured portion of assets that are doubtful for more than three years D-III)

(vide para 5.1.2 (ii)(b))

Illustration 1. Existing stock of advances classified as 'doubtful more than 3 years' as on March 31, 2007

The outstanding amount as on March 31, 2007: Rs 25,000

Realisable value of security: Rs 20,000

Period for which the advance has remained in 'doubtful' category as on March 31, 2007: 4 years (i.e. Doubtful more than 3 years)

Provisioning requirement:

As on ...	Provisions on secured portion		Provisions on unsecured portion		Total (Rs)
	%	Amount	%	Amount	
March 31, 2007	50	10000	100	5000	15000
March 31, 2008	60	12000	100	5000	17000
March 31, 2009	75	15000	100	5000	20000
March 31, 2010	100	20000	100	5000	25000

Illustration 2: Advances classified as 'doubtful more than three years' on or after April 1, 2007

The outstanding amount as on March 31, 2007: Rs 10,000/-

Realisable value of security: Rs 8,000/-

Period for which the advance has remained in 'doubtful' category as on March 31, 2007: 2.5 years

Provisioning requirement:

As on	Asset classification	Provisions on secured portion		Provisions on unsecured portion		Total (Rs)
		%	Amt	%	Amt	
March 31, 2007	Doubtful 1 to 3 years	30	2400	100	2000	4400
March 31, 2008	Doubtful more than 3 years	100	8000	100	2000	10000