

REPORT  
OF  
THE WORKING GROUP  
ON  
BANKING STATISTICS



BOMBAY 1968

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## **Report of the Working Group on Banking Statistics**

At the meeting of the Governor with bankers on 29th January 1968 the Governor drew the attention of banks to the need for improving their statistical reporting so that data on matters like the sectoral allocation of credit would be available promptly and indicated that he proposed to set up a Working Group consisting of three officers from the Reserve Bank and three representatives from the commercial banks to go into the question of the form in which such data on credit allocation should be reported. Accordingly, the following Group was constituted with the assistance of the Indian Banks' Association:

### *Representatives of Commercial Banks :*

1. Shri K. K. Banerji,  
Chief Accountant,  
State Bank of India,  
Bombay.
2. Shri K. Gopal Rao,  
Bank of Baroda, .  
Bombay. (Currently  
Chairman, The Andhra  
Bank Ltd., Hyderabad)
3. Shri T. N. Ramamurthi,  
Central Bank of India,  
Bombay.
4. Shri S. G. Shah,  
Secretary,  
Indian Banks' Association,  
Bombay.

### *Representatives of the Reserve Bank of India :*

1. Shri M. S. Nadkarni,  
Chief Officer,  
Department of Banking  
Operations & Development,  
Bombay. (Later substituted  
by Shri A. R.  
Thanawala)
2. Shri V. G. Pendharkar,  
Economic Adviser to  
the Reserve Bank of India,  
Bombay.
3. Shri M. Narasimham,  
Secretary,  
Reserve Bank of India,  
Bombay.

The Group wishes to thank the respective institutions for making the services of these officials available for its deliberations. In addition to the above, Shri L. D'Mello from the State Bank of India, Shri R. S. Tatachari from the Central Bank and Shri A. Raman from the Reserve Bank of India assisted the Group at its discussions. The Group wishes to thank these officials for the assistance given by them.

2. The Group held 5 meetings. The discussions were initially confined to two items, namely:

**Scope to Discussions**

- (i) To design a composite monthly return which would supply information on credit limits sanctioned and actual credit outstanding according to the type of borrower, purpose, security and type of accounts.
- (ii) A periodical return from selected branches providing information on credit refusals.

In March 1968, following a reference to this subject at the meeting of the National Credit Council, Shri B. N. Adarkar, Deputy Governor, Reserve Bank of India, requested Shri C. H. Bhabha to send a note on Banking Statistics. The Working Group is thankful to Shri Bhabha for sending them a note which contained several helpful suggestions. A number of these have been taken into account while preparing the proforma presented in this report.

3. In recent years, there has been considerable increase in the demand for statistics on the various aspects of the working of the banking system in India. To meet this demand the Reserve Bank has been asking the banks to provide a breakdown of their credit operations according to purpose, security and interest rate. The purpose-wise return is obtained from each bank once a year, and the security-wise once a fortnight from all offices of scheduled banks. Fortnightly return for the mid-month covers 72 items as against 98 items for the end-month return. The return on interest rates, which is a composite return for deposits as well as advances, is obtained once in 6 months from each bank. This has increased the reporting load on the banking system considerably and has resulted in delays in submitting one or the other type of return. The Group, therefore, endeavoured to find some solution to this problem which would reduce the reporting load on the banks without, at the same time, affecting adversely the flow of information necessary for the requirements of the Reserve Bank of India. The Group has come to the conclusion that this could be achieved if the banks reported data on advances as per the proforma given in the Annexure to this Report. Such reporting will be facilitated if the banks adopted a system of Uniform Balance Books described below:

- (a) Bank credit is made available by banks to their customers under one or the other of the following eight types of accounts:

- (i) Cash Credit
- (ii) Overdrafts
- (iii) Demand Loans
- (iv) Term Loans (including Instalment Credit)
- (v) Packing Credit
- (vi) Export Bills Purchased/Discounted/Advanced against
- (vii) Advances against Import Bills and
- (viii) Inland Bills Purchased/Discounted.

Such Uniform Balance Books (UBB) may be maintained for each of the above types of accounts. Items (i) and (ii), viz., 'Cash Credit' and 'Overdrafts' will be exclusive of items (v), (vi), (vii) and (viii), viz., 'Packing Credit', 'Export Bills Purchased/Discounted/Advanced against', 'Advances against Import Bills' and 'Inland Bills Purchased/Discounted'.

- (b) The pages of the UBBs will be according to the proforma given in the Annexure to this Report. The minimum width of the different columns is indicated in this. It is very necessary that this is strictly adhered to in the case of all columns other than that for 'Name of Party'. Each page should be in triplicate with perforation at the place shown in the proforma. The top of the page should show in addition to the 'Type of Account' the page number, the name and code number of the reporting branch of the Bank (supplied by the Reserve Bank) and the date to which the return relates.
- (c) Debit/Credit balances in the accounts of the various constituents for each type of account as on the last Friday of each month are to be entered in these UBBs in the manner described in paragraph 4. The originals are to be retained in the branch. One set is to be forwarded to the Director, Banking Division, Economic Department, Reserve Bank of India, Post Box No. 1036, Bombay-1, within 15 days and one set to the Head Office.

4. The various columns in the proforma and instructions regarding filling them up are as follows:

**Entries in the  
UBBs-Description  
of Proforma**

*Column 1 — Name of Party :*

The name of the party is to be entered in this column. With the perforations at the place indicated; the names will not be divulged to the Reserve Bank.

**Columns 2, 3 and 4 — Amount Outstanding :**

The *actual amount* outstanding (credit or debit) as at the close of business on the reporting date is to be shown in columns 2 or 3. Of the debit balances outstanding, those against the pledge of official warehouse receipts should be shown separately in column 4.

**Column 5 — Credit Limits :**

In this column the limits in force (*rounded off to the nearest thousand*) as on the date to which the return relates will be shown.

**Column 6 — Serial Number :**

This column is to facilitate processing by the Reserve Bank of the data and will, therefore, be filled in by the Reserve Bank. It need not be filled in by banks.

**Column 7 — Type of organisation :**

List A gives the types of organisations and the Standardised Abbreviations to be used. The abbreviation appropriate to the particular constituent is to be entered here.

**Column 8 — Occupation :**

List B gives different occupations. Suitable code numbers for these are being worked out. The code number appropriate to the occupation of the borrower is to be entered under this column.

**Column 9 — Purpose :**

The various purposes are listed in List C which gives the Standardised Abbreviations for the different purposes. In this list Agricultural Commodities i.e. item 3(a) relates to the commodities starting with paddy and rice and ending with tobacco given in List D. 'Agricultural Production Finance' relates to finance for production of crops and allied activities such as animal husbandry, dairy farming, poultry, forests products, etc., but excludes finance provided for processing of agricultural commodities. The latter should be reported under item 2, i.e., 'Working Capital for Industry' in List C.

**Column 10 — Security :**

List D gives the different types of securities. Code numbers for these are being worked out. The code number of the security against which the advance was availed of is to be entered under this column

**Column 11 — Rate of Interest :**

The rate of interest/discount (per cent per annum) charged to the constituent is to be shown here. Rate of interest/discount so far as *Demand Bills Purchased* are concerned need not be filled.

**Column 12 — Type of Bills :**

If the type of account is a bills purchased account, the type of bills as in List E will be shown in this column.

At the end of each month's report the total of credit limits in force, and outstandings of both credit and debit balances are to be given and the return signed by the officer-in-charge of the department concerned before sending on to the Head Office/Reserve Bank. In order to enable the Reserve Bank to keep track that all offices have filed the returns, a 'Nil' statement on the tear sheet of UBB should be submitted when an office has nothing to report.

5. As regards information in respect of credit refusals, the Group would like to recommend to the banks that they ask their branches to maintain a record of refusals showing the following particulars:

Information on  
Credit Refusals

- (a) the name of the party,
- (b) main occupation,
- (c) amount applied for,
- (d) security offered,
- (e) type of facility required,
- (f) purpose of the loan and
- (g) reasons for refusal.

To reduce work load these reasons should be from amongst a list like the following:

- (a) past dealings with the Bank not satisfactory.
- (b) project not considered feasible.
- (c) party's experience in business does not inspire confidence.
- (d) Head Office instructions.
- (e) credit rating is not of the required standard.
- (f) any other.

6. The Working Group also considered the suggestion of Shri C. H. Bhabha regarding a basic composite return on bank deposits.

It was noted in this connection that the Reserve Bank already collects information through various surveys on different aspects of banking statistics such as deposits according to categories, ownership, size, interest rates and area of operation. Thus, the Survey of Ownership of Deposits gives information according to categories of deposits, e.g., current account, savings account and fixed deposits and their ownership by the different sectors of the economy once every year. Information on size of deposits is collected through the returns obtained by the Deposit Insurance Corporation. The Half Yearly-Survey of Interest Rates gives information on deposit interest rates. As regards deposits in the different parts of the country, information is obtainable from the annual Survey of Debits to Deposit Accounts with Banks. A basic composite return on banking statistics would bring all these aspects of deposits together. It would also have the advantage of relating the information to the same date as against the present position where different surveys relate to different dates. However, there are as many as 14 million deposit accounts with the banking system, and a considerable amount of work will have to be done in introducing such a composite return. As the adoption of the recommendations relating to statistics concerning bank advances made in the foregoing paragraphs will also require a considerable amount of effort on the part of the banking system in the initial stages the Group felt that consideration of the question of a composite return for deposits may be deferred till the new system for reporting data on bank credit came into successful regular operation

7. The Working Group also recommends that the definition of various items of assets & liabilities should, as far as possible, be standardised for purposes of various returns prescribed under the different Acts, namely, the Reserve Bank of India Act, the Banking Regulation Act and the Deposit Insurance Corporation Act. One of the difficulties in standardising the returns and introducing uniform definitions is that the relevant Acts have themselves specified in rather detailed manner the format and contents of various returns. The Working Group is of the view that the formats of returns and definitions of concepts should be excluded from the relevant enactments as early as possible and that the Reserve Bank should be vested with powers to collect statistics in such manner as it may deem necessary.



8. At present, a half-yearly Survey of Interest Rates on Deposits and Advances is being conducted by the Economic Department of the Reserve Bank and the Working Group taking into account the fact that data on advances rates would be obtained through the composite return on advances, recommends that the Reserve Bank may consider discontinuing this Survey and obtain information on interest rates on deposits as part of the annual Survey of Ownership of Deposits.

*Other Recommendations*

9. The Working Group recommends that the Reserve Bank should arrange to issue detailed instructions to the banks and also take such measures as may be necessary to give effect to the new procedure of reporting.

10. The Working Group recommends that the data received by the Reserve Bank from the branches of a bank, when collated and processed, should be made available to that bank in order to be of guidance in adapting its policy strategy.

11. Statistics supplied by co-operative and other types of financing institutions should also fit in the framework of the general pattern. In addition, it would be necessary to collect similar basic statistics or at least some general estimates of such statistics relating to deposits and advances from the unorganised monetary sector.

( K. K. BANERJI )

( A. R. THANAWALA )

( S. G. SHAH )

( M. NARASIMHAM )

( T. N. RAMAMURTHI )

( V. G. PENDHARKAR )

Bombay,  
July 10, 1968.

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Shri K. Gopal Rao who is out of Bombay could not sign the Report. But he is in agreement with all the recommendations contained in the Report.

Note :- The Lists attached to the Report include changes and revisions done after the work of the Working Group was finalised.

BANK \_\_\_\_\_

Page \_\_\_\_\_

CODE

Branch \_\_\_\_\_ Type of Account \_\_\_\_\_ Balance as on \_\_\_\_\_

Name of the Party	Amount Outstanding			Credit Limit Rs. (000s)	Serial Number	Organization Type	Occupation code	Purpose	Security code	Rate of Interest	Type of Bill (As per List E)
	Credit	Debit									
		Total	of which against the pledge of receipt of official warehouses								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

TOTAL

## TYPE OF ACCOUNT

1. Cash credits
2. Overdrafts
3. Demand Loans
4. Term Loans (including Instalment Credit)
5. Packing Credit
6. Export Bills Purchased/Discounted/Advanced Against
7. Advances against Import Bills
8. Inland Bills purchased/Discounted

## LIST A

### TYPE OF ORGANISATION : STANDARDISED ABBREVIATIONS

- |    |   |       |     |
|----|---|-------|-----|
| 1. | Government (including local bodies and Govt. owned/Govt. managed concerns)  | ..    | G C |
| 2. | Companies   |       |     |
|    | (a) Small-scale   | .. .. | P S |
|    | (b) Others  | .. .. | P R |
| 3. | Co-operatives   | .. .. | ..  |
|    | (a) Financial   | .. .. | C F |
|    | (b) Others  | .. .. | C R |
| 4. | Others [including Partnerships, Firms, Associations, Societies, Trusts, Individuals (Professional or Other) etc.] | .. .. | ..  |
|    | (a) Small-scale   | .. .. | R S |
|    | (b) Others  | .. .. | R R |

## LIST B

### OCCUPATION

<i>Occupation</i>	<i>Occupation Code</i>
Production of foodgrains	0110
Production of oilseeds	0140
Production of fibres	0130

<i>Occupation</i>	<i>Occupation Code</i>
<i>Plantations</i>	
Tea	0161
Coffee	0162
Rubber	0163
Tobacco	0164
Pepper	0165
Cardamom	0166
Sugarcane	0168
<i>Rearing of Livestock, etc.</i>	
Livestock rearing	0170
Poultry	0171
Fishery	0172
Other Agricultural or ancillary occupations	0190
<i>Mining and Quarrying</i>	
Coal	1110
Others	1119
<i>Food Manufacturing &amp; Other Processing Industries</i>	
Fruits and Vegetable Processing	2030
Paddy Husking and Rice Mills	2050
Roller Flour Mills	2061
Other Flour Mills	2069
Sugar	2091
Gur	2093
Vanaspati	2110
Manufacture of Vegetable Oils other than Vanaspati	2120
Solvent Extraction Plants and Integral Oil Expeller Mills (with Solvent Extraction Plants)	2121
Other Oil Mills	2129
Other Food Manufacturing and Processing Industries	2199

*Manufacture of Textiles*

Cotton Ginning and Pressing	2311
Jute Baling	2312

Cotton textiles	2320
Jute textiles	2350
Woollen textiles	2391
Rayon, nylon, silk and man-made fabrics and textiles	2392
Coir manufactures	2393
Other textiles	2399

*Manufacture of leather and leather products*

Leather and leather goods	2900
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*Occupation*

Occupation  
Code

*Manufacture of chemicals and chemical products*

Fertilizers	3190
Pesticides	3191
Drugs and pharmaceuticals (excluding fertilizers and pesticides)	3192
Paints and varnishes	3193
Synthetic resins and plastics	3194
Synthetic rubber	3195
Synthetic fibres	3196
Manufacture of miscellaneous chemical products	3197
Dyes and dyestuffs	3198
Other chemicals	3199

*Manufacture of non-metallic mineral products*

Cement	3390
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*Manufacture of metals, machinery and transport  
equipment*

Iron and steel	3410
Non-ferrous metals	3501

Metal products	3502
Sewing and knitting machines	3503
Manufacture of bicycles and tricycles	3504
Other light engineering industries	3509
Manufacture of tractors, earth moving machinery, heavy boilers and turbines and Steam engines	3601
Manufacture of industrial machinery (other than electrical machinery)	3602
Machinery for generation, storage and transmission of electricity	3603
Ship building	3604
Manufacture of aircraft	3605
Other heavy engineering industries	3609
Manufacture of electrical goods and accessories including radios and telephones (other than machinery for generation, storage and transmission of electricity)	3720
Motor vehicles	3830

*Miscellaneous manufacturing industries*

Paper and paper products	3901
Rubber Products	3902
Fuel oil	3903
Glass and glassware	3904
Other manufacturing industries (not elsewhere classified)	3900
Construction	4000

<i>Occupation</i>	Occupation Code
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*Electricity, gas, water and sanitary services*

Electricity generation and distribution	5100
Others	5900

*Trade*

Co-operative Marketing and Processing Societies acting as procurement agents authorised by State Governments	6001
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Co-operative Marketing and Processing Societies acting as authorised agents licensed for distribution by State Governments and who deal exclusively on government account	6002
Other Co-operative Marketing and Processing Societies	6003
Procurement agents (other than Co-operative Marketing and Processing Societies) authorised by State Governments	6004
Authorised agents (other than Co-operative Marketing and Processing Societies) licensed for distribution by State Governments and who deal exclusively on government account	6005
Wholesale Trade	6100
Retail Trade	6200

*Banks and other financial institutions*

Commercial banks	6301
Dealers in Government securities, Shares of Joint Stock Companies, etc.	6302
Dealers in bullion	6303
Shroffs (Indigenous banks)	6305
Insurance concerns	6306
Co-operative banks (including credit societies)	6307
Land mortgage banks	6308
Hire purchase finance companies	6309
Other financial institutions	6310

*Real Estate*

Real Estate Agents	6500
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*Transport, storage and communications*

Motor transport	7141
Shipping	7150
Airlines	7170
Other transport	7190
Storage and warehousing	7200
Others	7900

<b>Occupation</b>	<b>Occupation Code</b>
<i>Services</i>	
Professional services	8300
Hotels	8530
Laundries, saloons and other personal services	8540
Other services	8900
 <i>Government</i>	
Central Government	9100
State Government	9200
Local authorities	9300
Personal Accounts	9900
Others (not classified elsewhere)	9999

## **LIST C**

### **PURPOSE : STANDARDISED ABBREVIATIONS**

- |  |          |
|--|----------|
| 1. Fixed Capital for Industry  | .. F C I |
| 2. Working Capital for Industry:                                       |          |
| (a) Finance against Inventories  | .. W I F |
| (b) Export Finance   | .. W E F |
| (c) Import Finance   | .. W M F |
| (d) Finance for Distribution<br>(Inland D. A. Bills, D. P. Bills etc.) | .. W D F |
| 3. Trade — Wholesale:  |          |
| (a) Agricultural Commodities   | .. T A C |
| (b) Agricultural Inputs  | .. T A I |
| (c) Others   | .. T R R |
| 4. Agricultural Production Finance                                     | .. A P F |
| 5. Others (including Retail Trade)                                     | .. M R P |



## LIST D SECURITY

Security	Security Code
Paddy and rice	0111
Wheat	0112
American maize yellow corn No. 2 (Imported under P. L. 480)	0115
Hybrid certified seeds	0118
Other cereals and pulses (excluding imported maize)	0119

Security	Security Code
Raw jute (imported)	0130
Raw jute (Indigenous)	0131
Cotton and kapas — indigenous-exportable variety	0132
Cotton and kapas — indigenous non-exportable variety	0133
Cotton — imported	0134
Groundnuts	0141
Gingelly seeds	0142
Cotton seeds	0143
Other edible oilseeds	0144
Castor seeds	0145
Linseeds	0146
Other non-edible oilseeds	0149
Cashewnuts	0158
Tea	0161
Coffee	0162
Tobacco	0164
Plantation products (Other than tea, coffee and cashewnuts)	0169
Coal	1110
Manganese, Mica, Other Minerals and Mineral Oils	1119
Sugar	2091
Gur	2093
Vanaspati	2110

Groundnut oil	2121
Cotton seed oil	2122
Rape seed and Mustard seed oils	2123
Soyabean and Sun-flower oils	2124
Other edible vegetable oils	2125
Linseed oil	2126
Castor oil	2127
Other non-edible vegetable oils	2128
Cotton textiles (including yarn)	2320
Jute textiles	2350
Textiles other than cotton and jute	2390
Hides and skins	2900
Fertilizers	3190
Pesticides	3191
Chemicals, dyes, paints, drugs and pharmaceuticals (excluding fertilizers and pesticides)	3192
Cement	3390
Iron and Steel	3410
Metals and metal products (other than iron and steel and engineering products)	3500

<b>Security</b>	<b>Security Code</b>
Engineering products (excluding vehicles and and electrical goods and also agricultural machinery and implements)	3600
Agricultural machinery and implements (should not be covered under vehicles, engineering products and other goods)	3601
Electrical goods including radios & telephones (other than machinery for generation, storage and transmission of electricity)	3720
Vehicles (cars, trucks, jeeps, etc.)	3830
Other manufactured goods	3900
Fixed deposit receipts issued by the Bank	6301
Government and other trustee securities (including National Savings Certificates, Treasury Savings Certificates, etc.)	6302
Gold and silver bullion	6303

Gold and silver ornaments	6304
Shares of joint stock companies	6309
Debentures of joint stock companies	6300
Real Estate (other than industrial block assets)	6500
Book debts and other accounts receivables	6501
Life Insurance Policies	6502
Assets of industrial concerns — fixed or floating (excluding those specified under book debts and other receivables)	9400
Composite advances	9500
Other secured advances	9600
Unsecured advances	9700
<b>Total bank credit</b>	

**LIST E**  
**Types of Bills : Standardised Abbreviations**

1. *Demand*

(a) Documentary	... D D
(b) Clean	.. D C
(c) Supply Bills	.. D S

2. *Usance*

(a) Documentary	.. U D
(b) Clean	.. U C

**Explanatory Note**  
**ADDITIONAL INSTRUCTIONS FOR FILLING**  
**IN THE COMPOSITE PROFORMA**

1. The Composite Proforma given as annexure to the Report of the Working Group on Banking Statistics will be a monthly return relating to the last Friday of the month. In case that Friday is a holiday, it should relate to the previous working day.

2. The data furnished on the return should relate to the Indian Offices of the bank and should also include *kuri* or *chitti* loans, suit filed, decreed, doubtful and bad debts but should exclude 'money at call and short notice'. The outstanding amounts of credit and debit in columns 2, 3 and 4 of the proforma should be given in *full* (rounded off to the nearest rupee) while the amount of credit limit in force in column 5 should be rounded to the nearest thousand (three zeros omitted).

3. Column No. 6 is provided with a view to facilitating processing by the Reserve Bank of the data and will, therefore, be filled in by us. It need not be filled in by banks.

4. The classification of loans and advances is required to be made according to type of account, organisation, purpose, occupation, security, etc. In addition to instructions regarding entries in the proforma given under "Entries in UBBs-Description of Proforma" in the Working Group's Report, a detailed description regarding the occupation of the borrower and the security lodged is given in the following:—

Occupation (Column No. 8): The banks are required to give only the occupation code as per List B. The occupation code should be determined by the end-use of the loan, rather than the principal occupation of the borrower. For example, a company 'A' engaged in the manufacture of cotton textiles and fertilizers obtains loan from a bank. In determining the occupation code, what is important is whether the loan is required for the manufacture of cotton textiles or for the manufacture of fertilizers. If the loan is for cotton textiles, the Code No. should be '2320' and if it is for fertilizers the Code No. should be '3190' irrespective of the security against which the advances are granted. In column No. 10, the banks are required to give the code number for the security lodged as indicated in List D attached to the Report. Where the advance is made against more than one class of security given in List D, it should be split up and distributed between the different classes of securities in the same proportion as the actual or estimated value of each class of security bears to the total. Amounts which cannot be so split up and distributed among the different classes of securities should be shown against the item Composite Advances (Code No. 9500).

In respect of Documentary bills, classification should be on the basis of goods covered by the bills. In the case of partially secured advances, these should be divided between secured and unsecured.

5. Advances against warehouse receipts issued only by the warehouses established by the *Central and State Warehousing Corporations* are to be shown separately in column (4) and also included in column (3) (i.e., total of debits).

6. Term loans are such loans as are *originally* sanctioned for a period exceeding one year and are outstanding partly or wholly on the date of the return. Loans and advances, cash credits and overdrafts and bills which are renewed beyond a one-year period, should not be included in term loans.

7. Small-scale industries will include all industrial units with a capital investment of not more than Rs. 7.50 lakhs irrespective of the number of persons employed. Capital investment for this purpose will mean investment in plant and machinery only. In calculating the value of plant and machinery the original price paid by the owner, irrespective of whether the plant and machinery are new or second-hand, should be taken into account. A co-operative small-scale industrial unit though included under 3(b) — Others, according to List A, should be specified clearly in the return.

*Separate return for each office of the bank, whether it is a branch, sub-office or pay office (having loan transactions) should be furnished in the composite return.*

8. A 'nil' statement should be submitted in the composite return when the branch has nothing to report.

9. The name of the bank, office, type of account, date of the return and page number should be clearly stated in the space provided. The branch/office should arrange to have a rubber stamp prepared (as per the code number allotted by us) and put it in the space provided for the purpose on each page.

10. At the end of each month's report, the total of credit limits in force, and outstandings of both credit and debit balances should be given and the return signed by the officer-in-charge of the department concerned.

11. The proforma, after being completed, should be forwarded to the Director, Banking Division, Economic Department, Reserve Bank of India, Post Box No. 1036, Bombay-1, so as to reach within *15 days from the date to which the return relates*. The filing of this return should not be delayed for technical adjustments such as balancing of the UBBs. In case discrepancies occur, the final figures for particular entries should be advised to us as soon as the books are balanced.

The envelope should be superscribed "Monthly Survey of Advances (including bills purchased and discounted)".

**RESERVE BANK OF INDIA**  
Economic Department  
Post Box No. 1036,  
BOMBAY-1.

Ref. No. ED. BD. 368. /B. 7.0011-68

August 7, 1968  
-----  
Sravana 16, 1890 (Saka)

To  
All Scheduled Commercial Banks.

Dear Sirs,

In the context of the setting up of the National Credit Council, the question of improving statistical reporting by banks so as to ensure that meaningful data on sectoral allocation of credit becomes available promptly, has assumed importance. The Governor of the Reserve Bank of India therefore, appointed a Working Group consisting of the representatives from the Reserve Bank and commercial banks to go into the question of the form in which the data on credit allocation should be reported. We enclose a copy of the Report of the Working Group on Banking Statistics.

2. Taking into account the necessity to obtain all relevant information while keeping the workload on banks to the minimum possible, the Working Group has recommended a Composite proforma for reporting data on advances. The Working Group has further recommended that reporting of information on the basis of this proforma would be facilitated if the banks adopt a system of Uniform Balance Books (UBB), the pages of which are as per the proforma recommended by the Working Group.

3. We shall be glad if you will kindly make all the necessary arrangements to adopt the system of Uniform Balance Books as early as possible, and in any case, within a period of three months. With the adoption of the system of Uniform Balance Books, individual branches of banks would be required to submit the information as per the proforma direct to the Reserve Bank as on the last Friday of each month, commencing from December 1968. The introduction of this system will enable the Reserve Bank to obtain through one Survey and in a co-ordinated manner, the information which is at present collected through three different surveys. Once this new system is introduced, the Reserve Bank proposes to discontinue the following Surveys which are at present conducted.

- (i) Fortnightly Survey of Advances including Bills Purchased and Discounted,
- (ii) Annual Survey of Bank Advances as of March every year,
- (iii) Half-yearly Survey of Interest Rates on Deposits and Advances.

The information on Interest Rates on Deposits will be obtained through the Survey of Ownership of Deposits.

4. Detailed instructions regarding filling up of the various columns in the Composite Proforma are already given in the report of the Working Group. An Explanatory Note giving additional instructions is also enclosed. In case you require any further clarification, please do not hesitate to write to us. Also in case the officers of your bank, concerned with maintenance of the Uniform Balance Books, desire to have discussions with us, we shall be happy to assist them.

5. The Working Group also considered the question of collection of information on credit refusals by banks. The Group has recommended that banks should ask their branches to maintain a record of refusals classified according to the reasons for refusal. For the present, banks would maintain this information with themselves. Whether a periodical return from banks should be sent to the Reserve Bank will be advised later. We would suggest your advising your branches to maintain a record of refusals showing the particulars indicated in the Report.

6. We shall be glad if you will kindly keep us informed of the progress made at your end in introducing the new system of Uniform Balance Books.

7. Please acknowledge receipt

Yours faithfully,  
(V. G. Pendharkar)  
Economic Adviser to the Reserve Bank of India.



**RESERVE BANK OF INDIA**  
**ECONOMIC DEPARTMENT**  
**POST BOX NO. 1036**  
**B O M B A Y - 1**

Ref. No. ED. BD. 624/B. 7.0011-68

September 6, 1968  
Bhadra 15, 1890 (Saka)

Dear Sir,

Please refer to my letter No. ED.BD. 368/B.7.0011-68 dated August 7, 1968. We hope that you have already initiated action to introduce the new system of Uniform Balance Books within the time limit mentioned therein. We shall be glad if you will kindly keep us informed of the progress made at your end in this regard.

2. In response to my letter of August 7, 1968, a few points have been raised by some banks for clarification. As some of these are of general importance, I am taking this opportunity of bringing them to your notice.

3. To begin with I should like to mention that the widths of the different columns in the proforma have been so designed as to facilitate posting the various entries. It would be desirable to get your UBBs printed with these widths as the minimum widths; but there is no objection if a bank chooses to provide for all its branches somewhat larger columns. A copy of the proforma indicating the overall minimum size as well as the minimum sizes of various component columns is enclosed for your guidance.

4. According to instruction No. 2 given in the explanatory note attached to my letter, the outstanding amounts of credit and debit in columns 2, 3 and 4 of the proforma were required to be given in *full* (rounded off to the nearest rupee). However, some banks are of the view that for purposes of balancing, it will be of considerable assistance if the amount in columns 2, 3 and 4 are given *in full to the paise*. In order to accommodate this, the size of columns 2, 3 and 4 in the proforma has been slightly changed. Further, it will be desirable to adopt the system of vertical ruling in printing columns 2, 3 and 4. But the choice of reporting the amount, i.e., either in full rounded off to the nearest rupee or in *full to the paise*, will be left to the banks concerned. There should, however, be uniformity of reporting for *all* the branches of the same bank.

Yours faithfully,

(V. G. Pendharkar)  
Economic Adviser to  
the Reserve Bank of India.