



Annex II

Illustration Statement of Capital Adequacy - Quarter ended - Name of the Primary Dealer:

Statement - 1 (Summary) (Amount in ₹)

(i)	Total of Risk Weighted Assets(RWA) for Credit Risk (Section D.1 of chapter III)	
(ii)	(a) Tier 1 capital funds (after deductions)	
	(b) Tier 2 capital funds eligible	
	(c) Total of available Tier 1 & 2 capital funds	
(iii)	Minimum credit risk capital required i.e. (i) x 15 per cent	
(iv)	Excess of Tier 1 & 2 capital funds available for market risk capital charge i.e. (ii) (c) – (iii)	
(v)	The Market Risk capital charge worked out as the higher of the amounts under the Standardised method and the one as per internal risk management framework based VaR model (Section E of chapter III)	
(vi)	Capital funds available to meet (v) i.e: excess of Tier 1 and Tier 2 as at (iv) above,	
(vii)	Over all Capital Adequacy	
	(a) Total RWA for credit risk i.e. (i)	
	(b) Capital charge for market risk i.e. (v)	
	(c) Numerical Link for (b) = 6.67	6.67
	i.e.(reciprocal of credit risk capital ratio of 15%)	
	(d) Risk Weighted Assets relating to Market Risk i.e. (b) x (c)	
	(e) Total Risk Weighted Assets i.e. (a) + (d)	



	(f) Minimum capital required i.e. (e) x 15%	
	(g) Total Capital funds available i.e. (ii) + (vi)	
	(h) less : Capital funds prescribed by other regulators/ licensors e.g. SEBI/ NSE/ BSE/OTCEI	
	(i) Net capital funds available (g – h) for PD business	
(viii)	Capital to Risk-Weighted Assets Ratio (CRAR) % (i / e) * 100	