

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 (Appendix I)	
(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 (Appendices II and 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) = i.e.(reciprocal of credit risk capital ratio of 15%)	6.67
(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) <u>less</u> : 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	