

To

The Chairman, SBI.  
CMDs of all Nationalised Banks including IDBI Bank Ltd.  
MDs of all SBI Associate Banks.

Sub: Abridged financial statements for banks-reg.

Sir,

It has been brought to the notice of this Department that Public Sector Banks (PSBs) issue detailed published Balance Sheet and Profit and Loss Account to shareholders as per the requirement of Companies Act and SEBI regulations entailing substantial cost and use of paper. While the Companies Act now provides for issuing abridged forms of Balance Sheet and Profit and Loss account to shareholders through electronic mode, PSBs continue to issue detailed forms of Balance sheet and Profit and Loss account in physical form as in the Third Schedule under the Banking Regulation Act (BR Act), 1949.

2 The matter was examined in this Department and also in the Reserve Bank of India (RBI) with reference to the provisions of BR Act. The RBI has devised abridged formats for Balance Sheet and Profit and Loss account of banks and forwarded the same to this Department (copy enclosed).

3 This Department is of the view that the said formats, as devised by RBI, are in consonance with the provisions of the sub-section (1) of Section 29 of the B.R. Act in as much as the same can be said to be 'near to' the Third schedule of BR Act within the meaning of Sub-section (1) of Section 29 of the Act; and that the circumstances admit preparation of balance sheet and profit and loss account of banks in the said formats.

4 Further, in order to take the 'green initiative' forward, PSBs may shift to paperless compliance and issue Abridged form of Balance Sheet and Profit and Loss Account in the enclosed form to shareholders, unless the investor specifically asks for the complete copy, in electronic mode being valid service of documents under Information Technology Act, 2000.

Yours faithfully,

  
(M.M. Dawla)

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Encl.: As above.

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Statement containing salient features of balance sheet and profit and loss account etc. as per Section 219(1)(b)(iv)  
Form of Abridged Financial Statements for Banking Companies

Abridged Balance Sheet of \_\_\_\_\_  
as on March 31, \_\_\_\_\_

		As on March 31, _____ (Current Year)	As on March 31, _____ (Previous Year)
(All amounts in Rs. lac)			
<b>CAPITAL &amp; LIABILITIES</b>			
<b>Capital</b>			
<b>Reserves &amp; Surplus</b>	Statutory Reserves Capital Reserve Share Premium Revenue and Other Reserves Balance in Profit & Loss a/c		
<b>Deposits</b>	Demand Deposits Savings Bank Deposits Term Deposits		
<b>Borrowings</b>	Borrowings in India (a) from Reserve Bank of India (b) from other banks (c) from other institutions and agencies  Borrowings outside India		
<b>Other liabilities &amp; provisions</b>	Bills payable Inter-office adjustments (net) Interest accrued Provisions towards standard assets Deferred Tax Liability (net) Others		
<b>Total Capital and Liabilities</b>			
<b>ASSETS</b>			
<b>Cash and balance with Reserve Bank of India</b>			
<b>Balances with banks and money at call and short notice</b>	Balances with banks in India Money at call and short notice in India Balances outside India		
<b>Investments</b>	In India (a) Government Securities (b) Other approved securities (c) Shares (d) Debentures and Bonds (e) Subsidiaries and/ or Joint Ventures (f) Others  Outside India		
<b>Advances</b>	In India (a) Bills purchased and discounted (b) Cash credits, overdrafts and loans repayable on demand (c) Term loans  Outside India		
<b>Fixed assets</b>			
<b>Other assets</b>	Inter-office adjustments (net) Interest accrued Tax paid in advance/ deducted at source Deferred Tax Asset (net) Non-banking assets acquired in satisfaction of claims Others		
<b>Total Assets</b>			
<b>Contingent Liabilities</b>	Claims against the bank not acknowledged as debts Liability on account of outstanding forward exchange contracts  Guarantees given on behalf of constituents Acceptances, endorsements and other obligations Other items for which the bank is contingently liable		
<b>Bills for collection</b>			

Note: 1. Revaluation reserves, if any, should be disclosed as a foot note



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**Abridged Profit and Loss Account of \_\_\_\_\_**  
for the year ended March 31, \_\_\_\_\_

(All amounts in Rs. lac)

	For the year ended March 31, _____ (Current Year)	For the year ended March 31, _____ (Previous Year)
	<b>Income</b>	
<b>Interest earned</b>	On advances/bills On investments on balances with RBI and inter-bank funds Others	
<b>Other Income</b>	Commission, exchange and brokerage Net profit on sale of investments Net profit on sale of land, buildings and other assets Net profit on exchange transactions Income by way of dividends, etc from subsidiaries/ companies and/or joint ventures abroad/in India Miscellaneous income	
	<b>Total Income</b>	
	<b>Expenditure</b>	
<b>Interest expended</b>	On deposits On RBI/ inter-bank borrowings Others	
<b>Operating expenses</b>	Payment to and provisions for employees Rent, taxes and lighting Printing and stationery Advertisement and publicity Depreciation on bank's property Director's fees, allowances and expenses Auditor's fee and expenses (including branch auditors) Law charges Postage, telegrams, telephones, etc. Repairs and maintenance Insurance Others	
<b>Provisions and contingencies</b>	Provisions for depreciation on investment Provision towards non performing assets Provision towards standard assets Others (excluding income taxes)	
	<b>Total expenses and provisions</b>	
<b>Profit/(loss) before tax</b>	Current tax Deferred tax	
<b>Profit/(loss) after tax</b>		
<b>Profit/ Loss brought forward</b>		
<b>Total</b>		
<b>Appropriations</b>	Transfer to Statutory Reserve Transfer to Other Reserves Transfer to Government/ proposed dividend Balance carried forward to balance sheet	

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1. The amounts to be shown here should be the same as shown in the corresponding aggregated heads in the unbridged Balance Sheet and unbridged Profit and Loss Account prepared as per the Third Schedule to the Banking Regulation Act, 1949 or as near thereto as possible. (Except in the case of "Provisions and Contingencies" to the extent of income taxes).

2. All notes forming part of the accounts as per Third Schedule of the Banking Regulation Act, 1949 to which specific attention has been drawn by the auditors or which form a subject-matter of qualification by the auditor should be reproduced.

3. Any item which constitutes 20% or more of the total income of or expenditure (including provision) should be shown separately.

4. Amount, if material, by which any items shown in the profit and loss account are affected by any change in accounting policy, should be disclosed separately.

5. Notes shall include disclosure requirements prescribed by the Reserve Bank of India from time to time.

6. Notes in the abridged balance sheet should be given the same number as in the main balance sheet.

**Authentication**

The above stated salient features of balance sheet and profit and loss account should be authenticated in the same manner as the

**Auditor's Report**

Auditor's Report on unbridged financial statements shall also be given.

**Directors' Report**

Salient features of Directors' Report shall be disclosed.