# CONTENTS

Acknowledgements  
List of Tables  
List of Figures  
Abbreviations / terms used

## CHAPTER 1: INTRODUCTION  
1 – 66

1.1 Corporate Disclosure: The Concept  
   1.1.1 Disclosure Defined  
   1.1.2 Significance of Disclosure  
   1.1.3 Objectives of Disclosure  
1.2 History of Banking  
1.3 Indian Banking  
   1.3.1 Importance of Disclosure in Banking  
1.4 Review of Literature  
1.5 Need of the Study  
1.6 Objectives of the Study  
   1.6.1 Hypothesis  
1.7 Research Methodology  
   1.7.1 Sample Selection  
   1.7.2 Data Collection  
   1.7.3 Period of Study  
   1.7.4 Disclosure Index  
   1.7.5 Tools of Analysis  
1.8 Limitations of the Study  
1.9 Plan of the study  
1.10 Summary  
References  

## CHAPTER 2: REGULATORY FRAMEWORK OF DISCLOSURE PRACTICES OF BANKS IN INDIA  
67 – 95

2.1 The Banking Regulation Act, 1949  
2.2 The Company’s Act 1956  
2.3 Reserve Bank of India (RBI)  
2.4 Securities and Exchange Board of India (SEBI)  
2.5 The Institute of Chartered Accountants of India (ICAI)  
   2.5.1 RBI Guidelines Pertaining to Accounting Standards  
2.6 International Scenario  
2.7 Basel Norms  
2.8 Summary  
References  

## CHAPTER 3: BANK-WISE DISCLOSURE PRACTICES  
96 – 128

3.1 Overall Disclosures by the Banks  

References
3.1.1 Top Ten Banks in 1996-97 97
3.1.2 Bottom Ten Banks in 1996-97 98
3.1.3 Top Ten Banks in 2001-02 99
3.1.4 Bottom Ten Banks in 2001-02 100
3.1.5 Top Ten Banks in 2006-07 102
3.1.6 Bottom Ten Banks in 2006-07 103
3.1.7 Test of Significance of Change in Quantum of Disclosures 104

3.2 Voluntary Disclosures by the Banks 108
3.2.1 Top Ten Banks in 1996-97 108
3.2.2 Bottom Ten Banks in 1996-97 109
3.2.3 Top Ten Banks in 2001-02 110
3.2.4 Bottom Ten Banks in 2001-02 111
3.2.5 Top Ten Banks in 2006-07 112
3.2.6 Bottom Ten Banks in 2006-07 113
3.2.7 Test of Significance of Change in Quantum of Voluntary Information Disclosures 115

3.3 Comparative Disclosures of Public and Private Sector Banks 118
3.3.1 Overall Disclosure Scores of Public and Private Sector Banks in 1996-97 119
3.3.2 Overall Disclosure Scores of Public and Private Sector Banks in 2001-02 120
3.3.3 Overall Disclosure Scores of Public and Private Sector Banks in 2006-07 121
3.3.4 Voluntary Disclosure Scores of Public and Private Sector Banks in 1996-97 123
3.3.5 Voluntary Disclosure Scores of Public and Private Sector Banks in 2001-02 124
3.3.6 Voluntary Disclosure Scores of Public and Private Sector Banks in 2006-07 125

3.4 Summary 127

CHAPTER 4: ELEMENT WISE ANALYSIS OF BANKING DISCLOSURES 129 – 161

4.1 Mandatory Banking Disclosures 130
4.1.1 Balance Sheet Items 130
4.1.2 Profit and Loss Account Items 132
4.1.3 Boards Report 132
4.1.4 Management Discussion and Analysis 134
4.1.5 Corporate Governance (Mandatory) 136
4.1.6 RBI Guidelines 140

4.2 Voluntary Banking Disclosures 143
4.2.1 Disclosure Related to Background of the Bank / General Corporate Information 144
4.2.2 Voluntary Corporate Governance Disclosures 145
4.2.3 Disclosure of Financial Performance 147
| 4.2.4 | Disclosure of Corporate Strategy | 148 |
| 4.2.5 | Disclosure of General Risk Management | 149 |
| 4.2.6 | Disclosure of Credit Risk Exposure | 150 |
| 4.2.7 | Disclosure of Market Risk Exposure | 152 |
| 4.2.8 | Disclosure of Interest Rate Risk | 152 |
| 4.2.9 | Disclosure of Key Non-Financial Statistics | 153 |
| 4.2.10 | Disclosure of Employee Related Information | 154 |
| 4.2.11 | Corporate Social Disclosure | 155 |
| 4.2.12 | Disclosure of Other Elements | 156 |
| 4.3 | Category Wise Overview of Banking Disclosures | 157 |
| 4.4 | Summary | 160 |

**CHAPTER 5: IMPACT OF BANK ATTRIBUTES ON THE DISCLOSURE PRACTICES**

| 5.1 | Banking Attributes | 162 |
| 5.1.1 | Firm Size | 162 |
| 5.1.2 | Profitability | 163 |
| 5.1.3 | Ownership | 164 |
| 5.1.4 | Governance: Quality of Management | 164 |
| 5.1.5 | Age | 164 |
| 5.1.6 | Prudential Norms of the Banks: Adequacy Ratio | 165 |

| 5.2 | Description of Stepwise Multiple Linear Regression Analysis | 165 |

| 5.3 | Regression Analysis for the year 1996-97 | 167 |
| 5.3.1 | Impact of Bank Attributes on Overall Disclosure Performance of Banks in 1996-97 | 168 |
| 5.3.2 | Impact of Bank Attributes on Voluntary Disclosure Performance of Banks in 1996-97 | 170 |

| 5.4 | Regression Analysis for the year 2001-02 | 172 |
| 5.4.1 | Impact of Bank Attributes on Overall Disclosure Performance of Banks in 2001-02 | 173 |
| 5.4.2 | Impact of Bank Attributes on Voluntary Disclosure Performance of Banks in 2001-02 | 175 |

| 5.5 | Regression Analysis for the year 2006-07 | 177 |
| 5.5.1 | Impact of Bank Attributes on Overall Disclosure Performance of Banks in 2006-07 | 177 |
| 5.5.2 | Impact of Bank Attributes on Voluntary Disclosure Performance of Banks in 2006-07 | 179 |

| 5.6 | Summary | 181 |
| References | 183 |