

Computation of Capital for Market Risk

Capital required for supporting credit risk shall be deducted from total capital funds to arrive at capital available for supporting market risk as illustrated below:

			(₹ in crore)
1	Capital funds		105
	• Tier I capital -----	55	
	• Tier II capital -----	50	
2	Total risk weighted assets		1140
	• RWA for credit risk -----	1000	
	• RWA for market risk -----	140	
3	Total CRAR		9.21
4	Minimum capital required to support credit risk (1000*9%)		90
	• Tier I - 45 (@ 4.5% of 1000)-----	45	
	• Tier II - 45 (@ 4.5% of 1000)-----	45	
5	Capital available to support market risk (105 - 90)		15
	• Tier I - (55 - 45) -----	10	
	• Tier II - (50 - 45) -----	5	