

NOTIFICATION

It has been decided to withdraw the notification No.RPCD.RF.No.6107/07.02.01/ 2005-06 dated June 22, 2006 with immediate effect. In exercise of the powers conferred by sub-section (7) of Section 42 of the Reserve Bank of India Act, 1934, the Reserve Bank of India has, however, decided to continue to exempt every Scheduled State Co-operative Bank from the maintenance of Cash Reserve Ratio (CRR) on the following liabilities with effect from June 22, 2006:

- (i) Liabilities to the banking system in India as computed under Clause (e) of the explanation to sub-section (1) of Section 42 of the RBI Act, 1934; and
- (ii) Transactions in Collateralized Borrowing and Lending Obligation (CBLO) with Clearing Corporation of India Ltd. (CCIL).

The effective CRR maintained by Scheduled State Co-operative Banks on total demand and time liabilities shall, however, not be less than 3 per cent of the total demand and time liabilities.

(V.S.Das)
Executive Director