

RBI/2008-2009/ 255

Ref.DBOD No. Ret.BC.73 /12.02.001/2008-09

November 03, 2008

All Scheduled Commercial Banks
(excluding Regional Rural Banks)

Madam/Dear Sir,

Section 24 of the Banking Regulation Act, 1949
Maintenance of Statutory Liquidity Ratio (SLR)

Please refer to our circular DBOD. No. BC. 62/12.02.001/2007-08 dated February 13, 2008 on the captioned subject.

2. On a review of the current and evolving macroeconomic situation and liquidity conditions in the global and domestic financial markets, and as set out in the RBI Press Release 2008-2009/603 dated November 01, 2008, it has been decided that Statutory Liquidity Ratio for scheduled commercial banks be reduced from 25 per cent to 24 per cent of their net demand and time liabilities (NDTL) with effect from the fortnight beginning November 8, 2008.

3. A copy of the relative notification DBOD. No.Ret. BC.72/12.02.001/2008-09 dated November 03, 2008 is enclosed.

4. Please acknowledge receipt.

Yours faithfully,

(P. K. Mahapatra)
General Manager

November 03, 2008

NOTIFICATION

In exercise of the powers conferred by sub-section (2A) of Section 24 of Banking Regulation Act, 1949 (10 of 1949) as amended from time to time and, in partial modification of Notification DBOD No.Ret.BC.61/12.02.001/2007-08 dated February 13, 2008, the Reserve Bank of India hereby specifies that with effect from the fortnight beginning November 8, 2008, every scheduled commercial bank shall maintain in India assets as detailed in the notification DBOD. No. Ret. BC. 61/12.02.001/2007-08 dated February 13, 2008, the value of which shall not at the close of business of any day be less than 24 per cent of the total net demand and time liabilities in India as on the last Friday of the second preceding fortnight.

(Anand Sinha)
Executive Director