



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2009-10/200

RPCD.CO.RRB.BC No. 36 / 03.05.28(B)/ 2009-10
29, 2009

October

The Chairman
All 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](#) [RPCD.CO.RRB.No.BC.47/03.05.28\(B\)/2007-08](#) February 14, 2008 forwarding therewith the notification RPCD.CO.RRB. No.8483 / 03.05.28(B)/2007-08 dated February 14, 2008, on the captioned subject.

2. In partial modification of the [notification](#) [RPCD.CO.RRB.No.8483/ 03.05.28\(B\)/ 2007-08](#) dated February 14, 2008 referred to above, we have issued the notification RPCD.CO.RRB.BC.No.35 / 03.05.28(B)/ 2009-10 dated October 29, 2009 (enclosed) enumerating the form and manner of the assets to be maintained by the Regional Rural Banks for the purpose of Section 24 of the Banking Regulation Act, 1949. An updated list of securities issued up to September 08, 2009, (including those listed in the Annex to the February 14, 2008 notification), eligible for Statutory Liquidity Ratio (SLR) is given in the [Annex](#) to the enclosed Notification.

3. With a view to disseminating information on the SLR status of a Government security, it has been decided that:

i) the SLR status of securities issued by the Government of India and the State Governments will be indicated in the Press Release issued by the Reserve Bank of India at the time of issuance of the securities; and



(ii) an updated and current list of the SLR securities will be posted on the Reserve Bank's website (www.rbi.org.in) under the link "Database on Indian Economy".

4. In case any clarification is required regarding the SLR status of a security, a reference may please be made to the Chief General Manager, Rural Planning & Credit Department, Reserve Bank of India, Central Office, CO Building (10th Floor), Fort, Mumbai 400001.

Yours faithfully,

(R.C.Sarangi)
Chief General Manager



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

Ref.RPCD.CO.No.RRB.No. 35 / 03.05.28(B)/ 2009-10 October
29, 2009

NOTIFICATION

In exercise of the powers conferred by sub-section (2A) of Section 24 of Banking Regulation Act, 1949 (10 of 1949) and in partial modification of the [Notification RPCD. CO. No. RRB. No. 8483/03.05.28\(B\)/2007-08](#) dated February 14, 2008 the Reserve Bank of India hereby specifies that every Regional Rural Bank shall continue to maintain in India assets, as detailed below, the value of which shall not, at the close of business on 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 as prescribed vide [notification RPCD RRB.CO No.4881/03.05.28\(B\)/2008 -09](#) dated November 3, 2008 valued in accordance with the method of valuation specified by the Reserve Bank of India from time to time:

- (a) Cash, or
- (b) Gold valued at a price not exceeding the current market price, or
- (c) Unencumbered investment in the following instruments which will be referred to as "Statutory Liquidity Ratio (SLR) securities":

1. Dated securities issued up to September 8, 2009 as listed in the [Annex](#);
2. Treasury Bills of the Government of India;

Rural Planning & Credit Department Central Office, 10th Floor, Central Office Building, Shahid Bhagat Singh Marg Mumbai - 1

3. Dated securities of the Government of India issued from time to time under the market borrowing programme and the Market Stabilization Scheme;
4. State Development Loans (SDLs) of the State Governments issued from time to time under the market borrowing programme; and
5. Any other instrument as may be notified by the Reserve Bank of India.

Explanations:

A. "Unencumbered investment" of Regional Rural Bank shall include its investment in the aforesaid securities lodged with another institution for an advance or any other credit arrangement to the extent to which such securities have not been drawn against or availed of.

B. "market borrowing programme" shall mean the domestic rupee loans raised by the Government of India and the State Governments from the public and managed by the Reserve Bank of India through issue of marketable securities, governed by the Government Securities Act, 2006 and the Regulations framed thereunder, through an auction or any other method, as specified in the Notification issued in this regard.

C. In computing the amount for the above purpose, the following shall be deemed to be cash maintained in India:

- i. Any balances maintained by a Regional Rural Bank with the Reserve Bank in excess of the balance required to be maintained by it under Section 42 of the Reserve Bank of India Act, 1934 (2 of 1934); and
- ii. Net balances in current accounts with other scheduled commercial banks in India.

(V. K. Sharma)
Executive Director