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भारतीय रिजर्व बैंक
ग्रामीण आयोजना और क्रृषि विभाग
केंद्रीय कार्यालय
केंद्रीय कार्यालय भवन, 13 वीं मंजिल
फोर्ट, मुंबई - 400 001

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RESERVE BANK OF INDIA

Rural Planning & Credit Department
CENTRAL OFFICE
Central Office Building, 13-th Floor
Fort, Mumbai - 400 001

कृपया उत्तर में लिखे
Please quote in reply
संदर्भ ग्रामान्वय सं.
Reference RPCD No.

RPCD.No.RF.ROC.9/07.02.03/98-99

June 23, 1999
Aashadha 2, 1921 (Saka)

The General Manager/Deputy General Manager,
Rural Planning and Credit Department
Reserve Bank of India

Dear Sir,

Investment of surplus funds by State/Central
Co-op. Banks in the bonds of PSUs

Please refer to our circular RF.No.ROC.11/07.02.03/97-98 dated 22
June 1998 on the above subject wherein Regional Offices were advised
that proposals from SCBs/DCCBs for investment in PSU bonds for a
period not exceeding 90 days may be considered by them on merits
subject to the banks complying with the conditions stipulated in the
circular RPCD.No.BC.46/07.02.03/94-95 dated 6 October 1994.

2. It has now been decided that Regional Offices may dispose of
directly at their end proposals from SCBs/DCCBs for investment (10%
of their deposits) in bonds of PSUs for any period on merits subject
to the investing banks' compliance with the conditions stipulated in
our circular RPCD.No.BC.46/07.02.03/94-95 dated 6 October 1994.
Similarly, Regional Offices may also dispose of directly at their
end banks' applications for permission to invest in PSU bonds to the
extent of 5% of their non-SLR surplus funds, on the basis of in-
structions contained in our letter RPCD.No.182/07.02.03/95-96 dated
24 August 1995.

-2-

3. Regional Offices may submit to Central Office a quarterly statement giving details of permission granted to SCBs/CCBs for investment in PSU/Non-PSU bonds. First such statement may be forwarded for the quarter ending 30.09.1999.

4. All other contents of our circular R.P.C.D. No.BI.46/07.02.03/94-95 dated 6.10.1994 and our letter R.P.C.D. No.182/07.02.03/95-96 date 24.08.1995 remain unchanged.

5. You are advised to bring the above instructions to the notice of all State/Central Co-op. banks falling under their jurisdiction and also dispose of their requests for all investment proposals at your end expeditiously.

6. In the meantime, please acknowledge receipt.

Yours faithfully,



(R.M. Joshi)
General Manager

Copy sent to the Lower tier offices.

19/7 Noted the instruction contained in
the Co letter. Draft letter is ready and
14 DCB's may please be informed.

By
20/7

AHM

✓ 20/7

F/L dated 22.7.95 was forwarded

22/7

✓ 20/7

8/20/7