

Draft Reserve Bank of India (Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Directions, 2025

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Reserve Bank of India (Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Directions, 2025

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Introduction

In exercise of the powers conferred by Section 35A read with Section 56 of the Banking Regulation Act, 1949, and pursuant to Section 42 (1) of the Reserve Bank of India Act, 1934 and Sections 18, 24 and 56 of Banking Regulations Act, 1949, as amended from time to time, and all other provisions / laws enabling the Reserve Bank of India (hereinafter referred as the ‘RBI’ or ‘Reserve Bank’) in this regard, the RBI being satisfied that it is necessary and expedient in the public interest to do so, hereby, issues the Directions hereinafter specified.

Chapter I - Preliminary

A. Short Title and Commencement

1. These Directions shall be called the Reserve Bank of India (Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Directions, 2025.
2. These Directions shall come into force with immediate effect.

B. Applicability

3. These Directions shall be applicable to Urban Co-operative Banks (hereinafter collectively referred to as ‘banks’ or ‘UCBs’ and individually as a ‘bank’ or ‘UCB’).

In this context, ‘Urban Co-operative Banks’ shall mean Primary Co-operative Banks as defined under section 5(ccv) read with section 56 of the Banking Regulation Act, 1949.

4. The maintenance of Cash Reserve Ratio (CRR) shall be reported to the RBI under the following statutory returns:

- (1) **Form B Return** for Scheduled Co-operative Banks.
 - (2) **Form I Return** for non-scheduled Co-operative Banks under Section 18 of the Banking Regulation Act, 1949, read with Section 56 thereof.
5. The maintenance of Statutory Liquidity Ratio (SLR) shall be reported to RBI under the statutory return **Form I Return** (for SLR) for all Co-operative Banks under Section 24 of the Banking Regulation Act, 1949, read with Section 56 thereof.

C. Definitions

6. In these Directions, unless the context otherwise requires, the terms herein shall bear the meaning assigned to them below:

- (1) 'Aggregate Deposits' shall mean aggregation of demand and time deposits.
- (2) 'Apportionment of Saving Bank Account into demand liability and time liability': a bank shall undertake the apportionment of Saving Bank Account into demand liability and time liability as per the following procedure:
- (i) A bank is required to calculate the proportion of its savings bank deposits as at the close of business on March 31 and September 30, into demand and time liabilities in terms of Regulation 7 of The Reserve Bank of India Scheduled Banks' Regulations, 1951.
 - (ii) The average of the minimum balances maintained (in each account) in each of the months during the half year period shall be treated by the bank as the amount representing the "time liability" portion of the savings bank deposits. When such an amount is deducted from the average of the actual balances maintained during the half year period, the difference would represent the "demand liability" portion.
 - (iii) The proportions of demand and time liabilities so obtained for each half year shall be applied for arriving at demand and time liabilities components of savings bank deposits for all reporting fortnights during the next half year.
- (3) 'Approved Securities / SLR securities': Following securities shall be considered as approved securities (approved securities are commonly known as SLR securities):
- (i) Dated securities of the Government of India issued from time to time under the market borrowing programme and the Market Stabilization Scheme;
 - (ii) Treasury Bills of the Government of India;
 - (iii) State Development Loans (SDLs) of the State Governments issued from time to time under the market borrowing programme.
 - (iv) Any other instrument as may be notified by the Reserve Bank of India (as and when prescribed).

Explanation:

- (a) For Form B Return, banks should report the total investment in approved securities as per it's investment book i.e. including encumbered securities.
- (b) For SLR purpose, only unencumbered portion of investment in approved securities would qualify as specified SLR assets. The following SLR securities, however, shall not be considered as encumbered securities for SLR purpose and hence they will also qualify as specified SLR asset:

- 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;
 - Securities offered as collateral to the Reserve Bank for availing liquidity assistance from Marginal Standing Facility (MSF) up to the permissible percentage of the total Net Demand and Time Liabilities (NDTL) in India, carved out of the required SLR portfolio of the bank concerned;
 - Securities acquired by banks under RBI-LAF and market repo transactions.
- (c) Unencumbered approved securities to be valued on the basis of the method of valuation determined by the Reserve Bank (at present being valued at a price not exceeding current market price).
- (d) 'Unencumbered approved securities' of a co-op. bank shall include its approved 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.

(4) Assets with the 'Banking System' in India comprise:

- (i) Balances with the 'Banking System' in current accounts (a) with public sector banks and (b) with all other banks and notified financial institutions;
- (ii) Balances with banks and notified financial institutions, in all other accounts,
- (iii) Funds made available to the 'Banking System' by way of loans or deposits repayable at call or short notice of a fortnight or less;
- (iv) Loans, other than 'Money at call and short notice' made available to the 'banking system'; and
- (v) Any other amounts due from the 'Banking System' which cannot be classified under any of the above items, for example in the case of inter-bank remittance facility scheme, as on date, the total amount held by a bank with other banks (in transit or other account) would be shown here as such sums cannot be construed as 'balances' or 'call money' or 'advances'.
- (vi) In this context, it may be clarified, that if a bank has lodged securities with another bank for borrowing arrangements, then such securities or the unencumbered position of the same should not be shown by the borrowing bank as 'assets' with 'Banking System'. Similarly, the bank which has received

the securities should not show them as 'other liabilities', to the 'Banking System'.

(vii) Currency and rupee notes and coins held as till money should be shown as cash in India (i.e. cash in hand). However, currencies of foreign countries held with a bank should not be included.

Note:

(a) Lending by the UCB to the following financial institutions in the term money market cannot be reckoned as assets with the 'Banking System'. Hence, these borrowings cannot be netted against the liabilities towards the 'Banking System'.

- EXIM Bank
- NABARD
- SIDBI
- IFCI
- IIBI

(b) The borrowing of the UCB other than refinance from these financial institutions should form part of liabilities to others and therefore, form part of net demand and time liabilities for the purpose of reserve requirements.

(5) 'Average daily balance' means average of the balances held at the close of business on each day of a fortnight.

(6) 'Bank credit in India' shall mean all outstanding loans and advances including advances for which provisions have been made and / or refinance has been received {but excludes rediscounted bills without recourse and advances written off at Head Office level (i.e. technical write off)}.

(7) 'Banking System' shall comprise the following banks and financial institutions, viz.

- (i) State Bank of India;
- (ii) Corresponding new banks or IDBI Bank Ltd.
- (iii) Nationalised Banks
- (iv) Banking Companies as defined in clause (c) of Section 5 of the Banking Regulation Act, 1949. These include –

- (a) Private Sector Banks
- (b) Foreign Banks

Note: Foreign banks having no branch in India are not part of 'banking system'.

(v) Co-operative banks as defined in clause (cci) of Section 56 of the Banking Regulation Act, 1949 (applicable to Scheduled UCBs for computation of DTL for CRR)

Note: Co-operative Land Mortgage / Development Banks are not part of 'banking system'

(vi) Regional Rural banks;

(vii) Other financial institutions, if any, notified by the Central Government in this behalf under clause (d) of the Explanation to subsection (1) of Section 18 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies)

Note: 'Banking System' for the purpose of Form B and Form I prescribed for UCBs, shall not include the following:

(a) EXIM Bank

(b) NABARD

(c) SIDBI

(d) IFCI

(e) IIBI

(8) 'Cash' to be maintained by UCBs shall include:

- (i) cash in hand maintained by a co-operative bank, which is a scheduled bank,
- (ii) cash in hand maintained by a co-operative bank, not being a scheduled bank, in excess of the cash or balance required to be maintained under Section 18 of the Banking Regulation Act, 1949 (10 of 1949) read with Section 56 thereof;
- (iii) any balances maintained by a Co-operative bank, which is a scheduled 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);
- (iv) any balances maintained by a Co-operative bank, not being a scheduled bank, with the Reserve Bank in excess of the balance required to be maintained by it under Section 18 of the Banking Regulation Act, 1949 (10 of 1949) read with Section 56 thereof;
- (v) "Net balances in current accounts" as defined in the Explanation to sub-section (1) of Section 18 of the Banking Regulation Act, 1949 (10 of 1949) read with Section 56 thereof, in excess of the balance required to be maintained by it under the said section; and
- (vi) any balances held by a co-operative bank with the RBI under the Standing

Deposit Facility (SDF)

Note: In case the co-op. bank has taken an advance against any balance maintained with the State Co-operative Bank of the State concerned or with the district central cooperative bank of the district concerned, such balance to the extent to which it has been drawn against or availed of shall not be deemed to be cash maintained in India.

(9) 'Cash in India / Cash in hand' shall consist of total amount of rupee notes and coins held by bank branches / ATMs / Cash deposit machines maintained by banks in India, including transit cash on the bank's books as also cash with Business Correspondents (BCs), but shall exclude cash, where physical possession is with outsourced vendors / BCs, which is not replenished in the bank's ATM and / or is not reflected on the bank's books. .Cash must not include balances with other banks or any item other than bank / currency notes, rupee coin (including one rupee notes) and subsidiary coins current on the date of the posting of the register

Note: In computing the amount for UCBs, the following shall be deemed to be cash maintained in India, namely;

- (i) any cash or balances maintained in India by a co-operative bank, with itself or with the State Co-operative Bank of the State concerned, or in current account with the Reserve Bank or by way of net balance in current accounts, and, in the case of a primary co-operative bank, also any balances maintained with the district central co-operative bank of the district concerned, in excess of the aggregate of the cash or balances required to be maintained under Section 18;
- (ii) any net balance in current account.

(10) 'Corresponding new bank' shall mean a corresponding new bank constituted under Section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act,1970 (5 of 1970); or under Section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (40 of 1980).

(11) Current deposits will include (i) call deposit which require a notice period of 14 days or less (ii) credit balance in cash credit account, (iii) fixed deposits matured but not withdrawn etc.

(12) 'Demand Deposit' shall mean a deposit received by the bank which is

withdrawable on demand and shall include current deposits, demand portion of savings deposits, credit balances in overdrafts, cash credit accounts, deposits payable at call, overdue deposits, cash certificates, etc.

(13) 'Demand Liabilities' shall mean liabilities of a bank which are payable on demand and shall include the following:

- (i) current deposits,
- (ii) demand liabilities portion of savings bank deposits,
- (iii) margins held against letters of credit / guarantees,
- (iv) balances in overdue fixed deposits, cash certificates and cumulative / recurring deposits,
- (v) outstanding Telegraphic Transfers (TTs), Mail Transfers (MTs), Demand Drafts (DDs),
- (vi) unclaimed deposits,
- (vii) credit balances in the Cash Credit account,
- (viii) deposits held as security for advances which are payable on demand.

Explanation: Money at Call and Short Notice from outside the banking system shall be shown against liability to others.

(14) 'Fixed deposits' will include (i) employees' provident fund deposits, (ii) staff security deposits, (iii) recurring deposits, (iv) cash certificates, (v) call deposits requiring notice period of more than 14 days, (vi) provident deposits, (vii) other miscellaneous deposits like earnest money deposits of contractors etc.

(15) 'Fortnight' means the period from Saturday, following a reporting Friday, to the second following Friday, both days inclusive.

(16) Inter-Branch Accounts :

- (i) Net balance in inter-branch account, when in credit, is to be shown under 'Other Liabilities and Provisions' which is included in total Demand and Time Liabilities for CRR and SLR purpose.
- (ii) The bank should segregate the credit entries outstanding for more than five years in inter-branch account as 'Blocked Account' and show it under 'Others' under 'Other Liabilities and Provisions'. Thereafter, while arriving at net amount of inter-branch transactions for inclusion under 'Other Liabilities and Provisions' if in credit, or 'Other Assets' if in debit, the aggregate amount of 'Blocked

'Account' should be excluded and only the amount representing the remaining credit entries should be netted against debit entries. Thus, the balance in the 'Blocked Account' will be reckoned for the purpose of maintenance of CRR and SLR, even though the net of inter-branch entries is a debit balance.

(17) 'Investment in India' shall consist of investment in approved government securities and other approved securities (as explained below). These shall include both encumbered and unencumbered securities as per the bank's investment book.
(Except securities acquired by banks under RBI-LAF and market repo).

(18) 'Investment in India in other Government Securities' shall mean Investment in Government securities which are not approved securities (such as SDLs issued as UDAY bonds).

(19) 'Liabilities in India' shall not include:

- (i) the paid-up capital or reserves or, any credit balance in the profit and loss account of the co-operative bank;
- (ii) any advances taken by a primary co-operative bank from the State Cooperative Bank of the State concerned or the District central co-operative bank of the district concerned;
- (iii) any advance taken from a State Government, Reserve Bank, Industrial Development Bank of India, Export-Import Bank of India, National Bank for Agriculture and Rural Development, or from the National Co-op. Development Corporation established under Section 3 of the National Cooperative Development Corporation Act, 1962.
- (iv) amount of any advance or other credit arrangement drawn and availed of by a co-operative bank against approved securities;
- (v) in the case of any co-op. bank which has granted an advance against any balance maintained with it, such balance to the extent of the amount outstanding in respect of such advance.

(20) Liabilities to the 'Banking System' include -

- (i) Deposits of the banks.
- (ii) Borrowings from Banks (Call Money / Notice deposits).
- (iii) Other miscellaneous items of liabilities to the Banks like Participation Certificates issued to banks, interest accrued on bank deposits, etc.

Note: Liabilities of the bank to the 'banking system' are classified into two broad categories viz. 'Demand Liabilities' and 'Time Liabilities'.

(a) 'Demand Liabilities' to the 'banking system' are further classified as under:

- Balances in current accounts of SBI and Nationalised Banks
- Other demand liabilities comprising of:
 - Balances in current accounts of RRBs, Banking Companies i.e. Private Sector Banks and Foreign Banks, Co-operative Banks (applicable to Scheduled UCBs for computation of DTL for CRR), and Other 'Notified' financial institutions
 - Balances of overdue time deposits of above named banks.
 - Participation Certificates payable on demand issued to banks.
 - Interest accrued on deposits of banks (RRBs).*
 - Call Money Borrowings from the banks
 - Within the definition of 'banking system'

(b) Time liabilities to the 'banking system' include –

- All types of time deposits from the banks
- Certificates of deposits from the banks
- Participation Certificates issued to banks which are not payable on demand
- Interest accrued on time deposits / CDs of banks *

Within the definition of 'banking system'

* If it is not possible to classify / segregate this amount from interest accrued on deposits, the aggregate interest accrued may be shown under 'Other Demand and Time Liabilities'.

(21) 'Liquidity Adjustment Facility (LAF)' shall mean fixed and variable rate Repo operations (for injection of liquidity) and reverse repo operations (for absorption of liquidity) conducted by the Reserve Bank of India from time to time.

(22) 'Marginal standing facility' shall mean the facility under which the eligible banks can avail liquidity support from the Reserve Bank against excess SLR holdings. Additionally, they can also avail overnight liquidity by dipping into their stipulated SLR, up to a certain per cent of their respective NDTL outstanding at the last Friday of the second preceding fortnight. The rate of interest under MSF will be above the LAF repo rate, as decided by the RBI from time to time.

(23) '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 through issue of marketable securities, governed by the provisions of the Government Securities Act, 2006, Public Debt Act, 1944 and the Regulations framed under those Acts, through an auction or any other method, as specified in the notification issued in this regard.

(24) 'Net balance in current accounts' shall have the same meaning assigned in explanation (c) to Section 18 of the Banking Regulation Act, 1949 read with Section 56 thereof i.e. "Net balance in current accounts" shall, in relation to a co-op. bank, mean the excess, if any, of the aggregate of the credit balances in current account maintained by that co-op. bank with the State Bank of India or a corresponding new bank or IDBI Bank Ltd. over the aggregate of the credit balances in current accounts held by the said banks with such co-op bank.

(25) 'Net Liabilities': While computing liabilities for the purpose of CRR and SLR, the net liabilities of the bank to other banks in India in the 'banking system' shall be reckoned, i.e., assets in India with other banks in the 'banking system' will be reduced from total liabilities to the 'banking system'.

(26) 'Other Approved Securities' shall mean Government Securities, other than the securities mentioned in paragraph 6(3) above, subject to the condition that they are notified as approved securities.

(27) 'Other Demand and Time Liabilities (ODTL)' shall include the following:

- (i) Interest accrued on deposits, bills payable, unpaid dividends, suspense account balances representing amounts due to other banks or public, net credit balances in branch adjustment account, and any amounts due to the banking system which are not in the nature of deposits or borrowing.
- (ii) The balance outstanding in the blocked account pertaining to segregated outstanding credit entries for more than five years in inter-branch adjustment account, the margin money on bills purchased/discounted and gold borrowed by banks from abroad. The conversion rate of gold into rupees is to be done by crossing the London AM fixing for Gold/USD rate with the rupee-dollar reference rate announced by Financial Benchmarks India Private Limited (FBIL).

- (iii) Borrowings through instruments qualifying for Upper Tier 2 and Tier 2 capital.
- (iv) Other demand liabilities' and 'other time liabilities ' as the case may be, will include deposits unclaimed for more than ten years, provisions in the nature of outside liabilities (such as provision for income tax and other taxes payable, audit fees payable, establishment charges payable etc.), interest payable, bonus payable, bills payable, dividend payable, share suspense, other suspense and sundry items (which are outside liabilities) etc.

Explanation:

- (a) Such liabilities may arise due to items like collection of bills on behalf of other banks, interest due to other banks and so on. If a bank cannot segregate from the total of 'other demand liabilities' and 'time liabilities', the liabilities to the 'Banking System', the entire 'other demand liabilities' and 'time liabilities' may be shown against Item viz., Liabilities in India to others:
 - demand liabilities, and
 - time liabilities as the case may be.
- (b) the liabilities to the banking system from the total of ODTL, the entire ODTL may be shown against item II(c) 'Other Demand and Time Liabilities' of the Return in Form 'B'.
- (c) Only demand and time borrowings other than those excluded under clause (a) (ii) and (iii) of the explanation to Section 18(l) of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) should be shown against this item.
- (d) Cash collaterals received under collateralised derivative transactions should be included in the bank's NDTL for the purpose of reserve requirements as these are in the nature of 'outside liabilities'. Interest accrued on deposits should be calculated on each reporting fortnight (as per the interest calculation methods applicable to various types of accounts) so that the bank's liability in this regard is fairly reflected in the total NDTL of the same fortnightly return.
- (e) The bank should follow uniform procedure in treating margin money on bills purchased/discounted as outside liabilities and should include it in other demand and time liabilities for the purpose of maintenance of reserve requirements.

(f) The interest accrued on all deposit accounts (such as, savings, fixed, recurring, cash certificates, reinvestment plans, etc.), by whatever name called, should be treated by the bank as its liability for the purpose of maintaining CRR and SLR irrespective of whether the accrued interest has become actually payable or is not payable till due dates for repayment of deposits.

(g) The interest accrued on deposits should be classified under 'Other Demand and Time Liabilities'.

(28) 'Primary Co-operative Bank' shall mean a co-operative society, other than a primary agricultural credit society satisfying the following conditions:

- (i) the primary object or principal business of which is the transaction of banking business;
- (ii) the paid-up share capital and reserves of which are not less than one lakh of rupees; and
- (iii) the bye-laws of which do not permit admission of any other co-operative society as a member:

Provided that this sub clause shall not apply to the admission of a co-operative bank as a member by reason of such co-operative bank subscribing to the share capital of such co-operative society out of funds provided by the State Government for the purpose.

(29) 'Scheduled Commercial Bank' shall mean a banking company included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934) and includes the State Bank of India, corresponding new bank, and Regional Rural Bank.

(30) 'State Co-operative Bank' shall mean the Principal Co-operative Society in a State, the primary object of which is the financing of other Co-operative Societies in the State:

Provided that in addition to such Principal Society in a State, or where there is no such Principal Society in a State, the State Government may declare any one or more Co-operative Societies carrying on business in that State to be also or to be a State Co-operative Bank or State Co-operative Banks within the meaning of this definition;

(31) 'Time Deposits' shall mean deposits other than demand deposits.

(32) 'Time Liabilities' of a bank shall include those liabilities which are payable otherwise than on demand and shall include the following:

- (i) fixed deposits,
- (ii) cash certificates,
- (iii) cumulative and recurring deposits,
- (iv) time liabilities portion of savings bank deposits,
- (v) staff security deposits,
- (vi) margin held against letters of credit, if not payable on demand,
- (vii) deposits held as securities for advances which are not payable on demand,
- (viii) fixed deposits held as security for advances subject to paragraph 6(19)(v) above,
- (ix) gold deposits.

(33) All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Banking Regulation Act or the Reserve Bank of India Act, or any statutory modification or re-enactment thereto or as used in commercial parlance, as the case may be.

Chapter II - Cash Reserve Ratio (CRR)

A. Cash Reserve Ratio (CRR)

7. Every bank shall maintain in India by way of cash reserve, a sum equivalent to such percent of the total of its NDTL in India, in such manner and for such dates, as the Reserve Bank in terms of Section 42(1) of the RBI Act, 1934 and Section 18(1) of BR Act, 1949 [including provisions of Section 18 (1) of the BR Act as applicable to cooperative banks], may specify, by notification in the Official Gazette, from time to time having regard to the needs of securing the monetary stability in the country.

B. Incremental CRR

8. In terms of Section 42(1A) of RBI Act, 1934, the Reserve Bank may require the scheduled banks to maintain, in addition to the balances prescribed under Section 42(1) of the Act, an additional average daily balance, the amount of which shall not be less than the rate specified by the Reserve Bank in the notification published in the Gazette of India from time to time.

Provided that such additional balance shall be calculated with reference to the excess of the total of NDTL of the bank as shown in the Returns referred to in Section 42(2) of the RBI Act, 1934 over the total of its NDTL at the close of the business on the date specified in the notification.

C. Maintenance of CRR

9. Every scheduled bank shall maintain in India with the Reserve Bank, an average daily balance, the amount of which shall not be less than 3.75 per cent, 3.5 per cent, 3.25 per cent and 3.0 per cent of its NDTL, as on the last Friday of the second fortnight, effective from the reporting fortnight beginning September 6, October 4, November 1 and November 29, 2025, respectively.

10. Every co-operative bank, (not being a scheduled co-operative bank), shall maintain in India on daily basis by way of cash reserve with itself; or by way of balance in current account with the Reserve Bank or the state co-operative bank of the State concerned; or by way of net balance in current accounts; or in case of a primary (Urban) co-operative bank, balances with District Central Co-operative bank of the district concerned; or in one or more the aforesaid ways, the amount of which shall not be less than 3.75 per cent, 3.5 per cent, 3.25 per cent and 3.0 per cent of its NDTL, as on the last Friday of the second preceding fortnight, effective from the reporting

fortnight beginning September 6, October 4, November 1 and November 29, 2025, respectively.

D. Maintenance of Minimum CRR on Daily Basis

11. Every scheduled bank shall maintain minimum CRR of not less than 90 percent of the required CRR on all days during the reporting fortnight, in such a manner that the average of CRR maintained daily shall not be less than the CRR prescribed by the Reserve Bank.

E. Computation of Net Demand and Time Liabilities (NDTL)

12. NDTL of a bank includes (a) liabilities towards the banking system net of assets with the banking system as defined in Section 42 of the RBI Act, 1934 for scheduled banks or Section 18 of the Banking Regulation Act, 1949 read with Section 56 thereof for non-scheduled co-operative banks and (b) liabilities towards others in the form of demand and time deposits or borrowings or other miscellaneous items of liabilities.

13. For the purpose of these Directions, the Reserve Bank may specify from time to time with reference to any transaction or class of transactions that such transaction or transactions shall be regarded as liability in India of a bank.

14. If any question arises as to whether any transaction or transactions shall be regarded, for the purpose of these Directions, as liability in India of a bank, the bank shall approach the RBI. The decision of the Reserve Bank thereon shall be final.

15. Loans / borrowings from abroad by banks in India shall be reckoned as 'liabilities to others' and shall be subject to reserve requirements. On the other hand, lending to banks abroad will not be considered as assets with the banking system and hence will not be allowed to be netted out from inter-bank liabilities.

16. Upper Tier II instruments raised and maintained in India / abroad shall be reckoned as liability for the computation of NDTL for the purpose of reserve requirements.

17. The balance amount in respect of the drafts issued by the accepting bank on its correspondent bank under the Remittance Facilities Scheme and remaining unpaid shall be reckoned as 'Liability to others in India' for the computation of NDTL. The amount received by correspondent banks shall be reckoned as 'Liability to the Banking

System' and this liability may be netted off by the correspondent banks against the inter-bank assets.

18. Sums placed by banks for issuing drafts / interest / dividend warrants shall be treated as 'Assets with banking system' and banks shall have the option to net them off from their inter-bank liabilities.

19. The calculation of the proportion of demand liabilities and time liabilities by scheduled banks in respect of their savings bank deposits on the basis of the position as at the close of business on 30th September and 31st March every year shall continue with interest application on savings bank deposits on a daily product basis.

F. Liabilities not to be included for NDTL computation

20. The liabilities mentioned below shall not form part of liabilities of a bank for the purpose of CRR and SLR:

(1) Paid up capital, reserves, borrowings through instruments qualifying for Tier1 and additional Tier1 capital; any credit balance in the Profit & Loss Account of the bank; amount of any loan /refinance taken from RBI, Exim Bank, NHB, NABARD, and SIDBI;

Provided that the funds collected by various branches of the bank or other banks for the issue and held pending finalization of allotment of the additional Tier1 preference shares shall have to be taken into account for the purpose of calculation of reserve requirements.

(2) Any advance taken by a Primary Cooperative Bank from State Government, National Co-operative Development Corporation, State Co-operative bank of the State concerned or District Central Co-operative Bank of the district concerned as also any advance or credit arrangement drawn or availed of against approved securities. In case of an advance granted against any balance maintained with it by a Primary Co-operative Bank, such balance to the extent of the amount outstanding in respect of such advance will be excluded from the NDTL computation for SLR (in case of Scheduled Primary Co-operative Bank) and for both CRR and SLR (in case of other Primary Co-operative Banks);

(3) The loan / refinance taken by a Scheduled Co-operative Bank from NaBFID will be excluded from the NDTL computation for CRR only (not for SLR). Further, loan /

refinance taken by a non-scheduled co-operative bank from NaBFID will not be excluded from the NDTL computation for CRR / SLR;

- (4) Net income tax provision;
- (5) Amount received from Deposit Insurance and Credit Guarantee Corporation (DICGC) towards claims and held by the bank pending adjustments thereof;
- (6) Amount received from Export Credit Guarantee Corporation (ECGC) by invoking the guarantee;
- (7) Amount received from an insurance company on ad-hoc settlement of claims pending judgment of the Court;
- (8) Amount received from the Court Receiver;
- (9) The liabilities arising on account of utilization of limits under Bankers' Acceptance Facility (BAF);
- (10) District Rural Development Agency (DRDA) subsidy kept in Subsidy Reserve Fund account in the name of Self Help Groups;
- (11) Subsidy released by NABARD under Investment Subsidy Scheme for Construction/Renovation/Expansion of Rural Godowns;
- (12) Subsidy released by Central / State Government which is kept in zero percent fixed deposit receipt (FDR) account, if the terms / conditions prescribed in this regard by the Government and the accounting / operating treatment given to zero per cent FDR account are same as that of zero per cent Subsidy Reserve Fund account;
- (13) Net unrealised gain/loss arising from derivatives transaction under trading portfolio;
- (14) Income flows received in advance such as annual fees and other charges which are not refundable;
- (15) Bill rediscounted by a bank with eligible financial institutions as approved by RBI; and
- (16) Amount received by the eligible banks from National Credit Guarantee Trustee Company Limited (NCGTC) by invoking the guarantee towards claims and pending adjustments thereof.

G.Exempted Categories

21. Scheduled Banks are exempted from maintaining CRR on the following liabilities:

(1) Net of liabilities to the banking system from the assets with the banking system defined in Section 42 (1) (d) of the RBI Act, 1934 as under:

(i) Liabilities to the banking system as computed under clause (d) of explanation to section 42(1) of the RBI Act, 1934.

The aggregate of the ‘liabilities’ of a scheduled bank to:

(a) the State Bank of India,

(b) a corresponding new bank constituted by Section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and a corresponding new bank constituted by Section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980,

(c) any Regional Rural Bank established under Section 3 of the Regional Rural Banks Act, 1976,

(d) a banking company as defined in Clause (c) of Section 5 of the Banking Regulation Act, 1949 (10 of 1949),

(e) a co-operative bank as defined in Clause (cci) of Section 56 of the Banking Regulation Act, 1949, and

(f) any other financial institution notified by the Central Government in this behalf shall be reduced by the aggregate of the liabilities of all such banks and institutions to the scheduled bank.

(2) Credit balances in Asian Clearing Union (ACU) (US\$) Accounts;

(3) Funds Borrowed under market repo against Government securities;

(4) All banks are advised that with effect from the reporting fortnight beginning July 30, 2022, incremental FCNR (B) deposits as also NRE Term deposits with reference to base date of July 1, 2022, mobilised by banks are exempt from maintenance of CRR and SLR. The exemptions are valid for deposits raised till November 04, 2022. The exemption on reserves maintenance will be available for the original deposit amounts till such time the deposits are held in the bank’s books;

H. CRR Computation

22. In order to improve cash management by banks, as a measure of simplification, a lag of one fortnight is allowed to banks to maintain CRR based on the NDTL of the last Friday of the second preceding fortnight.
24. Reserve Bank of India does not pay any interest on the CRR balances maintained by Scheduled UCBs.

I. Loans out of FCNR (B) Deposits and Inter-Bank Foreign Currency (IBFC) Deposits

23. Loans out of Foreign Currency Non–Resident Accounts (Banks), (FCNR [B] Deposits Scheme) and Inter-Bank Foreign Currency (IBFC) deposits shall be included as part of bank credit for the purpose of these Directions. Banks shall use the conversion rate announced by Financial Benchmarks India Private Limited (FBIL) for the purpose of converting foreign assets / liabilities for reporting in the statutory returns mentioned at paragraphs 4 and 5 of these directions. For conversion of assets / liabilities in other currencies, banks may use New York Closing Rate pertaining to the day end of the reporting Friday for converting such currencies into USD and then use the reference rate of FBIL for USD/ INR for the same day for conversion into INR.

Chapter III - Statutory Liquidity Ratio (SLR)

A. Statutory Liquidity Ratio (SLR)

24. Every bank, in addition to the cash reserves which it is required to maintain under these Directions, shall maintain in India, assets, the value of which shall not be less than such percentage not exceeding 40 percent of the total of its demand and time liabilities in India as on the last Friday of the second preceding fortnight as the Reserve Bank may, by notification in the Official Gazette, specify from time to time and such assets shall be maintained in such form and such manner, as may be specified in such notification.

B. SLR - Eligible Assets

25. Every Primary co-operative bank shall maintain in India assets (hereinafter referred to as 'SLR assets') the value of which shall not, at the close of business on any day, be less than 18 percent of its total net demand and time liabilities in India as on the last Friday of the second preceding fortnight in accordance with the method of valuation specified by RBI from time to time.

C. Marginal Standing Facility (MSF)

26. Banks permitted by Reserve Bank shall have the option to participate in the Marginal Standing Facility (MSF) Scheme introduced by the Reserve Bank. The features of the scheme are:

- (1) The eligible banks shall have the option to borrow up to two per cent of their respective NDTL outstanding at the end of the second preceding fortnight.
- (2) The eligible entities shall also continue to access overnight funds under this facility against their excess SLR holdings.
- (3) In the event of banks' SLR holding falling below the statutory requirement up to two percent of their NDTL, banks shall not have the obligation to seek a specific waiver for default in SLR compliance arising out of use of this facility in terms of notification issued under sub section (2A) of Section 24 of the Banking Regulation Act, 1949.

D. SLR Assets

27. SLR assets shall be maintained by Primary (Urban) Co-operative banks as under:

- (1) Cash, or;
- (2) Gold as defined in Section 5(g) of the Banking Regulation Act, 1949 (AACS) (10 of 1949) valued at a price not exceeding the current market price: or;
- (3) Unencumbered investment in approved securities as defined in section 5(a) of the Banking Regulation Act, 1949 (10 of 1949) read with section 56 thereof:

Provided that the instruments that have been acquired from Reserve Bank of India under reverse repo, shall be considered as eligible assets for SLR maintenance.

Provided further that the following securities shall not be treated as encumbered for the purpose of maintenance of SLR assets, namely

- (i) 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;
- (ii) securities offered as collateral to the Reserve Bank for availing liquidity assistance under MSF up to the permissible percentage of the total NDTL in India, carved out of the required SLR portfolio of the bank concerned

(4) *Explanation- For the purpose of these Directions*

- (i) Securities lodged in the Gilt Account of the bank maintained with Clearing Corporation of India Ltd. (CCIL) under Constituent Subsidiary General Ledger account (CSGL) facilities remaining unencumbered at the end of any day can be reckoned for SLR purposes by the bank concerned.
- (ii) Funds borrowed under repo including tri-party repo in government securities shall be exempted from CRR/SLR computation and the security acquired under repo shall be eligible for SLR provided the security is primarily eligible for SLR as per the provisions of the Act under which it is required to be maintained.
- (iii) Borrowings by a bank through repo in corporate bonds and debentures shall be reckoned as liabilities for Cash Reserve Ratio/ Statutory Liquidity Ratio requirement and, to the extent these liabilities are to the banking system, they shall be netted as per Section 42 (1) (d) of the RBI Act, 1934.
- (iv) All banks shall maintain investments in Government Securities only in Subsidiary General Ledger (SGL) Accounts with Reserve Bank or in CSGL Accounts of scheduled commercial banks, Primary Dealers (PDs), State Co-operative Banks, and Stock Holding Corporation of India Ltd.(SHCIL) or in the dematerialised accounts with depositories such as National Securities

Depositories Ltd (NSDL), Central Depository Services Ltd. (CDSL), and National Securities Clearing Corporation Ltd. (NSCCL).

- (v) Banks shall report the SDF balances held by banks with RBI under "Cash in hand" in Form I, as it is an eligible asset for SLR maintenance. The balances held by banks with RBI under the SDF shall not be eligible for Cash Reserve Ratio (CRR) maintenance. Further, scheduled banks are not required to report SDF balances held by banks with RBI, in Form B return.

(5) Note:

- (i) With a view to disseminating information on the SLR status of a Government security, it has been decided that:
- (a) 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,
- (b) 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" under the head 'Statistics'.
- (ii) The cash management bill shall be treated as Government of India Treasury Bill and thus be reckoned as SLR security.

Chapter IV - Procedure for computation of SLR

A. Computation of NDTL for SLR

28. The procedure for computation of NDTL for SLR shall be as below:
- (1) Total NDTL for the purpose of SLR under Section 24 (2A) of Banking Regulation Act, 1949, shall be computed on the similar procedure as followed for CRR.
 - (2) The liabilities mentioned under paragraph 20 of these Directions shall not form part of liabilities for the purpose of SLR also.
 - (3) Banks shall include their inter-bank assets of term deposits and term lending of all maturities in 'Assets with the Banking System' for computation of NDTL for SLR purpose.
 - (4) Additionally, liabilities mentioned at paragraphs 21 (3) and (4) are exempt from SLR requirement.

B. Classification and Valuation of SLR eligible securities

29. Classification and valuation of approved securities shall be in accordance with the extant instructions Reserve Bank of India (Urban Co-operative Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025, as applicable.

Chapter V - Reporting

A. Fortnightly CRR Return in Form B / Form I

30. Under Section 42(2) of the RBI Act, 1934, every Scheduled Primary Co-operative bank shall submit the above-mentioned Return in Form 'B' (**Annex – I**) at the close of business on each alternate Friday within seven days after the date to which it relates.

31. Where such reporting Friday is a public holiday under the Negotiable Instruments Act, 1881, for one or more offices of the bank, the Return shall give at the close of business of the preceding working day's figure in respect of such office or offices, but shall nevertheless be deemed to relate to that Friday.

32. The final Return in Form 'B' shall be submitted to Reserve Bank within 20 days from expiry of the relevant fortnight.

33. Where the last Friday of a month is not a reporting Friday for the purpose of the above Returns, the bank shall send to the Reserve Bank, a special Return in Form B, giving the same details as specified above as at the close of business on such last Friday or where such last Friday is a public holiday under Negotiable Instruments Act, 1881, as at the close of business on the preceding working day and such Return shall also be submitted within seven days after the date to which it relates.

34. Every co-operative bank, not being a scheduled co-operative bank, shall submit a Return in Form I (**Annex – II**) together with Appendix I, to the regional office concerned of the Reserve Bank, not later than 20 days after the end of the month to which it relates showing the position, inter alia, of cash reserves maintained by the bank under Section 18 of the B.R. Act, 1949 read with Section 56, ibid, as at the close of business on each alternate Friday during the month. Where such alternate Friday is a public holiday under Negotiable Instruments Act, 1881 for one or more offices of the bank, the Return shall give the preceding day's figure in respect of such office or offices, but shall nevertheless be deemed to relate to that Friday.

35. Non Scheduled Primary (Urban) Co-operative Banks shall furnish in Appendix I, as per proforma given, along with the Return in Form I showing the position of the

- (1) Cash Reserve to be maintained under Section 18 of the BR Act, 1949 (AACS)
- (2) Cash Reserve actually maintained, and

(3) Extent of deficit / surplus, if any, for each day of the month

36. Whenever there are wide variations between the sources and uses of funds as being reported in the fortnightly Return and the variations exceed 20 per cent, the banks concerned should give reasons therefor in the Return.

37. In terms of Regulation 5(i) (c) of the Scheduled Banks Regulations,1951 and Regulation 4(1) of the Banking Regulation (Co-operative Societies) Rules, 1966, the banks are required to furnish a list of the names, the officials designations and specimen signatures of the officers of the banks who are authorized to sign on behalf of the banks, Returns prescribed under Section 42(2) of the RBI Act, 1934, and Section 18 and 24 of the Banking Regulation Act, 1949. The bank has to submit to Reserve Bank fresh set of signatures whenever there is change in the incumbency.

B. Return in Form I (SLR)

38. All Co-operative Banks (scheduled and non-scheduled), are required to submit a Return in Form I (**Annex – II**) under Section 24 of the BR Act, 1949 (AACs) every month showing the position of liquid assets maintained under the said Section as at the close of business on each alternate Friday during the month not later than twenty days after the end of the month to which it relates.

[**Note:** In respect of Non-Scheduled UCBs, Return in Form I is common for reporting cash reserves and statutory liquid assets.]

39. All Primary Co-operative Banks (scheduled and non-scheduled) are required to furnish Appendix II, as per proforma given, together with the Return in Form I showing the position of -

- (1) statutory liquid assets required to be maintained under Section 24 of the BR Act,1949 (AACs).
- (2) liquid assets actually maintained, and
- (3) the extent of deficit/surplus for each day of the month.

40. All Primary Co-operative Banks (scheduled and non-scheduled) should furnish the information w.r.t. valuation of securities for SLR, format for which is given in Appendix III to Form I. The monthly Return should contain information of the fortnights following in the respective months.

C. Correctness of computation of NDTL to be certified by Statutory Auditors

41. The Statutory Auditors shall verify and certify that all items of outside liabilities, as per the bank's books had been duly compiled by the bank and correctly reflected under NDTL in the fortnightly/monthly statutory returns submitted to Reserve Bank for the financial year.

D. Register for daily position of liquidity

42. All co-operative banks shall maintain a register, as per format given in **Annex – III** showing the daily position of cash reserve and liquid assets maintained under Sections 18 and 24 of the Banking regulation Act, 1949 read with Section 56 thereof which shall be put up daily to Chief Executive Officer, who is responsible for ensuring compliance with the statutory liquidity requirements at the close of business every day.

Chapter VI - Penalties

A. Penalties for default in CRR Maintenance

43. Every bank is liable to pay to the Reserve Bank, penal interest as mentioned below, if the daily balance of cash reserve (CRR) held by the bank during any fortnight is below the minimum prescribed by or under these Directions.

(1) Penal interest shall be recovered from all Scheduled Primary (Urban) Co-operative Banks in the event of shortfall in maintenance of prescribed CRR on a daily basis for that day at the rate of three percent per annum above the Bank Rate on the amount by which the amount actually maintained falls short of the prescribed minimum on that day and if the shortfall continues on the next succeeding day/s, penal interest shall be recovered at the rate of five percent per annum above the Bank Rate.

(2) In cases of shortfall in maintenance of CRR on average basis during a fortnight, penal interest will be recovered as envisaged in sub-section (3) of Section 42 of Reserve Bank of India Act, 1934.

(3) In the case of a co-operative bank, not being a scheduled co-operative bank, the bank shall be liable to pay to the Reserve Bank, penal interest as envisaged in sub-section (1-A) of Section 18 read with Section 56 of the B.R. Act, 1949, if the daily balance of CRR maintained by the bank falls below the prescribed minimum CRR.

44. Banks are required to furnish the particulars such as date, amount, percentage, reason for default in maintenance of requisite CRR and also action taken to avoid recurrence of such default.

45. Under the provisions of Section 42(3A) of the RBI Act, 1934, penal interest at the increased rate of five per cent above the Bank Rate become payable and if the default still continues during the next succeeding fortnight:

(1) Every Director, Manager or Secretary of the scheduled bank who is knowingly and willfully a party to the default, shall be punishable with fine which may extend to ₹500 and with a further fine which may extend to ₹500 for each subsequent fortnight during which default continues.

(2) The Reserve Bank may prohibit a scheduled bank from receiving any fresh deposit after the said fortnight, and if default is made by the bank in complying with the prohibition referred to in this clause, every director and officer of the bank who is

knowingly and willfully a party to such default or who through negligence or otherwise contributes to such default shall in respect of each such default be punishable with fine which may extend to ₹500 and with a further fine which may extend to ₹500 for each day after the first, on which a deposit received in contravention of such prohibition is retained by the scheduled bank.

46. Failure to submit the Return/late submission of the Return shall attract the provisions of Section 42(4) of RBI Act, 1934 and banks are liable for imposition of penalties as indicated therein.

In case of non-scheduled co-operative banks, failure to submit the prescribed statutory returns in time under Section 18 and 24 of the Banking Regulation Act, 1949 read with Section 56 thereof, attracts the provisions of Section 46(4) of the Banking Regulation Act, 1949 (AACS), and the banks are liable to imposition of penalties as indicated therein.

B. Penalties for default in SLR Maintenance

47. On the failure of the bank to maintain as on any day, the amount of SLR required to be maintained by a bank, the bank shall be liable to pay to the Reserve Bank in respect of that default, the penal interest as envisaged under Section 24 read with Section 56 of the BR Act, 1949.

48. Failure to submit the prescribed return in time will attract the provisions of Section 46(4) of the Act ibid.

49. Where it is observed that banks are persistently defaulting despite instructions and repeated advice, the Reserve Bank in addition to levy of penalty on such defaulting banks, may be constrained to consider cancelling the licence in case of licensed banks and refuse licence in case of unlicensed banks under Section 22 of the Act, ibid. The banks should, therefore, in their own interest ensure maintenance of statutory liquidity ratio at prescribed rates and be very prompt in submission of required Return to Regional Office concerned of Reserve Bank.

Disclaimer: It is hereby advised that mere inclusion of any item in the above Master Direction should not be construed as a permission to undertake all such activities by a banking entity.

Chapter VII- Repeal and Other Provisions

A. Repeal and saving

50. With the issue of these Directions, the existing Directions, instructions, and guidelines relating to Cash Reserve Ratio and Statutory Liquidity Ratio as applicable to Urban Co-operative Banks stand repealed, as communicated vide notification dated XX, 2025. The Directions, instructions and guidelines repealed prior to the issuance of these Directions shall continue to remain repealed.

51. Notwithstanding such repeal, any action taken or purported to have been taken, or initiated under the repealed Directions, instructions, or guidelines shall continue to be governed by the provisions thereof. All approvals or acknowledgments granted under these repealed lists shall be deemed as governed by these Directions.

B. Application of other laws not barred

52. The provisions of these Directions shall be in addition to, and not in derogation of the provisions of any other laws, rules, regulations, or directions, for the time being in force

C. Interpretations

53. For the purpose of giving effect to the provisions of these Directions or in order to remove any difficulties in the application or interpretation of the provisions of these Directions, the RBI may, if it considers necessary, issue necessary clarifications in respect of any matter covered herein and the interpretation of any provision of these Directions given by the RBI shall be final and binding.

FORM 'B'

[To be submitted by a Scheduled co-operative bank]

**Statement of Position as at the Close of Business on Friday @ the _____
(Rupees rounded off to the nearest Thousand)**

Name of the Bank :

I. Liabilities to the Banking System in India*

- (a) Demand and time deposits from banks*
 - (i) Demand
 - (ii) Time
- (b) Borrowings from banks *
- (c) Other demand and time liabilities @@

Total of I

II. Liabilities to Others in India

- (a) Aggregate deposits (other than from banks* and also other than any deposit of money representing the reserve fund or any part thereof maintained by any co-operative society within the State Co-operative bank's area of operation)
 - (i) Demand
 - (ii) Time
- (b) Borrowings (other than Reserve Bank of India, Industrial Development Bank of India, National Bank for Agriculture and Rural Development, Export-Import Bank of India, the State Government and the National Co-operative Development Corporation, State Co-operative Bank of the State concerned or the District Central Co-operative Bank of the District concerned)
- (c) Other demand and time liabilities

Total of II

Total of I + II

III. Assets with the Banking System in India*

- (a) Balance with banks*
 - (i) in current account
 - (ii) in other accounts
- (b) Money at call and short notice
- (c) Advances to banks* i.e. due from banks*
- (d) Other assets

Total of III

IV. Cash in India (i.e. cash in hand)

V. Investments in India (at book value)

- (a) Central and State Government securities including treasury bills, treasury deposit receipts, treasury savings deposit certificates and postal obligations
- (b) Other approved securities

Total of V

VI. Bank Credit in India (excluding inter-bank advances)

- (a) Loans, cash credits and overdrafts
- (b) Inland bills purchased and discounted
 - (i) Bills purchased
 - (ii) Bills discounted
- (c) Foreign bills purchased and discounted
 - (i) Bills purchased

(ii) Bills discounted

Total of VI

Total of III + IV + V + VI

A.	Net Liabilities for the purpose of Section 42 of Reserve Bank of India Act, 1934 = Net Liability to the Banking System + Liability to Others in India	(I - III) + II, if (I - III) is a plus figure or II only, if (I - III) is a minus figure
B.	Amount of minimum deposit required to be kept with the Reserve Bank of India under the Act (rounded off to the nearest rupee)	= `
C.	Savings Bank Account (vide Regulation 7)	
	Demand liabilities in India	
	Time liabilities in India	

Sd/-

Signature of Officers

1. (Designation) _____

2. (Designation) _____

Station : _____

Date : _____

1. **Borrowings in India from the Reserve Bank of India under the Reserve Bank of India Act, 1934**

Section :

- (i) 17(2)(a)
- (ii) 17(2)(b) or (4)(c)
- (iii) 17(2)(bb) or (4)(c)
- (iv) 17(4)(c)
- (v) 17(4)(a)

Total of item (1)

2. Borrowings from

- (i) National Bank under the National Bank for Agriculture and Rural Development Act, 1981 under Section :
 - (a) 21
 - (b) 22
 - (c) 23
 - (d) 24
 - (e) 25
- (ii) State Bank of India
- (iii) Other banks
- (iv) Industrial Development Bank of India
- (v) State Government
- (vi) National Co-operative Development Corporation
- (vii) Export-Import Bank of India
- (viii) State Co-operative Bank of the State concerned
- (ix) District Central Co-operative Bank of the District concerned

Total of item (2)

3. Balance with the Reserve Bank of India

Footnotes

- # Scheduled primary (urban) co-operative banks are also required to submit the statement in the same format.
- @ Where Friday is a public holiday under the Negotiable Instruments Act, 1881 (26 of 1881) for one or more offices of a scheduled State Co-operative bank, the Return shall give the preceding working day's figures in respect of such office or offices, but shall nevertheless be deemed to relate to that Friday.
- * The expression "Banking System" or "Banks" wherever it appears in the return means the banks and any other financial institutions referred to in regulations (i) to (v) of clause (e) of the Explanation below Section 42(1) of the Reserve Bank of India Act, 1934.
- @@ If it is not possible to provide the figure against I (c) separately from II(c), the same may be included in the figure against II (c). In such a case, the net liability to the banking system will be worked out as the excess, if any, of the aggregate of I(a) and I(b) over the aggregate of III

Annex – II

FORM I

Cash Reserve Ratio (CRR) & Statutory Liquidity Ratio (SLR)

The Banking Regulation Act, 1949 Form - I

(See Rule 5)

[Sections 18(1) and 24(3)] [Vide paragraph]

CRR for Non-Scheduled Co-operative Banks

SLR –All Primary Co-operative Banks(Scheduled and Non-Scheduled)

Name of the Co-operative Bank :

Name(s) and Designation(s) of

the Officer(s) submitted the Return :

Statement of Demand and Time liabilities in India and Amount maintained in India in Cash, Gold and unencumbered Securities for the Month of _____

The amounts of various items in this return should be worked out after taking into account, where necessary, the adjustments indicated in the footnotes at the end of the return.

<i>(Rounded off to the nearest Thousand Rupees)</i>				
		As at the close of Business on		
		First Alternate Friday (Date)	Second Alternate Friday (Date)	Third Alternate Friday (Date)
1	2	3	4	
Part – A				
I.	Liabilities in India(£) to the banking system\$			
(a)	Demand liabilities			
(i)	Total of credit balances in current accounts maintained with the Co-operative Bank by the State Bank of India and corresponding new banks			

	(ii) Total of other demand liabilities to the banking system			
(b)	Time liabilities to the banking system\$			
Total of I				

II.	Liabilities in India to others X			
	(a) Demand liabilities			
	(b) Time liabilities			
	Total of II			
III.	Assets in India with the banking system			
	(a) Total of credit balances (%) in current accounts maintained with State Bank of India and corresponding new banks.			
	(b) Total of other assets with the banking system, viz., (i) balances in all accounts other than those included in item III (a), (ii) money at call and short notice, (iii) advances, and (iv) any other assets.			
IV.	Total (net) demand and time liabilities for the purposes of Sections 18 and 24 of the Act = (I-III) + II, if (I-III) is a plus figure, OR II only, if (I-III) is a minus figure			
V.	Cash in hand (&)			
VI.	Balances in current accounts with			
	(a) Reserve Bank of India++			
	(b) State Co-operative Bank of the State concerned (+)			
	(c) District Central Co-operative Bank of the district concerned (%)			
	Total of VI			
VII	Balances with all other types with			
	(a) State Co-operative Bank of the State			
	(b) District Central Co-operative Bank			
	Total of VII			

VIII	Net balance in current accounts, i.e., excess of III(a) over I(a)(i)			
Part - B				Information need not be furnished
Compliance with Section 18				

	(Not applicable to scheduled State Co-operative Banks)			
IX.	4 per cent of IV as on the last Friday of the second preceding fortnight	}	}	}
X.	Cash reserve actually maintained = V + VI + VIII	}		
Part - C : Compliance with Section 24 :				}
(Not applicable to scheduled State Co-operative Banks)				}
XI.	- ----- per cent (or a higher specified percentage) of IV as on the last Friday of the second preceding fortnight	}	}	}
XII.	Assets actually maintained			
(a)	Cash and other balances maintained in India X-IX + VII	}	}	}
(b)	Gold ££			
(c)	Unencumbered approved securities \$\$			
Total of XII				
Part -D : Compliance with Section 24 :				
(Applicable to Scheduled / State Co-operative Banks)				
XIII	- ----- per cent (or a higher specified percentage) of IV as on the last Friday of the second preceding fortnight			
XIV	Assets actually maintained			
(a)	Cash in hand			
(b)	Balance maintained with the Reserve Bank of India in excess of the balance required to be maintained under Section 42 of the Reserve Bank of India Act, 1934 [i.e., VI(a)]			
(c)	Net balance in current accounts (i.e., VIII)			

(d)	Gold ££			
(e)	Unencumbered approved securities \$\$			
(f)	Balances of all other types with :			

		(i)	State Co-op. Bank of the State concerned (+)			
		(ii)	District Central Co-op. Bank of the district concerned (X)			

Total of XIV

Sd/-

Signature

Date:

Footnotes

1. Return in this Form is to be submitted to the Reserve Bank of India under Section 24 of the Banking Regulation Act, 1949 (As application to co-operative societies) by scheduled State Co-operative Banks and Sections 18 and 24 of the Act ibid. by the other "Co-operative Banks" not later than 15 days after the end of the months to which it relates.
2. If an alternate Friday is a holiday under the Negotiable Instruments Act, 1881 (26 of 1881), the figures as at the close of business on the preceding working day should be furnished.
- £. For the purposes of this return, "Liabilities in India" shall not include.
 - (i) The paid-up capital or the reserves or any credit balance in the profit and loss account of the Co-operative Bank -
 - (ii) In the case of a State Co-operative Bank or a District Central Co-operative Bank, any deposit of money with it, representing the reserve fund or any part thereof maintained with it, by any other Co-operative Society within its area of operation;
 - (iii) in the case of a District Central Co-operative Bank, any advance taken from the State co-operative bank of the State concerned;
 - (iv) Any advance taken by a primary Co-operative Bank from the State Cooperative Bank of the State concerned or the District Central Co-operative Bank of the district concerned;
 - (v) Amount of, any advance or other credit arrangement drawn and availed of by a Co-operative Bank against approved securities;

(vi) In the case of any Co-operative Bank which has granted an advance against any balance maintained with it, such balance to the extent of the amount outstanding in respect of such advance.

\$ For the purpose of this return, the expression "Banking system" shall comprise the following banks and financial institutions, viz.

(i) State Bank of India

(ii) Corresponding new banks or

IDBI Bank Ltd.

(iii) Regional Rural Banks

(iv) Banking companies;

(v) Other financial institutions, if any, notified by the Central Government in this behalf under clause (d) of the Explanation to sub-section (1) of Section 18 of the Banking Regulation Act, 1949 (As applicable to co-operative societies).

X. For the purpose of this return, "liabilities in India to others" shall not include borrowings from a State Government, the Reserve Bank, Industrial Development Bank of India, Export-Import Bank of India, National Bank for Agriculture and Rural Development, or from the National Co-operative Development Corporation established under Section 3 of the National Co-operative Development Act, 1962.

% (i) Any balance held by Co-operative Bank with another bank shall not, to the extent such balance represents the investment of Agricultural Credit Stabilisation Fund of such Co-operative Bank, be deemed to be cash maintained in India.

(ii) In case the co-operative bank has taken an advance against any balance maintained with the State Co-operative bank of the State concerned or with the District Central Co-operative Bank of the district concerned, such balance to the extent to which it has been drawn against or availed of shall not be deemed to be such cash maintained in India.

& (i) For the purpose of this return, any cash with a Co-operative Bank shall not, to the extent such cash represents the balance in Agricultural Credit Stabilisation Fund of such Co-operative Bank, be deemed to be cash maintained in India.

(ii) Cash must not include balance with other banks or any item other than bank / currency notes, rupee coin (including one rupee notes) and subsidiary coins current on the date of this return.

++ Scheduled State Co-operative Banks should show here only the amount in excess of the balance required to be maintained with the Reserve Bank of India under Section 42 of the Reserve Bank of India Act, 1934.

+ Applicable to State industrial Co-operative Banks, District Central Co-operative Bank, District Industrial Co-operative Banks and Primary Co-operative Banks only.

X Applicable to primary Co-operative Banks only.

\$\$ (i) Valued on the basis of the method of valuation determined by the Reserve Bank.

(ii) Approved securities, or a portion thereof, representing investment of monies of Agricultural Credit Stabilisation Fund of a Co-operative Bank, shall not be deemed to be unencumbered approved securities.

££ Valued at a price not exceeding the current market price.

APPENDIX - I TO FORM I

Cash Reserve Ratio (CRR) & Statutory Liquidity Ratio (SLR)

**Monthly statement showing the daily position of maintenance of Cash Reserve under
Section 18 of the Banking Regulation Act, 1949**

(As applicable to Co-operative Societies) during the Month of ___

(Applicable to Non-Scheduled Primary (Urban) Co-operative Banks)

Name of the Bank :

(Rupees rounded off to the nearest Thousand)						
	Date	Amount of Cash Reserve		Deficit	Surplus	Remarks
		Required to be maintained	Actually maintained			
1	2	3	4	5	6	7
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						

20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						

Signature of CEO :

Name :

Designation :

NB : Where there is a public holiday under Negotiable Instruments Act, 1881 (26 of 1881), figures in respect of such day should relate to the preceding working day.

APPENDIX - II TO FORM I

Cash Reserve Ratio (CRR) & Statutory Liquidity Ratio (SLR)

**Monthly statement showing the daily position of maintenance
of liquid assets under Section 24 of the Banking Regulation Act, 1949 (As applicable to
Co-operative Societies) during the month of**

[Applicable to all Primary (Urban) Co-operative Banks (Scheduled and Non- Scheduled)]

[Vide paragraph ...]

Name of the Bank :

(Rupees rounded off to the nearest Thousand)						
	Date	Amount of Liquid Assets		Deficit	Surplus	Remarks
		Required to be maintained	Actually maintained			
1	2	3	4	5	6	7
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						

17						
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20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						

Signature of CEO :

Name :

Designation :

NB : Where there is a public holiday under Negotiable Instruments Act, 1881 (26 of 1881), figures in respect of such day should relate to the preceding working day.

APPENDIX - III TO FORM I

Cash Reserve Ratio (CRR) & Statutory Liquidity Ratio (SLR)

Statement of Valuation of SLR Securities

(Fortnight ended Friday _____) [Vide paragraph...]

Name of the Bank :

(Rs. in Lakhs up to two Decimals)				
Particulars	Face Value	Book Value	Depreciation Held	Net Value for SLR Purpose (2-3)
Part I	1.	2.	3.	4.
Government Securities				
Opening Balance				
Addition during the fortnight (+)				
Deduction during the fortnight (-)				
Closing Balance (a)				
Part II				
Other Approved Securities				
Opening Balance				
Addition during the fortnight (+)				
Deduction during the fortnight (-)				
Closing balance (b)				
Total (a+b)				

**Register showing the daily position of cash reserve and liquid assets maintained under
Sections 18 and 24 respectively of the Banking Regulation Act, 1949**

Cash Reserve Ratio (CRR) & Statutory Liquidity Ratio (SLR)
(As applicable to Co-operative Societies) (For Primary Co-
operative Banks)

[Vide paragraph ...]

			(Rounded off to the nearest Thousand)																																																										
			Month and Year																																																										
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31																												
Part - A																																																													
I.	Liabilities in India £\$ to the banking system																																																												
	(a) Demand liabilities																																																												
	(i) Total of credit balances in current accounts maintained with the Co-operative Bank by the State Bank of India and corresponding new banks																																																												
	(ii) Total of other demand liabilities to the banking system																																																												
	(b) Time liabilities to the banking system																																																												
	Total of I																																																												
II.	Liabilities in India £, X to others																																																												

	(c) District Central Co-operative Bank of the district concerned *%																		
	Total of VI																		
VII.	Balances of all other types with																		
	(a) State Co-operative Bank of the State concerned *+%																		
	(b) District Central Co-operative Bank of the district concerned *+%																		
	Total of VII																		
VIII.	Net balance in current accounts, i.e., excess of III(a) over I(a)(i)																		
Part-B																			
Compliance with Section 18 (Not applicable to Scheduled State Co-operative Banks)																			
IX.	3 per cent of IV as on the last Friday of the second preceding fortnight																		
X.	Cash reserve actually maintained = V + VI + VIII																		
Part-C																			
Compliance with Section 24: (Not applicable to scheduled State Co-operative Banks)																			

Part-D

(c)	Net balance in current accounts (i.e., VIII)																			
(d)	Gold ££																			
(e)	Unencumbered approved securities \$\$																			
	Total of XIV																			