

RPCD.STAT.No.BC.34/11.02.01/98-99

November 10, 1998

All Scheduled State Co-operative Banks  
All Regional Rural Banks

Dear Sir,

**Section 42 (2) of Reserve Bank of India Act, 1934 - Return in Form 'A' for RRBs and Form 'B' for Scheduled State Co-operative Banks**

Please refer to the Return in Form 'A' and Form 'B' submitted by the Regional Rural Banks and Scheduled State Co-operative Banks respectively to RBI in terms of Section 42(2) of the Reserve Bank of India Act, 1934.

2. With gradual de-regulation of the financial sector and the consequential impact on Balance Sheets of banks, a need has arisen to modify the data reporting system of the Regional Rural Banks and Scheduled State Co-operative Banks as the section 42 (2) Returns in the present form do not capture :

i) the total resources flow to the Regional Rural Banks and Scheduled State Co-operative Banks and

ii) the net foreign currency exposure of the banking system.

3. The 'Working Group on Money Supply, Analytics and Methodology of Compilation' set up by Governor, Reserve Bank of India under the Chairmanship of Dr. Y. V. Reddy, Deputy Governor has recommended to suitably expand the Section 42 (2) returns without altering the Principal Form 'A' and 'B' but by adding

i) A Memorandum to Form 'A' and 'B' - incorporating data on paid up capital, reserves, certificate of deposits and maturity structure of time deposits and two Annexures, viz.

ii) Annexure I - incorporating data on break up of external liabilities in terms of various schemes e.g. FCNR (B) etc. foreign currency assets and bank credit in India in foreign currency and domestic liabilities subject to differential/zero reserves prescriptions and

iii) Annexure II - incorporating detailed data on bank's investments in three categories of securities viz. Government Securities, other approved securities and other market instruments.

4. Accordingly, it has been decided that from the Reporting Friday October 09, 1998 all the Regional Rural Banks and Scheduled State Co-operative Banks in India should submit Form 'A' and 'B' Returns respectively along with Memorandum, Annexure I and II in the prescribed format, as enclosed,

5. We shall be glad if you will please take necessary action urgently in the matter.

6. Please acknowledge receipt.

Yours faithfully,

Sd/-

**(R. M. JOSHI)**  
General Manager

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**Memorandum to Form A/B**

1. Paid-up Capital

- 1.1 Reserves
2. Time Deposits
  - 2.1 Short-term
  - 2.2 Long-term
3. Certificates of Deposits
4. Net Demand and Time Liabilities (after deduction of liabilities under zero reserve prescription, Annexure I)
5. Amount of Deposits required to be maintained as per current rate of CRR.
6. Any other liability on which CRR is required to be maintained as per current RBI instructions under section 42 and 42 (1A) of the Reserve Bank of India Act, 1934.
7. Total CRR required to be maintained under section 42 and 42(1A) of the Reserve Bank of India Act, 1934.

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Annexure - I

(Amount in Rupees rounded off to the nearest thousand)

Name of the Bank:

Items	Outstanding at book value	Revaluation value	Interest
<b>Liabilities</b>			
<b>Liabilities to others in India</b>			
<b>I. Non-Resident Deposits (I.1+I.2+I.3+I.4)</b>			
I.1 Non-Resident External Rupee Account (NRE)			
I.2 Non-Resident Non Repatriable Rupees Account (NRNR)			
I.3 Foreign Currency Non-Resident Banks Scheme [FCNR(B)] (1.3.1+1.3.2)			
I.3.1 Short-term *			
I.3.2 Long-term **			
I.4 Others (to be specified)			
<b>II. Other Deposits/Schemes</b>			
<b>(II.1+II.2+II.3+II.4+II.5+II.6)</b>			
II.1 Exchange Earner's Foreign Currency			
II.2 Resident Foreign Currency Accounts			
II.3 ESCROW Accounts by Indian Exporters			

II.4 Foreign Credit Line for Pre-shipment Credit account and Overseas Rediscounting of Bills			
II.5 Credit Balances ACU (US dollar) Account			
II.6 Others (to be specified)			
<b>III. Foreign Currency Liabilities to the Banking System In India (III.1+III.2)</b>			
III.1 Inter-bank Foreign Currency Deposits			
III.2 Inter-bank Foreign Currency Borrowings			
<b>IV. Overseas Borrowing ***</b>			
<b>Assets</b>			
<b>I. Assets with the banking system in India</b>			
I.1 Foreign Currency lending			
I.2 Others			
<b>II. Assets with others in India</b>			
II.1 Bank Credit in India in Foreign Currency ****			
II.2 Others			
<b>III. Overseas foreign currency assets *****</b>			

\* Of contractual maturity of one year or less.

\*\* Of contractual maturity of more than one year.

\*\*\* Pertains to the portion not swapped into Rupees.

\*\*\*\* Loans out of FCNR (B) deposits.

\*\*\*\*\* Include balances held abroad (i.e.cash component of Nostro account, debit balances in ACU (US dollar account and credit balance in the commercial banks of ACU countries) ii) short term foreign deposits and investments in eligible securities, iii) foreign money market instruments including treasury Bills, and iv) foreign shares and bonds.

	Amount in Rupees rounded off to the nearest thousand
<b>V. External Liabilities to Others subject to differential/zero CRR prescription (I+II)</b>	
<b>VI. External Liabilities fully subject to CRR prescription (IV)</b>	
<b>VII. Net Inter-Bank Liabilities (I-III of Form 'A'/'B')</b>	
<b>VIII. Any other liabilities coming within the purview of zero prescription</b>	
<b>IX. Liabilities subject to zero CRR prescription (V+VII+VIII)</b>	
Memo items	
1 FCNR (B)	
Balance as on the Reporting Fortnight Balance as on 11.04.1997 Increase over 11.04.1997	

Signature of Authorised officials

1. \_\_\_\_\_

(Designation)

2. \_\_\_\_\_

(Designation)

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Annexure - II

(Amount in Rupees rounded off to the nearest thousand)

Name of the Bank:

Items	Outstanding at book value	Revaluation value
<b>I. Investments in Approved Securities (I.1+2)</b>		
<b>I.1 Investments in Government Securities (I.1.1+I.1.2)=Item V (a) of Form A/Form B)</b>		
I.1.1. Short Term*		
I.1.2 Long Term **		
<b>I.2 Investments in Other Approved Securities (= Item V (b) of Form A/Form B)</b>		
<b>II. Investments In Non-Approved Securities (II.1+II.2+II.3+II.4)</b>		
<b>Investments in</b>		
II.1 Commercial Paper		
II.2 Units of Unit Trust of India and other Mutual Funds		
II.3 Shares issued by		
II.3.1 Public Sector Undertakings		
II.3.2 Private Corporate Sector		
II.3.3 Public Financial Institutions		
II.4 Bonds/debentures issued by		
II.4.1 Public Sector Undertakings		
II.4.2 Private Corporate Sector		
II.4.3 Public Financial Institutions		
Memo Items		
1. Subscriptions to shares/debentures/bonds in the Primary market.		
2. Subscriptions through Private Placements		

Signature of Authorised officials

1. \_\_\_\_\_

(Designation)

2. \_\_\_\_\_

(Designation)

\* Of contractual maturity of one year or less.

\*\* Of contractual maturity of more than one year.